

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD
OF THE
One Hundred And Fourteenth Legislature
OF THE
State Of Maine

VOLUME V

SECOND REGULAR SESSION
March 20, 1990 to April 14, 1990
Index

HOUSE & SENATE LEGISLATIVE SENTIMENTS
December 7, 1988 to April 14, 1990

ONE HUNDRED AND FOURTEENTH MAINE LEGISLATURE
SECOND REGULAR SESSION
37th Legislative Day
Thursday, March 22, 1990

The House met according to adjournment and was called to order by the Speaker.

Prayer by Representative Joseph Mayo of Thomaston.
 The Journal of Tuesday, March 20, 1990, was read and approved.
 Quorum call was held.

PAPERS FROM THE SENATE

The following Joint Order: (S.P. 974)

Ordered, the House concurring, that the Joint Standing Committee on Education report out a bill, "Resolve, to Encourage the Study of the Nation's Founding and Related Documents by Maine Students."

Came from the Senate, read and passed.
 Was read and passed in concurrence.

Bill "An Act to Define Severance Pay Liability in Business Combinations" (EMERGENCY) (S.P. 946) (L.D. 2396)

Came from the Senate, referred to the Committee on Business Legislation and Ordered Printed.

(The Committee on Reference of Bills had suggested reference to the Committee on Labor.)

Was referred to the Committee on Business Legislation in concurrence.

Bill "An Act Concerning the Dismissal of Employees of a Corporation That Has Been the Subject of a Takeover" (S.P. 945) (L.D. 2395)

Came from the Senate, referred to the Committee on Labor and Ordered Printed.

Was referred to the Committee on Labor in concurrence.

Divided Report

Majority Report of the Committee on Taxation reporting "Ought to Pass" on Bill "An Act to Repeal the Homestead Exemption" (EMERGENCY) (S.P. 829) (L.D. 2137)

Signed:
 Senator: ANDREWS of Cumberland
 Representatives: CASHMAN of Old Town
 SWAZEY of Bucksport
 NADEAU of Saco
 DUFFY of Bangor
 DORE of Auburn
 TARDY of Palmyra
 DiPIETRO of South Portland

Minority Report of the same Committee reporting "Ought Not to Pass" on same Bill.

Signed:
 Senators: BALDACCI of Penobscot
 EMERSON of Penobscot
 Representatives: SEAVEY of Kennebunkport
 WHITCOMB of Waldo
 JACKSON of Harrison

Came from the Senate with the Majority "Ought to Pass" Report read and accepted and the Bill passed to be engrossed as amended by Senate Amendment "A" (S-590).

Reports were read.

The SPEAKER: The Chair recognizes the Representative from Old Town, Representative Cashman.

Representative CASHMAN: Mr. Speaker, Men and Women of the House: I move that the House accept the Majority "Ought to Pass" Report.

What this bill does is repeal the Homestead Exemption that was enacted in the first session of this legislature just last year. There are a number of reasons why this bill should pass and why this provision should be repealed and I would like to touch on just three of those reasons.

First of all, in passing this bill, we are requiring a great deal of work on the part of local municipal officials. As a matter of fact, we are requiring so much work of them to administer this program that the fear is that the benefit to the taxpayers from this program will be outweighed by an increase in taxes to administer it.

Let me read from a few letters that I have received. "It will cost the town more to administer this program than our citizens will receive in benefits." "The tax increase the program causes will exceed the level of benefits." "The Homestead Exemption is an administrative nightmare with the small amount which taxpayers would be exempt hardly make the effort worthwhile."

I could read from a number of letters, I have received quite a few from all over the state, from Shapleigh, Boothbay Harbor, the Town of Benton, South Berwick, the Town of Pittston, the Town of Georgetown, and so on and so on. These letters are from assessors, selectmen and town managers who are fearful that by passing this program we have lumped still further work upon them that they don't have the capacity to handle without increasing taxes.

What the bill did that we passed last year was it provides for a 5 percent exemption for the home for the first \$50,000 of value. That is the second reason we should pass this bill and repeal it because what it amounts to is a \$2,500 exemption on value and what that equates to to the average taxpayer in the State of Maine is something between \$30 and \$35. One can only imagine the joy that will fill the heart of taxpayers when they receive that windfall. In fact, I even thought a couple of weeks ago when the Governor made his magnanimous gesture of giving up a week's pay that we should take that \$1,300 and throw it into the pool and perhaps even boost that \$30 higher and increase that joy. The benefit that this program will afford the taxpayers is simply not worth the cost to the local communities to administer it.

The third reason that this bill should pass and the act should be repealed is that the Homestead Exemption takes a scatter gun approach to property tax relief. Unlike the circuit breaker program which directs the limited resources to the people who need it the most -- what the Homestead Exemption does is it gives the same \$30 to the \$300,000 a year attorney or doctor or CPA that is received by the \$8,000 Social Security couple that are trying very hard to make ends meet. The same benefit to both of those taxpayers. It is simply throwing money at a problem, it does not solve the problem, it doesn't direct the resources where they should be directed, it simply takes a scatter gun approach and it doesn't work.

The only reason that this provision was passed into law last year is that, as we put together a property tax relief package downstairs, the very petulant Governor told us that, if the package didn't include at least one Republican idea, that he would veto the entire property tax relief package, no matter how harebrained that idea might be, there had to be one Republican idea in that package. Well, men and women of the House, this is the Republican idea. What it does is give \$30 (roughly) to homeowners across the state and it costs the towns more than that to process the application. It is an idea whose time has not come, it should not have passed and it should be repealed.

I urge the House to join with me and vote with the Majority Report to repeal the Homestead Exemption.

The SPEAKER: The Chair recognizes the Representative from Kennebunkport, Representative Seavey.

Representative SEAVEY: Mr. Speaker, Men and Women of the House: This bill, I think, emphasizes one of the important differences between Republicans and Democrats on their attitudes towards property tax relief. I think that difference is this, that Republicans are committed to property tax relief and the Democrats aren't.

By this bill, the Democrats are dismantling the property tax package that we put together last year. We did work long and hard, put together what I thought was an excellent property tax relief package that included at least a half a dozen different proposals. The Homestead Exemption is an excellent supplement to the circuit breaker law. It provides direct taxpayer relief to all Maine families.

By repealing this provision and putting this money into revenue sharing, I think the Democrats are caving in to special interests. Those special interests in a sense are local governments which is the people that spend property tax relief. Local governments do not pay property tax, they spend it.

It is ironic that last year, when we had so many property tax proposals before us there was, I swear, at least eight or ten different Democrats sitting in this chamber right now that sponsored a Homestead Exemption. I remember on one of them during our testimony in one of the public hearings, the Speaker came down and made what I thought was an excellent point. He said that property tax relief should in fact not go into revenue sharing because, as Representative Cashman has pointed out, under Homestead perhaps a \$300,000 attorney would get a \$30 tax break, but under the revenue sharing program, that attorney could be living out-of-state and own summer property and still get the same break. The Homestead in fact distinguishes between those people that are Maine residents and those that are not. Revenue sharing of course doesn't, it just goes into the pot and is not really property tax relief in a sense but is an effort to spend more money.

I hope you vote against the pending motion. It is unfortunate, of course, that we have a budget situation where this Homestead can't go into effect immediately but I think delaying this a year is certainly a far better method than repealing it outright.

As far as the three reasons that Representative Cashman noted to repeal this provision, I don't think they are very strong reasons at all. First of all, from all the letters he read, he said, they all came from (again) selectmen, assessors, town managers, perhaps he has some, but he surely didn't read any that came from regular family members that pay the property tax, only those town officials that would benefit by putting it into revenue sharing.

The cost to the town is not as burdensome as the town officials would have you believe. In fact, we have already heard a bill this session in the Taxation Committee about tightening up and correcting some of the administration problems that the local towns thought they would have. It would be similar to a veteran's exemption in a sense.

More importantly, I think the \$30 to \$35 that is about what you would get under Homestead initially because the money that we have into the program is so small at this time is in fact \$30 to \$35 and it goes right straight off the property tax and that is a better way of property tax relief than dumping it into revenue sharing. First of all, revenue sharing

isn't equitable because of its reliance on state evaluation. It goes into the pot and in one sense it really doesn't provide direct property tax relief. Revenue sharing benefits all of the out-of-staters that pay property tax as well.

I would urge you to vote against the pending motion.

