

# MAINE STATE LEGISLATURE

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

**Daily Edition**

**First Regular Session**  
beginning December 5, 2012  
beginning at page H-1

ONE HUNDRED AND TWENTY-SIXTH LEGISLATURE  
FIRST REGULAR SESSION  
10th Legislative Day  
Tuesday, February 5, 2013

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

Prayer by Reverend Carie Johnsen, Unitarian Universalist Community Church of Augusta.

National Anthem by Lauren Crosby, Farmington.

Pledge of Allegiance.

The Journal of Thursday, January 31, 2013 was read and approved.

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**SENATE PAPERS**

Bill "An Act To Amend the Bottle Redemption Laws"

(S.P. 45) (L.D. 124)

Committee on **LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT** suggested and ordered printed.

Came from the Senate, **REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES** and ordered printed.

**REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES** in concurrence.

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**COMMUNICATIONS**

The Following Communication: (H.C. 37)

**STATE OF MAINE  
126TH MAINE LEGISLATURE**

January 4, 2013

Honorable Paul R. LePage

Governor of Maine

1 State House Station

Augusta, Maine 04333

Dear Governor LePage:

We are pleased to invite you to deliver the State of the State address at a Joint Session of the 126th Maine Legislature on Tuesday, February 5, 2013 at 7:00 p.m.

We look forward to seeing you then.

Sincerely,

S/Justin L. Alfond

President of the Senate

S/Mark W. Eves

Speaker of the House

**READ and ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 38)

**STATE OF MAINE  
OFFICE OF THE GOVERNOR  
1 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0001**

January 9, 2013

Honorable Justin L. Alfond

President of the Senate

3 State House Station

Augusta, Maine 04333

Honorable Mark W. Eves

Speaker of the House

2 State House Station

Augusta, Maine 04333

Dear President Alfond and Speaker Eves:

I thank you for the invitation to deliver the State of the State address at a Joint Session of the 126th Maine Legislature on Tuesday, February 5, 2013 at 7:00 p.m.

Please know that I accept your invitation and look forward to seeing you at that time.

Sincerely,

S/Paul R. LePage

Governor

**READ and ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 39)

**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
SPEAKER'S OFFICE  
AUGUSTA, MAINE 04333-0002**

January 30, 2013

Honorable Millicent M. MacFarland

Clerk of the House

2 State House Station

Augusta, Maine 04333

Dear Clerk MacFarland:

Pursuant to my authority under Title 1, MRSA, Chapter 13, §411(2)(B), I have appointed Representative Kimberly J. Monaghan-Derrig of Cape Elizabeth to the Right to Know Advisory Committee for the duration of her term (Title 1, MRSA, Chapter 13, §411(3)(B)).

If you have any questions regarding this appointment, please do not hesitate to contact me.

Sincerely,

S/Mark W. Eves

Speaker of the House

**READ and ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 46)

**MAINE TURNPIKE AUTHORITY  
2360 CONGRESS STREET  
PORTLAND, MAINE 04102**

January 31, 2013

Honorable Justin L. Alfond

President of the Senate

3 State House Station

Augusta, Maine 04333

Honorable Mark W. Eves

Speaker of the House

2 State House Station

Augusta, Maine 04333

Dear President Alfond and Speaker Eves:

Please accept this letter as the report required by 5 M.R.S.A. §12023 regarding the adoption and implementation of certain policies and procedures required by 5 M.R.S.A. §12022.

**General**

The MTA is required by its bond resolution to have an annual financial audit conducted by an independent firm. We are also required by statute (23 M.R.S.A. 1964-A) to have an ongoing compliance audit by an independent firm to test staff compliance with MTA policies and procedures. The annual financial audit is available on our website and the Compliance Auditor's findings are reported on a quarterly basis to the MTA Board and to the Transportation Committee.

**Specific Policy and Procedure Requirements**

5 M.R.S.A. 12022 requires written policies and procedures regarding the following three categories of expense.

**Selection of Vendors:** The MTA has been statutorily required to use competitive procurement since the spring of 2011. On December 20, 2012 the MTA's board adopted amendments to the MTA Procurement Policy which cause that policy to be fully compliant with the requirements of 5 M.R.S.A. 12022.

**Contributions:** In the spring of 2011, the MTA Board passed two resolutions, one to ban donations to outside organizations and the second to adopt a list of those organizations approved for MTA membership along with a detailed annual budget for membership costs. These costs are reviewed by the Board at least annually.

**Travel, Meals and Entertainment:** The MTA's current Travel Policy covers the first three requirements of 5 M.R.S.A. 12022 (5). The MTA's accounting procedures satisfy the fourth requirement - that travel, meal and entertainment costs are budgeted and accounted for separately from other expenditures. The MTA's Bond Resolution satisfies the fifth requirement by mandating that the board annually approve the MTA Operating Budget, which includes the annual budget for travel, meals and entertainment expenses broken down by department. The board receives annual reports on actual expenses and the Chairman receives monthly reports on the same.

#### **Lobbyists**

The MTA has not employed any person, other than MTA staff, for the purpose of lobbying since March, 2011.

Questions on this report may be directed either to myself or to Dan Morin who may be reached at 207-871-7154 or DMorin@maineturnpike.com.

Sincerely,

S/Peter Mills

Executive Director

**READ and ORDERED PLACED ON FILE.**

The Following Communication: (H.C. 48)

**MAINE HUMAN RIGHTS COMMISSION  
51 STATE HOUSE STATION  
AUGUSTA, MAINE 03333-0051**

January 31, 2013

Honorable Mark W. Eves

Speaker of the House

2 State House Station

Augusta, Maine 04333

Honorable Justin L. Alford

President of the Senate

3 State House Station

Augusta, Maine 04333

Dear Speaker Eves and President Alford:

In accordance with 5 M.R.S.A. §12023, the Maine Human Rights Commission submits this report on the adoption and implementation status of written policies and procedures required by 5 M.R.S.A. §12022 for quasi-independent state entities. The Executive Director of the Legislative Council directed such reports to be submitted to your attention.

When the Legislature enacted 5 M.R.S.A. §12022-23, it envisioned that as of February 1, 2014, each quasi-independent entity would report annually on the entity's consistency with authorizing law, compliance with financial policies and procedures, selection of vendors, contributions, spending on travel, meals and entertainment, and not retain lobbyists. This report will describe the measures the Maine Human Rights Commission ("MHRC") intends to use to meet, and monitor compliance with, the requirements of §12022.

The MHRC takes the requirements of this statute seriously. On August 20, 2012, soon after the statute became effective, the

MHRC Commissioners discussed its requirements at a public meeting with the MHRC Commission Counsel and Executive Director. The Commission's August 20, 2012 minutes are available at this link: [http://www.maine.gov/mhrc/meetings/2012/201208\\_m.pdf](http://www.maine.gov/mhrc/meetings/2012/201208_m.pdf). The MHRC is committed to ensuring that its governing body has all the information needed to oversee the MHRC's activities and expenditures responsibly.

"Consistency with authorizing law"

5 M.R.S.A. §12022(1)

Section 12022(1) of the statute does not require adoption of a specific written policy to ensure that "all activities and expenditures of the entity are limited to those necessary to accomplish the entity's mission and to carry out the entity's duties consistent with the entity's authorizing law." The MHRC has been, and continues to be, diligent in ensuring that the MHRC activities and expenditures are limited to those necessary to accomplish the aims of – and consistent with – the Maine Human Rights Act, the MHRC's authorizing law. See 5 M.R.S.A. §§4551, et seq.

The MHRC reviews the activities and expenditures of the MHRC quarterly at public meetings. The MHRC Commissioners receive detailed quarterly reports about the activities of the Commission in the prior quarter. The quarterly report gives specific data on personnel changes, pending caseload, complaint filings and dismissals, case settlements, status of compliance matters and litigation, legislative matters affecting the Commission, and trainings in which Commission staff took part. The MHRC Commissioners also receive detailed quarterly reports regarding expenditures of the MHRC. These finance reports provide specifics on every aspect of our budget and expenditures on an actual basis. The reporting includes separate identification and reporting for contributions (labeled "dues" on our reporting because we do not provide any gifts, donations or sponsorships) and travel, meals and entertainment. They allow the MHRC Commissioners to ensure that the activities and expenditures of the MHRC are limited to those necessary to accomplish the MHRC mission and to carry out the MHRC's duties consistent with the Maine Human Rights Act. These policies and practices meet the standards set forth in §12022(1).

Even so, on February 25, 2013, the MHRC Commissioners will formally adopt a written policy designed to ensure that all activities and expenditures of the MHRC are limited to those necessary to accomplish the MHRC's mission and to carry out the MHRC's duties consistent with the Maine Human Rights Act. That policy will be implemented by July 1, 2013.

"Compliance with financial policies and procedures"

5 M.R.S.A. §12022(2)

Section 12022(2) of the statute does not require adoption of a specific written policy to ensure that "the governing body, management and staff of the entity comply with financial policies and procedures established by the governing body." The MHRC has been, and continues to be, diligent in doing just that.

In creating budgets and financial reports, the MHRC follows all requirements set forth in the State of Maine's Administrative and Accounting Manual (found at <http://www.maine.gov/osc/admin/saam.shtml>) regarding financial policies and procedures. The MHRC Commissioners receive detailed quarterly reports regarding expenditures of the MHRC. A copy of a sample Quarterly Financial Review provided to our Commissioners is attached here as Exhibit A. As you will see, these finance reports provide specific information on every aspect of our budget and expenditures on an actual basis. The reporting includes separate identification and reporting for contributions (labeled "dues" on our reporting because we do not

provide any gifts, donations or sponsorships) and travel, meals and entertainment.

These quarterly reports, which are reviewed by MHRC Commissioners at public meetings, allow the Commissioners to ensure that they, the management and staff of the MHRC comply with financial policies and procedures established by the MHRC. These policies and practices meet the standards in §12022(2).

Soon after the enactment of the statute, in August 2012, the MHRC Commissioners discussed the requirements of this section. Our minutes reflect the following:

Legal Counsel John P. Gause reviewed two new financial policies and procedures requirements for Commissioners contained within 5 M.R.S.A. §12022, "An Act to Implement the Recommendations of the Office of Program Evaluation and Government Accountability and the Government Oversight Committee Regarding Quasi-Independent State Entities," requirements which are effective as of August 30th. Melody Piper reviewed several financial report alternatives with the Commissioners. Commissioners stated that the format that Commission staff utilize to report financial matters and details to the Commissioners is sufficient for them to meet the obligations of the new legal requirements, particularly because Commissioners know that they may obtain more detailed financial information from Commission staff at any time.

Even so, on February 25, 2013, the MHRC Commissioners will formally adopt a written policy designed to ensure that the MHRC Commissioners, management and staff comply with financial policies and procedures established by the MHRC Commissioners. That policy will be implemented by July 1, 2013.

"Selection of Vendors"

5 M.R.S.A. §12022(3)

The MHRC's current policy and practice regarding procurements is to follow the requirements of 5 M.R.S.A. Subchapter 1-A ("Rules Governing the Competitive Bid Process"). We also follow regulations governing the purchase of services promulgated by the Department of Administrative and Financial Services, Bureau of General Services; the primary policy is found at 18-554 C.M.R. ch. 110 (found at

<http://www.maine.gov/purchase/policies/110.shtml> and <http://www.maine.gov/sos/cec/rules/18/chaps18.htm>). We

additionally follow all current policies, bulletins and recommended practices from the Division of Purchases regarding purchasing special services. These State of Maine policies establish competitive procurement as the standard procurement method, and specify the conditions under which competitive procurement may be waived, and (for procurements exceeding \$10,000 that were not competitively procured) require that written justification for and evidence of approvals are maintained on file for 5 years. The MHRC's policy and practice in this regard meets the standards set forth in §12022(3).

