

MAINE STATE LEGISLATURE

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Legislative Record
House of Representatives
One Hundred and Twenty-Fourth Legislature
State of Maine

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May 28, 2009 – June 12, 2009

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ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE
FIRST REGULAR SESSION
51st Legislative Day
Thursday, June 4, 2009

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

Prayer by Reverend Jane Dibden-Schwab, Covenant Chapel, North Vassalboro.

National Anthem by Honorable Leila Percy, Phippsburg, Honorable Peggy A. Pendleton, Scarborough and Honorable Windol C. Weaver, York.

Pledge of Allegiance.

The Journal of yesterday was read and approved.

COMMUNICATIONS

The Following Communication: (S.C. 390)

**MAINE SENATE
124TH MAINE LEGISLATURE
OFFICE OF THE SECRETARY**

June 3, 2009

Honorable Millicent M. MacFarland

Clerk of the House

2 State House Station

Augusta, ME 04333

Dear Clerk MacFarland:

Please be advised the Senate today adhered to its previous action whereby it accepted the Minority Ought Not to Pass Report from the Committee on Criminal Justice and Public Safety on Bill "An Act To Suspend Driver's Licenses of Persons Operating All-terrain Vehicles, Watercraft and Snowmobiles while Intoxicated" (H.P. 495) (L.D. 712).

Sincerely,

S/Joy J. O'Brien

Secretary of the Senate

READ and ORDERED PLACED ON FILE.

The Following Communication: (S.C. 392)

**MAINE SENATE
124TH MAINE LEGISLATURE
OFFICE OF THE SECRETARY**

June 3, 2009

Honorable Hannah M. Pingree

Speaker of the House

2 State House Station

Augusta, ME 04333-0002

Dear Speaker Pingree:

In accordance with 3 M.R.S.A. §158 and Joint Rule 506 of the 124th Maine Legislature, please be advised that the Senate today confirmed the following nominations:

Upon the recommendation of the Committee on Education and Cultural Affairs, the nomination of Jeffrey A. Vermette of Windham for appointment to the State Board of Education.

Upon the recommendation of the Committee on Education and Cultural Affairs, the nomination of Linda A. Doyle of Yarmouth for appointment to the State Board of Education.

Upon the recommendation of the Committee on Education and Cultural Affairs, the nomination of Andrea Levinsky of Portland for appointment to the State Board of Education.

Upon the recommendation of the Committee on Education and Cultural Affairs, the nomination of Steven M. Pound of Little Moose Township for appointment to the State Board of Education.

Sincerely,
S/Joy J. O'Brien
Secretary of the Senate

READ and ORDERED PLACED ON FILE.

The Following Communication: (S.C. 395)

**MAINE SENATE
124TH MAINE LEGISLATURE
OFFICE OF THE SECRETARY**

June 3, 2009

Honorable Hannah M. Pingree

Speaker of the House

2 State House Station

Augusta, ME 04333

Dear Speaker Pingree:

Senate Paper 492 Legislative Document 1357 Bill "An Act To Protect the Privacy of Maine Residents under the Driver's License Laws" together with objections to the same, pursuant to the provisions of the Constitution of the State of Maine, after reconsideration, the Senate proceeded to vote on the question: "Shall this Bill become a law notwithstanding the objections of the Governor?" (S.P. 492) (L.D. 1357).

Seven voted in favor and twenty-eight against, and accordingly it was the vote of the Senate that the Bill not become law and the veto was sustained.

Sincerely,

S/Joy J. O'Brien

Secretary of the Senate

READ and ORDERED PLACED ON FILE.

The Following Communication: (S.C. 396)

**MAINE SENATE
124TH MAINE LEGISLATURE
OFFICE OF THE SECRETARY**

June 3, 2009

Honorable Hannah M. Pingree

Speaker of the House

2 State House Station

Augusta, ME 04333-0002

Dear Speaker Pingree:

In accordance with 3 M.R.S.A. §158 and Joint Rule 506 of the 124th Maine Legislature, please be advised that the Senate today confirmed the following nominations:

Upon the recommendation of the Committee on Labor, the nomination of Daniel Lawson of Monroe for appointment to the Workers' Compensation Board.

Upon the recommendation of the Committee on Labor, the nomination of Sophia L. Wilson of Dover-Foxcroft for appointment to the Workers' Compensation Board.

Sincerely,

S/Joy J. O'Brien

Secretary of the Senate

READ and ORDERED PLACED ON FILE.

Under suspension of the rules, members were allowed to remove their jackets.

SPECIAL SENTIMENT CALENDAR

In accordance with House Rule 519 and Joint Rule 213, the following items:

Recognizing:

the Lewiston Fire Department, recipient of a Best Practices Award from the Maine Fire Protection Services Commission. The Lewiston Fire Department received this award for its participation in the International Association of Firefighters and the International Association of Fire Chiefs' Fire Service Joint Labor Management Wellness-Fitness Initiative. The initiative provides firefighters with wellness screening tools to help detect serious medical conditions before they occur. We extend our congratulations to the Lewiston Fire Department on this tremendous achievement and thank them for their efforts to better their department and the community;

(HLS 438)

Presented by Representative BICKFORD of Auburn.

Cosponsored by Senator CRAVEN of Androscoggin, Representative LAJOIE of Lewiston, Representative CAREY of Lewiston, Representative WAGNER of Lewiston, Representative ROTUNDO of Lewiston.

On **OBJECTION** of Representative BICKFORD of Auburn, was **REMOVED** from the Special Sentiment Calendar.

READ.

The **SPEAKER**: The Chair recognizes the Representative from Auburn, Representative Bickford.

Representative **BICKFORD**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. The Best Practices Award is not an easy task for anyone to get, let alone the men and women of the Lewiston Fire Department, who take wellness very seriously. Through some grants they secured, they have been able to put fitness equipment in many of their buildings and stations. With regards to health, the Lewiston Fire Department, they really get it. Thank you.

The **SPEAKER**: The Chair recognizes the Representative from Lewiston, Representative Lajoie.

Representative **LAJOIE**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. It is my privilege to stand before you today to honor the Lewiston Department. As a former Lewiston firefighter with over 30 years, and chief 12 years, and a current member of the Maine Fire Protection Service Commission, it is especially gratifying for me to pay tribute on the floor this morning to these brave firefighters.

Many years back, the Lewiston firefighters recognized that heart attacks are the leading cause of firefighter deaths. Since that point, the department and the firefighters, along with the International Association of Firefighters and the International Association of Fire Chiefs, have been working to create a healthier firefighter and work environment through the adoption of wellness and fitness initiatives made possible by funding in 2003, by the national Assistance to Firefighters Act grant. The Lewiston firefighters, the department management team, Lewiston union leadership, WorkMed, St. Mary's Hospital, and the City of Lewiston have collaborated and worked closely together to create a wonderful and effective wellness/fitness program. This program includes the use of aerobic and weight training equipment, complete preliminary health screening, medical diagnostic testing, yearly physicals, and individual design, health and fitness training programs. The implementation of this program greatly benefits the city of Lewiston, the firefighters and their families. The people of Lewiston can rest assure that they have an extremely healthy, fit and able fire department ready to protect them. The firefighters are out there and reduce the risk of serious medical conditions. Additionally, the adoption of this wellness and fitness program has reduced a

number of medical incidents and claims, and has helped the City of Lewiston to reduce the cost of health insurance premiums.

Two tragic deaths will forever stand out in my mind and the minds of Lewiston firefighters. Approximately five years prior to the beginning of the health screening program, a Lewiston firefighter died of a heart attack. His death intensified the need to create a safer and healthier work environment and inspired us to work towards that goal. Only two short weeks before implementation of the health screening program, another friend and colleague died of a heart attack. I will always wonder if these deaths could have been prevented had we begun this program earlier. I am comforted in knowing, however, that the creation and maintenance of this program will save lives in the future. Congratulations to Chief Paul Leclair and the Lewiston Fire Department for creating a healthier firefighter and work environment, and thanks to all emergency response service, which make such a positive impact on our communities. Thank you, Madam Speaker.

The **SPEAKER**: The Chair recognizes the Representative from Lewiston, Representative Rotundo.

Representative **ROTUNDO**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I, too, want to congratulate the Lewiston Fire Department and Chief Paul Leclair. I also would like to congratulate the Representative from Lewiston, Representative Lajoie, who, when he was chief of the Lewiston Fire Department, started this wellness program. Thank you.

Subsequently, the Sentiment was **PASSED** and sent for concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH**.

In Memory of:

Harrison Richardson, of Gorham, Portland trial lawyer, ex-legislator and one-time candidate for governor who played a key role in the enactment of both the state income tax and landmark environmental legislation. Mr. Richardson attended the University of Maine where he was an all-New England tackle in football in 1953. He remained devoted to his alma mater throughout his life, later serving as the chairman of the board of directors. Before enrolling in law school, he served as a company commander with the United States Marines in Korea. Mr. Richardson's political career started in 1965 when he was elected to his first term in the House of Representatives. He went on to serve for 2 more terms in the House, 2 years as the majority leader, and for one term in the Maine Senate. A leader in the Republican party, he ran in the gubernatorial primary in 1974 and he was among a group of influential Republicans who joined with Democratic Governor Kenneth Curtis in helping to pass a state income tax in 1969. Mr. Richardson was also an early leader in the passage of environmental laws and sponsored a statute that taxed oil shipments passing through Maine waters to create a fund to clean up spills. The precedent-setting legislation became a model for other coastal states. Mr. Richardson will be deeply missed and long remembered by his family, his friends and the State's legislative and political community;

(HLS 294)

Presented by Representative TARDY of Newport.

Cosponsored by Representative MILLETT of Waterford, Senator MILLS of Somerset, Representative SANBORN of Gorham,

Senator BARTLETT of Cumberland, Representative KNAPP of Gorham.

On **OBJECTION** of Representative NUTTING of Oakland, was **REMOVED** from the Special Sentiment Calendar.

READ.

On motion of the same Representative, **TABLED** pending **ADOPTION** and later today assigned.

ENACTORS
Emergency Measure

An Act To Provide for a Certificate of Birth Resulting in Stillbirth

(S.P. 125) (L.D. 361)
(C. "A" S-275)

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. 118 voted in favor of the same and 0 against, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

Emergency Measure

An Act To Amend the Review and Approval Process of the Comprehensive Land Use Plan

(H.P. 722) (L.D. 1047)
(C. "A" H-468)

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. 121 voted in favor of the same and 3 against, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

Emergency Measure

An Act To Create the Maine Online Learning Program

(S.P. 531) (L.D. 1446)
(C. "A" S-273)

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. 129 voted in favor of the same and 0 against, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

Emergency Measure

An Act Regarding the Evaluation of Economic Development Programs

(H.P. 1022) (L.D. 1468)
(C. "A" H-502)

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

Representative BERRY of Bowdoinham **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 189

YEA - Austin, Ayotte, Beaudette, Beaudoin, Beaulieu, Beck, Berry, Bickford, Blanchard, Blodgett, Boland, Bolduc, Briggs,

Browne W, Bryant, Butterfield, Cain, Campbell, Carey, Casavant, Cebra, Chase, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Driscoll, Duchesne, Eaton, Eberle, Edgecomb, Eves, Finch, Flemings, Flood, Fossel, Gifford, Gilbert, Giles, Goode, Greeley, Hamper, Hanley, Harlow, Harvell, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Johnson, Jones, Joy, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Miller, Millett, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rankin, Richardson D, Richardson W, Robinson, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Strang Burgess, Stuckey, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner R, Watson, Weaver, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - NONE.

ABSENT - Adams, Burns, Celli, Clark T, Dill, Dostie, Fitts, Flaherty, Fletcher, Lewin, Morrison, Sutherland, Wagner J.

Yes, 138; No, 0; Absent, 13; Excused, 0.

138 having voted in the affirmative and 0 voted in the negative, with 13 being absent, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

Emergency Measure

Resolve, Regarding Continuity of Care in the Child Development Services System

(S.P. 188) (L.D. 489)
(C. "A" S-232; H. "A" H-487)

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. 129 voted in favor of the same and 0 against, and accordingly the Resolve was **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

Emergency Measure

Resolve, To Establish the Study Commission Regarding Teachers' Compensation

(H.P. 367) (L.D. 522)
(C. "A" H-420)

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. 107 voted in favor of the same and 18 against, and accordingly the Resolve was **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

Emergency Measure

Resolve, Directing the Department of Education and the Department of Agriculture, Food and Rural Resources To Convene a Work Group To Strengthen Farm-to-school Efforts in the State

(H.P. 784) (L.D. 1140)
(C. "A" H-461)

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. 128 voted in favor of the same and

0 against, and accordingly the Resolve was **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

Emergency Measure

Resolve, Regarding Legislative Review of Portions of Chapter 131: The Maine Federal, State, and Local Accountability Standards, a Major Substantive Rule of the Department of Education

(H.P. 817) (L.D. 1178)

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. 128 voted in favor of the same and 0 against, and accordingly the Resolve was **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

Emergency Measure

Resolve, To Improve the Continuity of Care for Individuals with Behavioral Issues in Long-term Care

(H.P. 864) (L.D. 1245)
(C. "A" H-460)

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. 132 voted in favor of the same and 0 against, and accordingly the Resolve was **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

Emergency Measure

Resolve, To Review Changing the Duties of the State Board of Education

(H.P. 900) (L.D. 1297)
(C. "A" H-478)

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. 132 voted in favor of the same and 2 against, and accordingly the Resolve was **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

Acts

An Act Regarding Requirements for Approval of a Transmission Line

(H.P. 39) (L.D. 44)
(C. "A" H-369)

An Act To Amend Certain Laws Affecting Transportation

(H.P. 110) (L.D. 126)
(C. "A" H-477)

An Act To Increase the Number of Members of the Maine Land Use Regulation Commission Who Reside in the Commission's Jurisdiction

(H.P. 361) (L.D. 516)
(C. "A" H-387)

An Act To Amend the Statute of Limitations for Actions against the Estate of a Decedent

(H.P. 420) (L.D. 582)
(C. "A" H-458)

An Act To Authorize a Court To Appoint a Parenting Coordinator To Assist in Domestic Relations Actions

(H.P. 457) (L.D. 643)
(C. "A" H-459)

An Act To Amend Certain Provisions of Fish and Wildlife Laws

(S.P. 319) (L.D. 811)
(C. "A" S-168)

An Act To Increase the Evidentiary Standard Required To Establish a Guardianship

(H.P. 647) (L.D. 944)
(C. "A" H-479)

An Act To Amend the Maine Condominium Act Regarding Escrow of Assessments

(H.P. 663) (L.D. 961)
(C. "A" H-418)

An Act To Regulate Mixed Martial Arts Competitions, Exhibitions and Events

(H.P. 751) (L.D. 1089)
(C. "A" H-493)

An Act Concerning Technical Changes to the Tax Laws

(H.P. 755) (L.D. 1093)
(C. "A" H-476)

An Act To Implement the Recommendations of the Commission To Study the Protection of Farms and Farmland

(S.P. 424) (L.D. 1133)
(C. "A" S-274)

An Act To Improve Teacher Confidentiality Laws

(S.P. 439) (L.D. 1191)
(C. "A" S-267)

An Act To Allow Pharmacists To Administer Certain Immunizations

(H.P. 843) (L.D. 1223)
(C. "A" H-473)

An Act To Require Legislative Consultation and Approval Prior to Committing the State to Binding International Trade Agreements

(H.P. 876) (L.D. 1257)
(C. "A" H-457)

An Act To Provide More Transparency and Protection for Public Employees in the Laws Governing the Maine Public Employees Retirement System

(S.P. 474) (L.D. 1292)
(C. "A" S-285)

An Act To Update Department of Defense, Veterans and Emergency Management Laws

(H.P. 931) (L.D. 1327)
(H. "A" H-467 to C. "A" H-390)

An Act To Make Minor Substantive Changes to the Tax Laws

(H.P. 980) (L.D. 1401)
(C. "A" H-482)

An Act To Create the Advisory Committee on Bias-based Profiling by Law Enforcement Officers and Law Enforcement Agencies

(S.P. 526) (L.D. 1442)
(C. "A" S-265)

An Act Regarding the Central Voter Registration System

(H.P. 1037) (L.D. 1484)
(H. "A" H-486)

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.