The SPEAKER: The Chair recognizes the Representative from Shapleigh, Representative Ridley.

Representative RIDLEY: Mr. Speaker, Ladies and Gentlemen of the House: As most of you know, I was a selectman for quite a number of years. After looking at this bill and the requirements that they are going to have to live up to, it certainly is going to be a burdensome problem to them.

There is another point I would like to make that hasn't been brought out. You are speaking of this \$30 to \$35 refund, so to speak, on your taxes, this is based on 100 percent valuation and there are many, many towns in this great state of ours that are only taxing anywhere from 60 to 70 percent, so that is going to cut it down even less and make it more costly -- not costly but at least trying to get something back out of it after they go through all the expense of mailing all these things back and forth. Postage has gone up, everything has gone up. I really don't think that it is a good thing to do. I hope you go along with the Majority Report.

The SPEAKER: The Chair recognizes the Representative from Scarborough, Representative Higgins.

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I, too, hope that you would oppose the motion in front of you this morning for a number of reasons.

First of all, I can appreciate the attempts to turn this into somewhat of a partisan affair but I think that perhaps the idea of describing this Homestead Exemption as a harebrained idea might be somewhat offensive to some of the other people in this House who serve here now and have served here before who have sponsored such legislation. Many of them whose names would be familiar to you -- in 1987, we had Representative Soucy, Mills and Mayo on one particular piece of legislation. Senator Andrews, Representative Mayo and Representative Carter were on another piece of legislation and I wonder if they would appreciate the idea that this would be a harebrained scheme. I don't think it is.

I happen to be a very big proponent of the Homestead Exemption, which is no surprise to members of the House and I will tell you why. First of all, I think it is a matter of sheer frustration as a member of the Appropriations Committee, specifically and more generally as a member of this legislature, when every year we would appropriate more and more money to municipalities to help with the reducing of property taxes. I want to give you some of the figures because I think they are relatively important.

From 1985 to 1990 in the field of General Assistance, the state has contributed \$7.8 million in 1985; in this current fiscal year, it is approximating \$12.8 million so it is about a 70 percent increase in five years.

Education -- now here is a rather substantial issue. It has gone from \$315 million to \$594 million, that is a \$280 million increase in five years or again about 90 percent.

Municipal revenue sharing, which seems to be the crux of the issue here in whether or not the money ought to be in Homestead or it ought to go into revenue sharing, has itself gone from \$35.6 million to \$63.6 million in those same five years or about an 80 percent increase.

Having been a municipal official, I can appreciate their concerns over whether or not this money should come back to them in revenue sharing or whether or not they need to administer a new program. I understand why they would not want to do that and I would not want to if I were a municipal official as well. I think the frustration that I had as a member of this body was one of appropriating all these additional monies each and every year and having municipal officials say to us, "When are you going to do something about property tax relief and helping shift the burden on local taxpayers?"

I think it is relatively clear that the Legislature has spent millions and millions of dollars over the last four or five years to in fact help reduce local property taxes. You don't hear that from the people back home because the people back home, the municipal officials are telling their local people, we need more help from Augusta. My comment is, "We are doing a lot, but it is not being trickled to those people who are paying the money." Thus, I came up with the idea of, why not a Homestead Exemption which does in fact give those people direct relief and shows that it is a state commitment? It is a deduction right off the top from their property tax. There are other states that have it and why shouldn't Maine be one of them? We as members of this Legislature can point to that on the individual tax bills and say, "There, we have done enough."

Several years ago, you will remember the Legislature in fact enacted -- I think it was as a portion of the budget -- a section that said municipalities had to indicate on their tax bills how much additional taxes or what portion of that tax were reduced as a result of state revenue sharing and other state expenses, the state reimbursements to municipalities. That was a direct reflection of the frustration of many of us on the Appropriations Committee of us reimbursing municipalities and not being able to take the credit or not being given the credit for these massive sums of money.

I know my definition of property tax relief is perhaps different than the Maine Municipal Association's definition of property tax relief because they would like to have the money come right back to the communities so they can spend it however they want, albeit they may decide they want to lower the mill rate, that is okay with me. My concern is for the Maine resident homeowner. That is the person that I think needs the help the most. I don't think anybody can argue with that. If they care to, that is fine with me, but I think they are wrong. I think we ought to target money to all Maine resident taxpayers. That is what the Homestead does.

I understand the concerns there are about these millionaires out there who are going to get \$35 a year in property tax reduction. Well, you can't devise something that is absolutely perfect. I would remind members of this House that under current law the circuit breaker would allow someone -- in fact I know an individual in my particular town who lives in an exclusive neighborhood who happens to have tax-free exempt bonds who gets money under the circuit breaker. He is eligible for up to \$3,000 under the circuit breaker. I know there is legislation somewhere floating around to correct that but the fact of the matter is, we here are worried about a millionaire getting a \$30 rebate when we have got under current law that same person can get \$3,000 under the circuit breaker program. You can't have it both ways. It seems to me that we ought to be focusing our attention on middle-income people. This is a portion, only a portion of a total commitment to tax relief. I don't think it is harebrained. I

think it needs some modification and I will suggest to you how that might be accomplished.

If I had my way and you want to really talk about helping middle-income families deal with property tax relief, what we ought to do is take the whole \$63 million we have got in revenue sharing right now, the \$10 million that is coming up, and send that money back to the municipalities and tell them, you administer a Homestead Exemption on your own. You take that \$73 million, divide it up among the municipalities and you say to them, you give property tax relief only to Maine homeowners. They can do it. It eliminates the concerns that were addressed earlier by Representative Cashman because it eliminates having to deal with the administrative costs. They can do it however they please and it eliminates his concern about "Well, it is not enough," that falls into the category of "It will never be enough for some people," but if you did that sort of approach, you could guarantee each homeowner in this state around \$200 to \$225 per homeowner. I think that is significant.

If you take the approach that he is espousing here this morning and that is to take that \$10 million and put it into revenue sharing in my particular community, that amounts to a 25 cent tax reduction and that is not a big deal in my community. Instead of that homeowner getting a \$35 credit, that homeowner is going to get a \$17 reduction in his property tax. So, you are cutting the effect of the program (in my community at least) in half. Some of the communities like Westbrook, perhaps even Old Town and some of those communities who have paper mills in them, you are talking about doing more than cutting it in half and the property taxpayer is not going to see the money.

I think it isn't enough, I agree with that, there is a way for it to be enough or for it to be more. I would like to think of it at least as a first step along with the other items that we had as a package on property tax relief as a method of helping Maine people and showing them that we are committed to helping them with property tax relief.

I hope that you vote against the motion this morning.

The SPEAKER: The Chair recognizes the Representative from Thomaston, Representative Mayo.

Representative MAYO: Mr. Speaker, Ladies and Gentlemen of the House: The words of the gentleman from Scarborough bring me to me feet. First of all, as to his constituent who is receiving tax exempt income and filing for the circuit breaker program, he is clearly violating the law and I would like to have his name turned in so we can turn that over to the authorities. All income is subject to the circuit breaker program, regardless of its taxability on your federal or state tax return.

As to the concept of giving a \$225 Homestead Exemption, I really become upset because I have constituents who are paying \$2,000 and \$3,000 in property taxes. I also have constituents who make a lot more money than those people who are paying \$200 and \$300 in property taxes. The constituent who needs it the most will see a very slight reduction in terms of percentage in their property tax bill and those who need it the least could see their entire property tax bill wiped out. Ladies and gentlemen of this House, that turns fairness on its head.

The good gentleman mentioned my name as a prior sponsor of a Homestead Exemption. I am not ashamed to say that I may have sponsored a harebrained idea in the past. I think I have learned a lot over the seven years I have served in this legislature and I certainly wasn't offended by anything that the

Representative from Old Town, Representative Cashman, said. I am not ashamed to say that I have learned in my service in this legislature the only effective means of providing property tax relief directly to those people who need it, based upon the ability to pay, and the relative size of their property tax bill, is the circuit breaker program. The second best means of providing property tax relief in this state is through the revenue sharing formula.

I would like to read a letter that I received that meant an awful lot to me, as someone who fought very hard for the circuit breaker program and in fact would like to fight for expansion of the circuit breaker program. "Dear Representative and Friend: Enclosed is the valuation of my property appraisal and valuations. I am in my 80's and have a Social Security check each month. Many thanks for the circuit breaker in taxation. I am able to stay in my home because of it. This has helped many of my friends keep their homes. My home, built by Papa and I, who were married 61 years, is very dear to me in memories, every wall, floor, ceiling, cupboard, closet, we built together and has a wonderful memory. Keep up the good work for us in Augusta, we know you can. Sincerely, Una Ames, Rockport."