Even so, on February 25, 2013, the MHRC Commissioners will formally adopt a written policy governing the selection of vendors designed to ensure that the MHRC secures the best value in its procurements; those policies will be implemented by July 1, 2013. To the extent possible, consistent with the Maine Human Rights Act, the policy will: (A) establish competitive procurement as the standard procurement method; (B) specify the conditions under which competitive procurement may be waived; and (C) require that written justification for and evidence of approvals are maintained on file for five years for procurements exceeding \$10,000 that were not competitively secured.

The MHRC Commissioners will review, and will report to the Legislature, annually on procurements as required by §12023(2)(A).

"Contributions"

5 M.R.S.A. §12022(4)

The MHRC follows all requirements set forth in the State of Maine's Administrative and Accounting Manual (found at <http://www.maine.gov/osc/admin/saam.shtml>) as they relate to coding, maintaining documentation for, and reporting contributions. That State of Maine policy establishes criteria that ensure that contributions be coded separately from other expenditures in the MHRC accounting and that the MHRC maintain documentation to support each contribution.

The MHRC Commissioners receive detailed quarterly reports regarding membership dues and fees paid by the MHRC. The MHRC does not report on gifts, donations or sponsorships because we do not provide any. A copy of a sample Quarterly Financial Review provided to our Commissioners is attached here as Exhibit A. As you will see, these finance reports include separate identification and reporting for contributions (labeled "dues" on our reporting because we do not provide any gifts, donations or sponsorships).

On February 25, 2013, the MHRC Commissioners will formally adopt written policies and procedures governing the use of MHRC resources for contributions; those policies will be implemented by July 1, 2013. To the extent possible and consistent with the Maine Human Rights Act, the policies and procedures will: (A) establish criteria to ensure that contributions are directly related to the MHRC's mission and activities; (B) require that for identification and reporting purposes contributions are budgeted and accounted for separately from other expenditures in the entity's records; (C) establish requirements for maintaining documentation to support each contribution; and (D) require that the MHRC must approve the annual budget for contributions and be provided periodic reports on contributions made by the entity.

The MHRC Commissioners will review, and will report to the Legislature, annually on contributions as required by §12023(2)(B).

"Travel, meals and entertainment"

5 M.R.S.A. §12022(5)

The MHRC follows all requirements set forth in Chapter 10 of the State of Maine's Administrative and Accounting Manual (found at <http://www.maine.gov/osc/admin/saam.shtml>) regarding travel, meal and entertainment costs. We also follow collective bargaining agreement requirements on expense reimbursement set forth at <http://www.maine.gov/oer/contracts/index.htm>. This MHRC policy meets the standards set forth in section 12022(5)(A-E).

The MHRC Commissioners receive detailed quarterly reports regarding meal, travel and entertainment costs of the MHRC. A copy of a sample Quarterly Financial Review provided to our Commissioners is attached here as Exhibit A. As you will see, these finance reports provide specific information on our travel on an actual basis. We do not provide meals other than those required as part of work-related travel, so any meal costs are included in the "travel expenses" category. We do not provide any entertainment costs.

On February 25, 2013, the MHRC Commissioners will formally adopt written policies and procedures governing the use of MHRC resources to pay costs of travel, meals and entertainment. Those policies will be implemented by July 1, 2013. To the extent possible, consistent with the Maine Human Rights Act, the policies and procedures will: (A) limit travel, meal and entertainment costs to those reasonable and necessary for accomplishing the MHRC mission and activities; (B) describe the persons for whom MHRC will pay travel, meal and entertainment costs and specify the conditions under which those costs will be paid and whether directly or through reimbursement; (C)

establish the requirements for supporting documentation and approval of travel, meal and entertainment costs paid directly or through reimbursement; (D) require for identification and reporting purposes that travel, meal and entertainment costs are budgeted and accounted for separately from other expenditures in the MHRC records; and (E) require that the MHRC must approve the annual budget for travel, meal and entertainment costs and be provided periodic reports on actual costs paid directly or reimbursed.

"Lobbyists"

5 M.R.S.A. §12022(6)

The statute does not require adoption of a specific written policy to ensure that the MHRC does "not retain any person, other than entity staff, that is required to register as a lobbyist as defined in Title 3, section 312-A, subsection 10." The MHRC's current policy is not to employ any person, other than MHRC staff, who is required to register as a lobbyist as defined in 3 M.R.S.A. §312-A(10). This policy meets the standards set forth in §12022(2). On February 25, 2013, the MHRC Commissioners will formally adopt a written policy and procedure designed to ensure that the MHRC does not retain any person, other than MHRC staff, who is required to register as a lobbyist as defined in 3 M.R.S.A. §312-A(10). This policy will be implemented by July 1, 2013.

Conclusion

We thank the Legislature for its attention to this matter. Should you or another member of the Legislature require additional information, or have a question, about the above report, please do not hesitate to contact me. Thank you for your attention to this matter.

Sincerely,  
S/Amy M. Sneirson  
Executive Director

**READ and ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 49)

**MAINE TECHNOLOGY INSTITUTE  
8 VENTURE AVENUE  
BRUNSWICK, MAINE 04011**

January 23, 2013  
Honorable Justin L. Alfond  
President of the Senate  
3 State House Station  
Augusta, Maine 04333  
Honorable Mark W. Eves  
Speaker of the House  
2 State House Station  
Augusta, Maine 04333  
Re: 5 M.R.S.A. §12023

Dear President Alfond and Speaker Eves:

In 2011, the Legislature adopted statutes governing quasi-independent State entities, including the Maine Technology Institute. This report is being provided on behalf of and at the direction of the MTI Board of Directors in accordance with the statute noted above, concerning the adoption and implementation of written policies and procedures required by 5 M.R.S.A. §12022.

Accordingly, please be advised that management and the Board of Directors of the Maine Technology Institute ("MTI"):

1. Recognize their obligation to ensure that:
  - a. all activities and expenditures of MTI are limited to those necessary to accomplish MTI's mission and to carry out MTI's duties consistent with MTI's authorizing law;

- b. MTI's Board, management and staff comply with financial policies and procedures;
2. Have adopted, prior to December 31, 2012, policies and procedures consistent with the requirements of 5 M.R.S.A. section 12022:
  - a. governing the selection of vendors, designed to ensure that MTI secures the best value in its procurements;
  - b. governing the use of MTI's resources for contributions;
  - c. governing the use of MTI's resources to pay costs of travel, meals and entertainment; and
  - d. preventing the use of MTI's resources to pay for lobbyists, as appropriately defined.

Though not required by statute until July 1, 2013, said policies and procedures have already been implemented.

Please note that the MTI Board has a comprehensive oversight of staff operations that will ensure effective monitoring of the implementation of these policies and procedures. Near monthly board meetings and board finance committee meetings are held where the board is briefed in detail on MTI financial and programmatic matters. MTI's Board of Directors also annually reviews and approves all operating budgets and is provided periodic reports on costs associated with the expenditures noted above. This assures that the MTI Board maintains consistent oversight of implementation of these financial policies and procedures. The MTI Board also engages the services of BerryDunn to conduct an annual financial audit which includes an on-going review of financial operations. These audit results are provided to the Legislature in MTI's Annual Report.

Respectfully submitted,  
S/Robert A. Martin  
President

**READ and ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 52)

**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
SPEAKER'S OFFICE  
AUGUSTA, MAINE 04333-0002**

January 31, 2013  
Honorable Millicent M. MacFarland  
Clerk of the House  
2 State House Station  
Augusta, Maine 04333

Dear Clerk MacFarland:

Pursuant to my authority under PL 2011, Chapter 699, I have appointed the following legislative members to the Commission To Develop a Competitive Bidding Process for the Operation of Additional Casinos or Slot Machine Facilities:

Representative Louis J. Luchini of Ellsworth  
Representative Michael Gary Beaulieu of Auburn

If you have any questions regarding these appointments, please do not hesitate to contact me.

Sincerely,  
S/Mark W. Eves  
Speaker of the House

**READ and ORDERED PLACED ON FILE.**

The Following Communication: (H.C. 53)

**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
SPEAKER'S OFFICE  
AUGUSTA, MAINE 04333-0002**

January 22, 2013

Honorable Millicent M. MacFarland

Clerk of the House

2 State House Station

Augusta, Maine 04333

Dear Clerk MacFarland:

Pursuant to my authority under Title 10, Chapter 1-A §11 of the Maine Revised Statutes, I have appointed the following members to the Citizen Trade Policy Commission:

Representative Sharon Anglin Treat of Hallowell as House Chair

Representative Jeff M. McCabe of Skowhegan

Representative Bernard L. A. Ayotte of Caswell

If you have any questions regarding these appointments, please do not hesitate to contact me.

Sincerely,

S/Mark W. Eves

Speaker of the House

**READ and ORDERED PLACED ON FILE.**

The Following Communication: (H.C. 40)

**MAINE PORT AUTHORITY  
16 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0016**

January 30, 2013

Honorable Mark W. Eves

Speaker of the House

2 State House Station

Augusta, Maine 04333

Honorable Justin L. Alfond

President of the Senate

3 State House Station

Augusta, Maine 04333

Dear Speaker Eves and President Alfond:

Pursuant to P.L. 2011, c. 616: An Act to Implement the Recommendations of the Office of Program Evaluation and Government Accountability and the Government Oversight Committee Regarding Quasi-independent State Entities, the Maine Port Authority is pleased to submit the following report to the Legislature as required under section 12023.

The Maine Port Authority maintains a Policies and Procedures Manual ("Manual") that is periodically reviewed and updated by the Board of Directors of the Maine Port Authority and is consistent with the policies and procedures described in section 12022. A copy of the Manual is attached. Specifically:

1. Consistency with authorizing law is covered in the "Preamble" of the Manual
2. Compliance with financial policies and procedures is covered in Section 200 of the Manual
3. Selection of vendors is covered in Section 200-1
  - a. The subject of competitive procurement is covered in Section 200-1
  - b. Conditions under which competitive procurement may be waived is covered in Section 200-1
  - c. Maintenance of written justification and evidence of approval of non-competitive procurement is covered in Section 200-1
4. Contributions are covered in section 200-5 "Promotions and Sponsorships"

a. Their relation to mission and activities is covered in 200-5

b. The fact that contributions budgeted separately is covered in 200-5

c. Maintenance of documentation to support the contribution is covered in 200-5

d. Requirement that the governing body approves budget for contributions and is provided periodic reports is covered in 200-5

5. Travel, meals and entertainment are covered in Section 200-3

a. Limitation on travel, meal and entertainment costs is covered in Section 200-3

b. Description of persons for whom the port authority will pay travel costs and how they will be paid is covered in Section 200-3

c. Establishment of requirements for documentation of costs is covered in Section 200-3

d. The requirement for travel, meal and entertainment costs being budgeted separately is included in Section 200-3

e. Governing body approval for travel meal and entertainment costs and periodic reports on actual costs made to them is covered in Section 200-3

6. The language on the retention of lobbyists is included in Section 700

The mission of the Maine Port Authority is to improve the global competitiveness of Maine businesses and to stimulate commerce by developing marine and rail facilities for the intermodal movement of people and cargo in support of economic development. The port authority plays a vital role in serving the interests of the people of Maine. We look forward to working with you to realize these objectives.

