

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

***One Hundred and Twelfth
Legislature***

OF THE

STATE OF MAINE

Volume II

FIRST REGULAR SESSION

December 5, 1984 - June 20, 1985

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HOUSE

Tuesday, June 18, 1985

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

Prayer by Father Joseph Holland, Augusta Mental Health Institute.

Quorum called; was held.

The Journal of yesterday was read and approved.

Papers from the Senate

The following Joint Resolution: (S.P. 639)
JOINT RESOLUTION IN RECOGNITION OF
THE BICENTENNIAL ANNIVERSARY
OF THE TOWN OF STANDISH

WHEREAS, out of the wilderness of North America along the Ossipee Trail an important settlement was forged in 1750; and

WHEREAS, although the dangers and hardships were many, pioneers led by Captain Moses Pearson persevered in this first settlement; and

WHEREAS, at what is now known as Standish Corner, a community grew and incorporated as the Town of Standish on November 30, 1785; and

WHEREAS, named in honor of Miles Standish "captain of the pilgrims," this isolated community developed, as the mode of travel changed, to become an integral part of the beautiful and dramatically changing region; and

WHEREAS, the inhabitants of Standish now pause to reflect this rich heritage and to commemorate the close of the 2nd century of progressive development in the life of their proud community; now, therefore, be it

RESOLVED: That we the members of the Senate and the House of Representatives of the 112th Legislature of the great and sovereign State of Maine, unite in congratulating the Town of Standish for its excellent record of achievement on this the year of its 200th anniversary and offer our continued support and encouragement for the future, and be it further

RESOLVED: That the Secretary of the Senate be directed to immediately transmit to the citizens of the Town of Standish, through its management, a duly authenticated copy of this Resolution in honor of this special occasion. Came from the Senate, read and adopted. Was read and adopted in concurrence.

The following items appearing on Supplement No. 1 were taken up out of order by unanimous consent:

**Passed to Be Enacted
Emergency Measure**

An Act to Establish an Aroostook County Budget Committee (S.P. 310) (L.D. 799) (H. "B" H-440 to C. "A" S-98)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 115 voted in favor of the same and 11 against and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

**Emergency Measure
Later Today Assigned**

An Act to Amend Certain Motor Vehicle Laws (S.P. 605) (L.D. 1599) (S. "A" S-200; S. "C" S-297; H. "A" H-379)

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

On motion of Representative Macomber of South Portland, tabled pending passage to be enacted and later today assigned.

Emergency Measure

An Act Relating to Periodic Justification of Departments and Agencies of State Government under the Maine Sunset Laws (S.P. 637) (L.D. 1653)

Was reported by the Committee on Engrossed

Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 128 voted in favor of the same and none against and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

Emergency Measure

An Act to Create the Maine Rainy Day Fund (H.P. 521) (L.D. 741) (H. "A" H-442' C. "A" H-301)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 114 voted in favor of the same and none against and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

Emergency Measure

An Act to Authorize Franklin County to Raise \$800,000 for Renovations and Additions to the Franklin County Court House (H.P. 1140) (L.D. 1648) (H. "A" H-430 to C. "A" H-416)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 106 voted in favor of the same and 3 against and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

An Act to Provide a Sales Tax, Trade-in Credit for Loaders and Chain Saws used to Harvest Lumber (H.P. 72) (L.D. 93) (C. "A" H-434)

An Act to Exempt Lobster Feed and Medication Necessary for the Lobster Pound Business from the State Sales Tax (H.P. 206) (L.D. 240) (C. "A" H-435)

An Act Relating to the Taxation of Trade-in Equipment (H.P. 498) (L.D. 701) (C. "A" H-439)

An Act to Clarify the Discretionary Authority of the Harness Racing Commission to License Pari-mutuel meets and Assign Racing Dates (H.P. 790) (L.D. 1120) (H. "C" H-448 to C. "A" H-162)

An Act to Authorize an Award System to Aid in Coyote Control (H.P. 858) (L.D. 1217) (Conf. Comm. "A" H-424)

An Act to Protect Abused Children (H.P. 969) (L.D. 1386) (C. "A" H-426)

An Act Relating to the Income Tax Checkoff for Political Parties (H.P. 1077) (L.D. 1567) (H. "A" H-431; C. "A" H-414)

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

An Act to Implement Teacher Recognition Grants and Establish a Minimum Salary for Teachers (H.P. 1087) (L.D. 1580) (C. "A" H-427)

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

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

Representative SMALL: Mr. Speaker, Ladies and Gentlemen of the House: We debated this bill long enough yesterday and I don't intend to go through that again. I do think it is important to have it on record whenever this body votes for tax increase, whether it be state or local, and I would request a roll call on enactment.

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

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

The SPEAKER: The Chair recognizes the Representative from Dover-Foxcroft, Representative Law.

Representative LAW: Mr. Speaker, Ladies and Gentlemen of the House: Early this morning I got up and came here to the Capitol and started calling all of the school administrative people in the two districts that I represent. I talked with superintendents, I talked with school board members and I talked to chairmen of the school boards. Every single one of them wants the local control, they do not want the legislature setting the minimum salary. The school board is the vehicle of the people and that is where they have control of their teachers and their education system. They represent the people and they are responsible for the quality of education and, therefore, the quality of the teachers.

I challenge any one of you to ask the school boards whether they want local control or do they want the legislature to set the minimum salaries. It is not our responsibility. It is presumptuous to believe that we are better qualified to set the salaries than the school boards.

Remember, before you vote, that with authority comes responsibility and vice versa. We have given the school boards the responsibility for the education and we must give them the authority to go with it. I urge you to defeat this measure so we can accept the Minority Report.

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

Representative ROBERTS: Mr. Speaker, Ladies and Gentlemen of the House: As the Representative from Bath has said, we debated this a long time last night, I don't plan to speak long today but I would point out to the Representative from Dover-Foxcroft that when he said we do not want the state setting the minimum salaries, there is a minimum salary law on the books. There has always been a salary law on the books since 1958 and the only difference is, the 1958 law established a salary schedule for every payment all the way through. We are establishing minimum. I urge you again to vote in support of the bill.

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Foss.

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

Could I have an explanation of the second year fiscal note of \$500,000 for 1986-87?

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

The SPEAKER: The pending question before the House is passage to be enacted.

The Chair recognizes the Representative from Presque Isle, Representative Lisnik.

Representative LISNIK: Mr. Speaker, I request permission to be excused from the vote.

The SPEAKER: The Chair will grant the request.

The SPEAKER: The pending question before the House is passage to be enacted. Those in favor will vote yes; those opposed will vote no.

ROLL CALL No. 205

YEAS:—Aliberti, Allen, Beaulieu, Bost, Bott, Boutilier, Brannigan, Brodeur, Brown, A.K.; Carroll, Cashman, Chonko, Clark, Coles, Connolly, Cooper, Cote, Crouse, Crowley, Daggett, Descoteaux, Diamond, Dillenback, Duffy, Erwin, Farnum, Gwadosky, Hale, Handy, Hayden, Hichborn, Hickey, Higgins, H.C.; Hoglund, Jalbert, Joseph, Kimball, Lacroix, Lord, Macomber, Manning, Martin, H.C.; Matthews, Mayo, McGowan, McHenry, McSweeney, Melendy, Michael, Mills, Mitchell, Moholland, Murphy, E.M.; Murray, Nadeau, G.G.; Nadeau, G.R.; O'Gara, Paradis, P.E.; Parent, Paul, Perry, Pouliot, Priest, Randall, Reeves, Richard Rioux, Roberts, Rolde, Rotondi, Ruhlin, Rydell,

Simpson, Smith, C.B.; Soucy, Stevens, P.; Stevenson, Strout, Swazey, Tammara, Tardy, Telow, Theriault, Vose, Warren, The Speaker.

NAYS:—Armstrong, Baker, A.L.; Begley, Bell, Bonney, Bragg, Brown, D.N.; Callahan, Carrier, Connors, Davis, Dellert, Dexter, Drinkwater, Foss, Foster, Greenlaw, Harper, Hepburn, Higgins, L.M.; Hillock, Holloway, Ingraham, Jackson, Jacques, Lander, Law, Lawrence, Lebowitz, MacBride, Masterman, McCollister, McPherson, Michaud, Murphy, T.W.; Nicholson, Nickerson, Paradis, E.J.; Pines, Racine, Rice, Ridley, Salisbury, Scarpino, Sherburne, Small, Smith, C.W.; Sproul, Stetson, Stevens, A.G.; Taylor, Walker, Webster, Wentworth, Whitcomb, Willey, Zirkilston.

ABSENT:—Baker, H.R.; Cahill, Carter, Kane, Nelson, Seavey, Weymouth.

EXCUSED:—Lisnik.

86 HAVING VOTED in the affirmative and 57 in the negative with 7 absent and one excused, the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

An Act to Create the Twin Villages Water District (H.P. 1116) (L.D. 1626) (H. "A" H-425)

An Act Concerning Railroad Excise Tax (H.P. 1137) (L.D. 1643) (H. "B" H-445 to C. "A" H-432)

An Act to Exempt Leased Farm Equipment from Use Tax (S.P. 190) (L.D. 508) (C. "A" S-298)

An Act to Amend the Maine Certificate of Need Act to Clarify the Provision to Mutually Extend the Review Period for Certificate of Need Review and to Make the Reconsideration Hearing Optional and Establish a Time Limit for Decisions After a Reconsideration Hearing (S.P. 214) (L.D. 572) (H. "B" H-429 to C. "A" S-270)

An Act Amending the Maine Juvenile Code to Allow for Access to Records by Criminal Justice Agencies (S.P. 565) (L.D. 1493) (C. "A" S-295)

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

An Act to Provide for Greater Tax Expenditure Accountability (S.P. 579) (L.D. 1521) (C. "A" S-294)

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

On motion of Representative Jackson of Harrison, under suspension of the rules, the House reconsidered its action whereby L.D. 1521 was passed to be engrossed.

On further motion of the same Representative, under suspension of the rules, the House reconsidered its action whereby Committee Amendment "A" (S-294) was adopted.

The same Representative offered House Amendment "A" (H-447) to Committee Amendment "A" (S-294) and moved its adoption.

House Amendment "A" to Committee Amendment "A" was read by the Clerk and adopted.

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

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

An Act to Amend the Reapportionment Law (S.P. 619) (L.D. 1630)

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

By unanimous consent, all matters having been acted upon requiring Senate concurrence were ordered sent forthwith to the Senate.

On motion of Representative Pines of

Limestone, the House reconsidered its action whereby An Act Relating to Periodic Justification of Departments and Agencies of State Government under the Maine Sunset Laws, (S.P. 637) (L.D. 1653) was passed to be enacted.

The SPEAKER: The Chair recognizes the Representative from Limestone, Representative Pines.

Representative PINES: Mr. Speaker, Ladies and Gentlemen of the House: May I pose a question through the Chair? I pose a question to the chairman or anyone else that could answer concerning Section 55 in the Bill 1653, An Act Relating to Periodic Justification of Departments and Agencies of State Government under the Maine Sunset Laws, and ask how Section 55 changes the existing scope of the practice of psychologists and how does it differentiate from the practice of a psychiatrist?

The SPEAKER: Representative Pines of Limestone has posed a question through the Chair to any member who may respond if they so desire.

The Chair recognizes the Representative from York, Representative Rolde.

Representative ROLDE: Mr. Speaker, Ladies and Gentlemen of the House: Would the gentlelady repeat her question please?

The SPEAKER: The Chair recognizes the Representative from Limestone, Representative Pines.

Representative PINES: Mr. Speaker, Ladies and Gentlemen of the House: How does Section 55 of the bill change the existing scope of the practice of a psychologist? And how does it differentiate from the practice of a psychiatrist?

The SPEAKER: The Chair recognizes the Representative from York, Representative Rolde.

Representative ROLDE: Mr. Speaker, Ladies and Gentlemen of the House: The question refers to a question that was put before the Audit Committee and one that we spent a great deal of time dealing with. This basically is a turf fight between psychologists and psychiatrists.

Let me very briefly explain the difference between psychologists and psychiatrists. Basically psychiatrists, as many of you know, are medical doctors who treat mental illness. Generally they follow the medical model in treating mental illness. In other words, they believe that mental illness is caused by a chemical imbalance and generally they give medication to deal with that particular problem, sometimes with very good effects, sometimes with actually disastrous effects. Psychologists are not medical doctors, they deal generally with therapy. Therapy is basically talking to somebody and trying to get them to talk out their problem.

We have a situation in the state where psychologists are used in many forms throughout the state basically diagnosing mental illness. In court cases, many of the people who testify are psychologists. In commitments to mental institutions, many of those who make those commitments are psychologists, and yet, we found that unless the law was clarified, that they had the right to make that diagnosis. They should be not be doing that. That was one of the questions that was brought to us. So what we have done in Section 55 and 56, 56 provides a definition of mental illness that will clarify that psychologists cannot perform the same functions as a medical doctor, as a psychiatrist. In other words, those psychologists cannot give any medication. They can not practice medicine in any form. But section 55 makes it plain that they can do those things that they are doing now.

If I hadn't had to clean up my desk today, I would have more of my papers before me but I do have a letter from an assistant district attorney down in York County and she talked about — we had a proposal by the psychiatrist

which effectively would have frozen out all the psychologists from doing what they are doing now and this assistant district attorney from York County has said, if that were to happen, there would be very serious repercussions with the child abuse program that they are having in York County. So basically, we have tried to work out a compromise. I think in Section 56, by providing that definition, we have gone a long way to meeting the problems that the psychiatrists have. So basically that is the explanation in answer to the gentlelady's question.

Thereupon, Representative Pines withdraw her motion to reconsider.

The following item appearing on Supplement No. 2 was taken up out of order by unanimous consent.

Committee of Conference Later Today Assigned

Report of the Committee of Conference on the disagreeing action of the two branches of the Legislature on: Bill "An Act Relating to the Affixing of Indicia of Payment of Real Estate Transfer Tax" (H.P. 764) (L.D. 1084) have had the same under consideration and ask leave to report:

That the House recede from passage to be engrossed; read and adopt Committee of Conference Amendment "A" (H-499) and pass the Bill to be engrossed as amended by Committee of Conference Amendment "A" (H-449) in non-concurrence.

That the Senate recede and concur with the House.

(Signed) Representative MAYO of Thomaston, Representative HIGGINS of Portland, and Representative DAVIS of Monmouth - of the House.

Senator TWITCHELL of Oxford, Senator DIAMOND of Cumberland, Senator EMERSON of Penobscot - of the Senate.

Report was read.

Representative Mayo of Thomaston moved the House accept the Committee of Conference Report.

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

Representative JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: I just had an opportunity to look at the amendment of the Committee of Conference Report and I have a question.

The question I have is, if I look at the amendment correctly in Section 3, does this open the forms that the municipal assessor receives when a parcel of property has been sold? Does this open to any real estate broker or salesman or any person that is affiliated with an appraisal firm, the ability for them to come into the town offices and to look at any piece of property they want to look at on those forms that are filled out, the Declaration of Values forms?

The SPEAKER: Representative Jackson of Harrison has posed a question through the Chair to any member who may respond if they so desire.

The Chair recognizes the Representative from Monmouth, Representative Davis.

Representative DAVIS: Mr. Speaker, Ladies and Gentlemen of the House: This amendment does not open it to salesmen. This opens it to professional appraisers who hold a brokers license, and that doesn't include salesmen, that includes only brokers. It also allows taxpayers who are seeking abatement and have a written document from a town official to peruse those papers. Also, it allows certified Maine assessors to do the same.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Stevens.