Una Ames and many other of my constituents and your constituents throughout the state whose income is limited, who happen to have the good fortune of living on the coast of Maine but face high property values, are helped and helped greatly by the circuit breaker program and we need to expand that and make it more accessible to Maine taxpayers.

I sponsored legislation this session that would have put it on the income tax form and made it more readily accessible and more readily accessible and easily applied for and closer to the date of payment. Unfortunately, because of the budget crisis, we weren't able to do that.

The good people on the Taxation Committee have worked hard to report out a bill and I will support that bill. I don't like it completely but I don't think we have a choice.

I have constituents in the town of Friendship who recently have been revalued, they are now at 100 percent and, as Representative Ridley has pointed out, the Homestead Exemption is percentage adjustable based upon the percentage of valuation. Well, they are at 100 percent, ladies and gentlemen, and each and every homeowner in the town of Friendship, Maine is going to enjoy \$10.98 from the Homestead Exemption, \$10.98. Some of them have property that is valued at \$2,000 a foot of shore frontage and we are going to give them a lousy \$10.98. Give me a break! It is an insult, an absolute insult to those hard working (many of them fishermen) people down on the coast of Maine. I resent this law having been passed and I want to see it repealed.

I live in Thomaston, not too far from Friendship, and I would get a greater benefit under the Homestead Exemption than those people down in Friendship. I don't deserve property tax relief to the extent that they do, I live in a municipality that provides me with fire, police, and ambulance service 24 hours a day. There are three schools that my children will go to within walking distance of my home and my property tax bill I think is a fair payment for those services. I would get over \$40 under the Homestead Exemption program and those people in Friendship, Maine who are paying \$2,000 and \$3,000 in property tax will get \$10.98. Let's be serious and let's repeal this law.

The SPEAKER: The Chair recognizes the Representative from Corinth, Representative Strout.

Representative STROUT: Mr. Speaker, Men and Women of the House: I agree with some of the statements from both sides of this issue today. I would like to take issue somewhat with the gentleman from Scarborough, Representative Higgins, in his comments that, if we repeal this and put it in the revenue sharing program, the taxpayers are not going to get the benefit.

As I speak today, I first speak as the Representative from six towns in my area of the state and secondly, I speak as a member of the Legislative Policy Committee and thirdly, I speak as a member of the Property Tax Assessment Commission that I served on last fall.

First, as a Representative from District 114, I am going to vote today to repeal the Homestead Exemption. It is tough for me to do that because last year, less than a year ago, I supported the Homestead Tax Exemption. The reason that I am going to vote to repeal it is not primarily that it is tough for us to administer this program, I have looked at it both ways and I don't think it is a real big issue to get these applications filed. However in my own community, I did an assessment both ways and I took the other five towns that I represent and that is only one district of the state -- what happened was, that under the Maine revenue sharing, maybe much to the surprise to the gentleman from Scarborough, is that we do better. We do better for the taxpayers under the Maine Revenue Sharing Program than we do under the Homestead Exemption. Why I say that is because we don't have a lot of non-resident taxpayers and that is probably the reason we do better.

It will be cheaper to administer under the Maine Revenue Sharing Program. The big issue that came out in the last few weeks as I attended the other towns and talked to the people at the town meetings and so forth is that last year when we put the Homestead Exemption Bill together, we told them that this was going to go into effect April 1, 1990. That is where I come down today on that particular issue. A lot of the towns felt that they were going to get money through the Homestead Exemption Program this year to help their taxes in 1990 and that is not going to happen.

Some would say, why do you support putting it in revenue sharing this year because the money is not available? Well, we stand here today and say that money is not available on March 22nd. I don't think any of us can say what is going to happen in the next two or three weeks. It is where your priorities are. One of my priorities happens to be to see that my people get property tax help this year. It may be that when we get down to the final moments, there may be some money left, maybe there won't be, I don't know. If there is and this bill is repealed and put in the Revenue Sharing Program, there is a chance that we may be able to do something for property tax this year.

Some have said that deferring the program and keeping it in the Homestead Exemption would help those taxpayers down the road. I guess if I was sure that there could be a Homestead Exemption ongoing and increase that amount, I guess I could probably somewhat support that, but I am not sure if we defer the Homestead program -- and that is what people are telling me that they are afraid that next year it won't be there.

The Legislative Policy Committee in the last two or three weeks took a position and I as a member of that group (when I vote with them) it was unanimous that we would vote to repeal the Homestead Exemption. I supported it two weeks ago and I

support it today. There has been talk here this morning that the municipalities will get this money and use it for other programs.

The Maine Revenue Sharing Program is a program that is taken completely off the tax commitment after you have put all your other budgets together. The final thing that we do in the municipalities is that we get all of our revenues in from other sources, total up our expenses that we have in that budget and the final end is that we are going to deduct the Maine Revenue Sharing program. The big thing that this bill does (the way I see it) is that this isn't going to give us any property tax relief. What it is going to do is fill the gap that we lost during the shortfall. I just got my 1990 March, Maine Revenue Sharing yesterday, and we were down \$2,200 in our town. I have done an analysis and figured out what it will do for us and it will replace that \$2,200 that we lost. All this \$10 million is going to do is fill that gap that we lost during the shortfall.

I tell you today that it is not all that big a job to administer the Homestead program but I think the best answer is to repeal this, put it in the Maine Revenue Sharing Program, and from our end of the state, it is best for us.

The SPEAKER: The Chair recognizes the Representative from Saco, Representative Nadeau.

Representative NADEAU: Mr. Speaker, Men and Women of the House: Three quick points. First one, the gentleman from Kennebunkport in his opening remarks commented this is the basic difference between Democrats and Republicans. If that is how he really feels, I think Democrats are in a great position.

As the gentleman from Thomaston pointed out, in a few of his towns, we are talking \$10.98. If I might be a little more conservative and give a little leeway, we are probably talking maximum \$35. Do you remember going to your local coffee shop or sandwich place, run into a few people and hear them say, "Jeez-em crow, when will you guys do something fairly intelligent? That last payment on the over-collection of income tax was the biggest joke I have ever seen." Do we want to do it again?

The second comment I want to make is the Representative from Scarborough indicated that many Democrats had supported the Homestead programs in the past. I was one of them. My Majority Leader was another one, my Whip was another one. However, when we were looking at our Homestead programs, we had a little more than \$10 million in. If you walked up to me today and said, I had an opportunity for \$10 million, that is a pretty decent proposition. If you divide \$10 million over 497 communities, it is not worth the effort.

The third comment I wanted to make is there has been a little bit of confusion around here whether or not program A would create more money than program B and program B would be repealing this Homestead and shifting it to revenue sharing. Unfortunately, cuts have been proposed, probably will take effect, they will cause the elimination of approximately \$40 million worth of property tax relief in the form of revenue sharing. This is an opportunity to put a little of it back.

I think it is highly insulting to municipal officers that they would just stupidly spend this money on other programs that really weren't intended. I happen to believe that most municipal officials have a little more brains than that.

The big question that has been talked about is, is this program going to happen? Unfortunately, the choices are, if one school of thought prevails on this, the Homestead program would be deferred until

next year, at the minimum. It might even be deferred longer than that.

The other option is to destroy this program before it is even implemented and shift the money to an ongoing program that actually is working and is working pretty well. Those are the choices but I think it is very important to know that whatever happens, the Homestead program is not happening this year. I repeat, is not happening this year. If one school of thought prevails, this will be deferred. If the other school of thought prevails, the one which I am a supporter of, this money will be shifted to an already existing program. I think that is very critical to remember. With that, I will close and say, let's do the responsible thing, let's get rid of this bill before it is even implemented.

The SPEAKER: The Chair recognizes the Representative from LaGrange, Representative Hichborn.

Representative HICHBORN: Mr. Speaker, Ladies and Gentlemen of the House: The Homestead Exemption theory is one that would make direct property tax relief to the taxpayer a meaningful reality. However, the law as written and as is on the books at the present time, has insufficient funds to properly fund it and it does not make meaningful relief possible. However, rather than leaving an inadequate law on the books that is unreasonably and unnecessarily complicated to administer and that allows a ridiculously low benefit because of the inadequacy of funds, I can support the motion to repeal this law with the hope that a properly written bill, sometime in the near future, may become a reality at a time when we are not faced with a financial crisis such as we have before us here today.