Sincerely,

S/John H. Henshaw

Executive Director

**READ and with accompanying papers ORDERED PLACED ON FILE.**

The Following Communication: (H.C. 41)

**UNIVERSITY OF MAINE SYSTEM  
OFFICE OF THE CHANCELLOR  
16 CENTRAL STREET  
BANGOR, MAINE 04401-5106**

January 31, 2013

Honorable Justin L. Alfond

President of the Senate

3 State House Station

Augusta, Maine 04333

Honorable Mark W. Eves

Speaker of the House

2 State House Station

Augusta, Maine 04333

Dear President Alfond and Speaker Eves:

In accordance with Public Law 2011, Chapter 616, attached you will find the report of the University of Maine System on the adoption and implementation status of written policies and procedures required by section 12022, as well as a description of the measures the University uses to monitor compliance with these financial policies and procedures.

Please don't hesitate to contact us if we can answer any questions or provide any additional information.

Sincerely,

S/James H. Page, Chancellor

University of Maine System

**READ** and with accompanying papers **ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 42)

**FINANCE AUTHORITY OF MAINE  
5 COMMUNITY DRIVE  
AUGUSTA, MAINE 04332-0949**

January 23, 2013

Honorable Justin L. Alfond

President of the Senate

3 State House Station

Augusta, Maine 04333

Honorable Mark W. Eves

Speaker of the House

2 State House Station

Augusta, Maine 04333

Dear President Alfond and Speaker Eves:

Pursuant to Public Law 2011, Chapter 616 (new 5 M.R.S.A. § 12023(1)), the board of directors of the Finance Authority of Maine (FAME) respectfully submits this letter, which serves as its initial report on the adoption, implementation, and monitoring status of certain written policies required by this new law.

Attached please find copies of FAME's Travel and Reimbursement Policy; Procurement Policy; and Contributions, Sponsorships and Memberships Policy. These policies were revised and/or approved by the board on March 15, 2012.

The board receives quarterly reports from FAME staff detailing these specific categories.

If you have any questions, please do not hesitate to contact me at 541-2715 or at Susan.Snowden@bangor.com

Sincerely,

S/Susan Snowden

Chair, FAME Board of Directors

**READ** and with accompanying papers **ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 43)

**EFFICIENCY MAINE  
151 CAPITOL STREET  
AUGUSTA, MAINE 04330-6262**

February 1, 2013

Honorable Justin L. Alfond

President of the Senate

3 State House Station

Augusta, Maine 04333

Honorable Mark W. Eves

Speaker of the House

2 State House Station

Augusta, Maine 04333

RE: 5 M.R.S.A. §12021-12023: Quasi-Independent State Entities

Dear President Alfond and Speaker Eves:

Pursuant to the above-referenced statutory requirement, this letter and the documents attached to it shall serve as the report of the Efficiency Maine Trust (the Trust) on the Trust's policies and procedures regarding procurement, contributions and travel.

The Efficiency Maine Trust Board (the Board) adopted and implemented multiple policies and procedures related to these requirements since its inception approximately three years ago.

To ensure compliance with financial policies and procedures, the Trust implemented the Contract Invoice Process – Roles and Responsibilities (Updated January 23, 2012). A copy is attached.

The Board approved the Trust's ARRA Monitoring and Compliance Plan in September 2011. This Plan provides procedures governing how the Trust establishes grant agreements, monitors compliance with federal and state laws, promotes competitive procurement processes, and ensures sufficient documentation for payment of invoices. A copy of this policy is attached (appendices not included but available upon request).

The Board approved the Trust's procurement policy for the selection of vendors with the adoption of Chapter 1: Contracting Process for Service Providers and Grant Recipients in September, 2010. A copy of this policy is attached. In addition to this rule, the Trust also complies with the procurement rules found in the Code of Federal Regulations (10 CFR 600) for all expenditures of federal grant funds. These rules are lengthy and the Trust will be glad to provide them if requested.

The Board has also been very conservative regarding memberships and sponsorships. Individual staff memberships in professional associations are allowed and addressed in both of the Efficiency Maine Trust State and Non-State Personnel Manuals, which were approved by the Board in May, 2011 and are attached. Regarding corporate memberships, the Trust requires a Board vote as evidenced by Board approval of the membership in the Consortium for Energy Efficiency (approved in April 2011 and April 2012). The Trust Board has also supported Trust memberships in several Chambers of Commerce as a means to communicate with area businesses about opportunities to participate in the Trust's programs. Sponsorships are allowed, though rarely exercised, on the condition that the topic of the event or initiative has a direct nexus to promoting information and awareness of energy efficiency issues and will contribute to the successful implementation of the Trust's programs. The policy on Contributions is attached.

The Trust's 31-page travel policy was adopted in May, 2011 and fully outlines, in detail, the process for obtaining approvals and reimbursements related to travel. The Trust requires multiple staff sign-offs before travel (or lodging) can be authorized and again before payment for approved travel (or lodging) is made, which paperwork is all kept in the A/P files and subject to the A-133 audit that the Trust annually commissions and reports to the Board and the Office of the State Controller.

The Trust does not use or retain lobbyists and has no budget to support such expenditures. Trust staff are registered, as necessary, to represent the Trust before the Legislature and State agencies.

The Board monitors compliance by relying on the external auditors who report annually to the Board on the Trust's adherence to its policies as part of its annual audit of the Trust's financial statements. The audit reports are presented to and adopted by the Board and reported to the State's Office of the Controller.

Respectfully submitted,

S/Michael D. Stoddard

Executive Director

**READ** and with accompanying papers **ORDERED PLACED ON FILE.**



The Following Communication: (H.C. 44)

**NORTHERN NEW ENGLAND  
PASSENGER RAIL AUTHORITY  
75 WEST COMMERCIAL STREET  
PORTLAND, MAINE 04101-4631**

January 30, 2013  
Honorable Justin L. Alfond  
President of the Senate  
3 State House Station  
Augusta, Maine 04333  
Honorable Mark W. Eves  
Speaker of the House  
2 State House Station  
Augusta, Maine 04333

RE: Statutory Citation P.L. 2011 c. 616: An Act to Implement the Recommendations of the Office of Program Evaluation and Government Accountability and the Government Oversight Committee Regarding Quasi-Independent State Entities

Dear President Alfond and Speaker Eves:

Please find enclosed the Northern New England Passenger Rail Authority's annual report as required under section 12023 (1) "Adoption and implementation" of the Statutory Citation referenced above.

Sincerely,  
S/Mr. Martin Eisenstein  
Chairman  
Northern New England Passenger  
Rail Authority Board of Directors

**READ** and with accompanying papers **ORDERED PLACED ON FILE.**

---

The Following Communication: (H.C. 45)

**WASHINGTON COUNTY DEVELOPMENT AUTHORITY**

January 30, 2013  
Honorable Mark W. Eves  
Speaker of the House  
2 State House Station  
Augusta, Maine 04333  
Honorable Justin L. Alfond  
President of the Senate  
3 State House Station  
Augusta, Maine 04333

Dear Speaker Eves and President Alfond:

P.L. 2011, c. 616: An Act to Implement the Recommendations of the Office of Program Evaluation and Government Accountability and the Government Oversight Committee Regarding Quasi-independent State Entities requires quasi-independent state entities to prepare and submit certain reports to the Legislature, the first of which is due by February 1, 2013.

I am writing to inform you that, in accordance with 5 M.R.S.A., Section 12023, the Washington County Development Authority (WCDA) presents the attached policies and procedures approved by the Board of Trustees on November 1, 2012 in accordance with this legislation.

Please contact me if you have any questions.

Sincerely,  
S/Betsy Fitzgerald  
Chair

**READ** and with accompanying papers **ORDERED PLACED ON FILE.**

---

The Following Communication: (H.C. 47)

**CHILD DEVELOPMENT SERVICES  
146 STATE HOUSE STATION  
AUGUSTA, MAINE 04333**

February 1, 2013  
Honorable Mark W. Eves  
Speaker of the House  
2 State House Station  
Augusta, Maine 04333  
Dear Speaker Eves:

P.L. 2011, c. 616: An Act to Implement the Recommendations of the Office of Program Evaluation and Government Accountability and the Government Oversight Committee Regarding Quasi-independent State Entities requires quasi-independent state entities to prepare and submit certain reports to the Legislature, the first of which is due by February 1, 2013, and annually thereafter by February 1st.

Child Development Services (CDS) has prepared the enclosed report for your review and consideration. As required in the legislation enacted by the 125th Maine Legislature March 6, 2012 CDS is reporting its progress related to certain financial policies and procedures. Areas addressed in this report include: Selection of Vendors, Contributions, Travel, Meals and entertainment and Lobbying.

Specific policies and procedures can be found in Appendices A and B.

Child Development Services appreciates the opportunity to present this information and looks forward to comments suggesting additional refinements or improvements to be undertaken that will lead to achieving the intended purpose of this legislation.

Yours truly,  
S/Cindy L. Brown  
Director of Early Childhood Special Education

**READ** and with accompanying papers **ORDERED PLACED ON FILE.**

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The Following Communication: (H.C. 50)

**STATE OF MAINE  
CONNECTME AUTHORITY  
78 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0078**

February 1, 2013  
Honorable Mark W. Eves  
Speaker of the House  
2 State House Station  
Augusta, Maine 04333  
Honorable Justin L. Alfond  
President of the Senate  
3 State House Station  
Augusta, Maine 04333

Dear Speaker Eves and President Alfond:

Pursuant to 5 M.R.S.A., Section 12023, please consider this the letter of transmittal for the required report from the ConnectME Authority due by February 1, 2013.

Please contact me if you have any questions or need additional information.

Thank you.  
Sincerely,  
S/Phillip Lindley  
Executive Director

**READ** and with accompanying papers **ORDERED PLACED ON FILE.**

The Following Communication: (H.C. 51)  
**MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**46 STATE HOUSE STATION**  
**AUGUSTA, MAINE 04333-0046**

January 30, 2013  
Honorable Justin L. Alfond  
President of the Senate  
3 State House Station  
Augusta, Maine 04333  
Honorable Mark W. Eves  
Speaker of the House  
2 State House Station  
Augusta, Maine 04333  
RE: MainePERS Policies

Dear President Alfond and Speaker Eves:

Attached please find three Maine Public Employees Retirement System (MainePERS) policies required by 5 M.R.S.A. Section 12022 as enacted by PL 2011, chapter 616, "An Act To Implement the Recommendations of the Office of Program Evaluation and Government Accountability and the Government Oversight Committee Regarding Quasi-independent State Entities." These three policies address the policy statements required by section 12022.

MainePERS designed or updated these policies to ensure compliance with all requirements of the law. Board Policy 5.4, "Budgeting, Spending, and Reporting", encompasses the MainePERS Board of Trustees responsibilities under this law. This is a comprehensive oversight policy which assigns the Executive Director to ensure all parts of the law are fully implemented in MainePERS administrative policy.

MainePERS administrative policies 1.3, "Procurement", and 1.4, "Travel", include the specific steps to fully comply with section 12022.

MainePERS has historically prohibited contributions and lobbying expenses. These policies document this practice and represent no change from past practice. Indirect lobbying expenses included in allowable dues to professional organizations for activities conducted at the federal level are generally for providing technical information on issues that affect federal regulations governing state retirement systems.