Representative STEVENS: Mr. Speaker, Men and Women of the House: I would also like to pose a question through the Chair.

Right now in most real estate agencies, there are many licensed brokers or sales people. In some agencies, there are more but they are sales people for all practical purposes. They also do professional appraisals of your house when they come and set market value. Are all those people in that office eligible to go look at the municipal tax records?

The SPEAKER: Representative Stevens of Bangor has posed a question through the Chair to any member who may respond if they so desire.

The Chair recognizes the Representative from Monmouth, Representative Davis.

Representative DAVIS: Mr. Speaker, Ladies and Gentlemen of the House: No, the sales people are not, it is just the professional real estate appraisers who have a broker's license.

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative Jalbert.

Representative JALBERT: Mr. Speaker, Ladies and Gentlemen of the House: I would like to pose a question through the Chair.

Under the present setup that the indicia of sales is affixed to what they call the Declaration of Value, under this new law, will the indicia of sales be still affixed to the Certificate of Value or on the instrument itself?

The SPEAKER: Representative Jalbert of Lisbon has posed a question through the Chair to any member who may respond if they so desire.

The Chair recognizes the Representative from Thomaston, Representative Mayo.

Representative MAYO: Mr. Speaker, Ladies and Gentlemen of the House: This legislation as was originally presented by Representative Higgins of Portland and Representative Davis did provide for that but, under the amendment it will not. This amendment very strictly allows only certain individuals who either are in court seeking an abatement or who are certified in this state to have access to that information. It is a consumers bill from that standpoint to cut costs. It is also a tool for someone who feels that they have been improperly assessed and can use that to go and look at like properties and values that were assessed on them.

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

Representative STROUT: Mr. Speaker, Ladies and Gentlemen of the House: This is such an important piece of legislation that when the vote is taken today, I request a roll call.

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

Representative MAYO: Mr. Speaker, Ladies and Gentlemen of the House: In deference to the sponsor of the bill who is not here, I would ask if someone would table this until later in today's session.

On motion of Representative Jackson of Harrison, tabled pending acceptance of the Committee of Conference Report and later today assigned.

The following item appearing on Supplement No. 5 was taken up out of order by unanimous consent.

Report of Committees

Ought to Pass as Amended

Representative CASHMAN from the Committee on Taxation on Bill "An Act to Allow a Tax Credit Equal to 30% of the Net Cost of Operating a Child Care Facility to be Used Primarily by the Children of the Taxpayer's Employees" (H.P. 464) (L.D. 655) reporting "Ought to Pass" as amended by Committee Amendment "A" (H-453)

Report was read and accepted and the bill read once.

Committee Amendment "A" (H-453) was read by the Clerk and adopted.

Under suspension of the rules, the Bill was read the second time, passed to be engrossed

as amended by Committee Amendment "A" and sent up for concurrence.

The following item appearing on Supplement No. 4 was taken up out of order by unanimous consent.

Reports of Committees

Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-451) on Bill "An Act to Provide a Clothing and Energy Assistance Allowance for Needy Children" (H.P. 506) (L.D. 711)

Signed:

Senators:

DOW of Kennebec

PEARSON of Penobscot

Representatives:

McGOWAN of Cannan

NADEAU of Lewiston

CONNOLLY of Portland

CHONKO of Topsham

CARTER of Winslow

LISNIK of Presque Isle

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

Signed:

Senator:

McBREAIRTY of Aroostook

Representatives:

BELL of Paris

SMITH of Mars Hill

HIGGINS of Scarborough

FOSTER of Ellsworth

Reports were read.

Representative Carter of Winslow moved acceptance of the Majority "Ought to Pass" Report.

The SPEAKER: The Chair recognizes the Representative from Paris, Representative Bell.

Representative BELL: Mr. Speaker, Men and Women of the House: I hope you will not support the "Ought to Pass" Report this morning. If you look at the bill, this provides a one-time payment of \$60 per school age child for the purpose of allowing aid to families with dependent children to purchase school and winter clothing for their children.

While I sincerely am sympathetic to the need and cost for providing clothing for school age children for these families, I am concerned about the precedent that this establishes. Originally, this bill provided a clothing allowance and an energy allowance. The bill has been amended to just include clothing.

I would like to give you a few reasons why you see me on the "Ought Not to Pass" Report. One. I think it established a precedent in the bill that it says it is one-time only. If we do need this at all, why is it only funded for only one year? This is not an emergency piece of legislation. If this is enacted today, June 18th, it will become effective September 18th. It will take about a month to run the list and another three weeks to process the checks. Therefore, we see the money being available in October at the earliest and maybe early November. So much therefore for school clothes; it may help with winter clothing.

The third issue that I take with this bill is one of accountability. There is nothing to ensure that the one-time check of \$60 will go toward clothing.

The fourth reason, depending on the status of the Part II Budget at this point, is that we included a five percent increase in AFDC in the budget, totally that amounts to about \$3 million in the Part II Budget that will be coming out shortly. So, it is my particular feeling of the concerns about accountability, the timing of this, and the precedent that it establishes, I cannot support this at this time. Even though I certainly recognize the cost of clothing children to begin school or in the winter. We had talked about maybe some other alternative to ensure that the money could go

for clothing and we did not discuss this further in work sessions and how that might be achieved.

My fear is that the \$60 will be sent out in October, early November, and would go for things other than clothing.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Carter.

Representative CARTER: Mr. Speaker, Ladies and Gentlemen of the House: The gentlelady from South Paris is quite right, this is a one-time appropriation, one-time floating allowance appropriation of \$60 for each school age child now receiving AFDC.

If this measure survives, the process it will require \$411,000 from the general fund and would generate an additional \$908,000 of federal monies.

The gentlelady notes that there is a five percent increase in the AFDC recipients in the Part II, which is now my understanding, a split report unless her reference to it indicates that it may not be a split report, then we can be assured that the AFDC five percent increase will be funded.

In any case, I would urge you to allow this bill to process through the normal route and let it sit on the Appropriations Table and take its chance with other issues of high priority. Certainly providing youngsters with adequate clothing when they are going to attend school is something that is quite the thing to do because, if you are going to attend a function and you feel inadequately clothed, it is quite depressing.

I would urge you to support this bill and allow it to reach the Appropriations Table and vie with other matters on the table.

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

Representative STROUT: Mr. Speaker, Ladies and Gentlemen of the House: I would like to pose a question to the chairman of the committee. My question in the bill and the amendment is that I don't see any safeguards that this will be spent for clothing. My question would be, was there any attempt made to come out with a voucher system that would require this money to be earmarked specifically for clothing?

The SPEAKER: Representative Strout of Corinth has posed a question through the Chair to any member who may respond if they so desire.

The Chair recognizes the Representative from Portland, Representative Connolly.

Representative CONNOLLY: Mr. Speaker and Members of the House: In response to the question, there was some discussion when we were dealing with this bill in committee about whether we should deal with this particular matter in the way we address it in the bill or whether we should have a voucher system. There were several issues that were raised. First of all, if we went to a voucher system, there would be an incredible administrative expense that would be associated with the bill. That is and of itself would make the bill probably prohibitive, it wouldn't be able to get through the legislature.

A second issue that was discussed was the whole philosophy behind it. In the AFDC program, in the regular AFDC program we provide checks to families every month and the families cash those checks and we assume that for the most part that those checks are spent on rent and food and clothing and the necessities of life. I guess we could make an analogy between this matter here and the \$300 constituency check we get each session. They don't give us a voucher for constituency fees and I don't think that we should treat poor families with children any differently.

The SPEAKER: The Chair recognizes the Representative from Damariscotta, Representative Stetson.

Representative STETSON: Mr. Speaker, Ladies and Gentlemen of the House: Do I understand the Representative from Portland to have answered the Representative from Corinth just with the answer no?

The SPEAKER: Representative Stetson of Damariscotta has posed a question through the Chair to the Representative from Portland, Representative Connolly, who may respond if he so desires.

The Chair recognizes that Representative.

Representative CONNOLLY: Mr. Speaker: No.

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

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: First of all, I would ask for a roll call.

I still think the question has not been answered, one way or the other. I will pose it again. Is there any assurance that this \$411,000 of state money is going to be spent on clothing?

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

Representative CONNOLLY: Mr. Speaker and Members of the House: What this bill does is, in the Fall, it would give a check in the amount of \$60 to each AFDC family for each child that they have, five years of age or older. One of the needs that poor families have is the need to clothe their children. We assume, with this program, that the mother or the parent in the family is going to spend that money on clothing. The answer is no, there is no written guarantee that that money is going to be spent on clothing, but I think that the experience that most of us have had with poor families on the AFDC program is that that money by and large is spent on the necessities of life for themselves and for their children.

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

Representative STROUT: Mr. Speaker, Ladies and Gentlemen of the House: We have across this state a general assistance program that the municipalities implement that do exactly what you are trying to do with this bill. People out there who are under AFDC who have children who are in need, they have the process today to do the municipality and apply for that need. Those municipalities can decide whether, in fact, there is a need there for those children. I think when you put through a bill of this type that you are opening the door for some of those families to be using some of that money that I don't think that you are earmarking it in the right place. I do think we have a process and I think that is the way we ought to live by.

The SPEAKER: The Chair recognizes the Representative from Durham, Representative Hayden.

Representative HAYDEN: Mr. Speaker, Ladies and Gentlemen of the House: I don't always agree with my good friend from Portland but I am surprised frankly with some of the arguments that I have heard today. First of all, with this amendment, we are told that the problem is providing clothes for children of poor parents and that it is not a good idea because they won't get the benefit until school has started. Well, in my experience, with the people in my towns that are having a tough time, you don't worry about the fashion date or having the clothes when school starts, you worry about putting the clothes on when you can get the clothes at all.

Now, what is the next problem we hear with this amendment? We are told that, because there is no assurance that poor people will use this money to take care of their children, we ought to implement a voucher system of some type. The Representative from Portland raised the very legitimate question that you or I don't have to have that kind of a voucher system when we get allowances for constituent fees but apparently for some of us, poor people

should be held to a different standard.

Furthermore, the things that I find absolutely incredible to be hearing is that the idea of putting in a voucher system, we still should follow because it might prevent some fraud, even though it would eat up the entire appropriation that would ultimately be granted, if there is an appropriation granted on this bill, in administering the system. So, we can have a system out there to give clothes to poor kids and we can use all the money to administer it, to make sure there isn't anybody out there, not one who ever cheats, or we can have a system that trusts poor parents about as much as politicians are trusted. That seems pretty reasonable to me.

I think there is one other point that is worth mentioning. That is right, we do have a general assistance program. The general assistance program in our towns could provide clothing for needy families. I have two experiences to offer to you and my guess is that every one of you in this House would have similar experiences, one is general assistance is a tough system, it is hard on the towns, it doesn't always work as well as we would like to see it work.

The second is, I don't think that I want to be asking my town at town meeting to increase its taxes to provide this clothing. Now, we don't know that there is going to be an appropriation bringing this program into effect at all. But the real question we have before us today is, whether or not this is substantively sensible. Well, I have a hard time because it doesn't have a top heavy bureaucracy administering it or because you can't get the clothes until the fall if it is appropriated that this isn't a sensible system. That is why I am voting for it and frankly, I am surprised at some of the arguments that I am hearing today by the opponents.

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

Representative FOSTER: Mr. Speaker, Men and Women of the House: On Saturday of this last week, I voted a five percent increase for AFDC. I intend to stand by that commitment.

This would take almost a half a million dollars out of the general fund. I do not believe that we can afford it. I will be very honest in saying, I would like to give more but I don't want to fool anyone by saying that, yes it is great, and have it die down there. I truly believe that a five percent increase in AFDC is deserved. To you, Mr. Connolly, I keep my word.

The SPEAKER: The Chair recognizes the Representative from Madawaska, Representative McHenry.

Representative MCHENRY: Mr. Speaker, Ladies and Gentlemen of the House: For many years, my constituency have complained about AFDC. That stupid little bill that I put in to have a warning on the marriage license was the bottom line. Really, it is sinking low when we have to go to that in order to try to prevent abuse. I assure you I have seen it with my own eyes, the abuse. I want to help the people that need help but those that don't need help, those that abuse the system that are out there drinking every night and having babysitter's paid for by our tax money, I do not like it. My constituents do not like it. I have asked and asked for a solution to the problem. Maybe having something like the food stamp deal would do the trick. You know, you would have to prove that you bought clothing for those children. You have to prove that you have asked. We have hundreds and hundreds of people that work with the system and they never come up with an idea and nobody seems to come up with an idea. I cannot support this because there is too much abuse. I want to help the children that need help.

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative

Jalbert.

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

I would like a question to the proponents. As I read the amendment, will this be a cash or a check or an actual grant to the parents or will it be handled on a voucher system where the parents would pick up the clothing and the state would pay for it?

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

The Chair recognizes the Representative from Portland, Representative Connolly.

Representative CONNOLLY: Mr. Speaker, Members of the House: In response to the question, this will be a check to the family. The family will then cash the check and use the money to buy clothing.

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

Representative HALE: Mr. Speaker, Ladies and Gentlemen of the House: I think the thing that bothers me about this bill, if you will read the Statement of Fact, providing clothing for needy families is not a problem, the problem is, once it is provided at \$60 per child, it eliminates provision for any assistance allowance for these families. That bothers me because we have no way of knowing which is the top priority, heat or clothing. I think that this should be taken into consideration when you cast your vote.

The SPEAKER: The Chair recognizes the Representative from Canton, Representative McCollister.

Representative MCCOLLISTER: Mr. Speaker, Ladies and Gentlemen of the House: The bill doesn't bother me but what I hear here today does bother me. What I hear our legislators saying is, that we do not trust you if you are on AFDC and I think to put out a blanket condemnation of a whole group of our society is wrong.

Representative Strout of Corinth was granted permission to address the House a third time.

Representative STROUT: Mr. Speaker, Ladies and Gentlemen of the House: To answer the previous gentleman, one of the problems that I have with this bill is, not dealing just with AFDC. One of the problems I have is that there are families out there in the true world who are poor but do not get AFDC. The problem I have is that those people have to go through the general assistance route to get help, not through the AFDC route and I think we ought to treat those people on the same basis as AFDC.

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

Representative NADEAU: Mr. Speaker, Ladies and Gentlemen of the House: First of all, in reference to the observation by Representative Hale, the energy allowance was knocked off the bill simply because of cost and this bill relates only to clothing for the children of AFDC mothers and I use that term AFDC mothers quite intentionally because by and large, people on AFDC are single parents, usually female, with kids and the whole intention behind this program is to help those kids.

At the hearing, we heard some other heart-rendering testimony and the observations that somehow they shouldn't be trusted, I concur with the gentleman from Canton, Mr. McCollister, ought to be dismissed. For the most part, they are poor people who need help. The idea behind this bill, particularly the clothing which was the section that was most appealing to me, is to help those kids. When the school year time comes around and most kids in middle income are getting clothed at the nearest mall and go to school with their nice, new school clothes — we have a lot of these AFDC kids that are going to school in rags and,

that is a traumatic experience for a child. What we are talking about here is giving them a little help once a year when school time comes around, trying to get some new clothing and I don't suspect it will be anything to shout about, basic clothing needs that ought to be addressed, and I think that this is a good approach. The money will come at the proper time when that money is needed to clothe that child. I think we ought to put this in perspective, think about that child who is affected and think about the families we are talking about. These are families in need, the poorest people in our state. I agree that we are going to do some things to help them with a five percent increase in AFDC — the original proposal was 10 percent and I don't think there is anybody that would disagree that the 10 was probably needed. It was a question of money.

I wish you would consider sending this to the Appropriations Table and when all is said and done, hopefully, we can fund it but it definitely is a proposal that has some merit.