Resolves

Resolve, To Review Statutes, Rules and Policies Regarding Mental Retardation, Pervasive Developmental Disorders and Other Cognitive and Developmental Disorders

(H.P. 468) (L.D. 654)

Resolve, To Examine Data Discrepancies and Adequately Identify and Serve Children with Brain Injuries

(H.P. 597) (L.D. 866)

Resolve, To Encourage Alternative Compensation Models for Teachers and School Administrators

(S.P. 458) (L.D. 1277)

(C. "A" S-268)

Resolve, To Promote Partnerships between the University of Maine System and the Maine Business Community

(H.P. 991) (L.D. 1415)

(C. "A" H-483)

Resolve, To Recognize Women Veterans in the State House Hall of Flags

(H.P. 1023) (L.D. 1470)

(C. "A" H-456)

Reported by the Committee on **Engrossed Bills** as truly and strictly engrossed, **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

An Act To Create a Funding Structure for Sustainable Investment in Public Water and Wastewater Infrastructure in the State

(H.P. 464) (L.D. 650)

(C. "A" H-455)

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

On motion of Representative BERRY of Bowdoinham, was **SET ASIDE**.

The same Representative **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 190

YEA - Adams, Austin, Ayotte, Beaudette, Beaudoin, Beaulieu, Beck, Berry, Bickford, Blanchard, Blodgett, Boland, Bolduc, Briggs, Browne W, Bryant, Burns, Butterfield, Cain, Campbell, Carey, Casavant, Cebra, Chase, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Dostie, Driscoll, Duchesne, Eaton, Eberle, Edgecomb, Eves, Finch, Fitts, Flaherty, Flemings, Fletcher, Flood, Fossil, Gifford, Gilbert, Giles, Goode, Greeley, Hamper, Hanley, Harlow, Harvell, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Johnson, Jones, Joy, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Miller, Millett, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rankin, Richardson D, Richardson W, Robinson, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Strang Burgess, Stuckey, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner J, Wagner R, Watson, Weaver, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - NONE.

ABSENT - Celli, Clark T, Dill, Lewin, Morrison.

Yes, 146; No, 0; Absent, 5; Excused, 0.

146 having voted in the affirmative and 0 voted in the negative, with 5 being absent, and accordingly the Bill was

PASSED TO BE ENACTED, signed by the Speaker and sent to the Senate.

An Act To Increase Access to Farm Fresh Poultry

(H.P. 709) (L.D. 1034)

(H. "A" H-466 to C. "A" H-427)

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

On motion of Representative TARDY of Newport, was **SET ASIDE**.

The same Representative **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

Representative SMITH of Monmouth asked leave of the House to be excused from voting on L.D. 1034 pursuant to House Rule 401.12.

The Chair granted the request.

The SPEAKER: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 191

YEA - Adams, Austin, Ayotte, Beaudette, Beaudoin, Beaulieu, Beck, Berry, Bickford, Blanchard, Blodgett, Boland, Bolduc, Briggs, Browne W, Bryant, Burns, Butterfield, Cain, Campbell, Carey, Casavant, Cebra, Chase, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Dostie, Driscoll, Duchesne, Eaton, Eberle, Edgecomb, Eves, Finch, Fitts, Flaherty, Flemings, Fletcher, Flood, Fossil, Gifford, Gilbert, Giles, Goode, Greeley, Hamper, Hanley, Harlow, Harvell, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Johnson, Jones, Joy, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Miller, Millett, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rankin, Richardson D, Richardson W, Robinson, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Stevens, Strang Burgess, Stuckey, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner J, Wagner R, Watson, Weaver, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - NONE.

ABSENT - Celli, Clark T, Dill, Lewin, Morrison.

Yes, 145; No, 0; Absent, 5; Excused, 1.

145 having voted in the affirmative and 0 voted in the negative, with 5 being absent and 1 excused, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

An Act Regarding Screening for Methicillin-resistant Staphylococcus Aureus

(H.P. 713) (L.D. 1038)

(C. "A" H-498)

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

On motion of Representative BERRY of Bowdoinham, was **SET ASIDE**.

The same Representative **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 192

YEA - Adams, Austin, Ayotte, Beaudette, Beaudoin, Beaulieu, Beck, Berry, Bickford, Blanchard, Blodgett, Boland, Bolduc, Briggs, Browne W, Bryant, Burns, Butterfield, Cain, Campbell, Carey, Casavant, Cebra, Chase, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Dostie, Driscoll, Duchesne, Eaton, Eberle, Edgecomb, Eves, Finch, Fitts, Flaherty, Flemings, Fletcher, Flood, Fossel, Gifford, Gilbert, Giles, Goode, Greeley, Hamper, Hanley, Harlow, Harvell, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Johnson, Jones, Joy, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Miller, Millett, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rankin, Richardson D, Richardson W, Robinson, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Strang Burgess, Stuckey, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner J, Wagner R, Watson, Weaver, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - NONE.

ABSENT - Celli, Clark T, Dill, Lewin, Morrison.

Yes, 146; No, 0; Absent, 5; Excused, 0.

146 having voted in the affirmative and 0 voted in the negative, with 5 being absent, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

An Act to Establish the Community-based Renewable Energy Pilot Program

(H.P. 742) (L.D. 1075)
(C. "A" H-463)

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

On motion of Representative BERRY of Bowdoinham, was **SET ASIDE**.

The same Representative **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

Representative FITTS of Pittsfield asked leave of the House to be excused from voting on L.D. 1075 pursuant to House Rule 401.12.

The Chair granted the request.

The SPEAKER: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 193

YEA - Adams, Austin, Ayotte, Beaudette, Beaudoin, Beaulieu, Beck, Berry, Bickford, Blanchard, Blodgett, Boland, Bolduc, Briggs, Browne W, Bryant, Burns, Butterfield, Cain, Campbell, Carey, Casavant, Cebra, Chase, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Dostie, Driscoll, Duchesne, Eaton, Eberle, Edgecomb, Eves, Finch, Flaherty, Flemings, Fletcher, Flood, Fossel, Gifford, Gilbert, Giles, Goode, Greeley, Hamper, Hanley, Harlow, Harvell, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Johnson, Jones, Joy, Kaenrath, Kent,

Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Miller, Millett, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rankin, Richardson D, Richardson W, Robinson, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Strang Burgess, Stuckey, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner J, Wagner R, Watson, Weaver, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - NONE.

ABSENT - Celli, Clark T, Dill, Lewin, Morrison.

Yes, 145; No, 0; Absent, 5; Excused, 1.

145 having voted in the affirmative and 0 voted in the negative, with 5 being absent and 1 excused, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

An Act To Require Interscholastic Athletic Organizations To Comply with the Public Proceedings Provisions of the Freedom of Access Laws for Certain Meetings

(H.P. 909) (L.D. 1306)
(C. "A" H-470)

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

On motion of Representative TARDY of Newport, was **SET ASIDE**.

The same Representative **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 194

YEA - Adams, Austin, Beaudette, Beaudoin, Beck, Berry, Bickford, Blanchard, Blodgett, Boland, Bolduc, Briggs, Bryant, Burns, Butterfield, Cain, Campbell, Carey, Casavant, Chase, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Dostie, Driscoll, Duchesne, Eaton, Eberle, Eves, Fitts, Flaherty, Flemings, Fletcher, Flood, Fossel, Gifford, Gilbert, Giles, Goode, Greeley, Hamper, Hanley, Harlow, Harvell, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Jones, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, McKane, Miller, Millett, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rankin, Richardson D, Richardson W, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Strang Burgess, Stuckey, Tardy, Theriault, Thibodeau, Tilton, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner J, Wagner R, Watson, Weaver, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - Ayotte, Beaulieu, Browne W, Cebra, Edgecomb, Finch, Johnson, Joy, McFadden, McLeod, Robinson, Sutherland, Sykes, Thomas.

ABSENT - Celli, Clark T, Dill, Lewin, Morrison.

Yes, 132; No, 14; Absent, 5; Excused, 0.

132 having voted in the affirmative and 14 voted in the negative, with 5 being absent, and accordingly the Bill was

PASSED TO BE ENACTED, signed by the Speaker and sent to the Senate.

An Act Regarding Asbestos Abatement Work

(S.P. 518) (L.D. 1434)
(S. "A" S-272 to C. "A" S-159)

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

On motion of Representative TARDY of Newport, was **SET ASIDE**.

The same Representative **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 195

YEA - Adams, Beaudette, Beaudoin, Beck, Berry, Blanchard, Blodgett, Boland, Bolduc, Briggs, Bryant, Butterfield, Cain, Campbell, Carey, Casavant, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Crockett P, Dostie, Driscoll, Duchesne, Eaton, Eberle, Eves, Flaherty, Flemings, Gilbert, Goode, Greeley, Hanley, Harlow, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Jones, Kaenrath, Kent, Kruger, Lajoie, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, Miller, Nelson, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Priest, Rankin, Rotundo, Russell, Sanborn, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Stuckey, Sutherland, Sykes, Theriault, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner J, Wagner R, Watson, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - Austin, Ayotte, Beaulieu, Bickford, Browne W, Burns, Cebra, Chase, Cotta, Crafts, Cray, Crockett J, Curtis, Cushing, Davis, Edgecomb, Finch, Fitts, Fletcher, Flood, Fossel, Gifford, Giles, Hamper, Harvell, Johnson, Joy, Knapp, Knight, Langley, McFadden, McKane, McLeod, Millett, Nass, Nutting, Pinkham, Plummer, Prescott, Richardson D, Richardson W, Robinson, Rosen, Sarty, Strang Burgess, Tardy, Thibodeau, Thomas, Tilton, Weaver.

ABSENT - Celli, Clark T, Dill, Lewin, Morrison.

Yes, 96; No, 50; Absent, 5; Excused, 0.

96 having voted in the affirmative and 50 voted in the negative, with 5 being absent, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

An Act To Protect Consumers and Small Business Owners from Rising Health Care Costs

(S.P. 529) (L.D. 1444)
(C. "A" S-219)

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

On motion of Representative BERRY of Bowdoinham, was **SET ASIDE**.

The same Representative **REQUESTED** a roll call on **PASSAGE TO BE ENACTED**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 196

YEA - Adams, Austin, Ayotte, Beaudette, Beaudoin, Beaulieu, Beck, Berry, Bickford, Blanchard, Blodgett, Boland, Bolduc, Briggs, Browne W, Bryant, Burns, Butterfield, Cain, Campbell, Carey, Casavant, Cebra, Chase, Clark H, Cleary, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Dostie, Driscoll, Duchesne, Eaton, Eberle, Edgecomb, Eves, Finch, Fitts, Flaherty, Flemings, Fletcher, Flood, Fossel, Gifford, Gilbert, Giles, Goode, Greeley, Hamper, Hanley, Harlow, Harvell, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Johnson, Jones, Joy, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Miller, Millett, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rankin, Richardson D, Richardson W, Robinson, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Strang Burgess, Stuckey, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Treat, Trinward, Tuttle, Valentino, Van Wie, Wagner J, Wagner R, Watson, Webster, Welsh, Wheeler, Willette, Wright, Madam Speaker.

NAY - Weaver.

ABSENT - Celli, Clark T, Dill, Lewin, Morrison.

Yes, 145; No, 1; Absent, 5; Excused, 0.

145 having voted in the affirmative and 1 voted in the negative, with 5 being absent, and accordingly and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

The following items were taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matters, in the consideration of which the House was engaged at the time of adjournment yesterday, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

Bill "An Act To Promote Small Business in Rural Maine by Expanding Game Hunting Opportunities"

(H.P. 326) (L.D. 438)

- In House, Majority (7) **OUGHT TO PASS** Report of the Committee on **AGRICULTURE, CONSERVATION AND FORESTRY READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED** on May 21, 2009.

- In Senate, Minority (5) **OUGHT NOT TO PASS** Report of the Committee on **AGRICULTURE, CONSERVATION AND FORESTRY READ** and **ACCEPTED** in **NON-CONCURRENCE**.

TABLED - May 27, 2009 (Till Later Today) by Representative PIOTTI of Unity.

PENDING - FURTHER CONSIDERATION.

On motion of Representative TARDY of Newport, the House voted to **RECEDE AND CONCUR**.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH** with the exception of matters being held.

Resolve, To Reduce Funding to Maine Clean Election Act Candidates

(S.P. 345) (L.D. 923)

- In Senate, Unanimous **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Resolve **PASSED TO**

BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-287).

TABLED - June 2, 2009 (Till Later Today) by Representative TRINWARD of Waterville.

PENDING - **ADOPTION OF COMMITTEE AMENDMENT "A" (S-287).**

Representative TRINWARD of Waterville **PRESENTED House Amendment "A" (H-533) to Committee Amendment "A" (S-287)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Waterville, Representative Trinward.

Representative **TRINWARD**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. This amendment is to deal with the distribution to Clean Election candidates in the next coming elections. The budget cut five percent to the Clean Election Fund, and this will allow our funding to continue on the level that it is now, but it also will report back the Legal and Veterans Committee if the funding appears to not be available. Also, in statute now, if the funding will be running out, the commission has the ability to have rules drafted to allow for fundraising through private contributions. That is already now in statute. So if the five percent cut makes it that there will not be enough money in the fund, the commission can now put into effect some contributions to make up the difference. Thank you.

Subsequently, **House Amendment "A" (H-533) to Committee Amendment "A" (S-287) was ADOPTED.**

Committee Amendment "A" (S-287) as Amended by House Amendment "A" (H-533) thereto was ADOPTED.

Under suspension of the rules, the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading.**

Under further suspension of the rules, the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (S-287) as Amended by House Amendment "A" (H-533) in NON-CONCURRENCE** and sent for concurrence. **ORDERED SENT FORTHWITH.**

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH** with the exception of matters being held.

**CONSENT CALENDAR
First Day**

In accordance with House Rule 519, the following item appeared on the Consent Calendar for the First Day:

(H.P. 716) (L.D. 1041) Bill "An Act To Alter the Mechanism by which a Political Party is a Qualified Party" Committee on **LEGAL AND VETERANS AFFAIRS** reporting **Ought to Pass**

Under suspension of the rules, Second Day Consent Calendar notification was given.