Competitive bidding for purchases over \$10,000 is a reduced threshold for MainePERS. Exceptions to this threshold which we believe would be detrimental to conducting our business efficiently or within our fiduciary duty are included in Administrative Policy 1.3, "Procurement." MainePERS has historically reimbursed travel expenses on an actual and reasonable basis. The System is changing to a per diem basis with the implementation of Administrative Policy 1.3, "Travel."

The MainePERS Board of Trustees will monitor compliance of 5 M.R.S.A section 12022 through the Audit Committee of the Board and that committee's budgeting and reporting process. The Audit Committee of the Board meets quarterly and reports to the full Board of Trustees after each meeting. MainePERS staff will provide the Audit Committee with procurement and travel budgets as part of the annual budget approval process. The MainePERS Internal Auditor will also add review of this reporting to the internal audit schedule. MainePERS staff will provide a semi-annual and annual report to the Audit Committee of travel and procurements, including any sole source procurements. MainePERS prohibits contributions and direct lobbying expenses by Board policy.

Please do not hesitate to contact us or provide us with questions about these policies. Our implementation date for all new provisions will be no later than June 30, 2013.

Sincerely,

S/Sandra J. Matheson  
Executive Director

**READ and with accompanying papers ORDERED PLACED ON FILE.**

At this point, a message came from the Senate borne by Senator GOODALL of Sagadahoc of that Body, proposing a Joint Convention of both branches of the Legislature to be held in the Hall of the House at 6:45 in the evening for the purpose of extending to His Excellency, Governor Paul R. LePage, an invitation to attend the Joint Convention and to make such communication as pleases him.

Thereupon the House voted to concur in the proposal for a Joint Convention to be held at 7:00 in the evening and the Speaker appointed Representative BERRY of Bowdoinham to convey this message to the Senate.

#### **PETITIONS, BILLS AND RESOLVES REQUIRING REFERENCE**

The following Bills were received, and upon the recommendation of the Committee on Reference of Bills were **REFERRED** to the following Committees, ordered printed and sent for concurrence:

##### **AGRICULTURE, CONSERVATION AND FORESTRY**

Bill "An Act To Promote Small-scale Poultry Farming"

(H.P. 179) (L.D. 218)

Sponsored by Representative KUMIEGA of Deer Isle.

Cosponsored by Representatives: CHAPMAN of Brooksville, DAUGHTRY of Brunswick, HICKMAN of Winthrop, JONES of Freedom, LIBBY of Waterboro, LOCKMAN of Amherst, Senator: JOHNSON of Lincoln.

Bill "An Act To Allow a Person Who Owns a Slaughterhouse To Slaughter Poultry for Other People" (EMERGENCY)

(H.P. 196) (L.D. 259)

Sponsored by Representative TIMBERLAKE of Turner.

Cosponsored by Senator MASON of Androscoggin and Representatives: BLACK of Wilton, CHAPMAN of Brooksville, CRAFTS of Lisbon, DILL of Old Town, GILBERT of Jay, JORGENSEN of Portland, KUMIEGA of Deer Isle, McCABE of Skowhegan.

#### **APPROPRIATIONS AND FINANCIAL AFFAIRS**

Bill "An Act To Amend the Laws Governing Disability Retirement Determinations by the Maine Public Employees Retirement System"

(H.P. 147) (L.D. 186)

Sponsored by Representative BECK of Waterville.

Cosponsored by Senator LACHOWICZ of Kennebec and Representatives: SHORT of Pittsfield, TREAT of Hallowell.

Bill "An Act To Authorize a General Fund Bond Issue To Provide Funds for a Public-private Partnership for a New Science Facility at the Maine Maritime Academy"

(H.P. 182) (L.D. 221)

Sponsored by Representative FREDETTE of Newport.

Cosponsored by Senator KATZ of Kennebec and Representatives: CHAPMAN of Brooksville, CHASE of Wells, CLARK of Easton, GILLWAY of Searsport, JOHNSON of Greenville, KESCHL of Belgrade, Senator: CAIN of Penobscot.

Bill "An Act To Authorize a General Fund Bond Issue To Reduce Energy Costs by Weatherizing and Upgrading the Energy Efficiency of Maine Homes and Businesses and To Create Jobs by Providing for a Trained Workforce for Maine's Energy Future"

(H.P. 189) (L.D. 228)

Sponsored by Representative BEAVERS of South Berwick.

Cosponsored by Senator BOYLE of Cumberland and Representatives: GIDEON of Freeport, HOBBS of Saco, RYKERSON of Kittery, TIPPING-SPITZ of Orono, Senators: CLEVELAND of Androscoggin, YOUNGBLOOD of Penobscot.

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#### **CRIMINAL JUSTICE AND PUBLIC SAFETY**

Bill "An Act To Permit Temporary Operation of a Motor Vehicle with an Expired Operator's License Solely for the Purpose of Traveling Home or Renewing the License"

(H.P. 148) (L.D. 187)

Sponsored by Representative CASAVANT of Biddeford.

Cosponsored by Senator TUTTLE of York and Representatives: BEAUDOIN of Biddeford, DeCHANT of Bath, JOHNSON of Greenville, PEOPLES of Westbrook.

Bill "An Act To Criminalize Possession of a Suspended or Revoked Concealed Handgun Permit"

(H.P. 149) (L.D. 188)

Sponsored by Representative MARKS of Pittston.

Cosponsored by Representatives: PEASE of Morrill, PLANTE of Berwick.

Bill "An Act To Establish a Central Concealed Handgun Permit Database"

(H.P. 150) (L.D. 189)

Sponsored by Representative MARKS of Pittston.

Cosponsored by Senator: BURNS of Washington.

Bill "An Act To Provide a Ten Percent Discount to Persons Charged with a Traffic Infraction Who Pay Fines by Waiver"

(H.P. 151) (L.D. 190)

Sponsored by Representative MARKS of Pittston.

Bill "An Act To Authorize the Suspension of a Concealed Handgun Permit"

(H.P. 152) (L.D. 191)

Sponsored by Representative MARKS of Pittston.

Bill "An Act To Allow Consideration of Fetal Alcohol Spectrum Disorder at Sentencing in a Criminal Case"

(H.P. 153) (L.D. 192)

Sponsored by Representative BEAVERS of South Berwick.

Cosponsored by Senator JACKSON of Aroostook and Representative: SOCTOMAH of the Passamaquoddy Tribe.

Bill "An Act Designating the Chief of the State Police as the Only Issuing Authority of a Permit To Carry a Concealed Handgun"

(H.P. 183) (L.D. 222)

Sponsored by Representative MARKS of Pittston.

Bill "An Act To Amend the Laws Regarding a Concealed Handgun Permit"

(H.P. 184) (L.D. 223)

Sponsored by Representative MARKS of Pittston.

Cosponsored by Representative: PEASE of Morrill.

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#### **EDUCATION AND CULTURAL AFFAIRS**

Bill "An Act To Authorize InterCoast Career Institute To Grant the Degree of Associate Degree in Applied Science"

(H.P. 154) (L.D. 193)

Sponsored by Representative CHASE of Wells.

Cosponsored by Senator COLLINS of York and Representatives: LIBBY of Waterboro, NELSON of Falmouth, PARRY of Arundel, SIROCKI of Scarborough.

Bill "An Act To Ensure That a Curtailment in School Funding Is Shared by All Institutions"

(H.P. 155) (L.D. 194)

Sponsored by Representative KUSIAK of Fairfield.

Cosponsored by Representatives: JONES of Freedom, MASON of Topsham.

Bill "An Act To Fund Education by Providing Equal State Funding for Each Student"

(H.P. 156) (L.D. 195)

Sponsored by Representative MALABY of Hancock.

Cosponsored by Senator CUSHING of Penobscot and Representatives: LOCKMAN of Amherst, MacDONALD of Old Orchard Beach, SIROCKI of Scarborough, WEAVER of York.

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#### **ENERGY, UTILITIES AND TECHNOLOGY**

Bill "An Act Regarding the Implementation of the Quality Assurance Program for Public Safety Answering Points"

(H.P. 157) (L.D. 196)

Sponsored by Representative BEAVERS of South Berwick.

Cosponsored by Senator CLEVELAND of Androscoggin and Representatives: DUNPHY of Embden, HOBBS of Saco, RUSSELL of Portland, RYKERSON of Kittery.

Bill "An Act To Establish a Long-term Funding Source for the Department of Inland Fisheries and Wildlife"

(H.P. 180) (L.D. 219)

Sponsored by Representative SHAW of Standish.

Cosponsored by Senator DUTREMBLE of York and Representatives: BRIGGS of Mexico, DION of Portland, GILBERT of Jay, HARVELL of Farmington, WOOD of Sabattus, Senators: JACKSON of Aroostook, SAVIELLO of Franklin.

Subsequently, Representative BERRY of Bowdoinham reported that he had delivered the message with which he was charged.

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#### **HEALTH AND HUMAN SERVICES**

Bill "An Act To Permit Nurse Practitioners To Perform the Functions of School Physicians"

(H.P. 158) (L.D. 197)

Sponsored by Representative GRAHAM of North Yarmouth.

Cosponsored by Senator BURNS of Washington and Representatives: BERRY of Bowdoinham, FARNSWORTH of Portland, GIDEON of Freeport, KNIGHT of Livermore Falls, MASON of Topsham, SAUCIER of Presque Isle, SCHNECK of Bangor, Senator: PLUMMER of Cumberland.

Bill "An Act To Clarify Physicians' Delegation of Medical Care"

(H.P. 159) (L.D. 198)

Sponsored by Representative DORNEY of Norridgewock.

Bill "An Act To Establish the Commission on Health Care Cost and Quality"

(H.P. 191) (L.D. 230)

Sponsored by Representative GRAHAM of North Yarmouth.

Cosponsored by Senator LACHOWICZ of Kennebec and Representatives: GATTINE of Westbrook, HICKMAN of Winthrop, MONAGHAN-DERRIG of Cape Elizabeth, PEOPLES of Westbrook, PRINGLE of Windham, SANBORN of Gorham.

Bill "An Act To Amend the Laws Governing Recipients of Temporary Assistance for Needy Families"

(H.P. 193) (L.D. 256)

Sponsored by Representative BEAUDOIN of Biddeford.

Cosponsored by Representatives: NUTTING of Oakland, SOCTOMAH of the Passamaquoddy Tribe.

Bill "An Act To Protect Newborns Exposed to Drugs or Alcohol"

(H.P. 194) (L.D. 257)

Sponsored by Representative MALABY of Hancock.

Cosponsored by Senator CRAVEN of Androscoggin and Representatives: FARNSWORTH of Portland, SANDERSON of Chelsea, SIROCKI of Scarborough.

Submitted by the Department of Health and Human Services pursuant to Joint Rule 204.

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#### INLAND FISHERIES AND WILDLIFE

Bill "An Act To Allow Agents Designated by the Commissioner of Inland Fisheries and Wildlife To Hunt Coyotes at Night during the Deer Hunting Season"

(H.P. 160) (L.D. 199)

Sponsored by Representative SHAW of Standish.

Cosponsored by Senator DUTREMBLE of York and Representatives: BRIGGS of Mexico, DION of Portland, ESPLING of New Gloucester, HARVELL of Farmington, WOOD of Sabattus, Senators: CUSHING of Penobscot, JACKSON of Aroostook, SAVIELLO of Franklin.

Bill "An Act To Expand Turkey Hunting Opportunities for Young Hunters"

(H.P. 161) (L.D. 200)

Sponsored by Representative MARKS of Pittston.