The SPEAKER: The Chair recognizes the Representative from Penobscot, Representative Hutchins.

Representative HUTCHINS: Mr. Speaker, Ladies and Gentlemen of the House: I think Representative Hichborn has struck upon perhaps the precise point when he talks about this being an underfunded program. The fact that it should be defeated, I will vote against, I am in favor of keeping the program as Representative Higgins has spoken today but for another reason. If this is kept on the books, one of the positive side effects that I believe will come from it is the fact that our people back home will realize that we do intend to recognize the average taxpayer.

As has been said before, there will be some perhaps that would receive a Homestead Exemption that don't need it, but on the fair side, we would be looking at probably 90 percent or so of the taxpayers in this state that fund everything that we do here. It is that 90 percent that probably would call us another year or whoever might be here, and ask that this be funded properly so that there would be an amount that would be worthwhile. I agree that the \$30 or \$35 and down to \$10 is a ridiculous amount. But that is not the idea, the idea is that the concept is good, perhaps the number one tax savings that was talked about with the circuit breaker is probably more important because it does target those that absolutely need it and that is not wrong, that is the way it should be handled. The 90 percent or so of the taxpayers that fund everything that we do need to be recognized and the Homestead Exemption will do that.

The SPEAKER: The Chair recognizes the Representative from Palmyra, Representative Tardy.

Representative TARDY: Mr. Speaker, Men and Women of the House: I am one southern Democrat that also sponsored a Homestead Exemption. I am not probably as wise as the good Representative from Thomaston

because I will probably sponsor one in the future. My feeling that a substantive Homestead Exemption certainly plays a role or would play a role in comprehensive property tax reform. Reform has not been the name of the game, nobody has spoken that word here today, it has been relief. This particular Homestead Exemption is like treating a serious problem with an aspirin when what it really needs is triple bypass surgery. We need to continue our increase support for aid to education, we need to increase revenue sharing and we need to continue to support the circuit breaker. I would urge you to support the pending motion.

The SPEAKER: The Chair recognizes the Representative from Waldo, Representative Whitcomb.

Representative WHITCOMB: Mr. Speaker, Men and Women of the House: I would request that when the vote is taken, it be taken by the yeas and nays.

I wanted to wait until the good gentleman behind me had spoken because I had a feeling he was reading part of my notes and he delivered part of the message that I had when he said that, yes a Homestead Exemption program is a worthwhile activity for the Maine Legislature and that we should have one in law. We perhaps differ a little bit when it should be implemented.

I would like to talk just for a minute about what happened last spring and last summer in the wee hours of the morning when we developed a balanced tax package. I was one, as was several other members of this and the other body, who sat in the rooms in the wee hours of the night looking at what was best for Maine people across the state. I think all of us left that negotiation process a little bit disgusted. I think it had most of the elements of a compromise in that no one got all of what they wanted; everyone got a little bit. There probably was not a lot of us that was a part of that discussion who did not want to see more funding for their particular program.

I guess the thing that strikes on my mind now is the fact that we return after selling to the Maine people our attempt to relieve the property tax burden, admittedly not perfect, but now we begin the process of picking away at the components — I don't like this so I am taking this away and I don't like that so I will offer a bill next year to pick away another component.

We offered the Homestead Exemption as a program for Maine people, middle-income Maine people, and most importantly, Maine homeowners. Yes, the Homestead Exemption isn't perfect but I think the amount of money that we are talking about at this point in time is purely conjecture. We don't know what the funding will be when the Homestead Exemption is finally able to return funds to the Maine people.

I was very pleased to hear the municipal official who so frequently represent the views of municipal officials, the good Representative from Corinth, who said that the program was not that hard to administer in his view because most of the members of this body don't realize that, as this particular piece of legislation before us has moved through the bodies, we have also worked on a companion bill that does make the Homestead Exemption easier to administer, if for some reason the repeal is not successful.

Under the Homestead Exemption Bill, some people receive more or some less than they might receive under a revenue sharing proposal. The thing that bothers me the most about the alternative proposal is that those people who are out-of-state, homeowners, those people who have businesses, those people who will also be receiving a portion of the benefit of revenue sharing, and that is not because of some

trickery on the part of municipal officials, that is just the way it works. I think that Maine homeowners deserve the right to be recognized. Whatever the level will be is up to this and subsequent legislatures.

I guess that I don't feel that revenue sharing money going to wealthy, coastal, out-of-state homeowners is a useful purpose for Maine taxpayer dollars. I am not one that wants to subsidize the banks and our paper mills with our so-called property tax relief effort. We had before us a compromise piece of legislation intended to provide some measure of property tax relief across the State of Maine. This legislature, certainly nearly everyone of us as legislators, have waxed poetic about wanting to help the average Maine homeowner. The Homestead Exemption legislation is a part of that effort.

I urge you to vote with the bipartisan "Ought Not to Pass" Report out of the Taxation Committee.

The SPEAKER: The Chair recognizes the Representative from Augusta, Representative Hickey.

Representative HICKEY: Mr. Speaker, I would like to pose a question through the Chair.

If this bill is defeated, where is it planned to expend this money?

The SPEAKER: The Representative from Augusta, Representative Hickey, has posed a question through the Chair to anyone who may respond if they so desire.

The chair recognizes the Representative from Old Town, Representative Cashman.

Representative CASHMAN: Mr. Speaker, Ladies and Gentlemen of the House: If the Homestead Exemption is repealed under this bill, the money would go into the revenue sharing formula.

The SPEAKER: The Chair recognizes the Representative from Westbrook, Representative Curran.

Representative CURRAN: Mr. Speaker, Men and Women of the House: As I have listened to all of the speakers, I have heard some phrases that are sort of not palatable to me, one being a harebrained idea. I don't consider this a harebrained idea and I hope that no one else does. It was offered in good faith and supported by a lot of people on both sides of this aisle.

Nevertheless, I want you all to know that I was opposed to this legislation, this Homestead Exemption when it was first proposed and first passed, and I am opposed to it now.

I did a very simple thing, not very profound at all, I posted around my district on various bulletin boards, examples that I had run off on my word processor of the this program and the results of it for certain people under certain circumstances and also along side of it, the circuit breaker program and I got a lot of feedback from that. I got a lot of telephone calls, I met people at the Kiwanis Club, at church and at various places in response to seeing these examples on the bulletin board. The general reaction to that, generally speaking, the overwhelming reaction to that I got back was, and I paraphrase this liberally, "That it is not worth a bucket of spit." They were saying to me, if you are going to do something for us, do something worthwhile.

I want you to know, if it hasn't been noticeable to you, that generally I support this administration, I came in with them, sometimes they listen to my advice and sometimes I carry some of their programs. I would like to help carry this for them, I would like to support this if I could, but I cannot. They didn't follow my advice on this, unfortunately. We need tax relief and we need tax reform, which has been said here this morning, but this wastes our efforts. This is misdirected, it dilutes our resources when we need them the most, it weakens our

muscles so I am very sorry to tell you, you might wish to hear me say differently, I must ask you to follow the majority on this.

The SPEAKER: The Chair recognizes the Representative from Auburn, Representative Dore.

Representative DORE: Mr. Speaker, Ladies and Gentlemen of the House: The Governor's proposal to deal with our current budget crisis calls for reduction in aid to local education and a reduction in revenue sharing. I have to say that if it were my choice, being a peeress for the circuit breaker program, I would prefer to expand the circuit breaker program than to give the money to revenue sharing, but in this year with this reduction to revenue sharing, I am very comfortable putting the money coming out of the Homestead into revenue sharing.

I had distributed to members of the both bodies a few days ago a letter from my school superintendent that I received. You might want to take a look at that and get an idea of the impact on Auburn and particularly the impact on the school budget in Auburn of the reduced aid to local education and the reduced revenue sharing money.

I don't see circumstances under which I could ever support a Homestead program because a Homestead program gives tax relief to everyone regardless of need. I think that revenue sharing at least gives aid to the municipalities and that is directly reflected on the tax rolls. The constituents that have answered my surveys this year have indicated that they want middle-class property tax programs. The circuit breaker is a program that goes up to \$60,000 a year in annual income and is a middle-class program and it has a means test on it.