The SPEAKER: The Chair recognizes the Representative from Skowhegan, Representative Hepburn.

Representative HEPBURN: Mr. Speaker, Ladies and Gentlemen of the House: Like other members of this body, I am a little bit upset by some of the assertions being made here today and one that particularly bothers me is that, anyone who would vote against this bill, is voting against the poor, that the poor people don't deserve the money to buy clothes. Folks, the question here is, what can we afford? The question of whether or not we are going to mail out \$60 checks to people is very important to consider in that, when a person gets a check, we don't know if they are going to spend it on warm boots, they could spend it on anything. Another assertion that we are worried about is a slap in the face to poor people by putting some kind of a voucher system on them. It is a little bit absurd when we view the food stamp program, which is a voucher system in the clearest degree.

I would also like to respond a little bit to Representative Hayden's remarks that he wouldn't want to go to town meetings and ask for a tax increase — I think it is a little bit strange that he doesn't mind coming to the state and ask for extra money but he doesn't want to go to his town. I think this program is ill-conceived and is ill-timed and I hope we vote against the Majority Report.

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

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

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

ROLL CALL No. 206

YEAS:—Aliberti, Beaulieu, Bost, Boutillier, Brannigan, Brodeur, Carroll, Cashman, Chonko, Clark, Coles, Connolly, Crouse, Crowley, Descoteaux, Diamond, Duffy, Erwin, Hale, Handy, Hayden, Hickey, Higgins, H.C.; Hoglund, Joseph, Lacroix, Lisnik, Manning, Martin, H.C.; Mayo, McCollister, McGowan, McSweeney, Melendy, Michael, Mills, Mitchell, Moholland, Murray, Nadeau, G.G.; Nadeau, G.R.; Nelson, O'Gara, Paradis, P.E.; Priest, Reeves, Richard, Rioux, Roberts, Rolde, Roton-di, Ruhlin, Rydell, Simpson, Soucy, Stevens, P.; Swazey, Tammaro, Vose, Warren, The Speaker.

NAYS:—Allen, Armstrong, Baker, A.L.; Begley, Bell, Bonney, Bott, Bragg, Brown, A.K.; Brown, D.N.; Callahan, Carrier, Connors, Cooper, Cote, Davis, Dellert, Dillenback,

Drinkwater, Farnum, Foss, Foster, Greenlaw, Gwadlosky, Harper, Hepburn, Hichborn, Higgins, L.M.; Hillock, Holloway, Ingraham, Jackson, Jalbert, Kimball, Lander, Law, Lawrence, Lebowitz, Lord, MacBride, Masterman, Matthews, McHenry, McPherson, Michaud, Murphy, E.M.; Murphy, T.W.; Nicholson, Nickerson, Paradis, E.J.; Parent, Paul, Perry, Pines, Pouliot, Racine, Randall, Rice, Ridley, Salsbury, Scarpino, Sherburne, Small, Smith, C.B.; Smith, C.W.; Sproul, Stetson, Stevens, A.G.; Stevenson, Strout, Tardy, Taylor, Telow, Theriault, Walker, Webster, Wentworth, Whitcomb, Willey, Zirkilton.

ABSENT:—Baker, H.R.; Cahill, Carter, Daggett, Dexter, Jacques, Kane, Macomber, Seavey, Weymouth.

61 having voted in the affirmative and 80 in the negative with 10 being absent, the motion did not prevail.

Whereupon, the Minority "Ought Not to Pass" Report was accepted. Sent up for concurrence.

The Chair laid before the House the following matter:

Report of the Committee on Conference on the disagreeing action of the two branches of the Legislature on: Bill "An Act Relating to the Affixing of Indicia of Payment of Real Estate Transfer Tax" (H.P. 764) (L.D. 1084) have had the same under consideration and ask leave to report: which was tabled earlier in the day and later today assigned pending the motion to accept the Committee of Conference Report.

Whereupon, the Committee of Conference Report was accepted.

On motion of Representative Mayo of Thomaston, the House receded from passage to be engrossed.

Committee Amendment "A" (H-451) was read by the Clerk and adopted.

The Bill was passed to be engrossed as amended by Committee of Conference Amendment "A" (H-451) in non-concurrence and sent up for concurrence.

The following item appearing on Supplement No. 6 was taken up out of order by unanimous consent:

Consent Calendar First Day

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

(H.P. 286) (L.D. 356) Bill "An Act to Allow all Disabled Veterans and Those 62 Years of Age to Receive a \$4,000 Property Tax Exemption" Committee on Taxation reporting "Ought to Pass" as amended by Committee Amendment "A" (H-455)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Paper was passed to be engrossed as amended and sent up for concurrence.

The following item appearing on Supplement No. 4 was taken up out of order by unanimous consent:

Divided Report

Majority Report of the Committee on Taxation reporting "Ought Not to Pass" on Bill "An Act to Amend the Inflation Incrementing Provision in the Tax Laws" (H.P. 919) (L.D. 1310)

Signed:

Senators:

TWITCHELL of Oxford
DIAMOND of Cumberland

Representatives:

NELSON of Portland
MAYO of Thomaston
SWAZEY of Bucksport
CASHMAN of Old Town
MCCOLLISTER of Canton
DIAMOND of Bangor

Minority Report of the same Committee reporting "Ought to Pass" as amended by Committee Amendment "A" (H-452) on same Bill.

Signed:

Senator:

EMERSON of Penobscot

Representatives:

JACKSON of Harrison
ZIRNKILTON of Mount Desert
WEBSTER of Cape Elizabeth
INGRAHAM of Houlton

Reports were read.

Representative Cashman of Old Town moved acceptance of the Majority "Ought Not to Pass" Report.

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

Representative JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: I rise this morning in opposition to my good friend, the Representative from Old Town, Representative Cashman's motion of "Ought Not to Pass."

A few years ago, the voters of the state passed a bill which dealt with indexing. It was their wishes, overwhelmingly, that we index our state income tax. That has come into effect. It has been in effect since 1983.

What this proposal suggests or does is, it changes the way we index the personal exemption of the Maine State Income Tax. The Minority Report provides for a base year. As the law stands now with the indexing provision, the personal exemption is indexed up to 50 percent of the inflation, not to exceed 7 percent. So, with the inflation rate that we experience today or have experienced since 1983, and it looks like we are going to experience at least this year and another year, and possibly the year after with the economic indicators that have been provided to us, that the personal exemption in this state, under the current proposal, would stay at \$1,000. What L.D. 1310 with Committee Amendment "A" does is establish a base year and it compounds from that base year. For example, this year the inflation rate is going to be approximately 4 percent so we index this year at 2 percent of 4 percent and we arrive at a figure of \$1,040. Our law says that it will be rounded to the nearest \$100 so it would come back to \$1,000. We will say in the next year that the inflation rate is 4 percent, as suggested it is going to be, under the current law you would multiply that 4 percent times \$1,000 exemption and you would still get the \$1,040 and rounding it to the nearest \$100, it rounds back to a \$1,000.

Under the proposal that we are presenting with the Minority Report, the base year establishes we carry the \$40, \$1,040 and say that it is 4 percent again in the next year, it would give us an additional \$40 which would give us \$1,080 when we round it to the nearest \$100 which would be \$1,100. With the amendment the way it is prepared, there is no cost in this year or the next year of the biennium.

As we have already been made aware, the federal exemption next year goes to \$1,040 and I believe it goes up to \$1,060 the year after that — if we have some sort of a tax realignment adopted at the federal level, most of the suggestions for personal exemptions is \$2,000. I might add, before I conclude my debate, we do not tie our personal exemption or our individual exemptions, we don't piggyback them to the feds. They are not in conformity with the federal government, but I would hope this morning that we could give the taxpayers of this state a true picture or a true proposal here, which we presented of which reflects indexing more fairly, and I would hope that you would vote against the Majority Report so we could put the Minority Report forward.

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

Representative CASHMAN: Mr. Speaker, Men and Women of the House: I want to thank Representative Jackson for explaining the bill and how it addresses indexing. It is a complicated matter and I am glad he had to do it

and not me, which is why I let him speak first. I don't argue with the content of the bill really, we did pass an indexing law in this state and I think, from time to time, like every other law that we have, it will have to be adjusted. I have talked to the prime sponsor of this bill, I understand his intent, and I don't really quarrel with him.

My problem with the bill and I think the problem with the Majority Report is that people who signed the Majority "Ought Not to Pass" Report is that we are in the process of a national debate on tax policies, suggestions have been made at the federal level to broaden the federal income tax base, reduce the brackets and lower the rate. While it is true, as Representative Jackson points out, that we don't piggyback our exemptions to the federal exemptions. What they are planning to do in Washington is going to have a drastic effect on our ability to raise revenue through our income tax. If they do, in fact, broaden the base and lower their rates, if we leave our brackets the same as they are now, leave our exemptions the same as they are now, that would result in a windfall of revenue for the State of Maine. Something that some of us may not object to, but I suspect some will, and I suspect we will be in here either in a Special Session or next year looking to make some adjustments to our own tax brackets and tax exemptions to adjust to the actions by the federal government.

It is the feeling of myself and the other signers of the Majority Report that it is premature to make adjustments in our indexing law until we know what we are dealing with. The suggestion in Washington is that they will have three brackets, we currently have eight, we may reduce ours two, three, one, I don't know and I don't think anybody on the Taxation Committee does know. So our problem really isn't so much with the content of the bill as it is the timing. I would rather wait and see what we are dealing with in the Fall or January and adjust it accordingly. That is why we signed this "Ought Not to Pass" and I would encourage the House to accept the Majority Report.

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

Representative JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: I don't disagree that there is a debate going on at the federal level in response to the problem that they recognize nationally with our tax structure. I am sure if something occurs at that level of government, certainly something will occur here and the debate will carry on to the states and this state.

The concern I have is that in most reports that you read that this debate of this going through the lands of the United States could possibly go on for at least another year and could possibly wait until after the '86 election before anything is adopted at the federal level. I would suggest a response or in answer to fairness to the taxpayers of this state, if the feds are going to allow, in the next year, a personal exemption of \$1,040 and we don't piggyback our exemptions, that it would be only allowable, and I am not saying that we could get the \$1,040 next year at the state level, but if nothing occurs, then we certainly would have the \$1,100 in the year after with the 4 percent inflation factor. So, I think that it is extremely important that we recognize that we aren't a state that is well off, our people in this state aren't really that well off. Maybe there are some people, but there are more people that we represent that aren't doing as well as other people, and I would think that this would be a step in the right direction to address that problem. I might want to add, through indexing, because of the brackets the way they are, the eight brackets that the gentleman from Old Town responded to, those change. Your personal exemptions will change because the

percentage of the rate is higher and the percentage will show a reflection which will round them to the nearest \$100. So, I think it is only fair that we reflect that change in the personal exemptions and I would hope, again, as I stated earlier, that the members of this body would defeat the Majority Report and pass the Minority Report.

When the vote is taken, I would request the yeas and nays.

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

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

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

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I almost hesitate to rise today to speak on this bill and to inform you that it is my piece of legislation. I feel somewhat a victim of circumstance. This bill has been in the Taxation Committee for quite a long period of time and I guess, unfortunately, it is my fault for not seeing the potential writing on the wall in trying to push the bill out of committee sooner so that we might have some debate, and it wouldn't get hung up in what might be perceived by some as partisan politics. I don't want to address that issue today.

What I would like to have you do is to just take a step back a little bit and look at what the issue is that we are talking about. We are talking about the issue of fairness in taxation for every citizen in the State of Maine. Now, when we passed the indexing law or the people initiated it and was voted by the people four or five years ago, they said the intent of that was to make taxpayers whole again, that if there was a tremendous rise in inflation, presumably there would be a tremendous rise in personal income and it would push everybody to a higher income bracket and they would end up paying more taxes and being worse off than they were before. People passed that, we had to live with it. One of the small details that I feel is wrong with the indexing law that was passed is that it doesn't take into account minor changes in inflation in the personal exemption account. That affects everybody. Every person, when they file their income tax has a personal exemption, and when inflation was 10 and 12 percent, you would have a change in the personal exemption. Current law, everybody gets a \$1,000 off their taxes. As long as inflation is more than 10 percent or more in any one year, that would increase to \$1,100 because you take one-half of the inflation rate and you multiply it times the exemptions and you round it to the nearest \$100 so a quick calculation would tell you that if you don't get to 10 percent, half of 10 percent would be five times a \$1,000 is 50 and you would round it out to \$1,100. So as long as you are less than 10 percent, you don't adjust the personal exemption. Under current law, you can have 25 years of 9.9 percent inflation and a personal exemption would not change, it would not reflect the intent or what I think is the intent of the law that was enacted. It is simply not fair.

When I spoke with the Department about this particular issue, they said the way to resolve that is to institute a base year method of calculating. When you establish a base year method, you end up with a situation where you have accumulative effect. If you have four years of 5 percent inflation, it would be reflected in the personal exemption, half of it would be reflected, we are not talking about the whole thing. So there is some equity, if you

will, in the system. Under current law, there isn't any.

All the Minority Report is saying is, what is wrong with using accumulative effect of inflation? We all feel it in our pocketbooks and you can't tell me that five years of 4 percent inflation is worse than 3 years of no inflation and two years of 10 percent inflation. It takes the same number of dollars out of your pocket. All this bill does is say, let's be fair. A lot of us campaigned in helping the working men and women of this state. The indexing law was intended to help them, this gives them greater authority, gives them greater amount of dollars in their pockets and because inflation is so intended or expected to be low over the next several years, there would in fact be no cost on this legislation to the current biennium.

I ask you to consider the overall implications and the intent of the original indexing law and to step back for a minute and look at the legislation and say, isn't this fair? I think the answer is yes. At least it is to me. The only argument that I have heard so far against it is that it is bad timing with the national tax policy out there, it may change all the brackets and who knows what is going to happen. I have two arguments against that argument. The first one is that national tax policy doesn't have anything to do with state indexing laws and how they are affected. They really don't. We should make that decision independent of what they do in Washington because we are not talking about brackets here like you are talking in Washington. We are talking about a simple way of how do you calculate inflation and how is that applied to every person in the State of Maine who files an income tax return.

The second part of my argument against that argument is that if they do change tax policy in Washington, the State of Maine will receive such a bonanza from that, that we aren't going to worry about how we calculate a minor change in how you determine people's personal exemptions, so I would ask you to vote against the pending motion, so we might get to the Minority Report in hopes that you could see your way clear to help everybody in the State of Maine who files an income tax return.

The SPEAKER: The pending question before the House is the motion of Representative Cashman of Old Town that the House accept the Majority "Ought Not to Pass" Report. Those in favor will vote yes; those opposed will vote no.

ROLL CALL No. 207

YEAS:—Aliberti, Allen, Beaulieu, Bost, Boutilier, Brannigan, Brodeur, Brown, A.K.; Carrier, Carroll, Carter, Cashman, Chonko, Clark, Coles, Connolly, Cooper, Cote, Crouse, Crowley, Descoteaux, Diamond, Duffy, Erwin, Gwadosky, Hale, Handy, Hayden, Hickey, Higgins, H.C.; Hoglund, Jacques, Joseph, Lacroix, Lisnik, Macomber, Manning, Mayo, McCollister, McGowan, McSweeney, Melendy, Michael, Michaud, Mills, Mitchell, Moholland, Murray, Nadeau, G.G.; Nadeau, G.R.; Nelson, O'Gara, Paradis, P.E.; Paul, Perry, Pouliot, Priest, Racine, Reeves, Richard, Ridley, Rioux, Roberts, Rolde, Rotondi, Ruhlin, Rydell, Simpson, Stevens, P.; Swazey, Tammara, Tardy, Theriault, Vose, Walker, Warren, The Speaker.