Cosponsored by Representatives: CRAFTS of Lisbon, EVANGELOS of Friendship, HICKMAN of Winthrop, SHORT of Pittsfield, WOOD of Sabattus, Senator: BURNS of Washington.

Bill "An Act To Permit Tribal Members To Hunt Any Animal or Bird at Any Time for Sustenance"

(H.P. 162) (L.D. 201)

Sponsored by Representative BEAR of the Houlton Band of Maliseet Indians.

Cosponsored by Representatives: CAREY of Lewiston, HAMANN of South Portland, MITCHELL of the Penobscot Nation.

Bill "An Act To Permit Tribal Members To Fish at Any Time for Sustenance"

(H.P. 163) (L.D. 202)

Sponsored by Representative BEAR of the Houlton Band of Maliseet Indians.

Cosponsored by Representatives: CAREY of Lewiston, HAMANN of South Portland, MITCHELL of the Penobscot Nation.

Bill "An Act To Require Kayakers on Open Salt Water To Use a Personal Flotation Device"

(H.P. 164) (L.D. 203)

Sponsored by Representative MALABY of Hancock. (BY REQUEST)

Cosponsored by Representative: HUBBELL of Bar Harbor.

Bill "An Act To Simplify and Encourage the Sale of Hunting and Fishing Licenses and Permits" (EMERGENCY)

(H.P. 190) (L.D. 229)

Sponsored by Representative SHAW of Standish.

Cosponsored by Senator DUTREMBLE of York and Representatives: DAVIS of Sangerville, GILBERT of Jay, HARVELL of Farmington, McCABE of Skowhegan, SANDERSON of Chelsea, SAUCIER of Presque Isle, Senators: BURNS of Washington, PLUMMER of Cumberland.

#### INSURANCE AND FINANCIAL SERVICES

Bill "An Act To Amend the Laws That Govern the Activities of Insurance Adjusters"

(H.P. 165) (L.D. 204)

Sponsored by Representative SHAW of Standish.

Bill "An Act To Restore Consumer Rate Review for Health Insurance Plans in the Individual and Small Group Markets"

(H.P. 186) (L.D. 225)

Sponsored by Representative LIBBY of Lewiston.

Cosponsored by Senator CRAVEN of Androscoggin and Representatives: BECK of Waterville, BOLAND of Sanford, CAMPBELL of Newfield, CHIPMAN of Portland, GILBERT of Jay, HOBBS of Saco, MORRISON of South Portland, SHAW of Standish.

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Bill "An Act To Exempt Free Clinics from Licensing under the Charitable Solicitations Act"

(H.P. 166) (L.D. 205)

Sponsored by Representative ROCHELO of Biddeford.

Cosponsored by Senator DUTREMBLE of York and Representatives: BEAUDOIN of Biddeford, CASAVANT of Biddeford, Senator: VALENTINO of York.

Committee on **INSURANCE AND FINANCIAL SERVICES** suggested.

On motion of Representative TREAT of Hallowell, **TABLED** pending **REFERENCE** and later today assigned.

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#### JUDICIARY

Bill "An Act To Protect Title to Real and Personal Property of Public Employees"

(H.P. 167) (L.D. 206)

Sponsored by Representative GRAHAM of North Yarmouth.

Cosponsored by Senator BURNS of Washington and Senator: COLLINS of York.

Submitted by the Department of Public Safety pursuant to Joint Rule 204.

Bill "An Act Regarding the Factors Considered in Determining the Best Interest of a Child in a Court Award of Parental Rights and Responsibilities"

(H.P. 168) (L.D. 207)

Sponsored by Representative BECK of Waterville.

Cosponsored by Representatives: LONGSTAFF of Waterville, NADEAU of Winslow.

Bill "An Act To Amend the Charter of St. Mark's Home for Women in Augusta"

(H.P. 169) (L.D. 208)

Sponsored by Representative POULIOT of Augusta.

Cosponsored by Senator KATZ of Kennebec and Representatives: CRAFTS of Lisbon, LIBBY of Waterboro, McCLELLAN of Raymond, WILSON of Augusta.

Bill "An Act To Strengthen the Rights of Grandparents under the Grandparents Visitation Act"

(H.P. 170) (L.D. 209)

Sponsored by Representative FREDETTE of Newport.

Cosponsored by Senator KATZ of Kennebec.

Bill "An Act To Ban the United Nations Agenda 21 in Maine"

(H.P. 181) (L.D. 220)

Sponsored by Representative LONG of Sherman.

Cosponsored by Representative LIBBY of Waterboro, Senator JACKSON of Aroostook and Representatives: CRAFTS of Lisbon, GIFFORD of Lincoln, JACKSON of Oxford, JOHNSON of Greenville, STANLEY of Medway, THERIAULT of Madawaska, TIMBERLAKE of Turner, WILLETTE of Mapleton.

Bill "An Act To Streamline the Change of Name Process for Persons Getting Married"

(H.P. 185) (L.D. 224)

Sponsored by Representative MASTRACCIO of Sanford.

Cosponsored by Senator PATRICK of Oxford and Representatives: BOLAND of Sanford, CAMPBELL of Newfield, KORNFIELD of Bangor, LIBBY of Waterboro, NOON of Sanford, PLANTE of Berwick, VOLK of Scarborough, WINCHENBACH of Waldoboro.

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#### STATE AND LOCAL GOVERNMENT

Bill "An Act To Require That Forms, Pamphlets and Other Documents Be Designed To Permit the Continued Use of the Materials"

(H.P. 171) (L.D. 210)

Sponsored by Representative VOLK of Scarborough.

Cosponsored by Senator FLOOD of Kennebec and Representatives: CHASE of Wells, CLARK of Easton, GRAHAM of North Yarmouth, MacDONALD of Old Orchard Beach, Senator: CUSHING of Penobscot.

Bill "An Act To Amend the Laws Governing the Limitation on County Assessments"

(H.P. 172) (L.D. 211)

Sponsored by Representative JACKSON of Oxford.

Cosponsored by Senator THOMAS of Somerset and Representatives: CRAFTS of Lisbon, CRAY of Palmyra, DOAK of Columbia Falls, KNIGHT of Livermore Falls, LONG of Sherman, TIMBERLAKE of Turner.

Bill "An Act To Support the Permanent Commission on the Status of Women" (EMERGENCY)

(H.P. 192) (L.D. 231)

Sponsored by Representative GRAHAM of North Yarmouth.

Cosponsored by Senator WOODBURY of Cumberland and Representatives: DAUGHTRY of Brunswick, GIDEON of Freeport.

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#### TAXATION

Bill "An Act To Provide a Tax Exemption for Tobacco Sold to an Adult Member of a Federally Recognized Indian Tribe for Cultural, Spiritual or Ceremonial Purposes"

(H.P. 173) (L.D. 212)

Sponsored by Representative MITCHELL of the Penobscot Nation.

Cosponsored by Senator HASKELL of Cumberland and Representatives: BRIGGS of Mexico, GOODE of Bangor, SOCTOMAH of the Passamaquoddy Tribe, VEROW of Brewer, Senator: TUTTLE of York.

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#### TRANSPORTATION

Bill "An Act To Establish a Renewable Energy License Plate"

(H.P. 187) (L.D. 226)

Sponsored by Representative RYKERSON of Kittery.

Cosponsored by Senator CLEVELAND of Androscoggin and Representatives: BEAVERS of South Berwick, GIDEON of Freeport, HOBBS of Saco, KORNFIELD of Bangor, McLEAN of Gorham, MONAGHAN-DERRIG of Cape Elizabeth, MOONEN of Portland.

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#### VETERANS AND LEGAL AFFAIRS

Bill "An Act To Provide Funding for Transportation of Veterans to Medical Facilities"

(H.P. 174) (L.D. 213)

Sponsored by Representative FOWLE of Vassalboro.

Cosponsored by Representative: RUSSELL of Portland.

Bill "An Act To Require Registered Voter Lists To Be Provided to Candidates for Legislative Office"

(H.P. 175) (L.D. 214)

Sponsored by Representative BROOKS of Winterport.

Cosponsored by Senator GRATWICK of Penobscot and Representatives: EVANGELOS of Friendship, GOODE of Bangor, PETERSON of Rumford, STANLEY of Medway, VEROW of Brewer, WINCHENBACH of Waldoboro.

Bill "An Act To Protect Landlords When Tenants Fail To Pay Utility Bills"

(H.P. 176) (L.D. 215)

Sponsored by Representative MALABY of Hancock.

Cosponsored by Senator CUSHING of Penobscot and Representatives: DUNPHY of Embden, LIBBY of Waterboro, LOCKMAN of Amherst, MacDONALD of Old Orchard Beach, MAKER of Calais, POULIOT of Augusta, TURNER of Burlington, WEAVER of York.

Bill "An Act To Extend the Hours for the Sale of Liquor on Sunday When St. Patrick's Day Is on a Sunday" (EMERGENCY)

(H.P. 177) (L.D. 216)

Sponsored by Representative HOBBS of Saco.

Cosponsored by Senator CRAVEN of Androscoggin and Representatives: CAREY of Lewiston, LUCHINI of Ellsworth, RUSSELL of Portland, Senator: TUTTLE of York.

Bill "An Act Concerning High-stakes Beano"

(H.P. 188) (L.D. 227)

Sponsored by Representative MITCHELL of the Penobscot Nation.

Cosponsored by Senator TUTTLE of York and Representatives: BEAULIEU of Auburn, CAREY of Lewiston, DION of Portland, KRUGER of Thomaston, LONGSTAFF of Waterville, LUCHINI of Ellsworth, RUSSELL of Portland, SCHNECK of Bangor, Senator: PATRICK of Oxford.

---

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

---

#### REPORTS OF COMMITTEE

##### Refer to the Committee on Judiciary Pursuant to Statute

Representative PRIEST for the **Joint Standing Committee on Judiciary** on Bill "An Act To Implement the Recommendations of the Right To Know Advisory Committee Concerning Public Access to Records Relating to Public-private Partnerships"

(H.P. 178) (L.D. 217)

Reporting that it be **REFERRED** to the Committee on **JUDICIARY** pursuant to the Maine Revised Statutes, Title 1, section 411, subsection 6, paragraph G.

Report was **READ** and **ACCEPTED** and the Bill **REFERRED** to the Committee on **JUDICIARY**.

Sent for concurrence.

---

**Refer to the Committee on Judiciary  
Pursuant to Statute**

Representative PRIEST for the **Joint Standing Committee on Judiciary** on Bill "An Act To Implement the Recommendations of the Right To Know Advisory Committee Concerning Meetings of Public Bodies"

(H.P. 195) (L.D. 258)

Reporting that it be **REFERRED** to the Committee on **JUDICIARY** pursuant to the Maine Revised Statutes, Title 1, section 411, subsection 6, paragraph G.

Report was **READ** and **ACCEPTED** and the Bill **REFERRED** to the Committee on **JUDICIARY**.

Sent for concurrence.

---

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

**REPORTS OF COMMITTEE  
Change of Committee**

Representative HERBIG from the Committee on **LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT** on Bill "An Act To Allow Motor Fuel Containing Five Percent Ethanol To Be Sold in the State"

(H.P. 87) (L.D. 105)

Reporting that it be **REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES**.

Report was **READ** and **ACCEPTED** and the Bill **REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES**.

Sent for concurrence.

---

Representative HERBIG from the Committee on **LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT** on Bill "An Act To Join in a Prohibition on Motor Fuel Containing Corn-based Ethanol"

(H.P. 97) (L.D. 115)

Reporting that it be **REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES**.