There being no objection, the House Paper was **PASSED TO BE ENGROSSED** and sent for concurrence. **ORDERED SENT FORTHWITH.**

The House recessed until 2:00 p.m.

(After Recess)

The House was called to order by the Speaker.

The following item was taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matter, in the consideration of which the House was engaged at the time of adjournment yesterday, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

SENATE DIVIDED REPORT - Report "A" (8) Ought to Pass as Amended by Committee Amendment "A" (S-221) - Report "B" (4) Ought to Pass as Amended by Committee Amendment "B" (S-222) - Report "C" (1) Ought to Pass as Amended by Committee Amendment "C" (S-223) - Committee on INSURANCE AND FINANCIAL SERVICES on Bill "An Act To Conform State Mortgage Laws with Federal Laws" (EMERGENCY)

(S.P. 523) (L.D. 1439)

- In Senate, Report "A" **OUGHT TO PASS AS AMENDED READ and ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-221) AS AMENDED BY SENATE AMENDMENT "D" (S-289)** thereto.

TABLED - June 2, 2009 (Till Later Today) by Representative BECK of Waterville.

PENDING - Motion of Representative TREAT of Hallowell to **INDEFINITELY POSTPONE** the Bill and accompanying papers.

Subsequently, Representative TREAT of Hallowell **WITHDREW** her motion to **INDEFINITELY POSTPONE** the Bill and accompanying papers.

On motion of the same Representative, Report "A" **Ought to Pass as Amended was ACCEPTED.**

The Bill was **READ ONCE. Committee Amendment "A" (S-221) was READ** by the Clerk.

Representative PRIEST of Brunswick **PRESENTED House Amendment "A" (H-532) to Committee Amendment "A" (S-221)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Brunswick, Representative Priest.

Representative **PRIEST**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. This amendment that I am placing on makes sure that when reasonably, reliable evidence of a consumer's income or assets are determined when a bank tries to decide whether somebody can afford a loan or not, can include statements from investment advisors, as long as those statements show actual income and not just projected income or anticipated income. This is presently in our law so it just makes sure that that is going to be in the bill. My understanding from the discussions is that all of the financial community is on board with this amendment. This also includes all of Senate Amendment "D"; my House Amendment includes all of Senate Amendment "D" in it so, at some point, I will move to kill Senate Amendment "D". Thank you.

Subsequently, **House Amendment "A" (H-532) to Committee Amendment "A" (S-221) was ADOPTED.**

Senate Amendment "D" (S-289) to Committee Amendment "A" (S-221) was READ.

On motion of Representative PRIEST of Brunswick, **Senate Amendment "D" (S-289) to Committee Amendment "A" (S-221) was INDEFINITELY POSTPONED.**

Committee Amendment "A" (S-221) as Amended by House Amendment "A" (H-532) thereto ADOPTED.

Under suspension of the rules, the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading.**

Under further suspension of the rules, the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment**

"A" (S-221) as Amended by House Amendment "A" (H-532) thereto in **NON-CONCURRENCE** and sent for concurrence. **ORDERED SENT FORTHWITH.**

BILLS HELD

Bill "An Act To Preserve Home Ownership and Stabilize the Economy by Preventing Unnecessary Foreclosures" (EMERGENCY)

(H.P. 994) (L.D. 1418)

- In House, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-524).**

HELD at the Request of Speaker PINGREE of North Haven.

On motion of Representative TREAT of Hallowell, the House **RECONSIDERED** its action whereby the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-524).**

On further motion of the same Representative, **TABLED** pending **PASSAGE TO BE ENGROSSED as Amended by Committee Amendment "A" (H-524)** and later today assigned.

The following items were taken up out of order by unanimous consent:

REPORTS OF COMMITTEE

Divided Report

Majority Report of the Committee on **TAXATION** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-530)** on Bill "An Act To Modernize the Tax Laws and Provide over \$75,000,000 to Residents of the State in Tax Relief"

(H.P. 750) (L.D. 1088)

Signed:

Senators:

PERRY of Penobscot
BLISS of Cumberland

Representatives:

WATSON of Bath
BRYANT of Windham
FLEMINGS of Bar Harbor
CROCKETT of Augusta
PILON of Saco
VALENTINO of Saco
SIROIS of Turner

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

Signed:

Senator:

NASS of York

Representatives:

LANGLEY of Ellsworth
CHASE of Wells
KNIGHT of Livermore Falls

READ.

Representative WATSON of Bath moved that the House **ACCEPT** the Majority **Ought to Pass as Amended** Report.

The SPEAKER: The Chair recognizes the Representative from Bath, Representative Watson.

Representative **WATSON**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I recently read an editorial that came out of the *Lewiston Sun Journal* and it

pointed out something that I know you've heard a hundred times. It pointed out that Maine's sales tax base is far too narrow. It pointed out that in the economic recession, the economic hard times; Maine's revenue stream was thrown into a literal tailspin when a full third of our sales tax revenue, which is dependent on just two items, began to tank. You all noticed last spring, when even ahead of the falling home values, the bottoms felt out of new car sales and construction materials. That sent the sales tax revenue into a tailspin, and we were faced with a huge structural gap that we just now spent the last few months trying to cure in this last budget.

What was unique about this editorial, however, besides the fact that it was cajoling the Legislature to do something about this problem, as have other editorials that have appeared more recently over the last few weeks, what's unique about this one though is the *Lewiston Sun Journal* wrote this editorial in 1989. Twenty years ago, it pointed out that the basic problem with Maine's revenue stream is volatility, and the basic cause of that is because the sales tax base is so narrow. Now if you were around in 1989 or the early '90s, you remember that economic crisis resulted in the Legislature taking some action: a penny was added on the sales tax. Today that's called the easy solution. A penny was added on the sales tax and the sales tax was slightly broadened to include snacks. Well, shortly thereafter, when economic conditions improved, the penny was taken off the sales tax; it went back to five percent. The snack tax, which was horrendous in terms of its administration, very difficult for businesses to handle, very difficult for Maine Revenue Services to administer, the snack tax was repealed. The Legislature went home that campaign season, patting itself on the back that it had lowered the taxes. It left Maine and Maine's economy and the State of Maine's revenue stream in precisely the same condition it was before it made that easy way out kind of improvement.

A commission was put together under one of the former Speakers, Speaker Michael Saxl. The Saxl Commission looked very closely at Maine's sales tax base and concluded that, no surprise to anyone, that the sales tax was too narrow. The Saxl Commission looked at 125 separate sales tax exemptions present in Maine Tax Code, trying to determine which ones ought to be eliminated in order to broaden the base and improve the revenue stream. It made its recommendations, those recommendations eventually ended up in legislation and the legislation went no where, and today, 20 years later, we are in precisely the same position. But LD 1088 is a significantly different piece of legislation. It not only broadens the sales tax base, as did the efforts back in the early '90s, but it does something different with the proceeds. When we broaden the sales tax base to include snacks, when it was administered, when it was operating properly, it produced about \$18 million. That \$18 million went directly into the General Fund and was spent just as quickly as it came in trying to solve a budget problem. That was the purpose of that broadening. LD 1088's broadening has an entirely different purpose, because every dime of broadened sales tax revenue is immediately transfixed or transferred into income tax relief, every dime, and it turns out to be about between \$55 and \$58 million worth of honest tax relief.

Now the critics of this program and this plan have called it a tax shift and somehow that's a bad thing. Well, in Maine economics, shift happens, and in this case, the tax shift that takes place within LD 1088 is one from the shoulders of Maine residents to the pockets of Maine visitors and Maine residents who choose to live here for six months minus a day. When I got out of the Navy, I was living here in Maine, this was the first place I'd ever been stationed—and I grew up in the military—the first

place I'd ever been stationed that I liked enough to want to stay. I had never paid an income tax to a state before. My home, or my home of record if you will, was a state that had no income tax. The reason I became a Maine resident, at the time, was because I wanted to stay here, I wanted to go to law school here, I wanted to make a career and raise a family here, and I did that. Had I been used to paying income tax, however, I would have gawked at the idea of paying 8.5 percent as the top rate. LD 1088 drops that by almost 25 percent to 6.5 percent.

We have talked to a number of businesses, in other committee deliberations, who have considered moving their operations to Maine. I've had a couple of those executives tell me directly that they would not move here because they would not ask their executives to pay an 8.5 percent income tax rate. It has been one of the banes of our existence. It has been one of the things that has, rightly or wrongly, helped classify Maine as unfriendly to business. LD 1088 drops that by 25 percent and does so by a very modest broadening of the sales tax base. Now broadening a sales tax base accomplishes a couple of things. It not only produces the revenue, which is immediately converted into income tax relief, but it also promises a more stable, predictable, less volatile revenue stream, so that when the economy improves, we have a predictable way of determining our revenue, and when it sinks again, as it will in the future, we will not be facing the whiplash effect that we are right now because our base is so narrow.

There are a couple of those significant differences in 1088 than anything else we've ever tried, and I'm only going to discuss one of them and that is Maine Revenue Services is required by this bill to coordinate with the Taxation Committee and this Legislature on the implementation of the sales tax broadening. This has never happened before. When Maine Revenue Services enters into a new field of revenue generation, they produce tax bulletins that go out to the people several months in advance, go out to the businesses involved and inform them of tax procedures, the changes in the rules, so that everyone is ready when the time comes for Enactment, or when the effective date of the bill is brought up. In this case, the Taxation Committee in this Legislature will be involved in the drafting of those very bulletins to make sure that new businesses, businesses that are facing a tax collection obligation for the first time, will be fully informed and properly informed. Then, in order to make those changes permanent, they have to become substantive rules, and you in your committee work know that that means they have to come back to the Legislature for approval. That has not happened before and that is, I will tell you, an idea that came from a very far thinking Republican member of the Taxation Committee. Here's the problem: You all got emails recently about Maine Revenue Services, all of the sudden it seems, collecting a meals tax against prepared meals in retirement homes. The problem, as it has always been whenever we find something like that happening and we determine that we want to change it as a matter of tax policy, Maine Revenue has already collected some of those taxes and so it has entered the base line and, in short, in order to cure it, requires a fiscal note, and that's exactly what happened with the retirement homes' prepared meals. This bill, incidentally, takes care of that and funds it, it places an extension, it extends the exemption to prepared meals of retirement homes as sales tax/meals tax will never be collected on that item again, and it funds that within this bill. But more importantly, we will be alerted to that kind of change before it happens, so that we can see it coming, change the policy if necessary before that revenue enters the baseline and before that cost of fiscal note, in order to make those changes, and that was a suggestion brought by a Republican

member of the Taxation Committee and a very valuable contribution, one of the many very valuable contributions, that the minority party has made to LD 1088, and I for one appreciate it.

This package is long, long overdue, Ladies and Gentlemen. We have talked about doing this year, after year, after year, and for the sessions that I've been proud enough to serve in this House, we have tried and tried and tried and we've not gotten it right. We have finally scaled it down to the point where it is right. The numbers work. This changes the income tax system to one that is easier, much more simple, much easier, and much more productive in terms of its returns, and it broadens the sales tax base, only those items that are discretionary, consumer items, not necessities, but provides us a measure of predictability and, most importantly, it transfers a great deal of that tax burden to stay visitors, the tourists and the residents here who choose to stay six months and a day. I encourage you think about this bill, read it over, question it among yourselves, and when it's time for a vote support it, because this is the right way for Maine, this is where we've got to go. Thank you, Madam Speaker.

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

Representative **CROCKETT**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. The bill before us today, LD 1088, did not just appear out of the blue with no thought behind it. It was planned, it was worked, it was scrutinized, and it was reworked. Its figures have been run by Maine Revenue Services. Maine Revenue Services checked and rechecked the figures in LD 1088.

For many years before I became a state representative, it was clear to me that Maine needed to reform its tax system. When I was working as a lobbyist, I would sit in on Tax Committee meetings and hear the committee's chairs. Senator Dick Ruhlin and Representative Verdi Tripp argued for reforming our tax system and stabilizing our revenue sources. Senator Ruhlin was tireless. When tax reform wasn't achieved in the 118th Legislature, he was back in the 119th. This time, he was joined by his new co-chair, Representative Ken Gagnon of Waterville. They worked hard to accomplish tax reform that session. I remember charts on the walls around the room and the committee meeting during the summer months to try to make it a reality. As you all know, they were not successful.

Speaker Mike Saxl next took up the charge, when he convened a commission to tackle tax reform. The commission brought together many well known and respected members of the business community, including the Honorable Ken Curtis, George Campbell, and former Chief Justice Daniel Wathen and many others. The commission met all summer and presented a great proposal to the 121st Legislature. Even with the distinguished panel behind it, that measure also failed.

In 2006, I was elected to the Legislature and committed to seeing tax reform become a reality. One of my first bills was a tax reform measure that included many of the ideas that came out of the Saxl Commission. When tax reform didn't pass last session, I introduced another bill this session. I have since put my full support behind the comprehensive package that we have today, LD 1088. The legislation before us now is the result of Representative Piotti's many hours of work fine-tuning the work of the Tax Committee that was done in the 123rd Legislative Session. That bill passed the House and failed in the other body. I believe this bill is better than the others because it has as its base all of the prior years work. After the public hearing and the input from legislators on both sides of the aisle, LD 1088 has been made better. This is a good piece of legislation.

During all these years of watching failed attempts at tax reform, I have seen many good ideas. If we had enacted

legislation 10 years ago, our state would be better able to weather the current economic downturn. We must not wait any longer to put our state on a better path. We must act now to lower the tax burden for Maine residents.

The newest tax reform package is particularly needed in these tough economic times. When all is said and done, most Maine residents would see savings of between \$100 and \$500 dollars. All told, this package will put around \$55 million back in the pockets of Maine people each year. That's a lot of money that would be freed up for purchases and investments in our local businesses. Over 95 percent of Mainers will see an income tax reduction and about 85 percent of Mainers will see an overall tax reduction.

This would be accomplished while lowering the income tax rate from 8.5 to 6.5 and providing credits for those with lower incomes. The drop in the tax rate is a key component of this package.

Reducing the income tax will also make our state more attractive to new business and encourage investment by businesses that are already calling Maine their home. More investment means more growth and more jobs for Maine people.

The plan does call for expanding the sales tax to some categories such as ski tickets, entry to a golf course, theatre, movies, and other discretionary items that we aren't used to paying sales tax on now. The key is that 40 percent of the new sales tax will be paid by out of state residents and Mainers will keep 100 percent of the benefit from lowering our income tax. The state does not make any money on this package. All of it is kept by Maine residents. In the end, it is a win for all Maine citizens because we all have extra dollars in our pocket. Equally as important to me though is it will stabilize our state revenue by broadening Maine's extremely narrow sales tax base. This will help future state budgets. Once again, we have an opportunity to improve our tax system. Let's not wait another 10 years. Let's put Maine on the right track and vote Ought to Pass on this tax reform package. Thank you.

