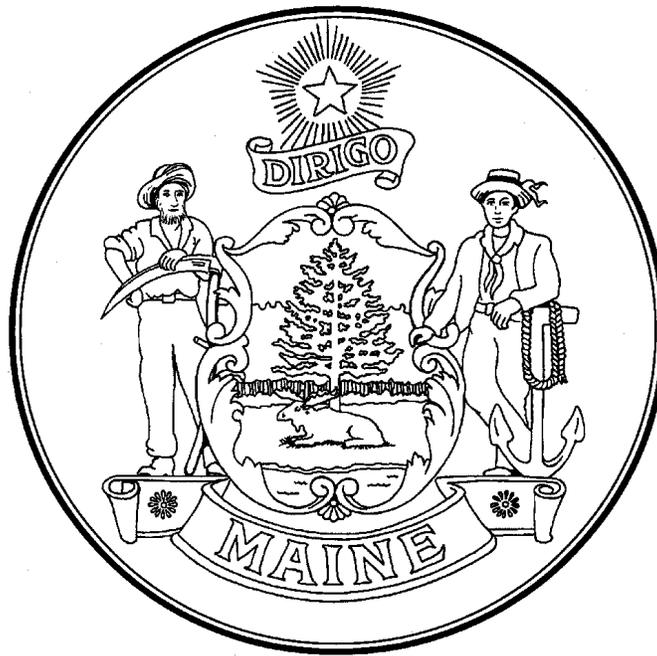


# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**

**ONE HUNDRED AND TWENTY-SECOND LEGISLATURE**

**FIRST REGULAR SESSION**  
**December 1, 2004 to March 30, 2005**

**FIRST SPECIAL SESSION**  
**April 4, 2005 to June 18, 2005**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JUNE 29, 2005**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST SPECIAL SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 17, 2005**

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**Penmor Lithographers**  
**Lewiston, Maine**  
**2005**

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**STATE OF THE STATE ADDRESS  
OF  
GOVERNOR JOHN ELIAS BALDACCI  
JANUARY 25, 2005**

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Madam President, Mr. Speaker, Madam Chief Justice, members of the Legislature, distinguished guests, my fellow citizens,

I would also like to recognize the first lady of Maine, Karen Baldacci, and our son Jack. Karen's work in the areas of education, literacy, wellness and nutrition and local agriculture has greatly benefited Maine.

When I came before you two years ago for my inaugural address, I spoke of the many challenges facing our State and the opportunities we wanted to create.

The opportunity to bring good jobs with benefits and businesses to Maine - to lower the cost of health care; to improve our schools; and preserve our natural resources.

At the time, we were facing a budget deficit of well over one billion dollars.

Health care costs were soaring, and people and businesses were losing their health insurance.

Two of our major paper companies had gone bankrupt.

And our property tax system was out of line with the incomes of so many Maine people.

Two years later, the state of the State is sound, our future is bright, and we've made significant progress. I believe with your help and hard work, Maine is on the path to becoming a national leader in providing opportunities for all of its citizens.

I believe this for many reasons.

The two paper companies are back in business in Millinocket, East Millinocket and Lincoln and are now employing 100's of workers earning 1000's of dollars and benefits, a real jump start to the economy of northern and central Maine. I'd like to recognize them and their workers and thank them for their contributions to our State. I would like them to rise and accept on behalf of their communities, the well wishes of the State...Katahdin papers, Rosaire Pelletier, and Keith Vanscotter of Lincoln paper and tissue.

Jobs are growing, income is growing and the tax burden is falling.

In the last year, we've added nearly 5,000 net new jobs to Maine's economy.

Maine's personal incomes and wages are growing three times as fast as the rest of the country.

Maine is the number 1 state in New England for agricultural income and our export business has grown the eighth fastest in the country.

We've increased our financial reserve by \$50 million and we've balanced our budgets without raising broadbased taxes. Our state tax burden has fallen from 8th to 13th in the country and under my administration, the general fund budget has averaged a rate increase that is the lowest in 30 years.

On the difficult issues of taxes, health care and job creation, we've made real progress.

The 122nd Legislature is off to an unprecedented start. In the last thirty days we have achieved what we have not been able to achieve for the last thirty years.

Friday I signed into law, L.D. 1 which reforms government spending and lowers Maine's property taxes.