Report was **READ** and **ACCEPTED** and the Bill **REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES**.

Sent for concurrence.

---

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

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

Bill "An Act To Exempt Free Clinics from Licensing under the Charitable Solicitations Act"

(H.P. 166) (L.D. 205)

Which was **TABLED** by Representative TREAT of Hallowell pending **REFERENCE**.

Subsequently, the Bill was **REFERRED** to the Committee on **INSURANCE AND FINANCIAL SERVICES**, ordered printed and sent for concurrence.

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

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

**SENATE PAPERS**

Bill "An Act To Restore to Jimmy J. Soucy the Right To Maintain Existing Structures on Property in Sinclair"

(S.P. 95) (L.D. 262)

Came from the Senate, **REFERRED** to the Committee on **AGRICULTURE, CONSERVATION AND FORESTRY** and ordered printed.

**REFERRED** to the Committee on **AGRICULTURE, CONSERVATION AND FORESTRY** in concurrence.

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Bill "An Act To Increase the Base for the Cost-of-living Increase for Retired State Employees and Teachers"

(S.P. 68) (L.D. 232)

Bill "An Act To Authorize a General Fund Bond Issue for Maintenance of State Armories"

(S.P. 81) (L.D. 245)

Bill "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2013" (EMERGENCY)

(S.P. 86) (L.D. 250)

Came from the Senate, **REFERRED** to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** and ordered printed.

**REFERRED** to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** in concurrence.

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Bill "An Act To Designate the Jail in Franklin County as a Jail Rather than a Holding Facility"

(S.P. 74) (L.D. 238)

Bill "An Act Criminalizing Trafficking in Contraband or Alcoholic Beverages in State Hospitals Serving Adults"

(S.P. 87) (L.D. 251)

Came from the Senate, **REFERRED** to the Committee on **CRIMINAL JUSTICE AND PUBLIC SAFETY** and ordered printed.

**REFERRED** to the Committee on **CRIMINAL JUSTICE AND PUBLIC SAFETY** in concurrence.

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Bill "An Act To Require the Department of Education To Report on the Costs and Sources of Funding of Charter Schools"

(S.P. 69) (L.D. 233)

Resolve, To Direct the Department of Education To Amend Its Rules Regarding Restraint of Students (EMERGENCY)

(S.P. 79) (L.D. 243)

Bill "An Act To Amend the Student Membership Criteria of the State Board of Education" (EMERGENCY)

(S.P. 80) (L.D. 244)

Came from the Senate, **REFERRED** to the Committee on **EDUCATION AND CULTURAL AFFAIRS** and ordered printed.

**REFERRED** to the Committee on **EDUCATION AND CULTURAL AFFAIRS** in concurrence.

Bill "An Act To Provide That a Distributor, Blender or Retail Dealer of Motor Fuel May Not Be Required To Sell, Consign or Distribute Motor Fuel Containing Ten Percent or More Ethanol"

(S.P. 94) (L.D. 261)

Came from the Senate, **REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES** and ordered printed.

**REFERRED** to the Committee on **ENVIRONMENT AND NATURAL RESOURCES** in concurrence.

Bill "An Act Regarding Registration and Correction of Death Information on Death Certificates"

(S.P. 88) (L.D. 252)

Bill "An Act Regarding Registration of Fetal Deaths"

(S.P. 89) (L.D. 253)

Came from the Senate, **REFERRED** to the Committee on **HEALTH AND HUMAN SERVICES** and ordered printed.

**REFERRED** to the Committee on **HEALTH AND HUMAN SERVICES** in concurrence.

Resolve, To Establish the Northern Maine Advisory Task Force on Deer

(S.P. 90) (L.D. 254)

Came from the Senate, **REFERRED** to the Committee on **INLAND FISHERIES AND WILDLIFE** and ordered printed.

**REFERRED** to the Committee on **INLAND FISHERIES AND WILDLIFE** in concurrence.

Bill "An Act To Protect the Privacy of Citizens from Domestic Unmanned Aerial Vehicle Use"

(S.P. 72) (L.D. 236)

Came from the Senate, **REFERRED** to the Committee on **JUDICIARY** and ordered printed.

**REFERRED** to the Committee on **JUDICIARY** in concurrence.

Bill "An Act To Improve Insurance Coverage for Volunteer First Responders"

(S.P. 71) (L.D. 235)

Resolve, Directing the Board of Dental Examiners To Amend Its Rules To Improve Access to Oral Health Care in Maine

(S.P. 85) (L.D. 249)

Bill "An Act To Extend Funding for the Loring Job Increment Financing Fund"

(S.P. 93) (L.D. 260)

Bill "An Act To Require Dealers of Secondhand Precious Metals To Keep Records To Aid Law Enforcement"

(S.P. 96) (L.D. 263)

Came from the Senate, **REFERRED** to the Committee on **LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT** and ordered printed.

**REFERRED** to the Committee on **LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT** in concurrence.

Bill "An Act To Establish Uniform Quorum, Meeting and Chair Requirements for Professional and Occupational Licensing Boards"

(S.P. 73) (L.D. 237)

Bill "An Act To Establish July 27th as Maine Korean War Veteran Recognition Day" (EMERGENCY)

(S.P. 91) (L.D. 255)

Came from the Senate, **REFERRED** to the Committee on **STATE AND LOCAL GOVERNMENT** and ordered printed.

**REFERRED** to the Committee on **STATE AND LOCAL GOVERNMENT** in concurrence.

Bill "An Act To Provide Tax Treatment Consistency for Limited Liability Companies and S Corporations"

(S.P. 70) (L.D. 234)

Bill "An Act To Allow Motor Fuel Taxable Sales Disclosure"

(S.P. 76) (L.D. 240)

Came from the Senate, **REFERRED** to the Committee on **TAXATION** and ordered printed.

**REFERRED** to the Committee on **TAXATION** in concurrence.

Bill "An Act To Amend Certain Laws Governing the Bureau of Maine Veterans' Services"

(S.P. 77) (L.D. 241)

Bill "An Act To Improve the Military Bureau Laws"

(S.P. 78) (L.D. 242)

Came from the Senate, **REFERRED** to the Committee on **VETERANS AND LEGAL AFFAIRS** and ordered printed.

**REFERRED** to the Committee on **VETERANS AND LEGAL AFFAIRS** in concurrence.

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

The House recessed until 6:30 p.m.

(After Recess)

The House was called to order by the Speaker.

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

Doctor of the day, Rebecca Chagrasulis, MD, FACEP, Otisfield.

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

#### **SENATE PAPERS**

The following Joint Resolution: (S.P. 92)  
**JOINT RESOLUTION RECOGNIZING FEBRUARY 6, 2013 AS RONALD REAGAN DAY IN THE STATE OF MAINE**

WHEREAS, President Ronald Wilson Reagan, a man of humble background, worked throughout his life serving freedom and advancing the public good, having been employed as an entertainer, union leader and corporate spokesman and elected Governor of California and President of the United States; and

WHEREAS, President Reagan served with honor and distinction for 2 terms as the 40th President of the United States, earning the confidence of 3/5 of the electorate and being victorious in 49 of the 50 states in the general election for his 2nd

term, a record unsurpassed in the history of American presidential elections; and

WHEREAS, in 1981, when President Reagan was inaugurated, he inherited a disillusioned nation shackled by rampant inflation and high unemployment; and

WHEREAS, during President Reagan's presidency he worked in a bipartisan manner to enact his bold agenda of restoring accountability and common sense to government, which led to an unprecedented economic expansion and opportunity for millions of Americans; and

WHEREAS, President Reagan's commitment to an active social policy agenda for the nation's children helped lower crime and drug use in our neighborhoods; and

WHEREAS, President Reagan's commitment to America's armed forces contributed to the restoration of pride in America and her values, which are cherished by the free world, and prepared our armed forces to meet 21st-century challenges; and

WHEREAS, President Reagan's vision of "peace through strength" led to the end of the Cold War and the ultimate demise of the Soviet Union, guaranteeing basic human rights for millions of people; and

WHEREAS, February 6, 2013 will be the 102nd anniversary of President Ronald Reagan's birth, and the 9th since his passing; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Twenty-sixth Legislature now assembled in the First Regular Session, on behalf of the people we represent, recognize February 6, 2013 as Ronald Reagan Day in the State of Maine, and we urge all citizens of the State to take cognizance of this event and participate fittingly in its observance.

Came from the Senate, **READ** and **ADOPTED**.

**READ** and **ADOPTED** in concurrence.

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

At this point, the Senate came and a Joint Convention was formed.

#### In Convention

The President of the Senate, the Honorable Justin L. Alfond in the Chair.

The Convention was called to order by the Chair.

On motion of Senator GOODALL of Sagadahoc, it was ORDERED that a Committee be appointed to wait upon the Honorable Paul R. LePage, Governor of the State of Maine, and First Lady Ann LePage, and extend to them an invitation to attend this Joint Convention and extend an invitation to the Governor to make such communication as pleases him.

The ORDER was READ and PASSED.

The Chair appointed the following:

The Senator from Kennebec, Senator Lachowicz  
The Senator from Cumberland, Senator Gerzofsky  
The Senator from York, Senator Collins  
The Representative from North Yarmouth, Representative Graham  
The Representative from Sanford, Representative Boland  
The Representative from Buckfield, Representative Hayes  
The Representative from Saco, Representative Chenette  
The Representative from Winslow, Representative Nadeau  
The Representative from China, Representative Cotta

The Representative from Old Orchard Beach, Representative MacDonald  
The Representative from Fort Kent, Representative Nadeau  
The Representative from Morrill, Representative Pease

Subsequently, Senator LACHOWICZ of Kennebec, for the Committee, reported that the Committee had delivered the message with which it was charged and that the Honorable Paul R. LePage, Governor of the State of Maine, and the First Lady would attend forthwith.

The Chair welcomed in the House Gallery the First Lady of the State of Maine, daughters Lauren and Lisa LePage, Eddie and Pauline Collins, their son Jim Collins, and Bruce and Rita Myrick.

The Chair recognized in the House Gallery the Constitutional Officers of the State of Maine: Secretary of State Matthew Dunlap, State Treasurer Neria Douglass, and Attorney General Janet Mills. The Chair also recognized in the House Gallery State Auditor Pola Buckley. The Chair then recognized in the House Gallery Chief Rueben Cleaves, Passamaquoddy Tribe at Sipayik, and Chief Richard Getchell, Aroostook Band of Micmacs.

The Chair welcomed the Honorable Paul R. LePage, Governor of the State of Maine, accompanied by the Honorable Leigh I. Saufley, Chief Justice of the Maine Supreme Judicial Court.

The Chair recognized the Herald, Staff Sergeant Justin Middleton.

The Chair welcomed the Honorable Paul R. LePage, Governor of the State of Maine, to the rostrum.

Governor LePage then addressed the Convention.

Governor **LePAGE**: Thank you. Thank you so much. Thank you. Please have a seat. I get all confused because the President of the Senate said, "Governor, I like your blue tie."

Chief Justice Saufley, President Alfond, Speaker Eves, members of the 126th Legislature, distinguished guests, and fellow Mainers. Tonight, I am here to update you, the people of Maine, about the condition of our great state. Everything is fine. Thank you for coming. Goodnight. Not so quick, payback is really, really fun.