The Homestead Exemption has no means test, it goes to all classes regardless of need and at this time, when towns are facing cutbacks on revenue sharing and aid to local education, I am not at all uncomfortable putting that money into revenue sharing.

The SPEAKER: The Chair recognizes the Representative from Berwick, Representative Murphy.

Representative MURPHY: Mr. Speaker, Ladies and Gentlemen of the House: When I heard the name of the town of Berwick mentioned by the good Representative from Old Town, I just have to get up and explain that I, too, have been in contact with my municipal officials. I, too, have been in contact with my assessor and my constituents on the Homestead Act. I know how they feel, I know how costly it is going to be to administer this program and I agree with them. But I don't agree that we should put the money back into revenue sharing. We all know that town managers love revenue sharing because that is money that they can spend and keep their tax rate down a little bit.

When the good Representative said that it would only be \$10.98 off some tax bills, that is true, but that is \$10.98 they wouldn't get through revenue sharing because it would just be spent for other things.

I believe that this is a good bill, I believe the idea is good, I wasn't really happy when we passed it because of the way it was going to be administered because I thought it was too complicated. I suggest that we keep the Homestead Act, send it back to the committee and have them come up with a good simple solution on how to administer this in a very simple, economic way. The people out there do need it, especially those of us who live in the southern part of the state whose taxes have doubled and tripled in the last two years and we are in the high valuation area. We are losing state tax dollars for our school districts and my constituents really need this relief and they need it in their pockets, not in the pockets of town managers.

The SPEAKER: The Chair recognizes the Representative from South Portland, Representative DePietro.

Representative DiPIETRO: Mr. Speaker, Men and Women of the House: I think I heard here this morning that the state has been giving a lot of money to municipalities for certain programs such as school funding or funding municipality affairs. What I didn't hear this morning was that we who sit here in this body every day and make mandates upon the municipalities, we send things down for them to do, and then we don't send any money so of course they are going to look to us for the money. If we are going to mandate the programs, we should have to pay for them.

I urge you this morning to vote with the majority of this bill because I think these people do need this funding. If they didn't need it, I am sure that none of you would be receiving phone calls as I have this morning and I am sure many others have to find out what is going to happen.

The SPEAKER: The Chair recognizes the Representative from Scarborough, Representative Higgins.

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: There has been a lot of talk here this morning about the circuit breaker program -- I would remind this body that that is not the issue before us. The issue before us is, do we repeal the Homestead Exemption Act and replace it and put that money into the revenue sharing formula? The circuit breaker has nothing to do with it. I think the circuit breaker is obviously a well thought out program that this legislature has endorsed and will continue to endorse. It was expanded greatly last year and everyone can say there is not enough money in it, there is never enough money in any program the state has. That is an issue that is not really applicable to the debate we are having today. The debate that we are faced with is, do we repeal the Homestead and put that money into revenue sharing?

There has been a lot of talk here this morning about the Homestead Act gives money to people regardless of need. That millionaire is going to get money on his homestead or her homestead just like the person who happens to be living in a trailer. I, for one, can't decipher the difference between the argument and the argument that we are going to put that money into revenue sharing -- there isn't any basis of need under revenue sharing either except you give it to the towns and tell them to spend it on how they want. That doesn't make any sense to me.

We are talking about a need-based program and the only one we have is the circuit breaker. Revenue sharing and the Homestead are the same. We can debate here all day about who is on the side of the angels on this issue but I don't have a problem in going back to my people and saying, "I would just as soon as put the \$10 million in Homestead and yes, you are only going to get \$30 this year, but hopefully next year, it will be more." Then I would say to them, "Well, we decided to get rid of that \$30 exemption and we are going to put it into revenue sharing and you might get \$15 if the municipal officials decide they don't want to spend it somewhere else because half the money is going to go to the business community that we are always kicking around here because they don't pay enough taxes, they pollute our rivers or they hire non-union workers, or any litany of ideas that you want to come up with or the out-of-state taxpayer who comes in here in the summer, we can berate them all we want." Those are the people that are going to get the money from the

revenue sharing formula, not the Maine resident. That argument to me holds no water whatsoever.

As far as the gentleman from Westbrook goes, he talked about the Homestead providing a bucket of spit, I would suggest to you that the revenue sharing formula provides about half a bucket of spit.

I, for one, intend to keep the Homestead as best I can. I think it makes some sense as a portion of a total plan that this state ought to be working towards a reform plan for property tax relief for Maine residents only.

The SPEAKER: The Chair recognizes the Representative from Harpswell, Representative Coles.

Representative COLES: Mr. Speaker, Ladies and Gentlemen of the House: The Homestead Exemption program is really remarkable or even unique amongst all state programs, I think. It says that in order for the State Legislature to provide \$30 per household of property tax relief, the towns must raise property taxes by \$20 per household. That not only is the worst kind of mandate, it absolutely defies common sense.

The SPEAKER: The Chair recognizes the Representative from Jonesboro, Representative Look.

Representative LOOK: Mr. Speaker, Ladies and Gentlemen of the House: When you cast your vote today. I ask that you think of the people that you represent. Many times revenue sharing funds are used to provide those things that towns would like to have but in ordinary taxation, they feel they can't have it.

This Homestead Act would provide a direct credit to the individual homeowner and this way, they know that they are getting it. If it goes into revenue sharing, we love revenue sharing, there is no question about that, but if it does go into revenue sharing, it will be spread out more and go to things that perhaps the local taxpayers can ill afford and also it will be spread over the broadbase of taxation in those communities.

The SPEAKER: The Chair recognizes the Representative from Old Town, Representative Cashman.

Representative CASHMAN: Mr. Speaker, Men and Women of the House: Before we vote on this issue, I just want to say that I feel really bad that my good friend from Scarborough took offense to my remarks because, as the good gentleman knows, the last thing I want to do is be offensive. Whenever Representative Higgins and I debate and it goes back to the 11th and the good times that we enjoyed then and I enjoy these little mental wrestling matches but a few comments have been made that I guess I have to take exception to.

Representative Higgins stated that it would be his position that you could point to this savings on the tax bill of the average taxpayer and say we have done something, we have done enough I think was his exact words, and I would really like to campaign with Representative Mayo when he goes down to these people who are getting \$10.98 and he tells them he has done enough, I would really like to be there to see the expression on their faces. He also said that Maine residents need relief the most and he is right and the relief should be targeted and he is right. That is just what the circuit breaker does. The circuit breaker is a part of this debate because of this fact -- the Representative from Scarborough points out that other states have Homestead exemptions and they do, I don't know of a state that has both, the Homestead exemption and the circuit breaker program. This state established a circuit breaker program two legislatures ago and it is a very good one. We beefed it up last year. I think, as you said

yourself, it is a well thought out program and it works well. This one does not.

Finally, the remarks made about municipal officials is somewhat troubling. I think the suggestion was made that revenue sharing goes into the town managers' pockets, I was kind of surprised to hear that because our city manager in Old Town doesn't make that much money, I didn't know that he was pocketing the revenue sharing. It was also said, and this was a rather peculiar statement, that municipal officials are a special interest group that doesn't pay taxes. I think you would be shocking your local selectmen or city councilors if you went home and told him or her that they don't pay taxes. I assure you that they do. Having been a municipal official for six years, I can stand here and tell you that, in my opinion, municipal officials in this state do a better job of holding down spending than we do.

Again, I urge that this bill be passed and that this program be repealed.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of the Representative from Old Town, Representative Cashman, that the House accept the Majority "Ought to Pass" Report. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 193

YEA - Adams, Aliberti, Allen, Anthony, Bell, Boutilier, Brewer, Burke, Cahill, M.; Carroll, D.; Carter, Cashman, Cathcart, Chonko, Clark, H.; Clark, M.; Coles, Conley, Constantine, Cote, Crowley, Curran, Daggett, DiPietro, Dore, Duffy, Dutremble, L.; Erwin, P.; Farnsworth, Gould, R. A.; Graham, Gurney, Gwadosky, Handy, Heeschen, Hichborn, Hickey, Hoglund, Holt, Hussey, Jacques, Jalbert, Joseph, Ketover, Kilkelly, LaPointe, Larrivee, Lawrence, Lisnik, Macomber, Mahany, Manning, Marsh, Mayo, McGowan, McHenry, McKeen, McSweeney, Melendy, Michaud, Mills, Mitchell, Moholland, Nadeau, G. G.; Nadeau, G. R.; Nutting, O'Dea, O'Gara, Oliver, Paradise, E.; Paradis, J.; Paradis, P.; Paul, Pineau, Plourde, Pouliot, Priest, Rand, Richard, Ridley, Rolde, Rotondi, Ruhlin, Rydell, Sheltra, Simpson, Skoglund, Smith, Stevens, P.; Strout, D.; Swazey, Tamaro, Tardy, Telow, Townsend, Tracy, Walker, The Speaker.