This bill saves taxpayers money by establishing spending caps at all levels of Government, expanding the individual and family property tax relief program, and ensuring that increased funding for school districts will go back to Maine citizens in the form of property tax relief.

I want to congratulate and thank the bill sponsors Senate President Beth Edmonds and House Speaker John Richardson, along with Senator Dennis Damon, Senator Peter Mills, Representative Richard Woodbury and Representative Harold Clough and the rest of the joint select committee who have worked tirelessly and have shown us what is the best in Maine politics. They have risen above special interests and partisan interests, and placed the people of Maine first. Congratulations on a job well done. I ask them to rise and accept the well wishes of the State.

I also want to congratulate others who worked for the success of this package:

Business leaders like Dana Connors - Chamber of Commerce

Local government leaders

Senior citizens, like AARP and many others.

Together we've enacted a property tax relief initiative in record time that is comprehensive

Bipartisan

Bold;

And indeed, historic.

And by the way it saves property tax payers on average statewide in 2 years about \$207.

It is at moments like these that I am especially proud to be your Governor.

Sounds a little like the best sports news story of the year when the Red Sox finally won the World Series.

Some fans may have thought the Red Sox could never win. But there were those, like many of us here in this chamber and throughout our State who "kept the faith".

Just as the Red Sox proved the critics wrong, Maine can compete and can win.

Last year Maine won a national competition against states across the country and brought T-Mobile to central Maine.

A Fortune 100 company, bringing 700 good paying jobs and benefits to this region of the State, covering full health care and pension plans. And I want to recognize Craig Nelson of First Park and Joe Wischerath of Maine & Company for their efforts. Please rise and accept the well wishes of the House.

An operation in northern Maine is also saving millions of Department of Defense dollars, while supporting American troops and providing excellent salaries and full benefits to Aroostook County workers.

The initiative at the former Loring Air Force Base to refurbish military vehicles for a fraction of the cost of new vehicles has grown jobs in Aroostook County from 50 to 320. And the recent contract award will add another 240 new jobs in 2005.

In the next two years, we hope to begin to realize equivalent savings in state agencies and municipalities by rebuilding school buses and heavy equipment vehicles.

These are the types of initiatives that will continue to build Maine's economy – homegrown and built on Maine values and talents. I want to recognize Art Cleave and his brother Gary in their leadership in that effort.

Our economic climate in Maine is getting stronger. Recently, the City of Portland was named the number one market in small business vitality. A study,

conducted by the American City Business Journal, named Portland the strongest small business sector in the United States.

While other states see health care costs soar and individuals and businesses lose their insurance, we are taking action. Here in Maine nearly 3000 people representing over 250 small businesses and nearly 1000 sole proprietors are already enrolling in our nationally acclaimed Dirigo Health Program. Our partner Anthem Blue Cross Blue Shield is selling Dirigo in every part of the State. Dirigo is an important new choice in the market and Maine's small businesses are embracing it, proving that nothing succeeds like success. Dirigo is a first step and gets better as each new business joins.

Many have written to me:

Maureen McQuade from the Inn by the Sea in Cape Elizabeth says that "until Dirigo, health insurance wasn't an option for many of her workers and that was unacceptable".

Cindy Noyes of Noyes Flower and Plant Shop in Caribou reports that lower Dirigo insurance rates have enabled her to give her staff a raise.

Chang Ho Yee, a tailor wrote to thank us. Before Dirigo he hadn't had health coverage in 7 years. He said he and wife were well now but didn't know when sickness would come along.

These are just three examples. Real businesses, real people, and a real solution.

And, we've made significant strides in consolidating government services, particularly with the merger of the largest department of State Government Human Services and Mental Health and Mental Retardation. I'd like to say thank you especially to the state workers. Without the people on the front lines, we would not be getting the services to those truly in need.

But there is more work to do.

Maine must be a national leader in providing opportunities, creating good paying jobs with benefits.

A leader in providing affordable, accessible, high quality health care for all Maine citizens.

A leader in educating young students and older workers alike with the skills of the modern economy.

A leader in preserving and protecting our natural resources for our children and their children well into the future.

I want to discuss all of these goals with you tonight.

First, how can we promote jobs, opportunities, and good incomes.

It is important to invest in our growing industries. This session we have the opportunity to invest in our future through a strategic and targeted bond package. We face necessary investments in roads and bridges, railroads, clean air and water, land preservation, research and development, and our universities and colleges. On both sides of the aisle, we know that capital investments are sound fiscal policies.