First of all, I want to recognize a few people. I would like to ask my lovely wife to stand for a moment. Ann, I would not be here tonight without you. You have made Maine very proud being our First Lady, especially with your support of the military and the military families. I thank you from the bottom of my heart.

To my family and friends, I appreciate all you have done, your unwavering support, and all you continue to do throughout my life's journey.

Staff Sergeant Justin Middleton, the military herald tonight, thank you for your courageous service to our state and to our nation.

Members of the military and veterans that are here tonight, would you please stand?

We salute you and extend our sincerest appreciation to each and every one of you for service that you provide our country, to keep us safe and free.



In the balcony, you will notice an empty chair next to the uniformed service members. The chair represents every Mainer who is serving overseas, in harm's way, so we can, here tonight, exercise our freedom of assembly and freedom of speech.

I ask that we take a moment to remember, recognize and thank all the men and women in the armed services, who wear the uniform of the United States of America.

Also, it is with a very heavy heart I ask for a moment of silence because just before I came up tonight, I was notified that Major Sanborn, the Deputy Chief of the Warden Service, passed away after a courageous battle with cancer. I had the opportunity to meet him and you can't find a better Mainer, a better father, a better human being. So I ask you all for a moment of silence. Thank you.

Recently, Ann and I had the opportunity to go down to Arlington National Cemetery during the Wreaths Across America trip. As I walked through rows and rows of tombstones, the final resting place for all American heroes, I remembered one simple truth: These individuals paid the ultimate sacrifice to ensure future generations had the opportunity to pursue their piece of the American Dream. It is a dream we cherish and the freedom that marks our lives, which is so rare in the rest of the world.

This American experience represents a moment in time. Folks, we must never abandon the American Dream.

If every one of our elected officials visited Arlington Cemetery, they would realize that political battles we wage every day are meaningless in comparison to the blood that's been shed to protect our American Dream.

We all recognize that the political climate in Washington, D.C., is toxic. With no solutions in sight, the Federal debt grows as we speak. Many of us question whether the American Dream will ultimately survive for our grandchildren, our children and our great, great grandchildren. It is really in danger.

Yet we owe it to our fallen heroes, as elected officials, to come together and develop the solutions necessary to save our American Dream. We must commit to make Maine a better place for everyone, for our children and our grandchildren. So I am going to buy a lot more blue ties. Because, folks, ultimately there is only one thing that is important in life, and it's family.

Many families are struggling with the median household income in Maine shy of \$48,000. Maine people survive on far less than most Americans. Maine families struggle to heat their homes, fill their cars with gasoline, put food on the table, and pay for health insurance. Government has not strengthened Maine families with more income, more opportunity, or reducing the cost of living in Maine. Instead, government takes more and more of our family's hard working income away to serve some political ideologies and, for some, financial self-interest.

The path forward offers two choices. We continue to accept the status quo or we can make the tough decisions, roll up our sleeves and, together, make Maine a better place. Whether you are a Democrat, Green, Independent or Republican, Mainers deserve the opportunity to pursue the American Dream.

Last session, we took steps to improve our economy. We provided Mainers with the largest tax cut in history and it was done bipartisan.

Despite the rhetoric to the contrary: 70,000 working families, hardworking families, no longer pay income tax. Two thirds of all taxpayers in the State of Maine will be receiving a tax cut. The average Maine family will receive a \$300 tax decrease. For the average Maine family, that equates to a 28% reduction.

We have also reduced taxes for job creators, a critical step in attracting investment to our state. Unfortunately, there are those, some in this room, who would like to undo the modest reform – despite having voted for it. I am asking you now not to rollback

these monumental reforms. Let's not do it for political reasons. If we have to, let's do it for the right reasons. Let's do it for Mainers.

High taxes come at a high cost: the erosion of our state's economic competitiveness. My childhood hero, President John F. Kennedy, had it right: "An economy constrained by high tax rates will never produce enough revenue to balance the budget, just as it will never create enough jobs or enough profits." It was true in 1960 and it is still true in 2013.

Tax cuts were not the only accomplishment of our first term, first session. Together, we eliminated \$1.7 billion, 41% of the shortfall in the pension fund. And, yes, while retirees are not getting an increase, the important thing is they are not getting a decrease and that is critical.

Maine families have more choices with health insurance. Over 17% of Maine's small businesses received a decrease in their rates last year. With LD 1, we reduced red tape; we streamlined the permitting process and we can get people working, instead of applying, much quicker.

Maine hospitals are now paid in real time for the services they provide. Principled job creators know that my administration wants to help. My door is open to increase the business communities around the state. Folks, if you want to create a job, I want to be there to help you. However, let me be perfectly clear, I am not interested in helping those who will increase the cost of living on Maine people for financial gain. I repeat that. I want to make it perfectly clear I am a businessman, but I despise greed. Some will come here and take instead of give.

We passed legislation to strengthen vocational education. This will ensure that Maine students who prefer working with their hands can earn the skills that can earn them a good living. We passed legislation for teachers and principals to be more accountable through performance evaluations.

Unemployment is down in Maine, lower than the national average. We are focusing our efforts on rebranding the State of Maine, recognizing that products made in Maine have quality and value. We need to tell the rest of the world.

Government is becoming more transparent. We exposed the wasteful use of Mainers tax dollars at agencies such as the Maine Turnpike Authority and Maine State Housing Authority. We not only exposed it – we cleaned it up. But we have a lot more to do!

I am pleased to announce that in the coming days we will launch a new website that will enable Mainers to see how their precious tax dollars are spent.

We placed renewed interest in our natural resources. Farming, fishing and forestry continued to be a top priority for my administration. We need to move Maine forward.

My administration launched the "Business Friendly Communities." This program works with towns and cities to make "Open for Business" these communities more attractive to job creators. Eighteen Maine communities are now members of this program.

These are all small steps for what needs to be done, because, folks, Forbes still has us dead last for a business friendly state. Totally unacceptable.

Now, we can all sit here with a red tie, blue tie, green tie or no tie, exactly, and we can deny and we cannot agree, we can disagree with the analysis that Forbes has done, but what we need to understand is that job creators don't look at all 50 states. They look at the top 10, and we're not there. So we can deny it, we can keep our head in the sand, but guess what? We don't change the reality. The only thing that will change where we are is with bold action. No one governor or one party is going to move this state forward. It takes all of us, all of us willing to roll

up our sleeves and go to work.

In the last three years, I have spoken to many Maine families and many, many businesses. They desperately want more opportunities, better paying jobs, more careers for our youth, and, most of all, lowering the cost of doing business and living in Maine.

I spent most of my career in business creating jobs and working alongside of many hardworking Mainers. I know what it takes to expand a business and to create a business. I know what it takes to create jobs. Folks, it's very simple. The cost of doing business in the State of Maine is simply too high.

For example, Alabama, South Carolina, Indiana, and Texas are attracting huge investments in their states. I have spoken to many of the CEOs of the companies that are moving there and we don't pay enough. I had the CEO of an aircraft manufacturer tell me he would love to come and visit Maine someday, but to put a plant here, we're not competitive with the rest of the world. It was that simple a conversation. We are not competitive with the rest of the world.

States are giving these companies incentives, yes, but they are not exorbitant in relation to the number of jobs that they are placing in the states. Airbus, going to Alabama. The average pay, \$75 an hour. We fought, but we had nothing to offer. We shouldn't penalize Maine people for government's failure.

There is one simple truth that I want you all to remember: "Capital investment goes where it is welcomed – and stays where it is appreciated." Improving our economy is vital and it can only be done if we all put away our ideologies long enough to improve the job climate in this state.

What we need to do is very simple. Pay our bills, lower our energy costs, reform education, and make government more efficient and affordable. Then we can all go golfing.

When I became Governor, there were hundreds of millions of unpaid bills to Maine hospitals on my desk. My predecessor left me with no plan, just an IOU.

During the first session, thanks to all of your help, many in this room, we paid back \$248 million of debt owed to Maine hospitals.

Tonight, there is a plan on your desk, sponsored by Senator Pat Flood, to pay the outstanding balance of \$484 million to Maine hospitals.

Hardworking Maine families have two choices; they pay their bills or they face the debt collector. It is embarrassing and people say I have a temper, but let me tell you, it is embarrassing to work for a state government that doesn't pay its bills. We need to look at Maine families and the households and their balancing of their budgets in moving this state forward. It's not that difficult.

In Lewiston, we owe Central Maine Medical Center over \$50 million dollars. The result of the state's IOU program? Lewiston residents are denied the opportunity to fill critical well-paying jobs, capital improvements in the city are delayed, and local vendors go unpaid.

The IOU program is damaging the very communities that each and every one of us in this room are elected to protect and to work for. We cannot expect prosperity when we hold back hundreds of millions of dollars from the people that provide us medical services.

My proposal ensures that Maine hospitals get paid. It will improve Maine's fiscal health, allowing me to authorize and release bonds, injecting somewhere near \$700 million into the economy, which is badly needed. I ask you all, for the sake of Maine families, for the sake of our children, please, I plead with you, act on my bill that is sponsored by the good Senator. Because we need it, we need it this spring. We don't need it next year. We need it now. Mainers need to get back to work.

You know, our nation faces a national debt of \$16 trillion dollars and rising. Maine families, when they sit at their kitchen table at the end of the month, they have to balance their checkbook. They pay their bills. It's high time the federal, the state and local government pay their bills, and do the same as hardworking people.

The Affordable Care Act, going into effect later in the year, so we think, we will face huge tax increases at the federal level, and regulations that will have a real negative impact on all Americans.

Gridlock has paralyzed Washington, D.C., and the American people and Mainers are paying a very heavy price. We cannot continue to mortgage our children, our grandchildren and our great-grandchildren's future because politicians refuse to do their job. The policies in Washington, D.C., will result in smaller paychecks for all Americans and particularly here in Maine. In fact, the average family in Maine is handing over \$1,000 dollars this year alone. It is not time to burden Maine families with higher taxes.

I have put together and proposed a balanced budget. I am looking to hear more good constructive ideas on how we can balance our budget and deliver government services more efficiently and effectively. I take no pride in this budget. In fact, I do not like it at all. But I will tell you this, I have two other options. I can cut welfare and I can cut education, or I can cut revenue sharing, or I suppose we can level a high tax increase and really hurt Maine people again, that we have been doing for 40 years and still remain 50th in the country. I just pray every night that Puerto Rico doesn't become a state because we'll be 51st.

Maine's energy costs are too high – we are killing ourselves with high energy costs. Whether you agree with me or not is irrelevant, but Maine families are paying 24% above the national average for electricity. Our businesses are paying 14% above the national average for electricity.

Even more discouraging is a law that forced the recent decision by the Public Utilities Commission in favor of Statoil for off shore wind proposal. This move compels Maine families and businesses to subsidize a global giant to the tune of nearly \$200 million dollars without any guarantees of jobs.

We cannot afford these job-killing decisions. We need to lower our electricity prices. We cannot continue a policy of crony capitalism. We need elected officials who will stand up for the ratepayer, the taxpayer, and the folks who do pay their bills every month. Just imagine for a second, if 14% of everyone's electricity bill was left in their pockets to spend for their families.

We should not be forced to pay higher energy prices, to serve a greater global goal or continue to pad pockets of those politically connected. I fail to understand this reasoning.

Long-term prosperity for the sake of a quick buck today is not a path to a winning formula. Just think. Maine business could invest an additional 14% to create jobs and pay employees higher wages.