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

Representative **PILON**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. As I sat in many of the hearings and I've heard people come before us from DECD and other people from the outside, I've heard we're not competitive, our rates are too high. So how do we become competitive? We need to reduce the rate. We need to become competitive in New England. Geographically, we're not competitive. We're tucked up in northern New England and New Hampshire is outside of Boston, so we need to become more competitive and, by reducing the rate, we become more competitive. We're now business friendly. In this morning's paper, in the *Portland Press*, I read the Legislature's current tax return plan would set our state government on a more sustainable course with a more reliable tax base and a friendlier climate for businesses and workers, said GrowSmart Maine President, Alan Caron. This proposal deserves to succeed. GrowSmart said that if the proposal passes, Maine's income tax rate would go from being one of the nation's highest to middle of the pack. Harvey Rosenfeld, President and Executive Director of Scarborough Economic Development, said the very fact that Maine is talking about tax reform sends an important message to businesses that might consider moving here. We need to send businesses an important message that we're open for business. So I urge you to support LD 1088. Thank you.

The SPEAKER: The Chair recognizes the Representative from Wells, Representative Chase.

Representative **CHASE**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I'm sure that we've all in our lifetimes have done projects and events where you've worked really, really hard and made every effort and tried to do the best you could, but in the end the results were too small for the effort. Unfortunately, LD 1088 is just one of those efforts. It's way too confusing, it's way too complicated, and it's way too costly for the people in understanding what's happening to them, and that in the end the benefit is too small to work. Every day, when people go to the stores and when they go out and get their pet groomed or when they go and get their automobile repaired when they couldn't afford to buy a new car, they're going to have to pay more taxes on it. Every day they're going to be reminded about LD 1088, and in the end on their income, they're going to see little or not recognize any benefit from \$80 to \$250 a year, that's all they're going to see, and every day they're going to be looking at the taxes and the increases. That's why I say to you, it's in some cases, when you work on a good idea and you work on a good event, that all the effort and work that goes out there, and all the confusion and the chaos in implementing it and the impacts on the businesses, it's not going to be worth it. In the end, this is just simply a bad bill because you don't get enough benefits. Thank you.

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

Representative **PENDLETON**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I will be voting against LD 1088 and I'd like to share with you why. First of all, I'd like to thank the committee for their hard work and for all the time they spent on this issue and I will say that many of the things you said are right. We've been talking about this for the last 20 years, I can tell you for sure, because that's when I started. However, if you take intellectually I think, yes, this is true and this is the right thing to do; however, practically, when you look at it practically, you take the numbers of a constituent or a business owner in your own district, as I did, and you will find out that it's not quite as pretty as would like it to be. I have a business owner that will be hit, he has 20 employees. He would be hit by the entertainment tax, the mechanical equipment repair tax, perhaps amusement tax, the recreation tax and vehicle repair tax. It would be very difficult for him to comply with, collect and to remit the sales tax on these different items.

The other thing, practically speaking and thinking, I just want to point out and remind us that in April the Economic Forecasting Commission advised the Appropriations Committee that we're likely to lose as many as 40,000 jobs before this economic downturn runs its course. So if we reduce our income tax, from 8.5 to 6.5, we have 40,000 people unemployed. I don't think the income tax reduction is going to make a whole lot of difference if you're sitting home with no salary. Thank you.

The SPEAKER: The Chair recognizes the Representative from Windham, Representative Bryant.

Representative **BRYANT**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I rise in support of LD 1088. Serving as a member of the Taxation Committee for last session has been an interesting journey to say the least. Now I've been honored to work with such dedicated lawmakers on all sides of the issues. Many of you might know I came from a large family with many diverse points of view. While most of our family leans toward the conservative viewpoints, we share the same main values. I think this is mostly because, as hard as our parents worked to provide for us, we grew up knowing how difficult it can be to make ends meet. In my now almost five years experience in the House, I know for a fact that this is a concern that unites us all. In particular, I know that none

of us want to go home and find that we have done anything to make life more difficult for our constituents on fixed incomes, our seniors, those with disabilities, and those who are now experiencing a transition in careers through no fault of their own. This bill lowers the tax burden for those on fixed incomes, especially seniors. I can stand here and spout all the scenarios the committee has hammered out for months now and the bottom line is that the legislation going to make is easier for Mainers living on a set amount of money, people who have worked hard all their lives and lived, and now find themselves falling behind on their bills, making the tough choices between food and medicine, and spending what is supposed to be their golden years worrying if they'll be able to make ends meet at all. Our choice today is no less difficult than those of our seniors face. We can vote for more of the same and maintain the standard that's clearly contributed to the lack of economic growth in our state, or we can support the motion and help our seniors and all Mainers, people will stop asking the question of whether they can make ends meet. We can put money back in their pockets, reduce their tax burden by asking our seasonal visitors to modestly help support the cost to maintain the quality of life they come flocking here to experience, and we can help Maine seniors and families come out ahead. Thank you.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Harlow.

Representative **HARLOW**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise in support over the tax bill, LD 1088. When people go to a Patriots or Red Sox game, do they said I'm not going because of the sales tax? I do not think the sales tax will keep people from coming to the beautiful state of Maine to ski and all the other things they do up here. I do not like everything about the sales tax and, as people know, that is not unusual that I do not like something. I do like the idea of lowering the income tax. I do like the idea of the people from out of state helping us to balance our budgets. I go to New York City often. I never say I'm not going there because the taxes are so high. The beauty of Maine exceeds New York City. I do not believe this will keep people away, and I think it will be very advantageous for the rest of us.

The SPEAKER: The Chair recognizes the Representative from Lexington Township, Representative Pinkham.

Representative **PINKHAM**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I rise today in opposition to LD 1088. There are a lot of parts of this bill that would make me want to stop at Rite Aid and get a batch of Roloids, but I'm going to pick out one specific area of it that I've got very big concerns about and that is the tax on amusement rides at the agricultural fairs. There are 25 agricultural fairs, none of which are operated in the same manner. Everybody runs them different. Some run one day, two days, five days, seven days, nine days, and some charge admission that includes the rides, some have bracelet days. Some fairs collect all fees for entries and rides. Some of the amusement companies charge for the rides separately. There are 25 agricultural fairs and five carnivals that service them. Only one is a Maine based company, while the other four come from out of state. Many of the smaller fairs have a difficult time obtaining any of the carnivals to provide rides. This bill, 1088, will most assuredly sound the death knell for six or seven of our small agricultural fairs. At best, all agricultural fairs in the state will be in chaos. I was just reading the fiscal note on this bill, that for fiscal year '09-'10, to hire five new tax collectors at a cost of over \$600,000. For fiscal year '10-'11, six more for an additional cost of \$1.5 million plus. Please, let's save a long history of agricultural fairs in this state and vote no on the current motion. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Newfield, Representative Campbell.

Representative **CAMPBELL**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise because I'm against this 1088. If you look at the summary of the bill, it reforms the state tax structure and reduces the burden of taxes on residents on this state. What residents? Those making \$45, \$50, \$55, \$60,000 a year or more, in a time when people are out of work and the unemployment rate is going sky high? Or you can look at Part B that broadens the sales tax by including certain services, including certain amusements, entertainment, recreation services, installation, repair, maintenance service, personal property service, transportation, courier service and, once again, long distance telephone service. Who's this going to hurt? Not the guy making \$45, \$50, \$60,000 a year. It's going to hurt the poor guy, the little guy, the unemployed, the elderly. A sales tax is the worst thing for the poor, the elderly and people on fixed incomes, and I think you don't have to be a rocket scientist to know it on both sides of the aisle. Part B also changes the point of the imposition of the sales tax, where there is the least property, from the sale of the property to leasing business, to leasing payments by the consumer. Part B also increases the sales tax on prepared food and lodging, 8.5 percent to sales tax in rentals and automobiles of less than one year to 15 percent.

The Chief Executive just kicked off a bill a couple of weeks ago on tourism. This bill is a kind of slap in the face and if you take and cut out these things from the newspapers, I ran two newspapers in my other life, and this is only somebody else's opinion. If you look at the *Portland Press Herald*, they can't even run their own business. They're bankrupt and they're giving us advice? This one here is not from them. They're going back, they belong on the other side of the country over in Washington State and hopefully they're going back there. So don't let any of these newspapers give you an opinion. Make your opinion up. Part C changes the real estate transfer tax by providing that residents with a value greater than \$500,000 will be taxed at 1 percent and the value of the residents that exceeds \$500,000 with a full increase accruing to the General Fund. This whole country is all messed up now when it comes to real estate and the good president is trying to straighten it out, and we're going to turn around and start changing things up here. I think you could say this is a better bill than it was two years ago, when I stood up here and looked across on both sides and said shame, shame, shame, and I'm basically saying the same thing now. This might be a good bill, but not at this time, not at a time that this country and the whole world seem to be messed up. I'm going to make it short like I usually do, but there's not guarantee I won't be standing up again. Thank you, Madam Speaker.

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

Representative **VALENTINO**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise today in support of LD 1088. As a member of the Taxation Committee who has worked on this and as a member of this House who has pledged this to my constituents for the last five years, I am pleased to have something finally before this body that I feel will help stimulate the Maine economy and help produce jobs for everyone. It was mentioned that the citizens of Maine would receive little benefit from 1088. I respectfully disagree. Reducing the income tax to 6.5 percent is a big change. It puts money in the pockets of every working person at the end of the week. On Friday, when they collect their checks, they will have additional money that they will be able to spend and to support the businesses in the State of Maine. They will have additional discretionary income to decide whether or not

they want to go to a movie or go skiing or go whitewater rafting or to go any place else. It will also, by reducing the income tax to 6.5 percent, will be a big change in the way that Maine is perceived. Right now, Maine is perceived as being one of the highest tax places in the country. This is not true, but we are right up there as far as number six. This will put us into the middle of the pack. Maine will no longer be considered the highest tax place in the country. This will help stimulate the Maine economy by enticing more senior executives to move their companies to Maine, to create good paying, much need jobs here in the state.

I also want to mention on the Maine sales tax, right now the Maine sales tax applies to the fewest items of nearly any state in the country. As a result, tax collections are extremely volatile. New cars and building supplies account for nearly a third of the state's sales tax collections. Both fall rapidly during bad economic times. That is why we must stop this rollercoaster of high sales tax revenue coming in, in good times, and low sales tax revenue in bad times, such as these. Applying the tax to more items won't eliminate the ups and downs, but it will certainly make them less severe, enabling state officials to better anticipate how much money will Maine actually collect and will help them in their budgeting process. It will also help all of the agencies that depend on the State of Maine for their budgets to know if it's a good year or a bad year.

I would also disagree with the statements being made that this is not a good time to do it. This is exactly the right time to do it. The time to do it is when times are bad, to broaden out the sales tax revenue. The way our sales tax works now, with our dependency on cars and building construction, if we had presented this to you when the economic times were good and said let's change our structure and do something differently, that would have had more of an effect on us. Now is the time when we are less dependent upon the cars and the construction for our revenues coming in.

I also want to respectfully disagree with the assertion on our agricultural fairs. I also share the concern of the good Representative from Lexington Township, but to read directly from the bill: amusements, entertainment and recreation services does not include admission to a licensed agricultural fair or charges for participation in any events or activities occurring at the fair organized by a school or incorporated nonprofit organization. It's all the proceeds from the event or activity are used for the charitable purposes of the school or organization. There was never an admission charge being talked about to the agricultural fairs. The only thing we ever talked about was an issue of fairness; the fairness was being on rides. That was it, to expand the tax to the rides. I have a lot of industry in my area: Funtown Splashtown, Aquaboggan, Pirate's Cove, Palace Playland. I talked with many of these businesses that pay property taxes, who pay real estate taxes, income taxes and others, and it's a matter of fairness. Whether you go on a ride at Funtown or at a fair you pay, but you will never pay an admission fare to an agricultural fair. That is not in this bill at all. It's only a matter of fairness. It doesn't matter which theatre you go to, if it's owned nonprofit, if it's owned for profit, a movie ticket is a movie ticket, a ski ticket is a ski ticket, whether it's a municipally owned ski area or Sugarloaf. It's a matter of fairness to the businesses that have a lot of investment here in the State of Maine, and that's a fairness issue that we tried to address.

I also, simply put, LD 1088 expands the sales tax base, increases two sales tax rates and establishes a special real estate transfer tax that applies only to high value residences. In combination, these changes generate an additional \$120 million a year for the state. But at the same time, LD 1088 reduces the

income tax by two full percentage points, which reduces state revenue by \$120 million a year that our citizens have to pay. I say, again, that I would disagree. I think \$120 million reduction of a tax burden on our citizens is a big benefit to 1088. Thank you.

The SPEAKER: The Chair recognizes the Representative from Ellsworth, Representative Langley.

Representative **LANGLEY**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. As a member of the Taxation Committee, I rise in opposition of LD 1088. There are many reasons to oppose this legislation and you've heard several of them and I'll address just a couple more. First the idea that we could export \$50 million of tax burden to our guests, who visit our state, equally penalizes those of us who live here. As you're all very well aware of the economic woes and matters of the state, citizens too are feeling the financial crunch in a big way, yet they still want to experience the way life should be. I want to stress just how much business is done inside the State of Maine by Maine citizens. The big push this year is the staycation, and besides the staycation, think about these reasons for in-state travel: You're attending a wedding, a family reunion. Thousands of people attend conferences and conventions like the Elks, the American Legion, the Lions, Knights of Columbus. Students, parents and teams stay in hotels; fans go to high school basketball tournaments, youth tournaments, little league and soccer. Thousands of people stay in hotels when attending concerts, plays and shows. Tens of thousands of us go to the American Folk Festival, fairs, carnivals and other festivals. Maine skiers go to Sugarloaf, Sunday River and Saddleback. Snowmobilers go from southern Maine to western Maine and to the County to find good snow. Trade shows, like home shows, antique shows, baseball card shows. Shoppers, from Aroostook County and Downeast, come to Bangor; people from Bangor go to Portland. Hundreds of thousands of people in Maine visit Acadia National Park, Baxter State Park and other Maine attractions. Let's reward these folks by taxing the quality right out of the Maine quality of life.

My second reason for opposing this legislation is the cost of compliance, both at the state level and at the local level. At the state level, Maine Revenue Services proposed as an increase of a total of 11 positions to handle the changes in LD 1088, thereby increasing the size government. Now just one example of the impending nightmare for small business owners is the change in sales tax on candy. I chose candy because candy is something everyone understands, but not for much longer. The definition of candy is a preparation of sugar, honey or other natural or artificial sweeteners in combination with chocolate, fruits, nuts or other ingredients or flavorings, if you read the label, and does not contain flour or require refrigeration. This bill, as it stands, will create three tiers of tax: 8.5 for some candy, 5 percent for others, and if it's refrigerated or has flour, it's tax exempt. Just imagine trying to explain this system at the cash register. Furthermore, imagine the fun of filling out the monthly sales tax report and even more fun is the impending MRS audit.

There were hours of testimony opposing this legislation in our committee. Many of those speaking against the bill were business owners who were just hanging on in this economy. I was struck by the testimony given by the owner of Gold Star Cleaners, who has seen a 40 percent reduction in sales and expects more if LD 1088 passes. He's done absolutely everything possible to cut costs, even to the point, in each of his stores, of downgrading his toilet paper to industrial grade. When I picked up my jackets on Sunday and spoke to the clerk, she told me they are indeed feeling the pain and industrial toilet paper just won't help when shift happens. Many businesses are feeling the pain, and I know many of you appreciate that. Respectfully, I

don't know how many of you are living with the fear that your livelihood is about to be submarined by this legislation.