Next week I will invite leadership from both sides of the aisle to meet with me to map out a bipartisan strategy on bonding. Our state debt per capita is 30% below the national average. We can't afford not to invest in our future. We have an obligation to invest in the future of our children and our communities.

In my bond package I will strongly support biomedical research and sustained research and development funding.

Research and development performance is essential to the growth of our new economy. My last budget provided a 40% increase in research and development funding to the university system. Biomedical research jobs on average pay \$60,000 per year. Biotechnology employment in Maine has tripled in the last ten years. And we are just beginning.

Tonight I am pleased to announce three initiatives that will enhance both the biomedical sector and eastern and northern Maine by creating a biomedical triangle.

The new research triangle will focus on five separate and distinct areas of human health: Diabetes, cancer, heart disease, obesity, and osteoporosis.

- First, the University of Maine trustees yesterday announced their intention to create a new graduate school of biomedical sciences at its Bangor campus.
- This will join a new college of allied health professionals, also at the Bangor campus, a joint venture of the University of Maine and eastern Maine Community College. Sister Norberta and Dr. Cliff Rosen of St. Joseph's Hospital will become an important piece of this initiative.
- Third, Eastern Maine Health Care, the Jackson Laboratory, and the University of Maine are joining together to create a new Maine institute for human genetics and health in a Pine Tree Zone in Brewer.

Supported by my budget and bond proposal this year, these three new institutions will build on the strengths of Bangor and Brewer and surrounding towns – the Jackson Laboratory, MDI Biological Laboratory, the

University of Maine, area hospitals in northern central and eastern Maine, and the Community College System. This effort, along with southern Maine's successes, will provide the critical mass to create jobs and improve public health, create research and development capacity, and develop our health care workforce.

My 2003 jobs bond supported biomedical research statewide and a new science building at the university of southern Maine. Our new biomedical triangle will complement and augment southern Maine's effort and create a collaborative approach to research statewide.

Tonight I am honored to recognize the mayors of Bangor and Brewer – Frank Farrington and Joe Ferris -- who are helping these projects become reality in their communities. I'm also honored to recognize Chancellor Joseph Westphal, University of Maine President Robert Kennedy, and eastern Maine Health's Norm Ledwin. Please stand and receive our welcome.

Science is one part of our economic development strategy. The creative economy is another.

Today I signed an executive order creating a twenty one member Maine creative economy council, to build a vibrant economy on a foundation of investments in our youth, our cultural institutions, entrepreneurship, and technology. I am pleased to recognize John Rohman, who will be leading this new council with the Department of Economic and Community Development.

Our budget proposes new efforts to support the creative economy at the Margaret Chase Smith Policy Center, at our film office, in arts education, and at our new Office of Innovation.

As a State we must continue to embrace arts, culture and technology as an economic engine. We must embrace innovation and entrepreneurship in our schools and workplaces. We must celebrate that our young people are thriving in our revitalized downtowns. We must celebrate that our extraordinary natural resources attract new residents, tourists, and the jobs that come with them. As I promised in last year's budget address, together we will support our tourist economy. With the support of my budget, the University of Maine and the Community College System will educate tourism workers and entrepreneurs, and launch a new center for tourism research in Maine.

We will also support outdoor recreational tourism by developing a Pine Tree program for natural resource based tourism businesses. My office will work with Representative Stan Moody to develop his proposal.

Like many of you, my phone calls are lost while I'm on the road. Recently, I was driving to Portland and my call was repeatedly lost. This made me think – when will wireless service actually serve all of Maine. There are communities from Cape Elizabeth to Sebec where there is very little service. Maine's busiest road, the turnpike, is plagued by service problems.

People visiting Maine used to tell jokes about the old Downeaster who would say “ya can't get there from here.” Well, now people visiting Maine are saying “can you here me now!”

Maine's telecommunications infrastructure is sound. Through substantial investments by Verizon and others we have a fiber backbone that is second to none. Still, in this fast-paced global economy we cannot rest. We need to build on our foundation to keep every advantage we have.

Tonight I am announcing “connect Maine,” a broad and aggressive telecommunications strategy for this State. Connect Maine will give nearly every Mainer the opportunity to plug into the global economy from their community. It will ensure that:

90% of Maine communities have broadband access by 2010; 100% of Maine communities have quality wireless service by 2008; and

Maine's education system has the technology infrastructure that leads the nation.