NAY - Aikman, Anderson, Ault, Bailey, Begley, Butland, Carroll, J.; Dellert, Dexter, Donald, Farnum, Farren, Foss, Foster, Garland, Greenlaw, Hanley, Hastings, Hepburn, Higgins, Hutchins, Lebowitz, Libby, Look, Lord, MacBride, Marsano, McCormick, McPherson, Merrill, Murphy, Norton, Parent, Pendleton, Pines, Reed, Richards, Seavey, Small, Stevens, A.; Stevenson, Strout, B.; Tupper, Webster, M.; Wentworth, Whitcomb.

ABSENT - Hale, Jackson, Luther, Marston, Martin, H.; Pederson, Sherburne.

Yes, 98; No, 46; Absent, 7; Paired, 0; Excused, 0.

98 having voted in the affirmative and 46 in the negative with 7 being absent, the Majority "Ought to Pass" Report was accepted, the Bill read once.

Senate Amendment "A" (S-590) was read by the Clerk.

On motion of Representative Martin of Eagle Lake, Senate Amendment "A" (S-590) was indefinitely postponed.

The Bill was assigned for second reading Friday, March 23, 1990.

Non-Concurrent Matter

Bill "An Act to Amend the Solid Waste Landfill Remediation and Closure Laws Administered by the Department of Environmental Protection" (EMERGENCY) (H.P. 1712) (L.D. 2363) which was referred to the Committee on Judiciary in the House on March 16, 1990.

Came from the Senate referred to the Committee on Legal Affairs in non-concurrence.

The House voted to Adhere.

COMMUNICATIONS

The following Communication: (S.P. 975)
114TH MAINE LEGISLATURE
March 19, 1990

Senator R. Donald Twitchell
Rep. Robert J. Tardy
Chairpersons
Joint Standing Committee on Agriculture
114th Legislature
Augusta, Maine 04333
Dear Chairs:

Please be advised that Governor John R. McKernan, Jr. has nominated Richard H. Storch of Orono for appointment and Dr. Carol A. Eckart of Winsdor for reappointment to the Board of Pesticides Control.

Pursuant to Title 22, MRSA Section 1471-B, these nominations will require review by the Joint Standing Committee on Agriculture and confirmation by the Senate.

Sincerely,
S/Charles P. Pray
President of the Senate
S/John L. Martin
Speaker of the House

Came from the Senate, Read and Referred to the Committee on Agriculture.

Was Read and Referred to the Committee on Agriculture in concurrence.

**PETITIONS, BILLS AND RESOLVES
REQUIRING REFERENCE**

The following Bill was received and, upon the recommendation of the Committee on Reference of Bills, was referred to the following Committee, Ordered Printed and Sent up for Concurrence:

Transportation

Bill "An Act to Make Supplemental Allocations from the Highway Fund for the Fiscal Years Ending June 30, 1990, and June 30, 1991" (EMERGENCY) (H.P. 1776) (L.D. 2444) (Presented by Representative McPHERSON of Eliot) (Cosponsored by Representative BAILEY of Farmington, Senator TWITCHELL of Oxford and Representative MACOMBER of South Portland)

Ordered Printed.
Sent up for Concurrence.

Reported Pursuant to Resolve

Representative FOSTER for the Supreme Judicial Court Plan and Design Commission, pursuant to Resolve 1987, chapter 107, as amended by Public Law 1989, chapter 501, part P, sections 34 to 36 ask leave to submit its findings and to report that the accompanying Bill "An Act to Provide Funds for a Design Competition for the Construction of a New

Supreme Judicial Court Facility in Augusta" (H.P. 1774) (L.D. 2442) be referred to the Joint Standing Committee on Appropriations and Financial Affairs for Public Hearing and printed pursuant to Joint Rule 18.

Report was read and accepted, and the bill referred to the Committee on Appropriations and Financial Affairs, ordered printed and sent up for concurrence.

Reported Pursuant to Resolve

Representative FOSTER for the Supreme Judicial Court Plan and Design Commission, pursuant to Resolve 1987, chapter 107 ask leave to submit its findings and to report that the accompanying Bill "An Act to Authorize a General Fund Bond Issue in the Amount of \$18,989,530 for a New Supreme Judicial Court Facility in Augusta" (H.P. 1775) (L.D. 2443) be referred to the Joint Standing Committee on Appropriations and Financial Affairs for Public Hearing and printed pursuant to Joint Rule 18.

Report was read and accepted, and the bill referred to the Committee on Appropriations and Financial Affairs, ordered printed and sent up for concurrence.

ORDERS

On motion of Representative TARDY of Palmyra, the following Joint Resolution: (H.P. 1777) (Cosponsors: Senator TWITCHELL of Oxford, Senator KANY of Kennebec, Senator EMERSON of Penobscot, Representative ALIBERTI of Lewiston, Representative MAHANY of Easton, Representative NUTTING of Leeds, Representative HUSSEY of Milo, Representative BELL of Caribou, Representative SHERBURNE of Dexter, Representative PINES of Limestone, Representative PARENT of Benton, Representative WHITCOMB of Waldo)

**JOINT RESOLUTION IN HONOR OF THE MAINE FARMER AND
MAINE AGRICULTURE**

WHEREAS, farmers in the business of food and fiber production for world markets are one fifth of our national work force, accounting for 18% of the gross national product; and

WHEREAS, the Maine farmer provides \$400,000,000 in total farm income and is credited with a \$1,000,000,000 contribution to Maine's economy; and

WHEREAS, the Maine agrarian society makes a pivotal contribution to the cultural and social foundations of our rural way of life and in turn to the very heartbeat of America; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Fourteenth Legislature of the State of Maine, now assembled in the Second Regular Session, pause in our deliberations to honor Maine farmers and innovators who have contributed so much to the betterment of our State and to pledge our support and encouragement, and urge the youth of Maine to pursue the growing opportunities for careers in today's technologically advanced agricultural industry; and be it further

RESOLVED: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the Commissioner of Agriculture, Food and Rural Resources in token of the esteem in which those in this vital field are held.

Under suspension of the rules, was read and adopted and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

At this point, the Speaker appointed the following members to escort the Agricultural Queens to the rostrum:

Adrian Busey of Plymouth, Maine Egg Festival Queen, escorted by Representative Tardy of Palmyra.

Kelli Elizabeth Walton of Presque Isle, Maine Potato Blossom Queen, escorted by Representative MacBride of Presque Isle.

Stacey Buckley of Wales, Maine State Grange Queen, escorted by Representative Telow of Lewiston.

Alison Murray of Rockland, Maine Sea Goddess, escorted by Representative Melendy of Rockland.

Kimberly Basham of Waldoboro, Maine Blueberry Queen, escorted by Representative Begley of Waldoboro.

Tracey Curtis of Jefferson, Maine Farm Bureau Junior Spokesperson, escorted by Representative Allen of Washington.

ADRIAN BUSEY: Thank you very much. Good morning ladies and gentlemen: My name is Adrian Busey and I live in Plymouth and I am a 1989 Central Maine Egg Festival Queen.

For a little ice breaker, I know you have been doing serious business all morning, my 8 year old brother provided me with a joke for the occasion. What happens when a chicken eats cement? All it can lay is hard-boiled eggs. (applause)

I am presently attending school in Connecticut and as I was driving up here yesterday, I passed the New Hampshire-Maine border and two things I saw once I came into Maine that reminded me that I was coming home. One of the first things I saw was a lot of license plates with little lobsters all over them. The second thing I saw was a CO-HEN Egg Company delivery truck and I was thinking about what I was going to say to you here today. Coming from a small town in Plymouth, there is a David Egg Farm, which is a local industry, and as many family-owned businesses around the State of Maine, that supply the state with eggs, and although the egg industry doesn't get quite the recognition and the publicity that some of the other agricultural industries do, such as the lobster industry and the potato industry, it nevertheless is an important part of agricultural importance in Maine. Even the small town that I came from, there has been a family-owned egg farm that has supported generations and generations. It has been owned by the same family and they deliver to grocery stores and restaurants in the area.