In closing, when you look at the big picture, the big poker game, and this is a big gamble, sometimes you just have to know when to hold them, know when to fold them. This is a time to fold them. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Turner, Representative Sirois.

Representative **SIROIS**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. First of all, I'm thankful and privileged to have served on the Taxation Committee this year. I definitely respect every member of that committee, both sides of the aisle, and I know we all have the State of Maine's best interest in heart. I feel bad though because, hey, I'm going to be right up front, when the vote's taken, it's going to be pretty much partisan, and I do feel bad about that. I'm not going to go into all the details about the different taxes and so forth, except make a few general comments here. Part of it, probably because I'm a math teacher and I try to think analytically and logically, and the bottom line is, and I campaigned on this, \$55 million is going to be paid by tourists and non-residents. That's taking \$55 million off the backs of Maine people. This is in bad times. When we started this bill a few months ago, that figure was \$75 million, and it's dropped because the economy has gotten worse. What's going to happen when the economy turns around and gets better? That \$55 million savings, people, is going to grow, and it's going to keep growing.

Nature being the way it is, we resist change. There is no question this is a different approach, but it's a better approach. We all know that our income tax is too high; it's going to lower that. And I think we all know that our sales tax base is too narrow, and we see that right now. When the times are tough, 30 percent of sales tax comes from automobiles and home construction, and we know what's happening now, so to broaden that sales tax is going to help also. So for these reasons, I definitely am going to support this bill. Thank you.

The SPEAKER: The Chair recognizes the Representative from Harrington, Representative Tilton.

Representative **TILTON**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I just want to give a little bit of background as to why I'm in opposition to this motion. My family has been in the auto repair business for 54 years. Obviously, I noticed right away the part of this bill that would have included labor in auto repair and I've heard a lot of people talking about that, so I did want to talk about it. Most of what I know about small business, in general, I learned at the supper table. This business was started by my father in 1955 and has now grown to four employees. In the face of rising costs of labor, insurance, training, environmental protection, energy and supplies, my father, and now my brother, set their hourly labor rates with one question in mind: How can I cover my costs and be affordable to my customers. They agonized over every dollar that their rate went up, when they were forced to raise their rates. Right now, the auto repair shops in my district get about \$50 an hour. Those of you from other areas might want to make note of that. This new tax will raise that rate to \$52.50. Now an average repair job, if it's not really quick maintenance, the oil change, it's going to take about four hours, so you've just raised somebody's auto repair bill \$10.

Will this create a hardship on this business, on my family businesses, on the other businesses in my district? In one way no, they already have to charge taxes, sales taxes on the parts and they have to charge tax on labor if that labor goes into a rebuilt component for which a core is exchanged. Simple, right?

But what makes this difficult for them and for other service businesses is that it will be hard for their customers, people who are coaxed another year or two out of their vehicle so they can afford to work; people who have two or three vehicles because every member of their family must work so that they can get by; people on limited incomes who spend much more than many of us do annually on auto repairs, because they simply cannot afford of newer vehicle. I think by now, given the last year or so, we all recognize that our economy is driven by consumerism and people are consuming less. Now why is this? Have we taken on a newfound austerity in our lives in this society? No, in Maine, it's because people are hurting. LD 1088 is anti-consumer legislation. It's not going to help, it's going to hurt people even more by taxing them for spending their money on things they need. It even taxes fun. It turns small business and sole proprietors, who really, really are the backbone of the economy in rural areas; it turns these individuals into tax collectors for the State of Maine. I do appreciate the need for tax reform and for all of the effort and hard work that went into the design of LD 1088, but when my constituents say they want tax reform, they mean they want to pay less in taxes, which means what they really want is spending reform. Redistributing taxes isn't reform, it's sleight of hand, which, by the way, is going to be taxable under this proposal, and that's why I'll be voting no. Thank you.

The SPEAKER: The Chair recognizes the Representative from Farmington, Representative Harvell.

Representative **HARVELL**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. Being born in Farmington, Maine, my native credentials are impeccable. They go back 230 years. That said, I can share the view of some, in my native blood, that want to take from those from away and pick their pockets as they walk into the state, but I stand here to represent western Maine, and the ski industry of western Maine is one of the few bright spots left: Sugarloaf, Saddleback, Sunday River, Black Mountain and Little Titcomb Hill in Farmington. We've heard that there's \$55 million, \$120 million that's going to be spent by out-of-staters, no one knows, but this hits my region, part of that a lot harder; therefore, I will not be supporting this measure.

The SPEAKER: The Chair recognizes the Representative from Bar Harbor, Representative Flemings.

Representative **FLEMINGS**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise today in strong support of LD 1088. It has been a great honor to serve on the Taxation Committee this year and to work with all of my committee members and others on a number of bills, including this comprehensive tax reform package. I know that by bringing forward this bill today, we are carrying on the efforts of a great many individuals who have worked for so many years to reduce the tax burden for Mainers, to promote economic development, increase stability, and insure that we are able to provide vital investment infrastructure and services for our communities in the future. We owe a great debt of gratitude to the entire Taxation Committee of two years ago for the foundation of this excellent tax reform package. As we have built off of that package this year, we have continued to receive input from the public throughout the spring to work to improve the proposal, and others today have already spoken about many of the positive details of the package.

One of the exciting additions I wanted to mention briefly to add today is a significant improvement to the Circuit Breaker Program, which, as you all know, is an excellently targeted program to bring property tax relief to those who need it most across our state. A subcommittee of the Tax Committee was created this winter, made up of committee members, members of

the Maine Revenue Services, economists, community groups and others, to develop a practical, workable plan for a goal that has been long sought after by many, to combine the Circuit Breaker with the income tax form. Through this plan, Mainers will receive the Circuit Breaker form in their income tax booklets, and many more Mainers, who are eligible for Circuit Breaker, will have access to the program. This is a significant, positive, structural change to our Circuit Breaker Program. This means that more people will receive property tax relief, in addition to the many other benefits they will gain from the package.

In these difficult economic times, it is more important than ever to work towards the goals of this tax reform package, to leave more money in the pockets of Mainers, which we will do, to encourage job growth and to increase stability, and the Circuit Breaker changes will bring one more benefit community members across our state need and deserve. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Topsham, Representative Prescott.

Representative **PRESCOTT**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise as the coach in me says good job, excellent effort to the committee, because I can't imagine being a member of the Taxation Committee, I know there has been a lot of hours put into this. But the honest comment I want to make is we can do better. Tourism is the number one industry in the State of Maine, and I would think, if that's the case, that we would want to help advance this industry instead of further burden them. We keep hearing about the out-of-staters who will come in and spend all this money in Maine, as the Representative from Ellsworth so eloquently spoke of, yet I ask you to please consider those of us that don't want to leave Maine and don't leave Maine and spend our hard earned dollars here every day. Any savings on one end of the income tax will certainly be offset by the burdens that we're going to face on the new taxes of so many other items and services. So once again, I remind you that you are here for your constituents, to represent what they want, and I have no doubt in my mind that LD 1088 is not what your constituents want. I will be voting no on this bill. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Hampden, Representative Cushing.

Representative **CUSHING**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I rise today, too, in opposition to LD 1088. I appreciate what the Taxation Committee has done in spending time reviewing a very complex and important issue to the citizens in this state. I appreciate that there are concerns about our current tax structure. I personally feel that you really can't have an honest discussion about tax reform until we have the accompanying discussion about spending form and coming up with a plan to control the spending in our state in a more effective way. The costs that come to this are sometimes hidden but are certainly felt by both citizens and businesses in our state. I was at a chamber of commerce meeting in Bangor just recently and heard from a representative of a local hotel chain that has a number of properties here in Maine. The cost of collecting sales tax to them right now in their operation for credit card payments, which they are not reimbursed by the Revenue Services Department, accounts for over \$63,000 a year. By increasing the lodging tax, that will be well over \$70,000 a year that they will be unable to recoup in the effort to collect additional sales tax. Those are costs that take away the opportunity for them to reward their employees or hire more personnel.

Additionally, at a breakfast meeting, where members of the other body spoke on the issue of taxation earlier this year and

were quick to advise us that we were trying to shift the cost of taxation to some of those that were good enough to come to our state, this same individual reminded one of those members of the upper body that the cost also is borne by those who were at that breakfast this morning, business people from the communities around Bangor. Additionally, when we increase the meals and lodging tax, we affect Rotaries and Kiwanis clubs that meet on a weekly basis, we affect the Boy Scouts and the high school graduation banquets, so these costs are not borne just by the out-of-staters, they are also borne by our friends and neighbors and families. The issue of shifting tax I think is one that is somewhat disingenuous. We may be looking to shift the burden to out-of-staters, but what we're doing is we're going from being recognized as one of the highest taxed states to one of the most taxed states. I think that would be an unfortunate change and shift for us. I appreciate, again, the hard work that has taken place, but I just don't think that this plan is ready for primetime and I'll be voting no. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Cohen.

Representative **COHEN**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I rise in support of LD 1088. Much of the problem of revenue shortfall we face this year is due to the state's over reliance on a volatile and narrow source of taxed revenue. Income taxes and taxes on new cars and new building product sales make up most of our revenue, and when the economy goes down, tax revenues plummet. As a result, state government is less able to serve its citizens when times are tough and the public is in the most need of state services. LD 1088 will allow us to stop the cycle of boom and bust budgets and being the process of stabilizing state revenues. By broadening the sales tax base and using all of that revenue to reduce income taxes for Maine residents, we can stabilize our revenue and export some of our tax burden to nonresidents, money that will no longer need to come out of our pockets, but can be used to stimulate the state's economy. I urge you to support this effort to reduce our income tax, stabilize our tax base and reduce the burden on Maine residents. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Orono, Representative Martin.

Representative **MARTIN**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. This is a very exciting day for me because this is a day that my constituents have been waiting for. When I went out and talked with my constituents over the last two years, they want tax reform. In this discussion, I'd like to talk about two particular areas that one has been discussed in this body and the other has not.

The first is why are we shifting this tax burden to the out-of-staters, the good people who would come here and visit our great state and enjoy the foliage and all that we have to offer here? The reality is, the question we should be asking is why are requiring the people of Maine to subsidize the budgets of every other New England state, and yet every person who comes here from another state gets a nice little tax break. They can come here and visit for cheap. They're going to pay less taxes while they're visiting here than when they go back home. That's just the reality of things. The people of Maine, every time we travel, are subsidizing those budgets, but we're not talking about that.

The second piece we're not talking about is what this means to business. I've been a small business owner for 15 years. My business was an S Corp. Eighty percent of the businesses in this state are small businesses. Most of them are S Corps, LLCs, sole proprietors, and you know what? They pay their taxes. Those corporate taxes are paid through their personal income

taxes, and here we have a proposal to offer these small business owners nearly 20 percent in tax reduction. Now I've learned a lot in the last five months as I've sat here and listened to this debate, but the one thing that I hear consistently from both sides of the aisle is that we need to be protecting businesses, we need to make this a better climate for Maine businesses, we need to help those business owners, and yet we have a proposal here to do that and nobody is talking about it. What are we talking about? Sales tax. Now yes, if I'm going to go skiing or I'm going to go golf, am I going to pay a little bit more? Yes. If I go out to dinner with a friend and we have a \$100 bill, is my bill going to be \$2 more? Yes. But if I am helping to contribute to make sure that I'm getting a 25 percent reduction in my personal income taxes, and 80 percent of the businesses are going to get a 25 reduction in their income taxes, how is this a bad thing? We're stabilizing our revenue. Any business is going to do the same thing. They're going to want to stabilize their revenue, stabilize their expenses. Now do I like everything in this bill? No and it's sort of the like the fairytale of Goldilocks. We all believe that this one's too hot, this one's too cold, and we're all waiting for the one that's just right. Well, you know, in this body and the other end, I don't think there's anything that's ever just right. It's about compromise and finding a solution that addresses the problems, and we're fixing two problems: We're providing tax relief to the people of Maine, the people who are coming here from states with much higher taxes are going to pay their fair share; we're reducing the percentage of the income taxes that people are paying here, and at the end of every week, they're going to have some more in their paycheck to spend however they want. If they want to spend it on ski lift tickets, they can. If they want to pay for home heating oil, they're going to be able to do that too. So for businesses, for individuals and for fairness across the state, I encourage everyone here to support the motion and support LD 1088. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Sanford, Representative Boland.

Representative **BOLAND**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I have struggled with this, but I will not be supporting this bill and the reason isn't because I don't think that businesses can't incur a little bit of extra trouble to collect taxes, but because it's so unevenly distributed. I really applaud the work of the people who worked on this, trying to lift the burden of income taxes off the shoulders of everyone, that is really great, but only some businesses are lifting that. I brought it up two years ago and nothing's changed since, but if we're going to try to do some reform, I think it should be evenly applied. Some of the most affluent members of our economy aren't being troubled by this extra burden of collecting taxes, and I'm talking about lawyers, accountants, engineers. I, too, belong to the Chamber of Commerce in Sanford, and it's kind of funny thinking about going to chamber meeting and having some people upset that they are having to collect more taxes and others just fine that nothing's been asked of them. I just think it's unfair to the average smaller business in Maine, not to be feeling that they are being treated equally and that's really where I come from. I know that we've heard a lot about tax burden, discouraging business. I don't really know about that, but I've mostly heard that enthusiasm and attitude is important for building business, whether it's on Wall Street or on Main Street, and I would think it would make more sense for everyone to be feeling that they're all in it together, everyone sharing in the burden and everyone getting the benefit, and maybe the burden could be even lighter if it was shared more broadly, so I just want to share that with you. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Ripley, Representative Thomas.

Representative **THOMAS**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. In my district, I represent a lot of people who still work in one of Maine's largest industries: They work in the woods, and I've done it for longer than I'd like to admit, and I don't know that I can remember when it's been so bad, when lumber prices have been so low, when so many mills have been shut down, when the paper mills are just stuffed with pulp wood. There are a lot of those people who haven't gone back to work yet. And a lot of the people I represent work in construction and they're having a hard time to find anything to do, they're struggling, and they're not worried about how much income tax they're going to pay, they're worried about how much income they're going to have. Are they going to have enough income to keep a roof over their head and food on the table, and they're going to have to travel further to get to work and that means that they're going to have more car repairs. So now, we're going to add an extra burden on those people who are struggling, they're going to pay sales tax to get their car repairs on the labor that they've never had to pay before. But if they need to get their boat fixed to go fishing, there is no sales tax on that labor.

The SPEAKER: The Chair recognizes the Representative from Monmouth, Representative Smith.

Representative **SMITH**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. This is one of those debates where you think carefully about whether speaking actually adds to the debate or not, and I do find the need to rise an hour into the debate and I will speak briefly, because it is important for me to be on the record that I'm not only voting for the pending motion, I am proud to be voting for the pending motion, and I also want to offer a bit of context for those listening here in the chamber and elsewhere.