The connect Maine strategy will be devised with input from public and private agencies over the next few months. These goals will become reality with hard work and vision.

Here in Maine we've worked hard to protect health-care and jobs. The time has come to protect all Maine citizens against discrimination. How can we say we support Maine's economy, when we do not protect against workplace discrimination. Maine is no place for discrimination and I intend to offer legislation to protect basic civil rights for all citizens.

Our second major strategy is to continue progress on health care.

We've already done a lot but Dirigo Health is about more than an insurance card – it's about making health care better and more affordable for all of us. All of us in Maine know someone with a chronic illness which can take a toll on the quality of our lives and on our families. There is a tested, new way to provide better care for those chronically ill. It is working now in some parts of Maine and needs to be practiced everywhere in Maine. That's why I've convened a task force of physicians, hospitals, nurses, consumers and policymakers to charge them to work with Maine's communities and its health providers and

businesses. Tonight we continue the task of making Maine the healthiest state. Maine's “care model” will show how we care for each other and working together we will reduce the rate of chronic illness in Maine and help Maine's families stay strong.

This isn't a new product or a quick pill to get well – it's a concerted new way to do business to help us lose weight, prevent disability and make sure that those who already have a chronic illness get the right care at the right time for the right price.

The other great challenge before us is the cost of prescription drugs.

Why should a resident of Calais pay one price for prescription medicines, and a resident across the border pay much less?

We are reaching across the border to work with the Canadian Government to allow Maine residents to buy prescriptions at lower prices.

We are also using the purchasing power of State Government to negotiate better rates and discounts.

We won't just buy from Canada. We will negotiate lower prices like Canada. I have recently sent a letter to other governors to join our initiative, and to build up our purchasing power.

Several have already responded and we will invite Maine businesses, large and small, to join the effort and lower their health costs as well.

I have also asked the federal government to allow Maine to reimport drugs from Canada, using the Penobscot Nation as a bulk wholesaler and distributing lower cost prescription drugs to pharmacies throughout Maine.

While Dirigo Health Reform is a work in progress it's progress is already clear. Just ask the 3000 people already enrolled. Health reform is hard work but as we succeed we send a message that Maine people care about each other and will work together to tackle real problems.

Our third strategy is to provide world-class education to young students and older workers alike.

Eighteen months ago we launched the community college system.

Last year I set an aggressive goal to increase Maine's high school to college rate from 55% to 70% by the end of the decade.

Community colleges have already increased enrollment by a third. In fact Southern Maine Community College is the fifth fastest growing community college

in the country - nearly doubling its degree enrollment in two years.

Tonight I want to build on that momentum and announce the Early College for ME program. We will match the grant of the Osher Foundation and help non-traditional students get into and succeed in community college.

I am also honored to announce a new student assistance program offered by the Finance Authority of Maine. Last week the board of directors voted to authorize \$2 million in new scholarships for the school year beginning next September.

This new scholarship money will assist 2,500 of Maine's most needy students to access higher education.

Tonight I am also announcing my support for the creation of a sunrise business and career center. The center will serve students from Lubec to Cherryfield in Washington County. This is the only part of the State that is without a vocational education center. The center will provide secondary education and career re-training for adults adversely affected by our changing economy. It will also have a small business incubator to stimulate new job growth in Pine Tree Zones across Downeast Maine.

Our fourth strategy is to promote the environment and sustainable development.

I'm proud that Maine leads the nation in the number of acres in forests that are managed in a certified environmentally sound manner. And, we plan to increase certified green acreage by 40% by 2007. Already it is paying off. Because of these efforts, Time Incorporated has increased its Maine green paper purchase by over 10%.

"Maine green" will become a global image.

I'm also very proud of the hundreds of volunteers who contributed many thousand hours of their time to make Operation Keep ME Warm a great success. Last fall, when heating oil prices went to \$2 dollars/gallon and federal funding for heating aid was inadequate, a public private partnership was created.

State agencies packaged simple weatherization kits. Church and civic volunteers installed them in homes of 1,600 of our most vulnerable seniors.

The cost of the program was under \$80,000.

The savings to low-income elderly will exceed \$700,000 over the life of the improvements. The program has proved so successful, and so many people have pointed out that many more low income elderly

could benefit, that I pledge we will continue "Operation Keep ME Warm".