I would like to invite all of you to come this summer in the fourth week of July to mark the 1990 Central Maine Egg Festival and learn more about this industry. In closing, I would like to thank you for inviting me here today and point out that the egg industry is indeed a very important part of Maine's agricultural business. Thank you. (applause)

KELLI ELIZABETH WALTON: Good morning. My name is Kelli Walton, I am from Presque Isle, I am the reigning Maine Potato Queen.

This year I have traveled to agricultural trade shows throughout the states of Maine, Massachusetts and Texas. I have had a very busy year. Working so closely with the consumers of Maine potatoes has strengthened my belief that the Quality Insurance Program has improved the industry. We are now competing in local, national and international markets because we have good potatoes. We can continue our strong advertisement and promote this program even more, making still more people aware that the Maine potatoes are good and we can guarantee them product excellence.

I think the people in this state should be proud of our Maine potatoes. The industry has improved considerably. Economically, we have had another great year and the farmers are looking forward to more successful seasons.

I want to thank you for inviting me here today. It has been my pleasure to represent the industry

this year and I have enjoyed talking to you. Thank you. (applause)

STACEY BUCKLEY: Good morning. Agriculture is a very important way of life here in Maine. As the state grows, however, it sometimes feels as if agriculture is pushed by the wayside. Fortunately, we hold special days like today's Agricultural Day to remind us just how valuable and important agriculture is to all of us. Thank you. (applause)

ALISON MURRAY: Good morning. My name is Alison Murray and I am the 1989 Sea Goddess. I have been invited here today to speak on the subject of the lobster industry of Rockland. However, during the past few weeks, a very important problem surfaced that I felt needed immediate attention.

On the afternoon of March 1st, I received a phone call at Westbrook College, which is where I am currently attending. It was the Portland Press calling to inform me that there would be no Lobster Festival this year. At first I questioned his validity but, as he continued to give me an explanation and reasons for the city's decision, I became increasingly concerned. Having been born and raised in Rockland, the Lobster Festival has been a part of my summer for as long as I can remember. I remember sitting on the lap of the legendary Eddie Harriman as he drew me pictures of Leroy the Lobster and Crabby the Crab. Friends and family have worked actively at the festival. My aunt travels annually from Skowhegan to set up her maple syrup booth. We must consider how many people will be affected by this hasty decision made by the few representative people of Rockland. People from all over Maine as well as New England come to enjoy our festivities. It is a prosperous time of year to all the merchants. Rockland centers around tourism and those two weeks in August certainly are the most awaited time of year for many restaurant, motel and gift shop owners. Needless to say, lobster sales are high. Atwood's and other local dealers will be the first to agree.

Nevertheless, it all takes work, dedication and money and the Portland Press tells me we are lacking in all three. Luckily the people in Rockland fought the decision and through community support, the vote was overwhelming to continue the festival; however, the future cannot be ignored.

As Sea Goddess, I urge the people of Rockland as well of those of the midcoast area to help out -- volunteer and give some of your time. I also ask those business owners of Rockland to raise your voice, speak out and tell the community how important this festival is to you and the city.

The festival has been around for over 40 years. Please let young women, perhaps your daughters or granddaughters, have a chance to have as much fun and experience all the wonderful things I have while being Rockland's Sea Goddess. Thank you very much. (applause)

KIMBERLY BASHAM: Good morning, my name is Kimberly Basham, I am from Waldoboro and I attend the University of Maine at Orono. I am a junior there studying finance.

I am representing here today the blueberry industry for the State of Maine. This industry plays an important role in our state's economy. As you may know, Maine is the leading state in the production of low bush blueberries. In the last five years, Maine has produced on average 29.6 million tons of blueberries. This accounts for about half of all low bush blueberries produced in the U.S. and Canada and about 20 percent of all blueberries in North America.

The Maine blueberry industry returns about \$23.5 million annually. It was a little different this

year, a little over \$10 million. This is a significant source of income to those involved in all aspects of the business. When the blueberry industry flourishes, Maine's economy benefits substantially. Conversely, if the industry sees a downward swing due especially to poor crops, and there is a new thing this year called bunchberries, Maine's economy suffers from that. Because of the importance of this crop, the University of Maine at Orono is presently studying the industry and has been funded to study production in hopes of increasing the output of the industry. Thank you very much. (applause)

TRACEY CURTIS: I am Tracey Curtis, one of a body of young agricultural people. I would like to thank you for giving us the opportunity of being able to come and observe how the legislature operates and the ability of being able to share with you the experience of living on a farm. Be sure to stop and browse through our agricultural exhibits. Thank you. (applause)

Subsequently, the Agricultural Queens were escorted from the Hall of the House, amid applause, the audience rising.

REPORTS OF COMMITTEES

Divided Report

Later Today Assigned

Five Members of the Committee on State and Local Government on Bill "An Act to Reform County Government" (H.P. 1603) (L.D. 2215) report in Report "A" that the same "Ought to Pass" as amended by Committee Amendment "A" (H-964)

Signed:

Representatives:

ROTONDI of Athens
DAGGETT of Augusta
BEGLEY of Waldoboro
CAHILL of Mattawamkeag
WENTWORTH of Wells

Four Members of the same Committee on same Bill report in Report "B" that the same "Ought to Pass" as amended by Committee Amendment "B" (H-965)

Signed:

Senators:

BERUBE of Androscoggin
ESTY of Cumberland
JOSEPH of Waterville
HEESCHEN of Wilton

Representatives:

Four Members of the same Committee on same Bill report in Report "C" that the same "Ought to Pass" as amended by Committee Amendment "C" (H-966)

Signed:

Senator:

CARPENTER of York
CURRAN of Westbrook
LARRIVÉE of Gorham
McCORMICK of Rockport

Representatives:

Reports were read.

On motion of Representative Mayo of Thomaston, tabled pending acceptance of any report and later today assigned.

CONSENT CALENDAR

First Day

In accordance with House Rule 49, the following items appeared on the Consent Calendar for the First Day:

(S.P. 561) (L.D. 1564) Resolve, Creating the Special Commission to Study and Evaluate the Status of Education Reform in Maine (EMERGENCY) Committee on Education reporting "Ought to Pass" as amended by Committee Amendment "B" (S-593)

(H.P. 1611) (L.D. 2227) Bill "An Act to Amend the Child and Family Services and Child Protection Act"

Committee on Human Resources reporting "Ought to Pass" as amended by Committee Amendment "A" (H-952)

There being no objections, the above items were ordered to appear on the Consent Calendar of Friday, March 23, 1990, under the listing of Second Day.

(H.P. 1752) (L.D. 2415) Resolve, to Establish a Model Coordinated Response System for Child Abuse Referrals in Penobscot and Piscataquis Counties (EMERGENCY) Committee on Audit and Program Review reporting "Ought to Pass" as amended by Committee Amendment "A" (H-956)

On motion of Representative Erwin of Rumford, was removed from the Consent Calendar, First Day.

Subsequently, the Committee Report was read and accepted, the Bill read once.

Committee Amendment "A" (H-956) was read by the Clerk and adopted and the Bill assigned for second reading Friday, March 23, 1990.

(H.P. 1762) (L.D. 2427) Bill "An Act Relating to Periodic Justification of Departments and Agencies of State Government under the Maine Sunset Act" (EMERGENCY) Committee on Audit and Program Review reporting "Ought to Pass" as amended by Committee Amendment "A" (H-960)

(H.P. 1757) (L.D. 2434) Bill "An Act to Amend the Laws Concerning the Theft of Blueberries" Committee on Agriculture reporting "Ought to Pass" as amended by Committee Amendment "A" (H-967)

(H.P. 1729) (L.D. 2388) Bill "An Act to Amend the State's Hazardous Materials and Underground Tank Installer Laws" (EMERGENCY) Committee on Energy and Natural Resources reporting "Ought to Pass" as amended by Committee Amendment "A" (H-961)

(H.P. 1740) (L.D. 2404) Bill "An Act Concerning the Collection of Inspection Fees for Overboard Discharge" Committee on Energy and Natural Resources reporting "Ought to Pass" as amended by Committee Amendment "A" (H-962)

There being no objections, the above items were ordered to appear on the Consent Calendar of Friday, March 23, 1990, under the listing of Second Day.