I can't decide if the opponents I've heard from have a myopic view, which I looked up just to be sure that it does indeed mean you can't see in the distance, you can't see long-term, or tunnel vision, which means you are so narrowly focused that you have no peripheral vision. But either way, if you pull apart this plan, as with the budget that we just voted on, it falls apart, you need a broad view and you need a long-term view in order to value the work that has been done here. I say this both looking at the fairs, the agricultural fairs that have been mentioned, and they're listed in the flyer we received individually and also as an association. I find that interesting. I also find they seem to have the context for the ag fairs, as it seems to be forgotten that only a few years ago we helped the ag fairs tremendously with the stipend from the slots in Hollywood Slots. This is not the death knell for ag fairs. In the context of what we've done and in the context of this bill, it's very appropriate. As the Representative from Saco had outlined, they are included appropriately and not inappropriately.

Tourism has been mentioned because of the tax we're looking at it then which would still bring us on par or below other states in our area. I cringe when I hear tourism being stated as the number one industry in Maine. It has value. The Department of Tourism is under the Committee of Business, Research and Economic Development. However, please let's not forget that tourism exists because of farming, fisheries and forestry. If Maine did not have those basic natural resource based sectors, we would not have the tourism that we have.

At the beginning of the debate, the House Chair of Taxation, the Representative from Bath, Representative Watson, mentioned that the lowering of the income tax is a key recruiting tool, both for new businesses coming here and also tax cuts for the current businesses of all sizes in the State of Maine and for

their employees. It makes sense. We need to couple this tax reform package with other tremendous work we have done just in the four terms I have been here, the research and development efforts that we have made, the moneys that have been put out for public and private entities, the business development services that we have improved and are offering within the limited budget that we have. The Maine International Trade Center, Pine Tree Zones that have been created just in the last four terms. The fact that we have gone from BETR to BETE with a business equipment tax that used to be a refund and is now an exemption, we have done some tremendous work for businesses and this tax reform package is included in that.

I will close by saying that I too want to thank all the members of the Taxation Committee, whether they are voting for this or not, I know they all worked hard on this. I will be showing my appreciation for their work as I showed my appreciation for the work of the Appropriations Committee, by actually voting for the end product. That is the most powerful statement I can make on this. I ask you to join me in voting for the pending motion, as I take the long view and the broad perspective and do what's right for every citizen of the State of Maine. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Livermore Falls, Representative Knight.

Representative **KNIGHT**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. This is a very troubling time for me to have to step to the mic and I would confess up front, I have no notes, the computer is not open, I don't have a message to read, so if I ramble a bit, I apologize. I stand, I rise in opposition the pending motion for a myriad of reasons. I know LD 1925, I was there, I remember 1925. This is not LD 1925. I signed on as a sponsor to this bill, I truly believed that we needed to make some efforts to get some tax reform in this state, and I want to applaud publicly the leader of the Majority Party, John Piotti, who has done a tremendous job, he has poured his heart and soul into this effort. This is an effort that's worth pouring one's heart and soul into. This needs to be done. We do need tax reform. But 1088, as it has been presented to us, as it has been over the last few weeks, has been changed, almost daily I might add, does not do what the original bill that we worked so many, many hours on, and I can tell you, if I were the only Republican who felt that this bill did it, I would not really care that my partisan friends behind me felt differently. I would vote for the majority party on this one. This does not do it. I will be voting, as I said, in opposition, and I feel badly, as my good friend, the Representative from Turner pointed out, it was too bad this came down to a 9-4 vote. We truly, truly have not vetted this bill as we had wanted to, intended to, as we did 1925. We were under tremendous pressure to push this through, rush it through from various sources, and I obviously am not in the position nor should I mention names, but we wanted this bill on the floor. Well, when you have to push something and move it that rapidly, it does create discord and problems.

One of the things that has not been said and it needs to be said, it went out on the orange flyer that you all had before you, over 100,000 Maine families will be losers in this. I want to see a tax reform package where we have far, far more winners. There are a lot of good aspects to LD 1088, but in these really, really tough times, volatile times, in the middle of a recession; I don't believe this is the time to be imposing this burden on our small businesses and the taxpayers of this state. So I reluctantly stand before you and tell you I will be voting with my red light and I encourage others to do that, and I pledge I will come back and continue to work very, very hard to bring needed tax relief to the people in the state, and that's what one of the good

Representatives behind me indicated that he's had many, many people approach him asking for tax reform. I find that curious, because I've made it very clear from the very beginning that I'm an advocate of tax reform, I want tax reform, and I can't tell you a single individual in my district that has asked me for tax reform. What I can tell you is hundreds and hundreds of people in my district have asked me to provide tax relief, lower their taxes. If that's the definition of tax reform, then this does not do it. This just shifts. So I will be pushing my red light. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Russell.

Representative **RUSSELL**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. For many years, I was a meeting planner. My job had been to plan conferences around the country. I wanted desperately to bring a conference to Maine because of the great shopping and fantastic cuisine, but I could not in good conscience bring a conference, a national conference to Maine. You see, there were great challenges in doing so. First, we had some of the highest airfare in the country. Second, Portland specifically, the meeting space did not accommodate the needs of my clients, and I was not able to take my clients further north of Portland, because they needed to be close to the airport. The things I cared about as a hospitality professional were room rates, meeting space and the charm of the city. So in my head, I had this rule of thumb for taxes. My judgment was based on years of running conferences and that rule of thumb was that the hotel tax would be about 14 percent, and I look here and Connecticut is at 12 percent. Well, the food tax would be about 10 percent. These are so high, the numbers that were in my head who had gone around the country doing this, compared to what Maine already has and what we're moving to, that having this conversation about the hotel and the meals taxes is rather laughable. Our hotel and food tax was not even a consideration, nor would it ever have been, in bringing or not bringing a conference to Maine. Now other cities charge their guests for the privilege of enjoying their quality of place, and to be clear, I represent a district with some of the best cuisine in the country and one of the highest population of restaurants per capita and that has been rated accordingly. No one is going to stop eating in my district because of an extra \$2 on \$100, as the good Representative from Orono mentioned, and no one is going to stop coming to our state because of a slight increase in tax. Again, people care about the room rate; they do not care about the tax. I urge you to support the pending motion and recognize that even industry professionals who understand the hospitality industry, not just here in Maine but nationally, find our sales tax really, really low, even after this passes. If we can export our tax base, we should be doing so. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Blue Hill, Representative Schatz.

Representative **SCHATZ**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I will be brief because much of what I was going to say was just said. As many of you know, I've been an innkeeper for 25 years and, in the last three years since we've been discussing tax reform here, I spent many mornings entertaining my guests, asking them about the room tax and whether that attracted them to my place, and gratefully they said no. Further, I asked them if we would raise the taxes, whether that would deter them, and gratefully they said it would not. So I wanted to be one more person indicating that that's not an issue, and of course I interviewed people both from our state and other states. Then, in my last life, I was in charge of economic development and employment training programs in rural Colorado, which included a lot of the ski towns, and as for

the slippery slope argument, I've always wanted to say that in one of my floor speeches, I can assure you that people go to ski areas because of the snow, not because of the tax. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Newcastle, Representative McKane.

Representative **McKANE**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. Like the good Representative from Monmouth, I also just want to go on the record, but I will be speaking against this tax expansion on our constituents. Call me irresponsible, but I am more concerned with the revenue stream going into my constituents' pockets and bank accounts than I am with a revenue stream coming into this building. We continue to squeeze that revenue stream that goes to our constituents. A steady stream into Augusta means that a steady stream out of our constituents, in good times and bad, the money will always flow to Augusta, and that means when they're not making as much money, when all of us are not making as much money, they'll still be paying that same high amount. I'm not a member of the Tax Committee, Madam Speaker, but I might soon be working for the Maine Revenue Services as a tax collector, as a small business person and the tax in the construction industry, and so will my fellow tradesmen, all of those sole proprietors that I work alongside—the carpenters, the painters, the plumbers, the electricians, cabinetmakers, insulators, flooring installers, landscapers, you can go on and on—will soon be working as tax collectors for Maine Revenue Services keeping that revenue stream steady. Madam Speaker, I don't want to work for Maine Revenue Services and neither do my constituents. I'll be opposing this motion. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Lexington Township, Representative Pinkham.

Representative **PINKHAM**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I stand to say to my good mate from Saco, Representative Valentino, that she was correct that admission to agricultural fairs is in there, it has been removed and I thank the Taxation Committee for that. But the rest of it, as far as the carnivals go, is not exempt and it's still 26 ways of doing business at agricultural fairs in the State of Maine is where the problem is. We really need to exempt those rides for those few day fairs. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Wilton, Representative Saviello.

Representative **SAVIELLO**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. Seven years ago when I first got here, there were a group of us in the Rural Caucus, my first involvement, that we decided to tackle tax reform. One of the reasons for it was to help pay for the 55 percent and we came up with some pretty good ideas. Actually, what happened is leadership came down and told us, nope, don't do that, there's not enough of us termed out so we'll have to live with this, so we killed it, it basically died as I recall. Interestingly enough, we're in front of us again today, and I know there's been a lot of discussion in front of us about various things that are affected by this taxation, but I'm going to give you another example and this is an example of a young person buying a house, a brand new house and spending \$50,000 in labor, or buying a house of which needs \$50,000 worth of labor to fix it up. Five percent tax on that labor has just been described by some of my friends here in the House, it's about \$2,500. So the way I do my math real quickly is that's about a 20 years payback based on roughly 100 and some odd dollars of extra taxes that come back in. That's just one example of why I can't support this bill and I

just wanted to share that with you. Thank you very much, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Biddeford, Representative Beaudette.

Representative **BEAUDETTE**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I'll be very brief, as the good Representative from Orono touched upon the item that I wish to discuss, but I do want to reinforce that this is a small business friendly bill. Many of the business to business services were conspicuously avoided as far as putting additional sales tax on those types of services. Many, many, well I will say roughly about 90 percent and I stand corrected if my statistics are not accurate, of Maine businesses are quite small, sole proprietorships, LLCs, S Corps. All of those businesses would reap a 2 percent decrease in their income tax. To me, it is very obvious that this bill is good for small business and good for Maine business in general. Thank you.

The SPEAKER: The Chair recognizes the Representative from Bremen, Representative Pieh.

Representative **PIEH**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I rise in support of the pending motion. In my time being here, I've been both a legislator and a lobbyist, and when I was a lobbyist one of my jobs was to sit in the Taxation Committee and watch, and it wasn't any fun and I watched year after year, as there was no change, and then I would watch year after year as we had a citizen's initiative asking for tax reform and it would get voted down after a lot of effort. And finally the Maine Municipal Association put forward, I'm sure you all remember it, an issue, a citizen's bill, and it got recognized and they came, and this is when I was watching, they came to meeting after meeting after meeting of the Taxation Committee and said if you'll just do tax reform, our tax code is broken; we won't even try to get past with our referendum. What happened? Nothing. Not just something that got voted down, but nothing was offered because people couldn't get together to offer something that could be voted on, because it was difficult and also because it was challenging and because it was going to be controversial, and I invite you to consider that we—and this is one reason I came back—lack legislative will. We worry about getting reelected; we worry about what's popular. We're concerned, we get input. If we get a whole bunch of emails on one side of an issue, we're likely to go with that, even though the other side may not even know that we need to hear from them. I invite you to consider moving forward and acting on this legislation. Do I like the one better from two years ago? Yes, I do, but we lost that, we lost that by one vote. This is a wonderful step forward, it's an excellent move, and we need to have the will to do it and not be as concerned, as naturally we are, because we're dependent on our constituents to reelect us. I know it's difficult, I know it takes a tremendous amount of effort to do it. I don't know how many votes I'll win or lose by voting for this and I'm not counting, because I think it's the right thing to do. If we don't go after our tax code and start getting it fixed, and this is a great step forward, we're just going to end up with citizen's referendum, after citizen's referendum, after citizen's referendum, until we get our act together and do something. It's our job; it's not our constituents' job. We have a lot of information on the table; a tremendous amount of work has gone in by the committee and by the community to get this together, to offer us this opportunity and I will be voting for it and I urge you to do the same. Thank you.

The SPEAKER: The Chair recognizes the Representative from Belfast, Representative Giles.

Representative **GILES**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. First, I

want to thank the Taxation Committee, and I also want to thank Representative Piotti, a colleague of mine from Waldo County, for keeping the tax reform issue on the front burner, because this is something that we need to work on and it's something we need to find a solution to and get it right. But as I read over the bill and I tried to look at all aspects of it, there were some concerns that I felt in the long run may be more hurtful than helpful and I just want to address these briefly. One is the issues and I've spoken on wellness a few times this week, but it occurs to me that we're putting a lot more taxes on recreation. There are many healthy activities now that we're going to tax. I know we're looking at them as maybe more of a luxury item, but we're going to tax skiing, whitewater rafting, golfing, tennis, racquetball, paintball, the list goes on. These are all activities. These get us out of the chair and get moving, and I really hate to see us put taxes on these. The other thing I'm concerned with is the loss of the itemized deductions over time, and in particular the loss of the mortgage interest deduction for homeowners. We've got over 400,000 homeowners in our state, many of them have mortgages, and I'm concerned this is really going to hit our families in particular, because they are going to in essence lose that deduction over time and be paying more taxes.

Small businesses are another area of my concern. I'm concerned about, this isn't about large businesses here, it's really about Main Street. There are a lot of small businesses that aren't collecting taxes now that are going to collect them: drycleaners, picture framers, car wash owners, the guy that owns the truck towing, who pulls your vehicle out of the ditch, the car repair shops. These small businesses employ over 65 percent of our Maine workers and I just really think it's the wrong direction to put an extra burden on them during this difficult economy to tax their services.

Finally, simply because it's just so near and dear to my heart because I live on the coast, is the tourism industry, which is important statewide. It is, as someone stated earlier, our largest industry in the state and I just want to share a short story on it. I was out to dinner recently at a local restaurant that's along the shore in Belfast. A husband and wife own it; they have two small children; they live there. They are asking me about the tax and what it was going to do to them. I said well, in Augusta we're being told that a lot more people will be paying this from out of state, and they took a look around the restaurant and they said, Jayne, there's only locals here. These are the people who are going to be paying the tax and this is why I can't support it. Thank you.

The SPEAKER: The Chair recognizes the Representative from Bowdoinham, Representative Berry.

Representative **BERRY**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. I also rise in proud support of the pending motion, and I do so for the rather obvious reason that if I could take \$0.65, give it to my government in increased sales or services taxes in certain areas, and get back \$1.20, saving myself \$0.55, I would want to do that. I would especially want to do that, Madam Speaker, if I could multiply that number by 100 million times, saving \$55 million for myself and my fellow citizens of this state. I think it's hard for some of us who are looking at the forest rather than specific trees here today to understand why there isn't an entire unanimity on this point. I think that fundamentally, one of the issues here is an issue of trust, an issue of trust in Maine leadership, which has tried for many decades and failed to enact tax reform, which was tried under previous administrations of all political parties and failed to act. I acknowledge that trust. I think that the failure to act in previous administrations is part of what we're up against here today. But the failure of previous Legislatures and previous

leaders of Maine is only more reason to take action today, and I'm confident and proud that this Legislature will finally do it. This Legislature will finally stimulate economic development by lowering the income tax and capital gains taxes, will stabilize state revenues by broadening our extremely narrow sales tax base. This Legislature will reduce the tax burden on Maine families, including, yes, the working people that I come from and represent, who will pocket at the end of the, after paying a little more in sales tax here and getting back more in income tax there, who will pocket, Madam Speaker, \$170 at the end of the year, and who will ultimately benefit fairly, no matter their background or their income status. This Legislature will do it and it makes me enormously proud. It makes me proud of our entire Taxation Committee, both the Republicans and the Democrats on that committee, who I think have worked together regardless of their ultimate vote to make for a better package than what we would otherwise have seen. It makes me enormously proud of the good Representative from Unity, my Majority Leader, Representative Piotti, the tireless worker of miracles, and of serving in this Maine Legislature, in this historic moment, when we will do it, Madam Speaker, and we will be on the right side of history. Thank you, Madam Speaker.