Some of the leaders of the program are here tonight.

I would like to ask Beth Nagusky of our Office of Energy Independence and the volunteers here tonight who made the program a success to rise.

Thank you on behalf of the people of Maine.

Month after month the evidence grows that our reliance on oil to fuel our economy makes Maine more vulnerable to forces we can not easily control, this includes escalating prices and the risk of oil shortages. Because of this I have worked to make Maine State Government a leader on the path toward energy independence.

We now purchase 40% of our electricity from Maine's own renewable power resources. We heat state office buildings with biodiesel; all new and renovated state buildings will have U. S. "green" building standards; and we are improving the fuel economy of the state fleet by purchasing more hybrids and smaller vehicles.

These energy saving steps have saved the state \$776,000 in transportation fuel costs and reduced state government greenhouse gas emissions by 8% in the past 2 years.

I am fully committed to advancing these sustainable energy practices statewide, and creating an energy independent Maine that depends less on Mideast oil and more on the renewable energy resources within our own borders.

I am introducing legislation that gives Maine people incentives to purchase and install solar energy systems in their homes and small businesses. These incentives will help Maine people to control their high and volatile energy prices, and at the same time improve the air we all breathe.

Our final strategy is to continue our efforts to streamline government.

The best thing we in state government can do is to practice what we preach. So we are.

This year we will consolidate financial, information technology, payroll, human resources, and administrative hearings services.

Through centralized management of these backbone operations we can more effectively control state government spending saving over \$11 million over the next 2 years.

In addition, the Department of Health and Human Services is in the process of redesigning its child welfare system to reduce the number of children that

come into state custody and to lessen the time that it takes to place children in permanent adoptive families or to return them to their birth parents.

We currently have 13% fewer children in our foster care system than we did a year and a half ago, and we will continue to reduce the number over the next biennium, while fulfilling our common obligation to protect children. There is no social service agency better than a healthy family.

Without sacrificing our ability to intervene when it is really necessary, we will support more children in their family and community. Mainers know the value of a safe family, and our child welfare system must support, not frustrate, safe families.

We are not alone in our efforts to reinvent government.

People all over Maine are thinking about how to deliver public services more efficiently.

Over in Lewiston and Auburn the mayors of the two cities happen to be brothers....Lionel and Normand Guay.

They have set up a task force chaired by Justice Bob Clifford and Community Credit Union President Donna Steckino to look at ways to combine services in the twin cities. A new combination of Lewiston and Auburn.....the LA of the east!

Tonight I am pleased to announce \$15,000 to support these collaborative efforts of Lewiston and Auburn that will lead to so many other new opportunities. I'd like to ask the mayors Guay to rise.

All of these efforts will pay off in the long run.

But that's the Maine way, the Maine spirit.

As I speak to you this evening, citizen soldiers of the Maine National Guard are deployed in Iraq and around the world.

When the 152nd Maintenance Company leaves this Sunday morning for training before their deployment to Iraq, the Maine Army National Guard will have mobilized and deployed over 65% of their organization.

As a state, we have shared in their highs and lows during this period to mourn the loss of many wonderful people.

I have spoken with many of the soldiers and many of the families.

They do not seek publicity.

They just want to do their part to defend their country to help others in the world.

When asked what we at home can do to assist them, the answer is always the same – “take care of the families”.

And we will do our part.

To protect military families and those returning from deployment, I am proposing

- To make permanent the waiver of continuing education requirements for professional licensing of those serving overseas
- To relieve businesses of unemployment charges when a soldier returns from their deployment
- And in our budget, we propose a special license plate. The funds raised from the sale of the plate will go towards the family support group that helps the families of soldiers with medical, financial, scholarship and emergency assistance.

These are small things.

But they matter – because we are all family in Maine.

That's why we're all here tonight.

I would like to ask General Libby to rise.

To make people's lives better.

It's not about politics.

It's not about personal gain.

It's about keeping true to the tradition we have been given.

Governor Percival Baxter once said

“To come to know Maine and its people

is a wonderful experience

for the Almighty has lavishly bestowed

His blessings upon us.”

We are all blessed.

Everyone in this chamber...everyone watching and listening at home to live in this wonderful state.

Let us dedicate ourselves tonight, as the men and women overseas have, to keep the blessing alive for future generations.

Thank you and good night.