NAYS:—Armstrong, Baker, A.L.; Begley, Bell, Bott, Bragg, Brown, D.N.; Callahan, Connors, Davis, Dellert, Dexter, Dillenback, Drinkwater, Farnum, Foss, Foster, Greenlaw, Harper, Hepburn, Hichborn, Higgins, L.M.; Hillock, Holloway, Ingraham, Jackson, Jalbert, Kimball, Lander, Law, Lawrence, Lebowitz, Lord, MacBride, Martin, H.C.; Masterman, Matthews, McHenry, McPherson, Murphy, E.M.; Murphy, T.W.; Nicholson, Nickerson, Paradis, E.J.; Parent, Pines, Rice, Salsbury, Scarpino, Sherburne, Small, Smith, C.B.; Smith, C.W.; Soucy, Sproul, Stetson, Stevens, A.G.; Stevenson, Strout, Taylor, Telow, Webster, Wentworth, Whitcomb, Willey, Zirkilston.

ABSENT:—Baker, A.L.; Bonney, Cahill,

Daggett, Kane, Randall, Seavey, Weymouth.
77 having voted in the affirmative and 66 in the negative with 8 being absent, the Majority "Ought Not to Pass" Report was accepted. Sent up for concurrence.

The following item appearing on Supplement No. 7 was taken up out of order by unanimous consent.

Reports of Committees Divided Report

Majority Report of the Committee on Taxation reporting "Ought to Pass" as amended by Committee Amendment "A" (H-454) on Bill "An Act to Adjust the Excise Tax on Watercraft" (H.P. 615) (L.D. 885)

Signed:

Senators:

DIAMOND of Cumberland
TWITCHELL of Oxford
EMERSON of Penobscot

Representatives:

ZIRNKILTON of Mount Desert
JACKSON of Harrison
WEBSTER of Cape Elizabeth
INGRAHAM of Houlton

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

Signed:

Representatives:

CASHMAN of Old Town
MAYO of Thomaston
DIAMOND of Bangor
NELSON of Portland
SWAZEY of Bucksport
McCOLLISTER of Canton

Reports were read.

Representative Cashman of Old Town moved the House accept the Minority "Ought Not to Pass" Report.

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

Representative CASHMAN: Mr. Speaker, Ladies and Gentlemen of the House: I think for those of you who were here in the 111th and actually before that you remember the boat tax as an old friend, an issue that has been around for quite a while. We used to tax boats in this state under the personal property tax and because a problem was expressed in the 111th Legislature in terms of assessing boats under the property tax, trying to arrive at a value to personal property and trying to administer the tax, the legislature responded by replacing the personal property tax on boats with an excise tax. Prior to the watercraft excise tax, there was substantial economic losses being experienced by the industry as boat owners took an increasing amount of their repair and storage business to states which did not impose a property tax or had a lower form of excise tax.

The bill that we are debating here proposes to increase the excise tax on certain boats, not all boats, but a certain class of boats. I think the problem with this is that the excise tax was only approved by voters last November. If we adjust it now, I don't think we are giving it a chance to work. The Taxation Committee knew when we passed the excise tax in the 111th that some communities would lose revenue as opposed to what they were collecting under the personal property tax.

I understand those who represent communities in the coastal areas, where the revenues have decreased since the excise tax was enacted, I understand them sponsoring a bill like this and I understand why they would want revenues brought back to the way they were before or at least close. But the problem was, and the problem remains, is we couldn't replace the personal property tax on boats with an excise tax and make it even throughout the state in terms of reimbursing towns and cities for what they were losing.

We worked very hard on the formula that we ended up passing. It is going to take several

years to implement the excise tax program due to the fact that we had a three year registration program when we implemented it. That has been changed to a two year registration program but still many boats have not had to register, they are registering this year and some don't have to register until next year. A substantial number of boats have not paid their excise tax. I don't think that we can take the small percentage that have paid it and translate that into a percentage loss for communities, at least not at this point.

A survey was taken in several boat yards throughout the state and I can read you off some of the statistics. At the Wayfarer Marina in Camden only 16 of 64 boats or 25 percent had an excise tax sticker. At Bass Harbor Marina in Tremont, only 10 out of every 86 boats or 12 percent had paid their excise taxes. In South Freeport Harbor, only 57 out of 183 boats or 32 percent had an excise tax sticker. I could go on, there are others in the list. I think it is very clear that we don't as yet have a true indication of the amount of revenues that the excise tax is going to generate. So, to say that it is premature to now adjust the excise tax rates, I think is an understatement.

There have been a number of positive effects of the excise tax and I think the sponsors of this bill and the proponents of the bill don't argue with them. Assessors in towns have been freed up for other duties because they don't have to assess a value on boats for reasons of personal property tax. There is an indication that boat yards and marinas are doing an increased business. The fishing fleet, which were threatening to leave the state two years ago, no longer has a problem with the amount of taxes that they are paying on their boats.

I think that opponents to the increase in taxation are ready to assist municipalities in any way reasonably possible to ensure compliance with the tax. All we are simply asking that any adjustment to the tax rate be delayed until the registration cycle has been completed and it is clear that the tax is being enforced by the appropriate officials so that most boats, including documented boats, have been subjected to and paid the tax to the proper town or city. At that point, we can make an evaluation of who is coming out ahead, who is coming out behind, and if adjustments are to be recommended, we can recommend them then. I don't think that we have a true picture and I don't think it is a proper time to change a tax that was passed just a year ago.

I hope that you will support me and support the Minority Report of "Ought Not to Pass".

The SPEAKER: The Chair recognizes the Representative from Mt. Desert, Representative Zirkilton.

Representative ZIRNKILTON: Mr. Speaker, Ladies and Gentlemen of the House: Let me start off by saying that Representative Cashman and I agree on a number of points, the first one being that the move that the state made of transferring the matter in which watercraft are taxed from the personal property to an excise tax was a good one indeed. It eliminated the competition that in the past has existed between the towns in terms of how high they would value the watercraft in their municipality.

However, there are some problems with the excise tax formula that even this bill, if passed, will not truly address. Number one, it in no way reflects the true value of the watercraft that is being taxed but merely attempts to charge a fee based on the length of that boat.

The good Representative mentioned a survey that has been presented to the Committee on Taxation and was presented by the Maine Marine Industries Association. In that survey, it mentioned that MMIA's informal survey found 10 of 86 boats or 12 percent located at Bass Harbor in Tremont had any excise sticker for 1984. In fact, had they actually contacted the town officials in the town of Tremont, had

they talked to the Town Manager, Gretchen Strong, they would have found that 59 percent of the 184 boats taxed in 1983 have paid the excise tax in 1984. However, with over half the boats paying excise tax, excise tax revenues were only \$6,624 or 20.8 percent of the \$31,837 that had been raised through personal property taxation of watercraft in 1983.

To go beyond that, MMIA's informal survey of Wayfarer Marine in Camden, located only 16 of 64 boats or 25 percent had any excise tax sticker. Again, had they bothered to take the time to contact the town officials in that town, they would have found that Bud Savage of Camden disputes the 25 percent compliance figure and estimates that 35 percent of the registered boats which should pay an excise tax have indeed paid that tax. Moreover, he estimates that the town is receiving half of the taxes it should have received under the personal property tax from the 35 percent of the boats which have complied. So his comments are just that.

One step further from that was the Town of Waldoboro, their boat yard located only 14 of 55 boats or 25 percent with an excise tax sticker, that is MMIA's informal survey. In fact, John Fraser of Waldoboro states that of 380 boats taxed in 1983, 373 of those 380 have, in fact, paid the excise tax in 1984, which results in a compliance figure of 97.6 percent, 12 more boats have paid an excise tax in 1985, although almost all boats which should pay an excise tax pay this tax, excise tax revenues in 1984 were only \$5,064 or 51.5 percent of the \$9,840 collected in personal property taxes on watercraft in 1983.

The list of towns that lost revenue is lengthy. This is the report from the Bureau of Taxation, dated December 31, 1984. There are literally hundreds of towns on here that experienced revenue losses as a result of the change over from property tax to excise tax. I will read some of them just so you know what kind of revenue we are talking about. The City of Lewiston lost \$35,878.23; the town of Eagle Lake lost \$1,330.20; Brunswick, \$34,644; Falmouth, \$50,524; the City of Portland \$211,687.48; in my district alone, Cranberry Island, a small fishing community, lost \$10,034, a town of only a couple of hundred people; the town of Mt. Desert, \$28,707; Southwest Harbor, \$58,689; Tremont, \$33,000 and it goes on and on and on.

The fact of the matter is that no matter how we look at it, even if we allow the registration to complete its two year registration, there is no way these towns are going to be able to make up the revenues that were lost in that change. The town of Tremont, the changeover resulted in one mil or one and a half mil increase in the 1984 tax rate. This body has now been debating educational packages that will surely result in property tax increases in years 1988-89. You compound that on top of this and whatever else this body may do between now and then and I am seriously beginning to wonder where the property taxes are going to be in my town and every other town represented in this body.

Ladies and gentlemen, these towns have a problem. This bill only attempts to address watercraft over 30 feet, starting at 30 feet. It attempts to raise that tax by 25 percent. Now to give you a rough idea of what kind of cost we are talking about, under current figures, a 31 foot boat is taxed at \$88. Under our majority proposal, that would be taxed at \$110. That is not an excessive amount of money for a watercraft that is more than likely worth a significant amount of money. Here we conservatively estimate the value of a watercraft at 50 feet at \$150,000, realistically I can show you 50 foot watercraft that are worth hundreds of thousands of dollars, yet the tax on that is \$270. A \$19,000 Cadillac pays \$315 for its excise tax, more than the boat that might be worth upwards of a half a million dollars.

I find myself in a position that I never really thought I would. I am standing here trying to defend the poor property owner in every single town that I represent because they are making up the loss in revenue for the people who have the large watercraft in our districts and you have an opportunity to help me today to make sure that they are not going to continue to bear that burden. I hope that you will go with us and accept the Majority Report.

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

Representative HIGGINS: Mr. Speaker, Men and Women of the House: I hope that you will support the Minority "Ought not to Pass" Report. I would like to respond to a few of the comments raised by the gentleman from Mt. Desert.

The comparison of the excise tax between automobiles and boats is not valid in any way. The excise attributed to automobiles is to help underwrite the costs of roads which are deteriorated through the driving process. These are costs not associated with water, which is free flowing.

Second of all, there was no testimony at any point before the Committee on Taxation showing that there had been any vigorous enforcement of this law at all. There was strong concurrence from everyone on the Joint Standing Committee on Taxation last session that there was going to be some losses in some communities that had had extremely good enforcement. While some communities such as Waldoboro have continued such strong enforcement and may have pursued some of the boats and gotten their 97 percent compliance, it is also very clear that many, many boat owners by the gentleman's figures himself, in Camden there is only 35 percent compliance rate now. It is clear that many boat owners have still not paid. When these boat owners do pay, they will be paying, not only for the current year, but for the prior years as well, which will mean additional revenues for the cities and towns.

I think there are three points that need to be made. Many boat owners have not had to register and since the enforcement mechanism for this boat tax is registration, therefore, the compliance rate is extraordinarily low at this point in time.

Because of inadequate education of the boat owners to inform them about the need to pay this tax and in the past many boat owners had not paid any boat tax in many communities due to a lack of enforcement initiative, I think there is a need to continue the education.

Moreover, there has been a lack of enforcement by both the municipalities who stand to gain from this revenue measure and the state as shown in the May survey by the Maine Maritime Industries Association that this is something, in order for the municipalities to press for this increased revenue, which the revenues that we are estimating based on this boat tax increase is only \$50,000, which is merely a very token sum that would go to these municipalities, I would hope that you would support the Minority "Ought Not to Pass" Report.

The SPEAKER: The Chair recognizes the Representative from Mt. Desert, Representative Zirkilton.

Representative ZIRNKILTON: Mr. Speaker, Ladies and Gentlemen of the House: I appreciate the gentleman's comments and will now try to address them.

As far as comparing automobiles to watercraft because of the services that are provided with roads, bridges, and other things that they have an opportunity to receive through the taxation they pay, who do you think pays for the harbor master, who do you think pays for the docks, who do you think pays for the other related marine services that we provide to people who boat in our area and any other

area? The municipality, that is who.

Those salaries for the harbor master, I assure you, does not come out of the general fund.

As far as the informal survey, those figures are not accurate. If you question that, call my town manager, call your town manager, they will tell you what the story is and just about everything I have come up with so far that you don't match and I prefer to believe my town manager than the informal survey that was presented to the Taxation Committee in opposition to this bill.

Let me explain this, when they say that only 33 percent of the boats have complied, that means that they know exactly how many boats are out there. If they say 33 percent of the boats that are subject to the tax have paid their tax, that would then mean that 67 percent have not. We know who those 67 percent are. We know what tax is due the municipalities and we know exactly how many dollars we would have there if every single boat paid their tax. If they did, we would still be substantially lower in revenues than we were in the past. That is why I am here today.

If you wait a year, you will find me standing here a few months earlier a year from now telling you that we still have the problem. The property taxpayers in my area, who can't afford the 30, 40 and 50 foot yachts, are still making up the difference in the revenue. Will you help me, please? I don't want to have to do that. I would much prefer to have you help me now. Please accept the Majority Report.

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

Representative HIGGINS: Mr. Speaker, Men and Women of the House: In a very brief response on the question of harbor masters and costs attributed to policing and things associated with the waterfront, I would only point out that the towns have other methods of raising revenue to supplement any loss from this shift to the excise tax and to underwrite the costs associated with this. These include mooring fees, docking fees that many municipalities on the coast do not currently have, or those that have them bring them, perhaps bringing them more in line with the actual costs associated with these maritime activities, would be proper.

Additionally, since some of these communities do know how much their loss is, in the case of Camden, the 67 percent loss, what precludes them and what gives them the right to come to the legislature asking for a tax increase since they haven't enforced the law that they have? If they know these people, these boat owners in the 67 percent that have not complied, why not enforce them?

The SPEAKER: The Chair recognizes the Representative from Lewiston, Representative Boutillier.

Representative BOUTILIER: Mr. Speaker, Ladies and Gentlemen of the House: I would like to pose a question through the Chair.

I would like to ask the Representative from Mt. Desert — he mentioned Lewiston and all those other small towns that have lost money. I would just like to ask Representative Zirkilton, if he was so concerned about those towns, why doesn't this bill address other boats besides the ones of just 31 feet in length and longer?

The SPEAKER: Representative Boutillier of Lewiston has posed a question through the Chair to Representative Zirkilton of Mt. Desert, who may respond if he so desires.

The Chair recognizes that Representative.

Representative ZIRNKILTON: Mr. Speaker, Ladies and Gentlemen of the House: I would be more than happy to answer that question. One of the original concerns that was brought into this body requesting a changeover from property tax to excise tax, and they have every right to come to this body and make that request as I have to come here today and make

this request, they came here because our fishing fleet was in trouble. They were threatening to move out of the state and register elsewhere if we didn't change the manner in which we tax our boats. We did so, commercial vessels now enjoy a relatively low tax rate. I think that is fine. I think we should do everything we can to help our fishermen, if possible.