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

Representative **DRISCOLL**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I have a little bit of a historical perspective from the previous Legislature, the 123rd. The Taxation Committee went through a reform process that went through a firestorm, with respect to hearing from constituents and businesses throughout the state. I appreciate the fact that they've carried on the work and continued on, learning from previous business that they've done on this, and I'm encouraged because I haven't heard that firestorm in this session around this bill. I'm encouraged because my regional chamber, the Portland Chamber, has come out in support of this tax reform proposal. I know the chamber well. I work in the Labor Committee. I see the chamber quite frequently, and they are normally right on top of their game, and I know that the Portland Regional Chamber wouldn't support this effort if they didn't feel it was worthy and beneficial to my constituents and the people that they represent and some of the largest businesses, as well as small business, in Maine. I certainly feel that way. My actual reasoning for not supporting the previous reform package back in the 123rd Legislature was because that I felt that the income tax reduction wasn't large enough, and because of what we're looking at this time with actually narrowing the number of businesses, where they'll be looking to enhance the sales tax base and reducing the income tax two percentage points, that's significant enough for me and I feel that my constituents and my small businesses will benefit from that. So I am supporting it this time in this session. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Newfield, Representative Campbell.

Representative **CAMPBELL**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I keep hearing about the \$55 million we're going to get from the people from away, but the fact is gasoline has gone up \$0.50 or more over the last few weeks and a lot of people won't be traveling. They'll be staying here in Maine. If the people in Maine are staying here, they're being offered to come to resorts in Maine, I've seen in the paper and on the television, at a 15 to 20 percent discount to stay here in Maine and enjoy this state, their own state. So we'll be taking out of one pocket, putting it in another pocket. Also, this just came across my desk, supporters of tax reform, editorial endorsements, *Bangor Daily News*, *Bar Harbor*

Times, Brunswick Times Record, Capital Weekly, Kennebec Journal, Morning Sentinel, Lewiston Sun Journal, Republican Journal, Portland Press Herald, and their water carriers, M.D. Harmon, John Porter, Kay Rand, Ron Bancroft and Doug Lords, they are against that. They are for it now, but they were against it last time because they were going to be taxed, so isn't it funny how they've changed their tune? Thank you, Madam Speaker.

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

Representative **FLAHERTY**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I want to tell you the tale of two generations and how this bill affects them. The first is a friend of mine who now lives in Boston. She wrote to me earlier this session and said my boyfriend, Ryan, and his friends, engineers who graduated here in Boston, have started a company in Massachusetts designing and installing residential alternative energy systems. She went on to tell me that they would like to relocate to Maine, excited about the prospects we have, but that the income tax, because it would be a small business, would actually be detrimental to that move. This is a jobs bill. This is an economic development bill. This is going to allow real people to move back home to the State of Maine and it will also help another generation and that is that of an 88 year old constituents that I have. She wrote to me: Representative Flaherty, in February 2005, I moved from New York City to Piper Shores Retirement Community in Scarborough. Having spent many happy summers at camp nearby, I was thrilled at the thought of spending my last years in the state that I love. I know that many of the residents here have shared the experience of coming home to a state that holds happy memories for them. Having arranged my life and my finances to live my final years at Piper Shores, I am shocked to learn that Maine Revenue Services has turned on me and plans to tax retroactively what I consider to be an integral part of my existence here, my daily meals. For senior citizens on fixed incomes, now unexpectedly reduced by current economic conditions, this is a terrible blow and I'm writing to raise my voice in protest and ask you to support LD 1335.

We all know that the merits of LD 1335 are being rolled into this measure, the one that we are voting on today and it is for the folks in my district, the folks who have already moved home to retire, and for the young folks who we educated in the Town of Scarborough in the State of Maine, who want to move home to work, that I am proud to be voting yes on LD 1088. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Alna, Representative Fossel.

Representative **FOSSEL**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. How I look at this is I understand this stabilizes the revenues for the State of Maine, but I look at it from the other point of view and that is if you stabilize revenues from the State of Maine, that stabilization comes from somewhere, and in economically down times, that stabilization comes out of the pockets of all of us who don't have any money. I've been in small business now for 34 years. I regularly have had nothing to tax. I've qualified for the earned income tax credit; I suspect I will again this year. The difference between what you're doing currently and what you're proposing is currently, when I have income, I pay taxes. What you're proposing is when I don't have income; I pay taxes, so I urge you to oppose this legislation. Thank you.

The SPEAKER: The Chair recognizes the Representative from Bath, Representative Watson.

Representative **WATSON**: Thank you, Madam Speaker. We have heard many reasons here today to oppose this bill. I just

want to make sure that if you're going to oppose it, to oppose it for the right reasons, and read the bill if you like. For instance, the good Representative from Farmington, Representative Harvell, is very concerned about the ski industry. If he bothered to call his ski industry in his area, he would find that this bill has granted them a sales tax exemption, for the first time in the 20 years they've been asking for it, for the first time, a sales tax exemption on fuel and electricity used in snowmaking and in the repairs and maintenance of the equipment used in snowmaking. That was a far more valuable item for them than having to collect the 5 percent sales tax on the \$70 lift ticket. To my good friend, Representative McKane, the Representative from Newcastle, I pointed out behind the glass, I need to point out to all of you, there are no carpenters or plumbers or electricians in this bill. We're talking about personal property services, not real property services. There is a big difference. So your handyman, your carpenter is not involved here, and you are not, if you are a part-time contractor, going to be in the business of collecting taxes. Finally, with regard to fitness, if you read the amusement section carefully, if you read what it means in amusements, you will find that the distinction is made between recreation and play. Fitness activities, such as gyms and fitness clubs, are specifically excluded. What is included is play, golf games and tennis games. So the bill makes a careful distinction to broaden the sales tax only to cover those discretionary things in recreation and play. It does not pose a tax on activities or physical fitness. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Newcastle, Representative McKane.

Representative **McKANE**: Thank you, Madam Speaker. I'm very, very pleased to hear that there will be no services on real property tax. We're still looking into it, it's confusing. At one point there was, now there is not. It's kind of like the candy. What candy is taxed and what candy isn't. It turns out that just Milky Way candy bars: one kind of Milky Way candy bar is going to be taxed, one kind isn't. If you get the one with dark chocolate that one is going to be taxed, so I suggest you get the Milky Way candy bar without this dark chocolate. That one is not going to be taxed. That's how confusing this is. I am pleased that I won't have to become a tax collector for the Maine Revenue Services; I will hold this Legislature to that and this debate. But again, this is a very, very confusing bill and it is very, very broad, and I will be opposing it just the same. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Harrison, Representative Sykes.

Representative **SYKES**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I strongly urge you to pass LD 1088 because it will be in the best interest of the Maine Republican Party.

The SPEAKER: The Chair recognizes the Representative from Belfast, Representative Giles.

Representative **GILES**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I just want to thank the good Representative from Bath for talking a little bit about some clarification on this and as it pertains to the wellness activity, and the information that I have, it says the bill will not tax gyms and fitness clubs and so forth that are for human physical training and improvement rather than recreation and play, and all that I would say is from a wellness standpoint, the more we can recreate, the more we can play, I think the healthier we will be. So I continue to be concerned that there are some activities that are good for us that are being taxed.

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

Representative **VALENTINO**: Thank you very much, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House. I just rise to clarify a couple of points that I've heard in the debate here. I do not want to prolong the debate; I just do want to raise a few clarifications. One of the things that was mentioned, that LD 1088 did not provide tax relief, that it was a reform. Well the promise of 1088 was tax reform, so we certainly did what we promised the people in the Legislature to do. One of the side benefits though of 1088 is that we did provide tax relief, I feel, \$55 million to the people of the State of Maine, so we not only accomplished our first objection was tax reform, but also tax relief on that.

I also wanted to state that we're all in agreement that tourism the number one industry in Maine and we do not want to hurt that industry, none of us do. In LD 1088, we will actually give the tourism industry additional revenue out of this. LD 1088 has an allocation section of \$1.8 million to the Tourism Marketing Promotion Fund, not this year but next year, as soon as that goes in. So what that means is that the next time we do a biennium budget, the Tourism Marketing Promotion Fund will have an additional, not \$2 million, but \$4 million in that biennium budget to help do the advertising that's necessary to attract the people to the State of Maine.

I also wanted to just refer to someone who said that we were the most taxed state as far as broadening the items on that. Right now, if anybody wanted to go to www.taxadmin.org, they do list every one of the 50 states in the United States, and out of the 185 categories they have, Maine only taxed 25 of those categories, compared to Vermont which taxes 32 categories, Florida taxes 63 categories, Connecticut taxes 79 categories, and New Mexico and Washington State tax 158 different categories. So certainly we are far, far, far behind, even at 1088.

The other thing I just wanted to address is some people said that we worked very quickly on this. I know myself, I read the bill, I was on the committee, I have it here before me and I've looked through it. I understand the difference between a Kit Kat bar and a Milky Way bar; I understand the flour component on it. I think all of us will have the opportunity to read it and to clarify it. One of the biggest things that this did, it would also allow us the opportunity to sit down with Maine Revenue Services. Taxation will be meeting once a month to formulate this so that not only the members of Taxation are clear, but everybody is clear with it. So while it may have seemed that we worked quickly on this issue, I do want to say that we had a blueprint to start with and that blueprint was 1925, which was worked two years ago. So we did not start from square one, we started from a well worked blueprint, and that's why we were able to do it in this fashion to get it before you. Thank you.

The SPEAKER: The Chair recognizes the Representative from Unity, Representative Piotti.

Representative **PIOTTI**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. This is called my bill, it isn't. This is the product of many people over many years. Some of them are in this room and many of them aren't. I think of Barney McGowan, Peter Mills, Dick Woodbury. This bill is grounded on work that's been done by others, and I'd like to tell you all about that. I've spent a lot of time thinking and talking and working on this issue for two and a half years, but I'm not going to give you that information now. It's been a long debate, it's been a long day, and I don't think any of it would persuade anyone. I am, however, encouraged by the words of the Representative from Harrison, Representative Sykes. I find myself in complete agreement. Passing 1088 would be good for Republicans. Passing 1088 will be good for all of the people of Maine. I will give you further comment at the same time that the

Representative from Newport, Representative Tardy, said he will, and these are in his words, upon Enactment. Madam Speaker, I request a roll call.

Representative PIOTTI of Unity **REQUESTED** a roll call on the motion to **ACCEPT** the Majority **Ought to Pass as Amended Report**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: The Chair recognizes the Representative from Gray, Representative Austin.

Representative **AUSTIN**: Thank you, Madam Speaker. May I pose one last question through the Chair?

The SPEAKER: The Representative may pose her question.

Representative **AUSTIN**: I've been contacted by a local business in my district and that is a business that installs regulation professional tennis courts, and I'd like to know, on a previous answer to the good Representative from Downeast a little bit, from the other good Representative from Brunswick, if this would apply to tennis courts? I'm a little confused on work that is done and installations and how that would carry out.

The SPEAKER: The Representative from Gray, Representative Austin has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Bath, Representative Watson.

Representative **WATSON**: Thank you, Madam Speaker. I'll be happy to answer that question. No, the installation of tennis courts is not within this. The installation repair/maintenance services, again, applies to personal property and not real property. Thank you, Madam Speaker.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Majority Ought to Pass as Amended Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 197

YEA - Adams, Beaudette, Beaudoin, Beck, Berry, Blanchard, Blodgett, Bolduc, Briggs, Bryant, Butterfield, Cain, Carey, Cohen, Connor, Cornell du Houx, Crockett P, Dill, Dostie, Driscoll, Duchesne, Eaton, Eberle, Eves, Finch, Flaherty, Flemings, Gilbert, Goode, Harlow, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Jones, Kaenrath, Kent, Kruger, Lajoie, Legg, Lovejoy, MacDonald, Magnan, Martin JR, Martin JL, Mazurek, McCabe, Miller, Morrison, Nelson, O'Brien, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Piotti, Pratt, Priest, Rankin, Rotundo, Russell, Sanborn, Schatz, Sirois, Smith, Stevens, Stuckey, Sutherland, Treat, Trinward, Tuttle, Valentino, Wagner J, Wagner R, Watson, Webster, Wheeler, Wright, Madam Speaker.

NAY - Austin, Beaulieu, Bickford, Boland, Browne W, Burns, Campbell, Casavant, Cebra, Chase, Clark H, Cotta, Crafts, Cray, Crockett J, Curtis, Cushing, Davis, Edgcomb, Fitts, Fletcher, Flood, Fossil, Gifford, Giles, Greeley, Hanley, Harvell, Johnson, Joy, Knapp, Knight, Langley, McFadden, McKane, McLeod, Millett, Nass, Nutting, Pendleton, Pinkham, Plummer, Prescott, Richardson D, Richardson W, Robinson, Rosen, Sarty, Saviello, Shaw, Strang Burgess, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Weaver, Willette.

ABSENT - Ayotte, Celli, Clark T, Cleary, Hamper, Lewin, Van Wie, Welsh.

Yes, 84; No, 59; Absent, 8; Excused, 0.

84 having voted in the affirmative and 59 voted in the negative, with 8 being absent, and accordingly the Majority **Ought to Pass as Amended Report** was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A" (H-530)** was **READ** by the Clerk.

On motion of Representative PIOTTI of Unity, **TABLED** pending **ADOPTION** of **Committee Amendment "A" (H-530)** and later today assigned.

SENATE PAPERS
Non-Concurrent Matter

Bill "An Act To Establish a Farmer's Rights in an Investigation of Intellectual Property Theft of Genetically Engineered Material" (H.P. 827) (L.D. 1202)

Bill and accompanying papers **INDEFINITELY POSTPONED** in the House on June 3, 2009.

Came from the Senate with that Body having **ADHERED** to its former action whereby the Bill was **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-430) AS AMENDED BY SENATE AMENDMENT "A" (S-290)** thereto in **NON-CONCURRENCE**.

On motion of Representative PIEH of Bremen, the House voted to **ADHERE**.

REPORTS OF COMMITTEE
Divided Report

Majority Report of the Committee on **TAXATION** reporting **Ought Not to Pass** on Bill "An Act To Protect the Environment through Promoting the Use of Clean Fuel Vehicles" (S.P. 377) (L.D. 1013)

Signed:

Senators:

PERRY of Penobscot
BLISS of Cumberland

Representatives:

WATSON of Bath
BRYANT of Windham
FLEMINGS of Bar Harbor
CROCKETT of Augusta
PILON of Saco
CHASE of Wells
VALENTINO of Saco
KNIGHT of Livermore Falls
SIROIS of Turner

Minority Report of the same Committee reporting **Ought to Pass as Amended by Committee Amendment "A" (S-298)** on same Bill.