CONSENT CALENDAR

Second Day

In accordance with House Rule 49, the following items appeared on the Consent Calendar for the Second Day:

(S.P. 82) (L.D. 83) Bill "An Act to Move Certain Minor Capital Costs from the Operating Allocation to the Debt Service Allocation under the School Finance Act of 1985" (Emergency) (C. "B" S-587)

No objections having been noted at the end of the Second Legislative Day, the Senate Paper was Passed to be Engrossed as Amended in concurrence.

(S.P. 886) (L.D. 2262) Bill "An Act Relating to Pharmacy Services to Nursing Home Residents" (C. "A" S-586)

On motion of Representative Hickey of Augusta, was removed from the Consent Calendar, Second Day.

Subsequently, the Committee Report was read and accepted, the Bill read once.

Committee Amendment "A" (S-586) was read by the Clerk.

Representative Hickey of Augusta offered House Amendment "A" (H-969) to Committee Amendment "A" (S-586) and moved its adoption.

House Amendment "A" (H-969) to Committee Amendment "A" (S-586) was read by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Augusta, Representative Hickey.

Representative HICKEY: Mr. Speaker, Ladies and Gentlemen of the House: This amendment corrects a technical error in the bill. Subsequently, House Amendment "A" (H-969) to Committee Amendment "A" (S-586) was adopted.

Committee Amendment "A" as amended by House Amendment "A" thereto was adopted and the bill assigned for second reading Friday, March 23, 1990.

(H.P. 1751) (L.D. 2413) Bill "An Act Regarding Security and Training Functions within the Bureau of Capitol Security" (EMERGENCY) (C. "A" H-945)

(H.P. 1379) (L.D. 1910) Bill "An Act to Adjust Commercial Motor Vehicle Fees" (C. "A" H-948)

(H.P. 1664) (L.D. 2304) Bill "An Act to Amend Certain Provisions in Marine Resources Laws" (EMERGENCY) (C. "A" H-949)

(H.P. 1602) (L.D. 2214) Bill "An Act to Clarify the Role of the Board of Environmental Protection" (C. "A" H-950)

No objections having been noted at the end of the Second Legislative Day, the House Papers were Passed to be Engrossed as Amended and sent up for concurrence.

PASSED TO BE ENACTED

Emergency Measure

An Act to Amend the Workers' Compensation Insurance Laws (H.P. 1565) (L.D. 2171) (H. "A" H-914 to C. "A" H-904)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 104 voted in favor of the same and none against and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

ENACTOR

Emergency Measure

Tabled and Assigned

An Act to Provide for the 1990 and 1991 Allocations of the State Ceiling on Private Activity Bonds (H.P. 1642) (L.D. 2275) (C. "A" H-902)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed.

On motion of Representative Gwadosky of Fairfield, tabled pending passage to be enacted and specially assigned for Friday, March 23, 1990.

PASSED TO BE ENACTED

Emergency Measure

An Act to Amend the Charter of the Van Buren Water District (H.P. 1734) (L.D. 2393)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 110 voted in favor of the same and none against and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

PASSED TO BE ENACTED

An Act to Purchase the Development Rights to Farmland (H.P. 1545) (L.D. 2130) (C. "A" H-911)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed, passed to be enacted, signed by the Speaker and sent to the Senate.

**ORDERS OF THE DAY
UNFINISHED BUSINESS**

The following matters, in the consideration of which the House was engaged at the time of adjournment on Tuesday, March 20, 1990 have preference in the Orders of the Day and continue with such preference until disposed of as provided by Rule 24.

The Chair laid before the House the first item of Unfinished Business:

An Act to Limit the Role of Rating Organizations in Property and Casualty Rate Making (H.P. 1627) (L.D. 2249) (C. "A" H-905)

TABLED - March 20, 1990 (Till Later Today) by Representative GWADOSKY of Fairfield.

PENDING - Passage to be Enacted.

On motion of Representative Gwadosky of Fairfield, retabled pending passage to be enacted and later today assigned.

The Chair laid before the House the second item of Unfinished Business:

An Act Concerning Public Utilities (S.P. 761) (L.D. 1986) (S. "A" S-574 to C. "A" S-561)

TABLED - March 20, 1990 (Till Later Today) by Representative GWADOSKY of Fairfield.

PENDING - Passage to be Enacted.

On motion of Representative Gwadosky of Fairfield, retabled pending passage to be enacted and later today assigned.

The Chair laid before the House the third item of Unfinished Business:

An Act to Establish Licensing Requirements and a Cooperative Monitoring Program for Mahogany Quahogs (H.P. 1541) (L.D. 2126) (C. "A" H-874)

TABLED - March 20, 1990 (Till Later Today) by Representative GWADOSKY of Fairfield.

PENDING - Passage to be Enacted.

On motion of Representative Gwadosky of Fairfield, retabled pending passage to be enacted and later today assigned.

TABLED AND TODAY ASSIGNED

The Chair laid before the House the first tabled and today assigned matter:

An Act to Create an Appeals Procedure for the State Bidding Process (EMERGENCY) (S.P. 895) (L.D. 2277) (S. "A" S-576; C. "A" S-571)

TABLED - March 20, 1990 by Representative GWADOSKY of Fairfield.

PENDING - Passage to be Enacted.

On motion of Representative Joseph of Waterville, under suspension of the rules, the House reconsidered its action whereby L.D. 2249 was passed to be engrossed.

The same Representative offered House Amendment "A" (H-968) and moved its adoption.

House Amendment "A" (H-968) was read by the Clerk and adopted.

The Bill was passed to be engrossed as amended by Committee Amendment "A" (S-571), Senate Amendment "A" (S-576) and House Amendment "A" (H-968) in non-concurrence and sent up for concurrence.

The Chair laid before the House the second tabled and today assigned matter:

Bill "An Act Related to the State Board of Substance Abuse Counselors" (EMERGENCY) (S.P. 699) (L.D. 1837)

- In House, Passed to be Engrossed as amended by Committee Amendment "A" (S-483) as amended by House Amendment "A" (H-860) thereto and Senate Amendment "A" (S-506) on March 2, 1990.

- In Senate, Passed to be Engrossed as amended by Committee Amendment "A" (S-483) as amended by Senate Amendment "A" (S-525) thereto and Senate Amendment "A" (S-506) in non-concurrence.

TABLED - March 20, 1990 by Representative GWADOSKY of Fairfield.

PENDING - Further Consideration.

On motion of Representative Allen of Washington, the House voted to recede.

Senate Amendment "A" (S-525) to Committee Amendment "A" (S-483) was read by the Clerk.

On motion of Representative Allen of Washington, Senate Amendment "A" (S-525) to Committee Amendment "A" (S-483) was indefinitely postponed.

On motion of the same Representative, House Amendment "A" (H-860) to Committee Amendment "A" (S-525) was indefinitely postponed.

The same Representative offered House Amendment "B" (H-963) to Committee Amendment "A" (S-583) and moved its adoption.

House Amendment "B" (H-963) to Committee Amendment "A" (S-483) was read by the Clerk and adopted.

Committee Amendment "A" as amended by House Amendment "B" thereto was adopted.

The Bill was passed to be engrossed as amended by Committee Amendment "A" as amended by House Amendment "B" thereto and Senate Amendment "A" in non-concurrence and sent up for concurrence.

(At Ease)

The House was called to order by the Speaker.

BILL HELD

Expression of Legislative Sentiment recognizing the Lawrence High School "Bulldogs" (HLS 1216)

- In House, Passed.

HELD at the request of Representative GWADOSKY of Fairfield.

On motion of Representative Gwadosky of Fairfield, the House reconsidered its action whereby HLS 1216 was passed.

On further motion of the same Representative, the Legislative Sentiment was withdrawn.

At this point, the Speaker appointed Representative Michaud of East Millinocket to act as Speaker pro tem.

(At Ease)

The House was called to order by the Speaker pro tem.

The following item appearing on Supplement No. 3 was taken up out of order by unanimous consent:

PASSED TO BE ENGROSSED

As Amended

Bill "An Act Regarding Importation of Liquor" (H.P. 1741) (L.D. 2405) (C. "A" H-951)

Was reported by the Committee on Bills in the Second Reading, read the second time, Passed to be Engrossed as Amended, and sent up for concurrence.

(Off Record Remarks)

On motion of Representative Cahill of Mattawamkeag,

Adjourned until Friday, March 23, 1990, at twelve o'clock noon.