But one of the things that this excise tax did was create a burden on the smaller boats that was so high it didn't even exist that way under the personal property tax. Let me tell you exactly what I mean. In the town of Camden, in 1983 Camden property tax on a 15 foot fiberglass run-about with a 18 horsepower outboard motor was \$8.20. The 1984 excise on that same craft was \$11.00. This represents a 34 percent increase. On the other hand, an older 42 foot pleasure vessel with inboard propulsion, paid a property tax of \$170 in 1983 under personal property tax and in 1984 that same vessel was excised for \$70.15, a dramatic 59 percent reduction with a larger, more expensive, pleasure craft and an increase tax burden on the smaller boat. So that is why I am not here to try and increase a burden that has already been increased on the smaller boats but to try and raise the tax on the larger pleasure craft. It still won't be as high as it was under the personal property tax. As a matter of fact, it won't even come close, it will bring us in line with Massachusetts, Connecticut, it is not asking too much. Does that answer the gentleman's question?

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

Representative JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: As you look at the report before you this afternoon and in response to what the Majority Report is addressing and trying to assist many of the municipalities in, as the previous speaker, the gentleman from Mt. Desert, Representative Zirkilton, has so eloquently explained, the biggest concern that I had was fairness. Now, is it fair to allow a person who has a 31 foot boat or a 45 foot boat or a 50 foot boat that was paying a property tax previously in excess of \$600, some as high as \$2,100 and \$2,200, to pay the current excise this being imposed on them in the various municipalities in the state due to the actions by this legislature? At the same time, asking those residents of those communities, those people who live in those communities year round, some may have these boats, some may not, some of these boats belong to non-residents, people who are not residents of this state or these communities that might leave their boats here for the winter, is it fair to ask these residents who own real estate properties, which I submit, the value of their real estate doesn't meet half of the value of one of these boats, to pick up the tab for the loss?

I think the Representative from Mt. Desert is fair in asking this body today to try to address that situation. Try to address that situation of inconsistency. I don't think it is fair to ask a person who has a home that is valued at \$25,000 or \$30,000 or \$40,000, who lives here year round, to pick up the tab for somebody who has a boat that might have 50 feet, 60 feet, 70 feet that cost upwards of a million dollars. I don't think that is fair, ladies and gentlemen. I think we have an opportunity here this afternoon to address that situation. I am not going to say that that situation with this bill is going to be addressed 100 percent but it is a step in the right direction. Let's try to, today, relieve some of the burden of the property taxes on some of these communities in the state and here is an opportunity to start doing it.

The SPEAKER: The Chair recognizes the Representative from St. George, Representative Scarpino.

Representative SCARPINO: Mr. Speaker, Men

and Women of the House: Those of you who were here two years ago remember the position I took on the excise tax and all the problems that exist with the excise tax.

In response to some of the statements that my good friend Mr. Cashman made, the current excise tax that we have is no more equitable, no more even, and no more fair than the property tax was. It is just a different method of assessing the tax.

My friend from Portland, Mr. Higgins, has once again shown what, in my opinion, is a basic misunderstanding of the marine industry and how municipalities fund their marine facilities. Most of the marine facilities in most of the small towns are built with federal funds or federal funds are shared in the public boat launch ramps and in the wharfs. The towns are required to keep those up, free of charge, they were required for ten years to provide parking free of charge. Those that used federal funds on those facilities for wharfs cannot allow those wharfs or those ramps to be used for commercial purposes. A lobster fisherman can't put his traps on that wharf or that float. Technically he can't haul his boat in and out off that float. They are reserved for recreational marine use.

The only income the town can have to support those is from excise tax fees or an increase in the mill rate of the property tax.

The gentleman will say, well they can put in mooring fees. Does that take care of the transient who keeps his boat on a trailer, runs it down on the weekend, uses that ramp 15 or 20 times a year? His boat is never on a mooring and never has any need for a mooring. No, it doesn't.

If one also looks at most of the towns, you will find also that while a certain amount of moorings are set aside for recreational use, the majority, at least in the small coastal towns, are reserved for commercial use and those people pay for them.

Now, let's look at the excise tax itself. Why haven't the towns done something to enforce it? Well, there is a thing called federal documentation. You can register your boat one or two ways. You can register it with the State of Maine or you can document it federally. Now, if one takes a commercial boat, it has to have a minimum 8 tons net, 10 ton gross to be documented, depending on how you do your measuring in the specific design of the boat anywhere between 35 and 42 feet, before it gets away from position where the state or the town can go aboard that vessel in attempt to seize it for back taxes. However, on a pleasure vessel, in order to document that vessel, you only need to have five tons gross displacement. That is many vessels under 30 feet. It can be a vessel as small as 25 or 26 feet depending on her displacement and hull design.

The only way a municipal officer can put a lien on that vessel is if he brings a federal marshal to come down to that vessel to place the lien on it and to lock that vessel up. Look at the number of federal marshals in this state. If every town had to get a federal marshal to put a lien against every federally documented boat that hasn't paid its taxes, there aren't enough marshals in this state to take care of the request, if they worked 24 hours a day, 365 days a year. This bill will do a very little bit, and admittedly a very little bit, to alleviate the property tax burden that other people in the town are being forced to assume because of the low rates in the excise tax and because of the inability of the towns, the state, and this legislature to implement a boat tax that is both fair, equitable and enforceable. I say to you that we in this body are just as much to blame. In fact, we are more to blame than any town is for not collecting that tax or not being able to collect the tax. We created the non-workable system, the unenforceable work system, we created it and required that they live with it.

Let's accept the Majority Report and at least

have taken a little step to return those monies to the towns.

Representative Pouliot of Lewiston requested a roll call.

Representative Higgins of Portland was granted permission to address the House a third time.

Representative HIGGINS: Mr. Speaker, Men and Women of the House: First of all, we are addressing only recreational boats in this proposed second report that is before us at this point. Second of all, you can raise the tax 25 percent, you can raise it 50 percent, you can raise it 100 percent, but if you are not going to enforce it and collect it, it doesn't matter.

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

Representative CASHMAN: Mr. Speaker, Ladies and Gentlemen of the House: Just to address a couple of things that were brought up — this Majority Report does not address at all the fairness or unfairness of the excise tax that we passed last session. I think Representative Scarpino has aired complaints that he has had about this tax and I understand that he had the same complaints in the 111th, he is very consistent. I guess we argued those complaints in the 111th and this bill isn't meant to address them.

The bill is meant to increase the tax on some boats. You use to have a person in this House who used to say that if it smelled like a tax increase and looked like a tax increase and acted like a tax increase, then it was and this is.

The problem that we have with it is, and I think it has been expressed and I guess I just want to reemphasize it, one, the problem out there does not seem to be with the level of taxation. The indications are, and Representative Zirkilton's own figures indicate that, except in one case, 97 percent compliance, compliance rate is very low. Whether you accept the figures compiled in the survey or accept the figures of 35 and 53 percent expressed by the town managers, they are still very low. There is nothing in the Majority Report, I repeat nothing at all, that addressed enforcement. There is nothing that will enhance compliance with the tax.

One other point I wanted to bring out — Representative Zirkilton mentioned that we would still be in line with Massachusetts, Connecticut, Rhode Island and we will, but the problem that we were having in the 111th did not deal with those things. The problem that we were having was with New Hampshire. The boat owners and the people who rely for their jobs on large boats being in this state came to the Taxation Committee and said they were losing boats, they were losing work, they were losing shipyard work, they were losing marina work, they were losing work, period, to New Hampshire. We are still not out of line with New Hampshire even as we have reduced the tax. I don't think that after one year of having this tax in effect that we should be making adjustments that would threaten to put us in the position we were in that caused us to pass the tax in the first place.

One last thing — many towns that have been named here as losing money under this tax, one that was taxed came to us and asked us to pass the tax, they continued to support the tax. I understand they all don't, some have lost money and feel that they have been abused by the tax. I don't think we have enough information in yet to conclude that that is the case.

Representative Zirkilton of Mt. Desert was granted permission to address the House a third time.

Representative ZIRNKILTON: Mr. Speaker, Ladies and Gentlemen of the House: I will make this very brief just to respond to the Representative's comments — as far as moving to the State of New Hampshire, it would be illegal for a resident of this state to avoid paying tax by moving their boat to New Hampshire

because they must pay the tax in the municipality in which they live.

Addressing the out of state people who store their boats in the State of Maine, the difference in tax for a 49 foot boat under the old system and the new proposed tax would be roughly a \$100. It would cost them more in fuel to move the boat down there one way than it would be to pay the higher tax.

The SPEAKER: The Chair recognizes the Representative from Dover-Foxcroft, Representative Law.

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

I keep hearing enforcement of excise tax and I don't quite understand it. An excise tax for a vehicle, if I am correct, is enforced by the state. You have to have it paid before you get your registration but I don't understand how the enforcement is perceived?

The SPEAKER: The Representative from Dover-Foxcroft, Representative Law, has posed a question through the Chair to anyone who may respond if they so desire.

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

Representative CASHMAN: Mr. Speaker, in answer to the gentleman's question, boat owners are not required to register every year. This law is only enforced for one year; therefore, many of the boat owners, legally, are not registered under this new law as yet.

The SPEAKER: The Chair recognizes the Representative from St. George, Representative Scarpino.

Representative SCARPINO: Mr. Speaker, Ladies and the Gentlemen of the House: To complete the answer to the question of the Representative from Dover-Foxcroft, there is another method of registration that the gentleman from Old Town, Representative Cashman, did not mention. There is federal documentation where a boat owner, if his vessel meets certain qualifications, i.e., a five ton net gross displacement at the pressure level and minimum eight ton net, ten ton gross, if it is a commercial vessel, may document the vessel with the United States government and it would become a vessel of the United States rather than a vessel of the State of Maine. If that is done, the individual does not have to register his boat in the State of Maine.

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

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

The SPEAKER: The pending question before the House is the motion of the Representative from Old Town, Representative Cashman, that the House accept the Minority "Ought Not to Pass" Report. Those in favor will vote yes; those opposed will vote no.

ROLL CALL No. 208

YEAS:—Aliberti, Allen, Beaulieu, Bost, Boutilier, Brannigan, Brodeur, Brown, A.K.; Carroll, Carter, Cashman, Chonko, Clark, Connolly, Cooper, Cote, Crouse, Crowley, Diamond, Erwin, Gwadodsky, Hale, Handy, Hayden, Hickey, Higgins, H.C.; Joseph, Lacroix, Lisnik, Macomber, Manning, Masterman, Mayo, McCollister, McGowan, McHenry, Melendy, Michael, Michaud, Mills, Mitchell, Moholland, Murray, Nadeau, G.G.; Nadeau, G.R.; Nelson, O'Gara, Paul, Perry, Pouliot, Priest, Richard, Ridley, Roberts, Rolde, Rotondi, Rydell, Simpson, Stevens, P.; Swazey, Tammara, Tardy, Theriault, Walker, Warren, The Speaker.

NAYS:—Armstrong, Baker, A.L.; Begley, Bell, Bonney, Bott, Bragg, Brown, D.N.; Callahan, Coles, Connors, Davis, Dellert, Descoteaux, Dexter, Dillenback, Duffy, Farnum, Foss, Foster, Greenlaw, Harper, Hepburn, Hichborn,

Higgins, L.M.; Hillock, Hoglund, Holloway, Ingraham, Jackson, Jacques, Kimball, Law, Lawrence, Lebowitz, Lord, MacBride, Matthews, McPherson, McSweeney, Murphy, E.M.; Murphy, T.W.; Nicholson, Nickerson, Paradis, E.J.; Parent, Pines, Racine, Randall, Rice, Rioux, Salisbury, Scarpino, Sherburne, Small, Smith, C.B.; Smith, C.W.; Soucy, Sproul, Stetson, Stevens, A.G.; Stevenson, Strout, Taylor, Telow, Vose, Webster, Wentworth, Whitcomb, Willey, Zirkilton.

ABSENT:—Baker, H.R.; Cahill, Carrier, Daggett, Drinkwater, Jalbert, Kane, Lander, Martin, H.C.; Paradis, P.E.; Reeves, Ruhlin, Seavey, Weymouth.

66 having voted in the affirmative and 71 in the negative with 14 being absent, the motion did not prevail.

Whereupon, the Majority "Ought to Pass" Report was accepted and the Bill read once.

Committee Amendment "A" (H-454) was read by the Clerk and adopted.

Under suspension of the rules, the Bill was read a second time, passage to be engrossed as amended by Committee Amendment "A" and sent up for concurrence.

The Chair laid before the House the following matter: An Act to Amend Certain Motor Vehicle Laws (S.P. 605) (L.D. 1599) (S. "A" S-200); (S. "C" S-297); (H. "A" H-379) which was tabled earlier in the day and later today assigned pending passage to be enacted.

On motion of Representative Macomber of South Portland, the House reconsidered its action whereby L.D. 1599 was passed to be engrossed.

On further motion of the same Representative, the House reconsidered its action whereby Senate Amendment "C" was adopted.

The same Representative offered House Amendment "A" (H-459) to Senate Amendment "C" and moved its adoption.

House Amendment "A" (H-459) to Senate Amendment "C" (S-297) was read by the Clerk and adopted.

Senate Amendment "C" as amended by House Amendment "A" was adopted.

The Bill was passed to be engrossed as amended by Senate Amendment "A" (S-200), House Amendment "A" (H-379) and Senate Amendment "C" (S-297) as amended by House Amendment "A" (H-459) thereto in non-concurrence and sent up for concurrence.

Orders of the Day Out of Order

The Chair laid before the House the first Tabled and Today assigned matter:

An Act Establishing Assessments to Defray the Expense of Maintaining the Bureau of Insurance (S.P. 555) (L.D. 1501) (C. "A" S-192)

TABLED — June 17, 1985 by Representative DIAMOND of Bangor.

PENDING — Passage to be Enacted.

On motion of Representative Brannigan of Portland, under suspension of the rules, the House reconsidered its action whereby L.D. 1501 was passed to be engrossed.

On motion of the same Representative, under suspension of the rules, the House reconsidered its action whereby Committee Amendment "A" (S-192) was adopted.

The same Representative offered House Amendment "C" (H-458) to Committee Amendment "A" (S-192) and moved its adoption.

House Amendment "C" to Committee Amendment "A" was read by the Clerk.

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

Representative BRANNIGAN: Mr. Speaker, Ladies and Gentlemen of the House: The House Amendment that I just offered deals with an error that the committee made in requiring that an annual rather than a biannual budget report be made. It also adds a provision dealing with

self-insurance, a tool for use in the area of self-insurance which is part of the work of the Bureau of Insurance that will be done better through the use of this bill.

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

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: Earlier amendments that were drafted on this bill dealt with a perception that there was a change in the appropriation or allocation process. I just want to make sure that the legislature is still going to be involved with that process?

The SPEAKER: The Representative from Scarborough, Representative Higgins, has posed a question through the chair to anyone who may respond if they so desire.

The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative BRANNIGAN: Mr. Speaker, Ladies and Gentlemen of the House: I would like to assure the gentleman that my Chair from Appropriations has made absolutely sure that we understand how that process works and it will be taken care of as it should be.

Whereupon, House Amendment "C" to Committee Amendment "A" was adopted.

Committee Amendment "A" as amended by House Amendment "C" was adopted.

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

The following item appearing on Supplement No. 11 was taken up out of order by unanimous consent:

Consent Calendar First Day

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

(H.P. 750) (L.D. 1073) Bill "An Act to Establish the Costs of Forest Fire Protection" (Emergency) Committee on Taxation reporting "Ought to Pass" as amended by Committee Amendment "A" (H-460)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Paper was passed to be engrossed as amended and sent up for concurrence.

The following items appearing on Supplement No. 8 were taken up out of order by unanimous consent:

Papers from the Senate

Unanimous Leave to Withdraw

Report of the Committee on Judiciary reporting "Leave to Withdraw" on Bill "An Act to Amend Certain Provisions of the Laws Pertaining to Child Support" (S.P. 385) (L.D. 1065)

Was placed in the Legislative Files without further action pursuant to Joint Rule 15 in concurrence.