Signed:

Senator:

NASS of York

Came from the Senate with the Majority **OUGHT NOT TO PASS** Report **READ** and **ACCEPTED**.
READ.

On motion of Representative WATSON of Bath, the Majority **Ought Not to Pass** Report was **ACCEPTED** in concurrence.

PETITIONS, BILLS AND RESOLVES REQUIRING REFERENCE

Bill "An Act To Provide Funding for the Highway Fund Biennial Budget" (EMERGENCY) (H.P. 1042) (L.D. 1487)

Sponsored by Representative MAZUREK of Rockland.
Cosponsored by Senator DAMON of Hancock and Representatives: BLANCHARD of Old Town, CAREY of

Lewiston, HARLOW of Portland, HOGAN of Old Orchard Beach, MITCHELL of the Penobscot Nation, PEOPLES of Westbrook, THERIAULT of Madawaska.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Committee on **TRANSPORTATION** suggested and ordered printed.

REFERRED to the Committee on **TRANSPORTATION** and ordered printed.

Sent for concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH**.

CONSENT CALENDAR
First Day

In accordance with House Rule 519, the following items appeared on the Consent Calendar for the First Day:

(S.P. 491) (L.D. 1356) Bill "An Act To Improve the Ability of the Department of Education To Conduct Longitudinal Data Studies" Committee on **EDUCATION AND CULTURAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-301)**

(H.P. 803) (L.D. 1164) Bill "An Act To Amend the Maine Certificate of Need Act of 2002 To Change Nursing Facilities Review Thresholds for Energy Efficiency Projects and for Replacement Equipment" Committee on **HEALTH AND HUMAN SERVICES** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-534)**

(H.P. 879) (L.D. 1260) Bill "An Act To Amend the Certificate of Need Act of 2002 for Nursing Facility Projects" Committee on **HEALTH AND HUMAN SERVICES** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-535)**

(H.P. 1008) (L.D. 1456) Bill "An Act To Ensure That Construction Workers Are Protected by Workers' Compensation Insurance" Committee on **LABOR** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-536)**

Under suspension of the rules, Second Day Consent Calendar notification was given.

There being no objection, the Senate Paper was **PASSED TO BE ENGROSSED as Amended** in concurrence and the House Papers were **PASSED TO BE ENGROSSED as Amended** and sent for concurrence. **ORDERED SENT FORTHWITH**.

The House recessed until 5:00 p.m.

(After Recess)

The House was called to order by the Speaker.

The following items were taken up out of order by unanimous consent:

SENATE PAPERS

The following Joint Order: (S.P. 568)
ORDERED, the House concurring, that the Joint Standing Committee on Health and Human Services shall report out, to the Senate, a bill regarding the electronic exchange of health information.

Came from the Senate, **READ** and **PASSED**.
READ and **PASSED** in concurrence.

Non-Concurrent Matter

Bill "An Act To Allow Youth To Fish for Smelt on Worthley Pond" (EMERGENCY)

(S.P. 347) (L.D. 925)

Majority (8) **OUGHT NOT TO PASS** Report of the Committee on **INLAND FISHERIES AND WILDLIFE READ** and **ACCEPTED** in the House on May 29, 2009.

Came from the Senate with the Minority (4) **OUGHT TO PASS AS AMENDED** Report of the Committee on **INLAND FISHERIES AND WILDLIFE READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-157) AS AMENDED BY SENATE AMENDMENT "A" (S-299)** thereto **AND SENATE AMENDMENT "A" (S-250)** in **NON-CONCURRENCE**.

On motion of Representative CLARK of Millinocket, the House voted to **INSIST**.

REPORTS OF COMMITTEE

Divided Report

Majority Report of the Committee on **INLAND FISHERIES AND WILDLIFE** reporting **Ought Not to Pass** on Bill "An Act To Allow Smelt Fishing in Metallak Brook, Upper Richardson Lake" (EMERGENCY)

(S.P. 348) (L.D. 926)

Signed:

Representatives:

CLARK of Millinocket
BRIGGS of Mexico
EBERLE of South Portland
SHAW of Standish
McLEOD of Lee

Minority Report of the same Committee reporting **Ought to Pass as Amended by Committee Amendment "A" (S-158)** on same Bill.

Signed:

Senator:

BRYANT of Oxford

Representatives:

DAVIS of Sangerville
WHEELER of Kittery
SARTY of Denmark

Came from the Senate with the Minority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-158) AS AMENDED BY SENATE AMENDMENT "B" (S-300)** thereto.

READ.

Representative CLARK of Millinocket moved that the House **ACCEPT** the Majority **Ought Not to Pass** Report.

Representative TARDY of Newport **REQUESTED** a roll call on the motion to **ACCEPT** the Majority **Ought Not to Pass** Report.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Majority Ought

Not to Pass Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 198

YEA - Adams, Austin, Beaudette, Beaudoin, Beaulieu, Berry, Blanchard, Blodgett, Boland, Bolduc, Briggs, Browne W, Bryant, Burns, Butterfield, Cain, Campbell, Carey, Casavant, Cebra, Chase, Clark H, Cohen, Connor, Cornell du Houx, Cotta, Crafts, Cray, Crockett J, Crockett P, Curtis, Cushing, Davis, Dill, Dostie, Driscoll, Eaton, Eberle, Edgecomb, Eves, Finch, Fitts, Flaherty, Flemings, Fletcher, Flood, Fossel, Gifford, Gilbert, Giles, Goode, Greeley, Hanley, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Johnson, Jones, Joy, Kaenrath, Kent, Knapp, Knight, Kruger, Lajoie, Langley, Legg, Lovejoy, MacDonald, Martin JR, Martin JL, Mazurek, McCabe, McFadden, McKane, McLeod, Miller, Morrison, Nass, Nelson, Nutting, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Pinkham, Piotti, Pratt, Prescott, Rankin, Richardson D, Richardson W, Robinson, Rosen, Rotundo, Russell, Sanborn, Sarty, Saviello, Schatz, Shaw, Sirois, Smith, Stevens, Strang Burgess, Stuckey, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tilton, Treat, Trinward, Tuttle, Valentino, Wagner J, Wagner R, Watson, Webster, Willette, Wright, Madam Speaker.

NAY - Bickford, Harlow, Millett, Weaver, Wheeler.

ABSENT - Ayotte, Beck, Celli, Clark T, Cleary, Duchesne, Hamper, Harvell, Lewin, Magnan, Plummer, Priest, Van Wie, Welsh.

Yes, 132; No, 5; Absent, 14; Excused, 0.

132 having voted in the affirmative and 5 voted in the negative, with 14 being absent, and accordingly the Majority **Ought Not to Pass** Report was **ACCEPTED** in **NON-CONCURRENCE** and sent for concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH**.

UNFINISHED BUSINESS

The following matter, in the consideration of which the House was engaged at the time of adjournment yesterday, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

HOUSE DIVIDED REPORT - Majority (10) **Ought to Pass as Amended by Committee Amendment "A" (H-270)** - Minority (3) **Ought to Pass as Amended by Committee Amendment "B" (H-271)** - Committee on **UTILITIES AND ENERGY** on Bill "An Act To Simplify the Assessment of E-9-1-1 Surcharges on Prepaid Wireless Telecommunications Service"

(H.P. 731) (L.D. 1056)

TABLED - May 14, 2009 (Till Later Today) by Representative HINCK of Portland.

PENDING - **ACCEPTANCE OF EITHER REPORT.**

On motion of Representative HINCK of Portland, the Majority **Ought to Pass as Amended** Report was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A" (H-270)** was **READ** by the Clerk and **ADOPTED**.

Under suspension of the rules, the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading**.

Under further suspension of the rules, the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-270)** and sent for concurrence. **ORDERED SENT FORTHWITH**.

The Chair laid before the House the following item which was **TABLED** earlier in today's session:

HOUSE DIVIDED REPORT - Majority (9) **Ought to Pass as Amended by Committee Amendment "A" (H-530)** - Minority (4) **Ought Not to Pass** - Committee on **TAXATION** on Bill "An Act To Modernize the Tax Laws and Provide over \$75,000,000 to Residents of the State in Tax Relief"

(H.P. 750) (L.D. 1088)

Which was **TABLED** by Representative PIOTTI of Unity, pending **ADOPTION** of **Committee Amendment "A" (H-530)**.

Representative WATSON of Bath **PRESENTED House Amendment "A" (H-537)** to **Committee Amendment "A" (H-530)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Bath, Representative Watson.

Representative **WATSON**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House. This amendment is a technical amendment. It changes the title, corrects the title of the bill, and also straightens out the current tax treatment for property leased at a manufacturing and fabrication facility. This is a result of a long series of negotiations in an attempt to further protect Maine businesses, particularly those that lease production machinery. Thank you, Madam Speaker.

Subsequently, **House Amendment "A" (H-537)** to **Committee Amendment "A" (H-530)** was **ADOPTED**.

Representative CHASE of Wells **PRESENTED House Amendment "B" (H-538)** to **Committee Amendment "A" (H-530)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Wells, Representative Chase.

Representative **CHASE**: Thank you, Madam Speaker. This is our answer to the question: If not that plan, then what? This plan, this is the amendment that I am presenting, takes away all the pain of broadening the sales tax. It takes away the taxes for admission to amusements, entertainment and recreational services. It takes away the fees charged to participation in or entry to a recreational sports and games. It takes away the tax to admission fees charged for exhibition shows for scenic and sightseeing excursions, for entertainment services such as bands, orchestras, disc jockeys, comedians, clowns, jugglers, children's entertainment and ventriloquists. It takes away the tax from proceeds from arcade games; for installation repair or maintenance services; for lease or rental taxes; for personal property service taxes; for retail, sales and vending machines; liquidation sales of businesses or substantially all assets of business. It removes the tax on leasing or rental of tangible property, on transportation and currier services, the sales of prepared foods and living quarters, the confusion on the candy tax, and it takes away the accelerated payment on leases and rentals.

This proposal, this amendment, what it does in a slowly progressive manner is to allow the future revenue increases, a portion of them, to be set aside, put into a tax fund, and those funds then used to lower the income tax. That's it. It's plain, it's simple, it's easy, and does it work? Well, actually in the 117th Legislature, this bill was actually passed, and in the 118th, of course, it was repealed. But had it still been in place over these years, in real dollars, we would now have accumulatively \$784,301,883 right now used to give tax relief to Maine people. What this amendment also does is for those with an income of \$30,000 or less, they pay no income tax, because those are the people that have the hardest time paying their bills. I hopefully

urge you all to support this amendment to vote for a plan that gives tax relief without any pain. Thank you.

Representative WATSON of Bath moved that **House Amendment "B" (H-538)** to **Committee Amendment "A" (H-530)** be **INDEFINITELY POSTPONED**.

Representative TARDY of Newport **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "B" (H-538)** to **Committee Amendment "A" (H-530)**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: The Chair recognizes the Representative from Bath, Representative Watson.

Representative **WATSON**: Thank you, Madam Speaker. House Amendment "B", Ladies and Gentlemen of the House, is very similar to a bill that was brought before the Taxation Committee, sponsored by a member of the other body and born out of a good idea that came from the Joint Select Committee on Maine's Future Prosperity a year or so ago. The problem with this plan is that it is so indefinite it is likely never to be put into place. What it does is rely on revenues exceeding the LD 1 caps. Now you and I have not seen revenues exceed the LD 1 caps since LD 1's Enactment, and we're not likely to in this lifetime. But nonetheless, the Taxation Committee gave this bill serious consideration, and as a matter of fact, at the request of our minority members, we carried it over, so it is on the table in the Taxation Committee, ready to be considered in January. One of the primary reasons we carried it over, I might add, is that in the opinion of the Attorney General, this would be a competing measure to TABOR II, which will no doubt show up on the November ballot, thus you're putting the entire issue of tax reform out as a competing measure to TABOR II. In the collective wisdom of the Taxation Committee, we thought that was bad idea, I think it is still a bad idea, and this plan is no plan at all, since it has no definite dates, no definite amounts and no way to predict its success or in fact its failure. Therefore, I'd urge you to support the Indefinite Postponement motion. Thank you.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "B" (H-538) to Committee Amendment "A" (H-530). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 199

YEA - Adams, Beaudette, Beaudoin, Berry, Blanchard, Blodgett, Boland, Bolduc, Briggs, Bryant, Butterfield, Cain, Carey, Casavant, Clark H, Cohen, Connor, Cornell du Houx, Crockett P, Dill, Dostie, Driscoll, Eaton, Eberle, Eves, Finch, Flaherty, Flemings, Gilbert, Goode, Hanley, Harlow, Haskell, Hayes, Hill, Hinck, Hogan, Hunt, Innes Walsh, Jones, Kaenrath, Kent, Kruger, Lajoie, Legg, Lovejoy, MacDonald, Martin JR, Martin JL, Mazurek, McCabe, Miller, Morrison, Nelson, O'Brien, Pendleton, Peoples, Percy, Perry, Peterson, Pieh, Pilon, Piotti, Pratt, Rankin, Rotundo, Russell, Sanborn, Schatz, Shaw, Sirois, Smith, Stevens, Stuckey, Sutherland, Theriault, Treat, Trinarward, Tuttle, Valentino, Wagner J, Wagner R, Watson, Webster, Wheeler, Willette, Wright, Madam Speaker.

NAY - Austin, Beaulieu, Bickford, Browne W, Burns, Campbell, Cebra, Chase, Cotta, Crafts, Cray, Crockett J, Curtis, Cushing, Davis, Edgecomb, Fitts, Fletcher, Flood, Fossel, Gifford, Giles, Greeley, Johnson, Joy, Knapp, Knight, Langley, McFadden, McKane, McLeod, Millett, Nass, Nutting, Pinkham, Prescott, Richardson D, Richardson W, Robinson, Rosen, Sarty, Saviello, Strang Burgess, Sykes, Tardy, Thibodeau, Thomas, Tilton, Weaver.

ABSENT - Ayotte, Beck, Celli, Clark T, Cleary, Duchesne, Hamper, Harvell, Lewin, Magnan, Plummer, Priest, Van Wie, Welsh.

Yes, 88; No, 49; Absent, 14; Excused, 0.

88 having voted in the affirmative and 49 voted in the negative, with 14 being absent, and accordingly **House Amendment "B" (H-538) to Committee Amendment "A" (H-530) was INDEFINITELY POSTPONED.**

Committee Amendment "A" (H-530) as Amended by House Amendment "A" (H-537) thereto was ADOPTED.

Under suspension of the rules, the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading.**

Under further suspension of the rules, the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-530) as Amended by House Amendment "A" (H-537)** thereto and sent for concurrence.

On motion of Representative SANBORN of Gorham, the House adjourned at 5:48 p.m., until 9:00 a.m., Friday June 5, 2009 in honor and lasting tribute to the Honorable Harrison Richardson, of Gorham and Mary Catherine Hinse, of Lincoln.