Bar Harbor Foods, in Whiting, in Washington County. The company manufactures seafood products. Mike Cote, CEO and founder states that the cost of energy in Maine erodes operating margins, resulting in reduced profits. The reduction in profits takes away the ability to reinvest into the company for growth and to hire more people from Washington County. And there is not a person in this room that won't agree with me that Washington County is a poor county. It's heartbreaking to see the difficulty that goes on in that county because their lack of jobs. We must compete nationally and internationally for capital, and in order to do that, we have to be competitive. We simply need to be competitive. It's very simple. It takes courage to take bold action. I am asking you all to sum up the courage that we need to move this state forward.

The average Mainer spends over \$3,000 dollars a year in heating oil. With access to natural gas, they could save \$800. See, already we've got \$800 of savings in fuel, \$300 of savings in taxes. I mean, after a while, it becomes real money.

My predecessor fast tracked permitting of wind. We are going to do the same for natural gas. With your help, with the help of the Legislature, we are going to help Mainers to afford the conversions necessary to lower their heating costs. We have a plan in place and we are working on a plan right now to put in place that will allow the state to help people lower their energy costs. I don't want to pick favorites when it comes to energy. All energy alternatives are on the table and fair game, but they have to be cost effective. They have to be able to help lower the cost of living and the cost of doing business. Woodland, the mill in Woodland put in a pipeline at their own expense and they are saving millions of dollars per year on using natural gas versus oil. We can do that. We can help Maine families.

In the past, state government mandated what types of energy we must buy – regardless of the cost. You can say what you want, but I think that is wrong. Maine plays favorites when it comes to energy. If you see well-dressed lobbyists, special interest groups that pocket the profits, we're all for it at the expense of Maine families.

Last session, I proposed removing the 100 megawatt limitation on renewable energy. Expanding access to low cost electricity from hydropower, it makes economic sense. That's the good news. The bad news is I'm back this session with the same bill. We need to address the cost of energy. It is not right when we forgo low cost electricity, low cost energy for a few people making millions of dollars on the backs of hardworking Mainers. I am urging this body to think of Maine families, not the special interests.

Many people in Maine say that I am an angry person. I will say this: I am a very passionate person about education and my passion is not to attack the public school system. I speak passionately about education because it saved my life. I cannot accept and I cannot listen and I do not have the patience to accept children falling through the crack and nobody doing anything about it.

As a homeless child on the streets of Lewiston, it never occurred to me once that someday I could be a successful businessman, a mayor or even a governor. Heck, back then, I looked forward to becoming a Pepsi Cola truck driver. Finding the next meal, a warm place to sleep was a primary goal. However, through hard work, a lot of luck and some good friends, education became very crucial. I was convinced that I could better my stay in life and contribute to society with a good education. I climbed out of poverty. I could have easily spent a life in jail or back on the streets, but I was fortunate.

And so when it comes to education, yes, I take it very seriously. I benefited from the structure and discipline of the public parochial school system back when I was in school. The option allowed me to succeed, despite coming from enormous poverty. I want every child in Maine to have the same opportunity I did, to pursue a quality education.

Last session, we passed charter school legislation. A topic that has been highly politicized by administrators, by big union bosses and by people in this room, despite the fact that Maine is the 40th state in the country to pass charter schools.

States like Massachusetts, Rhode Island, Minnesota – hardly "red" states – have successfully been running charter schools for decades. In fact, charter schools are part of the mainstream options in American education. So why am I so hot about charter schools? For one simple reason, it's just another option. It's just another option that may work for some.

Alex West is here tonight. Alex, would you stand up, please? Alex West is a student currently attending the Maine Academy of Natural Sciences, formerly known as Good Will-Hinckley. Alex is from Hartland. He struggled in a traditional public school. He was at risk of dropping out. He chose to attend the Maine Academy of Natural Sciences. He is now taking classes at Kennebec Valley Community College, along with his work at the charter school. The charter school, in this case, provides Alex with a brighter future.

School choice should not be just for the wealthy people and the elite. Rather Horace Mann, back in 1846, said – "Education is the great equalizer." Education is what brought Abraham Lincoln out of splitting rail and led this country through it's most difficult crisis in our history. School choice benefits all kids who deserve the best education that we can provide. Giving students options, such as charter schools, is more than just a political position. Options involve the Maine Math and Science School, the 10 town academies whom we all agree have been very successful but not everybody can afford it. It's the Bridge Year program in Hermon, where the high school students can earn both a high school diploma and an associate's degree if they attend high school 5 years. All students and parents deserve options, especially for the economically disadvantaged. Therefore, I am proposing legislation to give more educational options to all children. We must fund schools that fit the student's needs. I know that people are afraid of choice. In the case of Alex, we need to fund not only the charter school but the residential portion of that school, because if we really care about our kids, if we really want to keep our kids here, we have to provide for them.

All Maine students deserve an equal chance of success whether you are from Cape Elizabeth or Fort Kent. This is how we are going to break the cycle, the generational welfare, the cycle of generational welfare in our state. It's the way that you get rid of poverty. You don't do it by handing things over. You do it by educating, by working with people, a hands up.

Despite great and committed teachers, and there are many, dedicated parents, concerned citizens, many of you here who run for the Legislature to do good – the public schools, no matter what we say, are not getting the job done. Not only do we need to give our children more options, we need to improve the outcomes in our schools. I will tell you, the last two years, I spent most of my free time studying education around the world. I have had other governors send me information about Finland, Hong Kong, Singapore, Canada. I've got lots of information about Canada. My daughters who live there have been helpful in getting me information from Alberta, from New Brunswick.

Let me tell you some facts. We have schools in Maine where 23% of the students at grade level in reading and math and they graduate. We graduate them. On average, 32% of the 4th graders in the State of Maine read to proficiency. By eighth grade, that number climbs to 39%. Wow, that's a familiar number for me, 39%. Nearly 20% of students drop out before graduation. Those of us in this room have been given the responsibility to fix this travesty.

Far too many of our graduates are unprepared for higher education or the workforce. Fifty percent of the kids that graduate from high school who go on to the community college need to take remedial courses. That says that they went through public school, the job wasn't done. Now the parents, who are only making 80% of the national average in income, have to pay tuition to take it a second time. Well, folks, I am proposing legislation that says if a child who attends a community college or university system has to take remedial courses in England or

math, that the sending high school pays it. We'll see how much courage you have.

This state spends over twice the national average on administrative overhead in our schools. In fact, on a per-pupil basis, Maine has the highest district administration costs in the United States of America. I'm not proud of that. I'm not proud when the State of Florida, who is in the top three in educational performance, has 2.7 million children in K through 12 and operate with 56 superintendents. The State of Maine has 185,000 children in K through 12 and we have 127. This extra money should be going into the classroom.

Our public school administrators, the big union bosses and I say union bosses because, I'll tell you, there are two victims in the K through 12 system in the State of Maine. Our teachers who are underpaid and our students, and we need to be bold and courageous and put some money up there so our teachers get paid what they are worth and that there is money for continuing education for them so they can improve the quality of the classroom. Public administrators and big unions are in denial, and have taken a position that simply cannot be defended with the facts. As a whole, Maine's achievement in academic growth is far below the national average. We are next to last. Twenty years ago, Maine was in the top five and we bragged about it for 20 years. Now we're next to last because every other state has woken up. They have woken up to the Finlands, to the Hong Kongs, to the Shanghais, to Canada, and they are beating us straight up. We need to be more aggressive in the standards of our education, in the demands of our schools.

We could fix the problem. First, we offer students an option. They have to be kept attentive, they have to be inspired, and we can do that. Second, we hold our schools accountable. We tell students and parents, and the communities, if their schools are failing or thriving. We help those that are failing; we replicate those that are thriving. Then we provide the needed resources. And I have challenged the unions on this a multitude of times. Put up some money out of the union dues for continuing education and I will do everything to match it.

You talk about getting some people angry, tonight I am directing Commissioner Bowen to develop a ranking system for Maine schools as they have done in Florida and Indiana. Each school in Maine will have a grade A-B-C-D or F. It's high time the students know and the parents know how their students are doing in school. The fourth way to fix the problem is really quite simple. We introduce best practices to our schools.

I plan to hold a Governor's Conference on Education in the month of March. We are bringing in national experts to Maine to demonstrate what other states are doing and why we are being left behind.

We can no longer stand still, we cannot wallow in status quo. The rest of the country and the world is passing us by. Instead, we must embrace the fact that we need to change. We need to work together to bring about this change.

If you believe the status quo is working, you are part of the problem – not part of the solution.

If you have an open mind and a desire to put our kids first – I invite you to join me for this challenge.

I will make this promise – It makes no difference what party you're from, if you are willing to put our kids first, I will put our kids first and put aside the turf wars, the money and the mascots. We can get this job done.

Last session, the Senate and the House put aside their political differences and worked together to improve the laws against domestic violence. We amended the bail code, ensuring that judges determine the bail for domestic violence offenses. The Chief Justice has been just phenomenal in working with us

and with the Department of Public Safety to look at ways of challenging domestic violence. We required abusers to pay into the Victim's Compensation Fund, which is the resource made available to families of domestic violence.

A number of other bills with stalking and risk assessment were passed, and executive orders were signed. I do want to thank Representative Ken Fredette and Senator Emily Cain for their leadership on this issue, and, in particular, in sponsoring a Governor's Bill supporting Batterers' Intervention Programs. These programs are not necessarily the big answer, they are not going to eliminate domestic violence. But what they do do is they are a long-term approach to fixing the problem. They require the perpetrators to invest, to dig in their pockets and pay for these courses, and they need to attend them in lieu of going to jail.

I honestly and truthfully believe, having been one that was brought up in an environment of domestic violence, it was very close to home. I wasn't the spouse, but I was the child and I really believe that we need to do something about it. I think that half of the homicides in this state are due to domestic violence, and that, we all agree, no matter what party we're from, that that's unacceptable.

This evening, I talked a lot about family and about the American Dream, but frankly, domestic violence is family violence. It is a heinous crime and we need to stand up. We, the men in this room, need to stand up and shout loud and clear that we are going to protect our women and children.

One of the big issues in domestic violence is having the abusers give up their guns. Unfortunately, the enforcement is very deficient because all law enforcement has to their disposal is asking whether or not you gave your guns up, and many people will say, well, you have to get a background check. Unfortunately, when you get a background check, they don't record that you bought the gun and so we need to do something about getting guns away from abusers.

I am going to be signing an Executive Order tomorrow that is creating a task force to address this specific issue. Curbing domestic violence, I take very seriously. So that's why I am always angry. It's education and domestic violence, energy costs. I mean, you know, it's a terrible thing, but I am doing better. I am working on it.

In closing, I simply want to say this. Maine families need our help, all of us. They are tired of the political rhetoric, here in our state and in Washington. They are asking us for one thing and if we can accomplish this, we will have been very successful. They are asking us for a lower cost of living and opportunities for bigger paychecks. That's all Maine people are asking for. They will do the hard work.

Though I have put my proposals forward, I am open for all proposals from all of you or any of you who choose to put some up. I have two very simple requests: Let's not raise taxes right now, let's pay our bills. Thank you.

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At the conclusion of the address, Governor Paul R. LePage withdrew amid the applause of the Convention, the audience rising.

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The purpose for which the Convention was assembled having been accomplished, the Chair declared the same dissolved.

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The Senate then retired to its chamber.

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(After the Joint Convention)

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The House was called to order by the Speaker.

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

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On motion of Representative FREDETTE of Newport, the House adjourned at 8:14 p.m., until 10:00 a.m., Thursday, February 7, 2013.