Non-Concurrent Matter

Bill "An Act to Authorize Aroostook County to Raise \$2,100,000 for Renovations and Additions to the Aroostook County Jail" (S.P. 617) (L.D. 1628) which was passed to be engrossed as amended by House Amendment "B" (H-446) in the House on June 17, 1985.

Came from the Senate passed to be engrossed as amended by House Amendment "B" (H-446) and Senate Amendment "A" (S-304) in non-concurrence.

The House voted to recede and concur.

The following items appearing on Supplement No. 10 were taken up out of order by unanimous consent:

Papers from the Senate

The following Communication:

The Senate of Maine

Augusta

June 18, 1985

The Honorable John L. Martin

Speaker of the House
112th Legislature
Augusta, Maine 04333
Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Agriculture, the Governor's nomination of Barbara B. Lounsbury of Auburn for appointment to the Pesticides Control Board.

Ms. Lounsbury is replacing Dolores Colburg.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

Non-Concurrent Matter

An Act to Encourage A Viable Agriculture for Maine (S.P. 489) (L.D. 1316) (S. "A" S-114 to C. "A" S-105) which was passed to be enacted in the House on May 30, 1985.

Came from the Senate passed to be engrossed as amended by Committee Amendment "A" (S-105) as amended by Senate Amendments "A" (S-114) and "B" (S-303) thereto in non-concurrence.

The House voted to recede and concur.

The following items appearing on Supplement No. 9 were taken up out of order by unanimous consent:

Reports of Committees

Unanimous Leave to Withdraw

Representative McGOWAN from the Committee on Appropriations and Financial Affairs on Bill "An Act to Make Allocations from the Maine Coastal Protection Fund for the Fiscal Years Ending June 30, 1986, and June 30, 1987" (Emergency) (H.P. 339) (L.D. 456) reporting "Leave to Withdraw"

Representative LISNIK from the Committee on Appropriations and Financial Affairs on Bill "An Act to Increase Aid to Families With Dependent Children Benefits" (H.P. 505) (L.D. 710) reporting "Leave to Withdraw"

Were placed in the Legislative Files without further action pursuant to Joint Rule 15 and sent up for concurrence.

Consent Calendar First Day

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

(S.P. 484) (L.D. 1312) Bill "An Act to Prohibit Discrimination Against Handicapped People in Insurance" Committee on Business and Commerce reporting "Ought to Pass" as amended by Committee Amendment "A" (S-305)

(H.P. 1010) (L.D. 1454) Bill "An Act to Improve the Availability, Quality and Delivery of Services Provided to Children with Special Needs" (Emergency) Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-457)

Under suspension of the rules, Second Day Consent Calendar notification was given, the Senate paper was passed to be engrossed as amended in concurrence and the House Paper was passed to be engrossed as amended and sent up for concurrence.

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

Paper from the Senate Non-Concurrent Matter

Bill "An Act Relating to the Administration of Vocational Education" (S.P. 628) (L.D. 1645) which was passed to be engrossed as amended by House Amendment "B" (H-422) in the House on June 14, 1985.

Came from the Senate passed to be engrossed as amended by House Amendment "B" (H-422) as amended by Senate Amendment "C" (S-302) thereto in non-concurrence.

On motion of Representative Gwadlosky of Fairfield, the House voted to recede.

Senate Amendment "C" (S-302) to House Amendment "B" (H-422) was read by the Clerk.

On motion of Representative Gwadlosky of Fairfield, the House voted to indefinitely postpone Senate Amendment "C".

Representative Cote of Auburn offered House Amendment "B" (H-456) to House Amendment "B" (H-422) and moved its adoption.

House Amendment "B" (H-456) to House Amendment "B" (H-422) was read by the Clerk and adopted.

House Amendment "B" (H-422) as amended by House Amendment "B" (H-456) thereto was adopted.

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

On motion of Representative Diamond of Bangor, the following item was removed from the Tabled and Unassigned matters:

An Act Relating to Inspection of Catalytic Convertors and Inlet Restrictors (H.P. 225) (L.D. 259) (C. "A" H-242)

TABLED — June 3, 1985 by Representative Diamond of Bangor.

PENDING — Passage to be Enacted.

Whereupon, the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

(Off Record Remarks)

On motion of Representative Callahan of Mechanic Falls.

Recessed until four o'clock in the afternoon.

(After Recess)
(4:00 p.m.)

The House was called to order by the Speaker.

At this point, the rules were suspended for the purpose of removing jackets for the remainder of today's session.

The following items appearing on Supplement No. 12 were taken up out of order by unanimous consent.

Reports of Committees

Unanimous Leave to Withdraw

Representative McGOWAN from the Committee on Appropriations and Financial Affairs on Bill "An Act to Make Appropriations for Needed Repairs to Historic Buildings" (H.P. 418) (L.D. 598) reporting "Leave to Withdraw"

Was placed in the Legislative Files without further action pursuant to Joint Rule 15 and sent up for concurrence.

Consent Calendar

First Day

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

(H.P. 662) (L.D. 945) Bill "An Act to Support the Growth and Development of Community Child Abuse and Neglect Councils" Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-461)

(H.P. 964) (L.D. 1385) Bill "An Act to Prevent Developmental Disabilities in Maine" Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-462)

(H.P. 968) (L.D. 1403) Bill "An Act to Provide for Crisis Intervention and Continued Treatment and Support in Cases of Child Abuse and Neglect" Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-463)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Papers were passed to be engrossed as amended and sent up for concurrence.

The following item appearing on Supplement No. 14 was taken up out of order by unanimous consent.

Consent Calendar

First Day

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

(H.P. 1002) (L.D. 1444) Bill "An Act Relating to Increased Financial Support for the University of Maine" Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-466)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Paper was passed to be engrossed as amended and sent up for concurrence.

The following item appearing on Supplement No. 15 was taken up out of order by unanimous consent.

Committee of Conference

Report of the Committee of Conference on the disagreeing action of the two branches of the Legislature, on Bill "An Act Concerning Nomination Petitions for Unenrolled Candidates" (HP. 1063) (L.D. 1542) have had the same under consideration, and ask leave to report:

That they are unable to agree.

(Signed) Representative DUFFY of Bangor, Representative SWAZEY of Bucksport, Representative CAHILL of Woolwich - of the House.

Senator PRAY of Penobscot, Senator Violette of Aroostook, Senator DANTON of York - of the Senate.

Report was read and accepted.

(Off Record Remarks)

By unanimous consent, all matters having been acted upon requiring Senate concurrence were ordered sent forthwith to the Senate.

(At Ease)

The House was called to order by the Speaker.

The following item appearing on Supplement No. 17 was taken up out of order by unanimous consent.

Consent Calendar

First Day

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

(H.P. 861) (L.D. 1220) Bill "An Act Providing for Administrative Changes in Mane Tax Law" Committee on Taxation reporting "Ought to Pass" as amended by Committee Amendment "A" (H-470)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Paper was passed to be engrossed as amended and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The following item appearing on Supplement No. 16 was taken up out of order by unanimous consent.

Consent Calendar

First Day

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

(H.P. 1131) (L.D. 1638) Bill "An Act Concerning Transitional Services for Handicapped Persons Beyond School Age" Committee on Appropriations and Financial Affairs reporting

"Ought to Pass" as amended by Committee Amendment "A" (H-469)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Paper was passed to be engrossed as amended and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The following item appearing on Supplement No. 13 was taken up out of order by unanimous consent.

Messages and Documents

The following Communication:

State of Maine

One Hundred and Twelfth Legislature

COMMITTEE ON

AUDIT AND PROGRAM REVIEW

June 18, 1985

The Honorable John L. Martin

Speaker of the House

112th Legislature

Dear Speaker Martin:

We are pleased to report that all business which was placed before the Committee on Audit and Program Review during the first regular session of the 112th Legislature has been completed. The breakdown of bills referred to our committee follows:

Total number of bills received	6
Unanimous reports	5
Leave to Withdraw	1
Ought to Pass	2
Ought Not to Pass	1
Ought to Pass as Amended	0
Ought to Pass in New Draft	1

Divided reports 0

Carry Over Bills

(Approved by the Legislative 1

Council)

Respectfully submitted,

S/ G. WILLIAM DIAMOND S/ NEIL ROLDE

Senate Chair

House Chair

Was read and ordered placed on file.

The following item appearing on Supplement No. 18 was taken up out of order by unanimous consent.

Reports of Committees

Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-464) on Bill "An Act to Make Supplemental Appropriations from the General Fund for the Fiscal Years Ending June 30, 1986, and June 30, 1987" (Emergency) (H.P. 453) (L.D. 654)

Signed:

Sensors:

PEARSON of Penobscot

DOW of Kennebec

McBREAIRTY of Aroostook

Representatives:

McGOWAN of Canaan

CHONKO of Topsham

LISNIK of Presque Isle

NADEAU of Lewiston

CARTER of Winslow

CONNOLLY of Portland

Minority Report of the same Committee reporting "Ought to Pass" as amended by Committee Amendment "B" (H-465) on same bill.

Signed:

Representatives:

SMITH of Mars Hill

BELL of Paris

HIGGINS of Scarborough

FOSTER of Ellsworth

Reports were read.

Representative Carter of Winslow moved acceptance of the Majority "Ought to Pass" Report.

The SPEAKER: The Chair recognizes the Representative from Paris, Representative Bell.

Representative BELL: Mr. Speaker, Men and Women of the House: I would hope you would vote against the Majority Report this evening

and support the Minority Report. The difference between the two reports is that the Minority Report is the original report that was agreed upon by the committee unanimously on Saturday evening. The committee also voted at that time against reconsideration and sealed up that budget. It was my understanding that the budget would not be reopened and indeed it has been.

The reason that I am on the Minority Report is to stay with the integrity of the committee and stick with the committee process.

What you see in both report is basically the same. The Minority Report was a delicately balanced agreement by all members of the committee. Since, that time, the budget has been reopened and changed. So, I hope you would vote against the Majority Report and support the original report agreed by all members of the committee in the Minority Report.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Carter.

Representative CARTER: Mr. Speaker, Ladies and Gentlemen of the House: There is essentially very little difference between the two reports. Report A calls for an appropriation to the Rainy Day Fund of \$2 million. Report B calls for an appropriation to the Rainy Day Fund of \$3 million.

The committee was unanimous. We had achieved unanimity after diligently working. Unfortunately, we ran into a snag this morning and we differed on how we were going to deal with the obligations that we had before us.

The Majority Report reflects an attempt by the Appropriations Committee to fund and obligation and yet remain or allow sufficient funds to meet most of the other obligations that we feel merit funding along with providing about \$2.5 million for the appropriations table. Currently, that is where we are at.

Our net bottom line figure this morning was \$3.6 million and when we looked at the liabilities or the items that we felt should be funded, the first thing that crossed our desk was the loss of revenue on the 21 year old drinking bill, which was pegged at \$1.2 million, and the cost of funding the railroad bill so-called, the four parts as a package, of which \$1.6 is required out of the general fund and there is still the requirement of funding the teachers stipend of \$1.2 million. When you add them all up, there isn't much left. Therefore, the majority chose to reopen the unanimous report, that we had and we took \$1 million out of the Rainy Day Account, which will be available to fund some of the obligations that we have. More specifically, this will fund the obligations of the agreement reached out of the unorganized suit and this will fund the cost of operation for LURC for the ensuing biennium.

I would hope that you would go along with the Majority Report. I ask for the yeas and nays.

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

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

The SPEAKER: The Chair recognized the Representative from Biddeford, Representative Racine.

Representative RACINE: Mr. Speaker, Ladies and Gentlemen of the House: I would like to pose a question if I may.

Making reference to Section 20 on Page 88, which pertains to compensation for district attorneys, and the way I read this it would appear that in the Part II Budget that we are increasing the salaries of the assistant attorney from \$30,000 to \$43,000. Is this an accurate assumption on my part?

The SPEAKER: Representative Racine of Biddeford has posed a question through the Chair to any member who may respond if they so desire.

The Chair recognizes the Representative from Presque Isle, Representative Lisnik.

Representative LISNIK: Mr. Speaker, Ladies and Gentlemen of the House: No, that is not an accurate assessment. What you see in Section 20 is a formula that is used for the compensation of assistant district attorneys. The formula change is based on \$5,000 per assistant, which is distributed directly to the districts for their particular use. This does not include the district attorney's at all, there is no salary increase here for them. That is covered by a different statute altogether. This is solely for assistant district attorneys.

Once the money is factored into this formula, it can be used to increase the salaries of the assistants and remember it is based on \$5,000 per assistant. The average salary for assistant in this state right now is approximately \$20,000. The reason for the \$5,000 is to bring them on par with the A.G.'s criminal division.

Once this \$5,000 was factored in, it came to a total of \$205,000. The district attorney's then can use that money to increase the salaries for their assistant district attorneys to encourage them to stay on the job because it is relatively low pay and they do need this encouragement. In addition to that, they can use the money to hire additional staff. So, it doesn't mean that every assistant across the state is going to get \$5,000. It simply means that that money can be used to increase their salaries accordingly. That is left up to the discretion of the district attorney. So, the answer is absolutely no, this is not a \$12,000 increase as it appears. That is simply a formula that is used to factor that in.

The SPEAKER: The Chair recognizes the Representative from Damariscotta, Representative Stetson.

Representative STETSON: Mr. Speaker, Ladies and Gentlemen of the House: I would like to pose a question to the gentleman from Winslow. I heard him say that the committee ran into a snag this morning. I wonder if he would be good enough to particularize just what the snag was an how it arose. I understood from the Minority Report that there had been unanimity on this Part II Budget and I would just like to know what the snag was and how that snag happened to arise.

The SPEAKER: Representative Stetson of Damariscotta has posed a question through the Chair to the Representative from Winslow, Representative Carter, who may respond if he so desires.

The Chair recognizes that Representative. Representative CARTER: Mr. Speaker, Ladies and Gentlemen of the House: The snag that we ran into was very simply, we didn't feel that we had enough money to accomplish what we had to accomplish.

The SPEAKER: The pending question before the House is the motion of Representative Carter of Winslow that the House accept the Majority "Ought to Pass" report. Those in favor will vote yes; those opposed will vote no.

ROLL CALL No. 209

YEAS:—Allen, Baker, H.R.; Beaulieu, Bost, Boutilier, Brannigan, Brodeur, Brown, A.K.; Carroll, Carter, Cashman, Chonko, Clark, Coles, Connolly, Cooper, Cote, Crouse, Crowley, Daggett, Descoteaux, Diamond, Duffy, Erwin, Gwadosky, Hale, Handy, Hayden, Hickey, Higgins, H.C.; Hoglund, Jacques, Jalbert, Joseph, Lacroix, Lisnik, Manning, Martin, H.C.; Mayo, McColister, McGowan, McHenry, McSweeney, Melendy, Michael, Michaud, Mills, Mitchell, Moholland, Murray, Nadeau, G.G.; Nelson, O'Gara, Paradis, P.E.; Paul, Perry, Pouliot, Racine, Reeves, Richard, Ridley, Roberts, Rotondi, Rydell, Simpson, Smith, C.B.; Soucy, Stevens, P.; Swazey, Tammaro, Tardy, Theriault, Vose, Walker, Warren, The Speaker

NAYS:—Aliberti, Armstrong, Baker, A.L.;

Begley, Bell, Bott, Bragg, Brown, D.N.; Cahil, Callahan, Davis, Dellert, Dillenback, Drinkwater, Farnum, Foss, Foster, Greenlaw, Harper, Hepburn, Hichborn, Higgins, L.M.; Hillock, Holloway, Ingraham, Jackson, Kimball, Lander, Law, Lawrence, Lebowitz, Lord, MacBride, Masterman, Matthews, McPherson, Murphy, E.M.; Murphy, T.W.; Nadeau, G.R.; Nicholson, Nickerson, Paradis, E.J.; Parent, Pines, Randall, Rice, Salsbury, Scarpino, Seavey, Sherburne, Small, Smith, C.W.; Sproul, Stetson, Stevens, A.G.; Stevenson, Taylor, Telow, Webster, Wentworth, Weymouth, Whitcomb, Willey, Zirkilnton

ABSENT:—Bonney, Carrier, Connors, Kane, Macomber, Priest, Rioux, Rolde, Ruhlin, Strout
76 having voted in the affirmative and 65 in the negative with 10 being absent, the Majority "Ought to Pass" Report was accepted and the Bill read once.

Committee Amendment "A" (H-464) was read by the Clerk.

Representative Sproul of Augusta offered House Amendment "B" (H-472) to Committee Amendment "A" (H-464) and moved its adoption.

House Amendment "B" to Committee Amendment "A" was read by the Clerk.

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

Representative SPROUL: Mr. Speaker, Ladies and Gentlemen of the House: I feel a little bit strange standing up offering an amendment to a Part II Budget. It isn't something I really relish doing, I don't feel comfortable doing and it is really uncomfortable doing it knowing in effect what I am doing is challenging leadership.

What my amendment does, quite simply, is delete the first 13 sections of Part B of the Part II Budget. Those 13 sections make some very fundamental changes in the way that this legislature operates. If we defeat this amendment, in effect, what we are doing is eliminating the Director of Legislative Research, the Director of Legislative Finance and the Director of the Office of Legislative Assistance. We will be putting the authority for all staffing in the legislature with an executive director to the legislative council, which will be much more under the control of leadership. When you do that, you are taking away some of our input into the process.

I am very, very concerned that the system which we have now, a system of absolute confidentiality in the office of the Legislative Research could be eroded. But I am even more concerned that we might be willing to erode some of the authority which we have as elected members of the citizens of this state and hand them over to just ten people. I fail to understand why we might even consider why my constituents from Augusta would have a softer voice over here than the constituents of Kennebunk, of Monmouth, of Durham, of Bangor, of Eagle Lake. I hope that you will support this amendment. I feel that it is preserving the system as it is now and I feel that is fairer to all, allows all of us better input.

Representative Carter of Winslow moved the indefinite postponement of House Amendment "B."

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

Representative SPROUL: Mr. Speaker, Ladies and Gentlemen of the House: I would request a roll call and I urge you to vote no.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Diamond.

Representative DIAMOND: Mr. Speaker, Men and Women of the House: I urge you to support the motion before you to indefinitely postpone this amendment and would like to explain why. As you know several years ago, the legislature created a Legislative Council to serve as the administrative arm of the

legislature, both when we are in session and when we are out of session. While the duties are many, some of it is called grunt work. It is not very glamorous at times and at times a lot of what we do may seem trivial but the result of our work is to try to put together a more efficient operation in the legislature, a fair operation and one that serves the need of us as individual legislators and as a legislative body.

The proposal in the Part II Budget that deals with the Legislative Council is designed to give us the ability to more adequately address the needs of the legislature. It is not, as the gentlemen from Augusta suggested, a way to eliminate jobs or to put all authority in one position or to erode the confidentiality of legislators. I think that we are seeing shadows here if we believe that argument.

What we are trying to do is simply address some concerns that have evolved over the years and that have evolved noticeably this particular session. We have been looking at the make up of the legislature. Three years ago, when the legislative administrator director position changed, we put into place an operation and a chain of command we thought best served this legislature, as individual legislators and the body. We have noticed that there has been an erosion of that ability, that structure, the ability of this legislature to maintain that structure and we wanted to address it. I have been a concern, not of one party or the other, but of both parties. It has been something that we have discussed on a regular basis.

Some of these changes involve personnel concerns. For that reason, we said that whatever we decide to do this session, as far as giving us the ability to address the administrative changes that must be made, putting them in this particular document would not only accomplish our goal but protect the individuals who may or may not be serving their particular role as outlined originally when we put together this structure three years ago. We did so with no motive other than to give us the flexibility to look at the administrative needs, our administrative responsibilities, and to decide whether or not they are being met.

Part of this responsibility we are taking on, if this legislation is approved, is to bring in an outside consultant who has worked with us in the past many years ago to determine whether or not we, as a legislative group, are operating the way we should. A few weeks ago, there was an article in the paper that talked about how Maine's legislature is one of the most efficient and best organized in the country, a result of earlier efforts to make those changes that we felt were necessary at the time.

We have to modify some of those, we believe. The best example is the fact that we have a staff body downstairs whose responsibility is drafting; yet, we call it Legislative Research. We have a research body, which is entitled Legislative Assistance. This may be an area where the name change that Representative Sproul mentioned would come into place. For that reason, we put language in this enabling legislation simply to allow us to change the various names to accommodate their real purpose. We are not eliminating the position of the Director of Research or the Director of Legislative Assistance. We want the ability as a council to put in place a title and a position that best defines the responsibilities of the job.

It is not a radical change that we are asking for. All we are asking for is the ability to continue doing what we have been doing over the last three years. There has been some statutory road blocks in allowing us to take on those administrative responsibilities that have been delegated to us over the past few years and we are changing them.

If you read this bill carefully and compare it to the existing law, the changes aren't very dramatic. All we are doing is putting in new language that basically says the same thing.

The one change is that it gives us the flexibility to operate and to implement some of these changes when the legislature is out of session.

Now, the power does not rest with the Legislative Council to implement these. We can do so but this legislature always retains the ability to change it, a majority vote can put into statute anything that this body so desires. It doesn't matter if we make it a vote in council that says one thing or another, the legislature has the final say.

But as we created originally to take care of the administrative responsibilities that always are present, we want to be able to do so in the best and the most efficient way possible. This provision that is being addressed with this amendment was not only in the Majority Report out of appropriations but in the Minority Report as well. Both parties agreed to include it, both members of leadership of both parties understood the need to do so and for that reason, I ask you to support the motion to indefinitely postpone.

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

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

The SPEAKER: The pending question before the House is the motion to indefinitely postpone House Amendment "B." Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 210

YEAS:—Baker, H.R.; Beaulieu, Bell, Boutillier, Brannigan, Brown, A.K.; Carroll, Carter, Cashman, Chonko, Coles, Connolly, Cote, Crouse, Crowley, Davis, Descoteaux, Diamond, Duffy, Erwin, Farnum, Foster, Gwadosky, Hale, Hayden, Hichborn, Hickey, Higgins, H.C.; Higgins, L.M.; Hoglund, Jacques, Joseph, Lacroix, Law, Lisnik, Manning, Martin, H.C.; Matthews, Mayo, McColister, McGowan, McHenry, McSweeney, Melendy, Michael, Michaud, Mills, Mitchell, Moholland, Murphy, E.M.; Murphy, T.W.; Murray, Nadeau, G.G.; Nadeau, G.R.; Nelson, Nickerson, O'Gara, Paradis, P.E.; Paul, Racine, Randall, Rice, Richard, Rioux, Roberts, Rolde, Rotondi, Simpson, Smith, C.W.; Swazey, Tammaro, Tardy, Taylor, Theriault, Vose, Walker, The Speaker

NAYS:—Aliberti, Allen, Armstrong, Baker, A.L.; Begley, Bost, Bott, Bragg, Brodeur, Brown, D.N.; Cahill, Callahan, Clark, Cooper, Daggett, Dellert, Dexter, Dillenback, Drinkwater, Foss, Greenlaw, Handy, Harper, Hepburn, Hillock, Holloway, Ingraham, Jackson, Jalbert, Kimball, Lander, Lawrence, Lebowitz, Lord, MacBride, Masterman, McPherson, Nicholson, Paradis, E.J.; Parent, Perry, Pines, Pouliot, Priest, Reeves, Ridley, Rydell, Salisbury, Scarpino, Seavey, Sherburne, Small, Smith, C.B.; Soucy, Sproul, Stetson, Stevens, A.G.; Stevens, P.; Stevenson, Telow, Warren, Webster, Wentworth, Weymouth, Whitcomb, Willey, Zirkilton

ABSENT:—Bonney, Carrier, Conners, Kane, Macomber, Ruhlin, Strout

77 having voted in the affirmative and 67 in the negative with 7 being absent, the motion did prevail.

Representative Carter of Winslow offered House Amendment "A" (H-467) to Committee Amendment "A" (H-464) and moved its adoption

House Amendment "A" to Committee Amendment "A" was read by the Clerk.

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

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I would ask for a roll call on adoption of the amendment.

I stand before you tonight a little bit

concerned about the amendment that is being offered. Basically, as I am sure everyone is aware, it strips the emergency preamble off the Part II Budget.

Two years ago, this body and the legislature as a whole, did identically the same thing. I objected to it then and I object to it now. Historically, the legislature has passed the Part II Budget that has an emergency preamble on it so that it can take effect on July 1st of this year, which is less than three or four weeks away. I think to remove the emergency preamble casts a little bit of a shadow of a doubt over exactly how the budget is going to take effect and whether or not it can be implemented. I know when we did this two years ago, a Joint Order has to be introduced in the legislature here on the last day, very similar to what is taking place here tonight and will have to tomorrow I presume, indicating the legislature's intent that anybody that is currently employed by the State of Maine not be relieved of their duties in the interim between July 1st and when this bill would take effect, if the emergency preamble was pulled off.

From my standpoint, it troubled me some because I feel like the minority party or minority view in this House is not going to be represented fairly in that regard. I admit that there is a very small difference between the Majority Report and the Minority Report. What troubles me is that it is happening and that the smallness of the difference can't be ironed out, that in some way an agreement can't be reached, maybe not over this particular issue of the million dollars in the Rainy Day Fund, but some other issue couldn't be utilized in a method that would help bring this body and the other back together, both political parties. I object to that because I think we, I know on the committee, have worked very diligently in the spirit of compromise to reach what we feel is a fair and equitable solution.

I am disappointed that we have to result to this sort of an amendment tonight. I realize the hour is late and I realize we have presumably less than one day left to resolve our problems. But I see it as a very, very bad precedent, not only what happened two years ago, but the continuation of it again this evening. I am opposed to that and I think that the differences between the parties and the people that are involved could be resolved if they were given ample opportunity. To that extent, I would hope you would vote against the pending amendment.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Carter.

Representative CARTER: Mr. Speaker, Ladies and Gentlemen of the House: My good friend from Scarborough, Representative Higgins, is absolutely correct. We went through the same exercise two years ago.

There is a reason why we have to go through this type of an exercise. The Appropriations Committee has been working diligently day after day, compromising, trying to achieve unanimity because we realize that the art of legislating is compromise, when both sides are willing to compromise.

Up until this morning, we had achieved that point but we parted over an issue. It is true there is only one issue that separated the two documents and that is one of money. There is no way that you can compromise a million dollars unless you cut out some programs in the budget. We don't feel that there are any programs in the current budget that can be cut, from both sides, because we worked diligently in putting those programs in there. The only recourse is to pass the budget with the amendment and I would urge you to support it.

The SPEAKER: The Chair recognizes the Representative from Presque Isle, Representative Lisnik.

Representative LISNIK: Mr. Speaker, Ladies and Gentlemen of the House: I agree with

Representative Higgins, I think the committee worked extremely hard all year long. It is a tremendous committee, we have been almost unanimous on every issue. Those that we have had to come out divided upon were debated in a gentlemanly manner and I give nothing but compliments to all members of this committee.

This is an honest disagreement. It is a situation where nobody is wrong. I think everyone is right. I think each member, when we reopened the budget, did so feeling committed either to an issue or to a process. I have no problem with that.

I do want to make one point. There are several things in this budget that Republican members asked for. We supported Republicans putting L.D.'s in that they requested. We supported them in adding additional monies to programs that they asked. When we voted this morning to reopen the budget to deal with a specific issue, we closed that budget back up leaving every single thing that Republicans asked for in our budget that will pass. That was our pledge and we kept our faith in that pledge.

The reality now is that the only way we can pass this budget is to do this. So we pass it to pass your programs as well as to pass our programs.

I hope you will vote to strip the emergency off the measure.

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

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

The SPEAKER: The pending question before the House is adoption of House Amendment "A" to Committee Amendment "A." Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 211

YEAS:—Aliberti, Allen, Baker, H.R.; Beaulieu, Bost, Boutilier, Brannigan, Brodeur, Brown, A.K.; Carroll, Carter, Cashman, Chonko, Clark, Coles, Connolly, Cooper, Cote, Crouse, Crowley, Daggett, Descoteaux, Diamond, Duffy, Erwin, Gwadosky, Hale, Handy, Hayden, Hickey, Higgins, H.C.; Hoglund, Jacques, Jalbert, Joseph, Lacroix, Lisnik, Manning, Martin, H.C.; Mayo, McCollister, McGowan, McHenry, McSweeney, Melendy, Michael, Michaud, Mills, Mitchell, Moholland, Murray, Nadeau, G.G.; Nadeau, G.R.; Nelson, O'Gara, Paradis, P.E.; Paul, Perry, Pouliot, Priest, Racine, Reeves, Richard, Ridley, Rioux, Roberts, Rolde, Rotondi, Rydell, Simpson, Smith, C.B.; Soucy, Stevens, P.; Swazey, Tamaro, Tardy, Theriault, Vose, Walker, Warren, The Speaker

NAYS:—Armstrong, Baker, A.L.; Begley, Bell, Bott, Bragg, Brown, D.N.; Cahill, Callahan, Davis, Dellert, Dexter, Dillenback, Drinkwater, Farnum, Foss, Foster, Greenlaw, Harper, Hepburn, Hichborn, Higgins, L.M.; Hillock, Holloway, Ingraham, Jackson, Kimball, Lander, Law, Lawrence, Lebowitz, Lord, MacBride, Masterman, Matthews, McPherson, Murphy, E.M.; Murphy, T.W.; Nicholson, Nickerson, Paradis, E.J.; Parent, Pines, Randall, Rice, Salsbury, Scarpino, Seavey, Sherburne, Small, Smith, C.W.; Sproul, Stetson, Stevens, A.G.; Stevenson, Taylor, Telow, Webster, Wentworth, Weymouth, Whitcomb, Willey, Zirkilton

ABSENT:—Bonney, Carrier, Connors, Kane, Macomber, Ruhlman, Strout

81 having voted in the affirmative and 63 in the negative with 7 being absent, House Amendment "A" to Committee Amendment "A" was adopted.

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

Under suspension of the rules, the Bill was read the second time, passed to be engrossed as amended by Committee Amendment "A" as

amended by House Amendment "A" thereto and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

By unanimous consent, House Rule 22 was suspended for the purpose of conducting business after 9:00 P.M.

The following items appearing on Supplement No. 20 were taken out of order by unanimous consent.

Papers from the Senate

Ought to Pass - Pursuant to the Statutes

Report of the Committee on Audit and Program Review, pursuant to the Maine Revised Statutes Annotated, Title 3, Chapter 23 ask leave to submit its findings and report that the accompanying Bill "An Act to Amend Certain Provisions of the Oil Discharge Prevention and Pollution Control Act and to Establish a New Act Relating to Underground Oil Storage Facilities" (Emergency) (S.P. 641) (L.D. 1655) "Ought to Pass"

Came from the Senate, with the report read and accepted and the Bill passed to be engrossed.

Report was read and accepted and the Bill read once.

Under suspension of the rules, the Bill was read the second time and passed to be engrossed in concurrence.

Consent Calendar

First Day

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

(S.P. 408) (L.D. 1137) Bill "An Act to Improve the State of Maine's Safety Programs for Maine State Employees" Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (S-307)

(S.P. 487) (L.D. 1315) Bill "An Act to Fund Community Response Programs to Reduce Spouse Abuse in Maine Communities" Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (S-306)

Under suspension of the rules, Second Day Consent Calendar notification was given, the Senate Papers were passed to be engrossed as amended in concurrence.

By unanimous consent, all matters having been acted upon requiring Senate Concurrence were ordered sent forthwith to the Senate.

Representative Nelson of Portland was granted unanimous consent to address the House:

Representative NELSON: Mr. Speaker, Men and Women of the House: I know that the Part II Budget isn't exactly perfect but inside that budget there is a package that is very important and very near and dear to the hearts of most, if not all of you and to many of your constituents, and that deals with the great problem of child abuse and neglect.

I wanted to tell you of a very special ad hoc committee and I wanted to thank them on the record and I wanted you to know about the work that the committee did to put this package together. There were over 70 pieces of legislation dealing with the problems of child abuse and neglect. These pieces of legislation were sent to at least three different committees so we were not sure what was really happening, if you served on one committee, to find out what was happening to these bills on another committee. So an ad hoc committee on child abuse and neglect was established and I want it on the record so that people who read the record will know this too, that there were seven people who worked and came in at eight o'clock in the morning, sometimes seven, and

worked until ten thirty and eleven o'clock at night to review all those pieces of legislation and to put them in some kind of perspective so that we, this committee, would make a recommendation to the Appropriations Committee.

Those people serving on the committee besides myself were, Senator Sewall of Lincoln, Representative Bell of South Paris, Representative Kimball of Gorham, Representative Nadeau of Lewiston, Representative Priest of Brunswick and Representative Rydell of Brunswick. We looked at the package and we thought we gave it direction and coordination.

It is clear that the problem will be solved only by the involvement and further cooperation of the governmental agencies and the local communities. We said to this committee, that the legislative package recommended by this committee constitutes a clear philosophical position. Planning efforts and prevention or treatment programs to be implemented must emphasize and be based on collaboration and coordination at all levels of government, state, county, municipal and between the public and private sectors. This position establishes that the decisionmaking process and the results of that process shall reflect the unique nature of each local community and thus its needs, only then will proposed solutions be tailored to the community close to the origin of the problem and be designed to maximize the effectiveness of available resources. The package was presented to the Appropriations Committee with out recommendations and it was accepted. It was a unanimous decision of our ad hoc committee and it was the unanimous decision of the Appropriations Committee to accept it. We made recommendations to Performance Audit and we set general policy. To these six other people, I am very grateful. We hope that the people of the State of Maine, to those very children that are hurt, to the women that need to be protected, they will be thankful too.

The following item appearing on Supplement No. 19 was taken up out of order by unanimous consent.

Consent Calendar

First Day

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

(H.P. 504) (L.D. 707) Bill "An Act to Amend the Charter of the York Sewer District" Committee on Utilities reporting "Ought to Pass" as amended by Committee Amendment "A" (H-471)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Paper was passed to be engrossed as amended and sent up for concurrence.

The following items appearing on Supplement No. 21 were taken up out of order by unanimous consent.

Reports of Committees

Ought to Pass Pursuant to Joint Order (H.P. 1139)

Representative CHONKO from the Committee on Appropriations and Financial Affairs on Bill "An Act to Authorize a General Fund Bond Issue in the Amount of \$2,200,000 for Equipment and Land Purchase for Vocational-technical Institutes" (H.P. 1151) (L.D. 1658) reporting "Ought to Pass" — Pursuant to Joint Order (H.P. 1139)

Report was read and accepted and the Bill read once.

Under suspension of the rules, the Bill was read the second time, passed to be engrossed and sent up for concurrence.

The following item appearing on Supplement No. 23 was taken up out of order by unanimous consent.

Orders

On motion of Representative DIAMOND of Bangor, the following Joint Order: (H.P. 1152 ORDERED, the Senate concurring, that the following specified matters be held over to the next special or regular session of the 112th legislature:

COMMITTEE	BILL	
Aging, Retirement and Veterans	S.P. 443, L.D. 1246 — AN ACT to Recodify the Maine State Retirement System Laws.	Human Resources
Aging, Retirement and Veterans	S.P. 524, L.D. 1419 — AN ACT to Make Survivors Benefits Mandatory for any Member of the Maine State Retirement System.	Human Resources
Agriculture	H.P. 145, L.D. 179 — AN ACT to Improve the Quality of Milk.	Human Resources
Appropriations and Financial Affairs	S.P. 143, L.D. 410 — AN ACT to Encourage Industrial Product Development in the State.	Judiciary
Business and Commerce	S.P. 244, L.D. 770 — AN ACT to Adopt a State Uniform Fraudulent Transfer Act.	Judiciary
Business and Commerce	S.P. 792, L.D. 1122 — AN ACT to Establish a Competitive State Workers' Compensation Insurance Fund.	Judiciary
Business and Commerce	S.P. 560, L.D. 1489 — AN ACT Authorizing Mutual Financial Institutions to Reorganize into Mutual Holding Companies.	Judiciary
Business and Commerce	S.P. 1057, L.D. 1537 — AN ACT to Limit the Grounds for Termination of an Insurance Agency Appointment.	Judiciary
Business and Commerce	H.P. 1144, L.D. 1651 — AN ACT Relating to Shares of Stock of Asti-Kim Corporation.	Judiciary
Education	H.P. 375, L.D. 516 — AN ACT to Increase the Daily Compensation of Substitute Teachers.	Judiciary
Energy and Natural Resources	S.P. 273, L.D. 731 — AN ACT to Impose Liability for Interference with Ground Water Use.	State Government
Energy and Natural Resources	H.P. 872, L.D. 1229 — AN ACT to Bring into Conformity Municipal and State Subdivision Laws.	Labor
Energy and Natural Resources	S.P. 557, L.D. 1503 — AN ACT to Amend the Classification System for Maine Waters and Change the Classifications of Certain Waters.	Labor
Fisheries and Wildlife	H.P. 455, L.D. 656 — AN ACT to Close Ragged Stream to Caribou Lake to the Taking of Smelts.	Legal Affairs
Fisheries and Wildlife	H.P. 456, L.D. 657 — AN ACT to Close Moosehead Lake to Ice Fishing Within 300 Feet of Shore.	Legal Affairs
Human Resources	S.P. 199, L.D. 533 — AN ACT to Establish a Downeast Emergency Medical Services Regional Office to Serve Hancock and Washington Counties.	Judiciary
Human Resources	S.P. 301, L.D. 790 — AN	
	ACT Making Mandatory Certain Discretionary Powers of the Commissioner of Corrections.	Legal Affairs
	H.P. 859, L.D. 1218 — AN ACT to Amend the Medical Examiner Act and Related Provisions.	Legal Affairs
	H.P. 876, L.D. 1233 — AN ACT Relating to Retesting of Emergency Medical Technicians.	Local and County Government
	H.P. 877, L.D. 1234 — AN ACT Concerning Courses for License Renewal of Emergency Medical Personnel.	Local and County Government
	S.P. 621, L.D. 1633 — AN ACT Concerning Child Abuse.	Marine Resources
	H.P. 34, L.D. 36 — AN ACT Concerning Computer Access and Computer-related Crimes.	Marine Resources
	S.P. 284, L.D. 733 — AN ACT to Permit Denial of Bail in Certain Cases to Assure the Safety of Other Persons.	State Government
	H.P. 637, L.D. 905 — RESOLUTION, Proposing an Amendment to the Constitution of Maine to Provide for an Express Statement of the Right to Bail and Authorizing the Denial of Bail in Certain Cases.	State Government
	S.P. 447, L.D. 1250 — AN ACT to Transfer Probate Jurisdiction to the Superior and District Courts.	State Government
	S.P. 492, L.D. 1329 — AN ACT to Facilitate the Collection of Child Support.	State Government
	H.P. 971, L.D. 1404 — AN ACT to Make Public the Proceedings of the Board of Overseers of the Bar.	State Government
	S.P. 564, L.S. 1504 — AN ACT to Establish the Maine Court Facilities Authority.	State Government
	H.P. 665, L.D. 948 — AN ACT to Create a Cancer Presumption for Firefighters in the Workers' Compensation Law.	Taxation
	S.P. 537, L.D. 1438 — AN ACT to Establish a Job Development Training Fund for Maine's Shoe Industry.	Taxation
	S.P. 595, L.D. 1561 — AN ACT to Clarify the Definition of Wage Within the Maine Wage Assurance Fund.	Taxation
	H.P. 636, L.D. 904 — AN ACT to Amend the Motor Vehicle Laws with Reference to Operating Under the Influence to Decriminalize Proceedings under the Traffic Infraction Laws.	Taxation
	S.P. 373, L.D. 1007 — RESOLUTION, Proposing an Amendment to the Constitution of Maine to Provide for a Clear Right to Bail with	Taxation

a Possible Denial of Bail in Certain Cases.
S.P. 464, L.D. 1267 — AN ACT Concerning Computer Fraud and Abuse.
S.P. 598, L.D. 1568 — AN ACT Concerning Liability for Injuries Caused by Drunken Persons.
S.P. 311, L.D. 800 — AN ACT Relating to Burial Preparations for Indigent Persons.
H.P. 837, L.D. 1181 — AN ACT to Strengthen State-local Cooperation through Regional Councils.
H.P. 513, L.D. 718 — AN ACT to Raise the Minimum Legal Size of Lobsters.
H.P. 855, L.D. 1211 — AN ACT Providing for the Regional Management of Marine Fisheries Within the Territorial Water of the Atlantic States.
H.P. 368, L.D. 488 — AN ACT to Divest State Money from Businesses Investing in South Africa and Namibia.
H.P. 446, L.D. 628 — RESOLUTION, Proposing an Amendment to the Constitution of Maine to Require that Local Units of Government be Reimbursed for the Costs Incurred in Executing State-mandated Programs.
H.P. 494, L.D. 697 — RESOLUTION, Proposing Amendments to the Constitution of Maine to Change the Reapportionment Procedures to Reflect Changes in Legislative Procedures and to Specify how the Reapportionment Commission should operate.
S.P. 586, L.D. 1539 — RESOLVE, Concerning the Ownership of Little Jewell Island.
H.P. 204, L.D. 238 — AN ACT Relating to an Increase in Cigarette Excise Tax.
H.P. 245, L.D. 286 — AN ACT to Create the Northern and Eastern Maine Emergency Forestry District.
H.P. 284, L.D. 354 — AN ACT to Phase Out the Sales and Use Tax on Energy Used in Manufacturing.
H.P. 335, L.D. 450 — AN ACT to Impose a Sales Tax on Certain Services.
H.P. 428, L.D. 608 — AN ACT to Revise the Franchise Tax on Financial Institutions.
H.P. 496, L.D. 699 — AN ACT to Realign the Tax Laws of the State as they Relate to Tele-

Taxation	communications. H.P. 499, L.D. 702 — AN ACT to Remove the Sales Tax Exemption on the Purchase of Magazines and Other Periodicals.
Taxation	H.P. 614, L.D. 884 — AN ACT Relating to the Sales of Extended Ca- ble Television Services.
Taxation	H.P. 688, L.D. 974 — AN ACT to Establish a Meals and Lodging Tax for the Purposes of Stabilizing the Proper- ty Tax and Promoting Tourism.
Taxation	H.P. 951, L.D. 1370 — AN ACT to Expand and Continue Alcoholism Treatment, Education, Prevention and Re- search Programs.
Transportation	H.P. 229, L.D. 263 — AN ACT Relating to a New Registration Plate Issue.
Transportation	H.P. 949, L.D. 1358 — AN ACT Relating to the Maine State Ferry Service.
Utilities	H.P. 738, L.D. 1047 — AN ACT Establishing a Statewide Emergency 9-1-1 Telephone Sys- tem.
Utilities	S.P. 542, L.D. 1451 — RESOLVE, Encourag- ing State Policy of In- dependence from For- eign Sources of Energy for Electric Utilities.
Joint Select Committee on Alcoholism	S.P. 505, L.D. 1365 — AN ACT to Make Additional Allocations from the Alcohol Pre- mium Fund.

Was read and passed and sent up for concurrence.

The following items appearing on Supplement No. 24 were taken up out of order by unanimous consent.

Papers from the Senate

Bill "An Act to Correct an Error and an Omission in the Workers' Compensation Law" (Emergency) (S.P. 642)

Came from the Senate under suspension of the rules and without reference to a Committee, the Bill read twice and passed to be engrossed.

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

Under suspension of the rules and without reference to a Committee, the Bill was read twice and passed to be engrossed in concurrence.

Bill "An Act to Relating to the Certification of Local Law Enforcement Officers" (S.P. 643)

Came from the Senate under suspension of the rules, and without reference to a Committee, the Bill read twice and passed to be engrossed.

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

Under suspension of the rules and without reference to a Committee, the Bill was read twice and passed to be engrossed in concurrence.

Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (S-309) on Bill "An Act to

Authorize a General Fund Bond Issue in the amount of \$2,500,000 for the Restoration and Preservation of Historic Buildings" (S.P. 417) (L.D. 1147)

Signed:

Senators:

PEARSON of Penobscot
DOW of Kennebec
McBREAIRTY of Aroostook

Representatives:

CARTER of Winslow
McGOWAN of Canaan
LISNIK of Presque Isle
HIGGINS of Scarborough
CONNOLLY of Portland
BELL of Paris
FOSTER of Ellsworth
CHONKO of Topsham
NADEAU of Lewiston

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

Signed:

Representative:

SMITH of Mars Hill

Came from the Senate with the Majority "Ought to Pass" as amended Report read and accepted and the Bill passed to be engrossed as amended by Committee Amendment "A" (S-309).

On motion of Representative Carter of Winslow, the House accepted the Majority "Ought to Pass" Report, the bill read once.

Committee Amendment "A" (S-309) was read by the Clerk and adopted.

Under suspension of the rules, the Bill read the second time, passed to be engrossed as amended by Committee Amendment "A" in concurrence.

The following item appearing on Supplement No. 25 was taken up out of order by unanimous consent.

Consent Calendar

First Day

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

(H.P. 672) (L.D. 955) Bill "An Act to Establish Municipal Cost Components for Services to be Rendered in Fiscal Year 1985-86" (Emergency) Committee on Taxation reporting "Ought to Pass" as amended by Committee Amendment "A" (H-475)

Under suspension of the rules, Second Day Consent Calendar notification was given, the House Paper was passed to be engrossed as amended and sent up for concurrence.

The following item appearing on Supplement No. 22 was taken up out of order by unanimous consent.

Reports of Committees

Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-473) on Bill "An Act to Promote Industrial Stability" (H.P. 1145) (L.D. 1652)

Signed:

Senators:

DOW of Kennebec
McBREAIRTY of Aroostook
PEARSON of Penobscot

Representatives:

SMITH of Mars Hill
LISNIK of Presque Isle
NADEAU of Lewiston
CONNOLLY of Portland
CHONKO of Topsham
CARTER of Winslow
McGOWAN of Canaan

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

Signed:

Representatives:

HIGGINS of Scarborough
FOSTER of Ellsworth

BELL of Paris

Reports were read.

Representative Carter of Winslow moved acceptance of the Majority "Ought to Pass" Report.

The SPEAKER: The Chair recognizes the Representative from Paris, Representative Bell.

Representative BELL: Mr. Speaker, Men and Women of the House: I would ask you this evening not to accept the Majority "Ought to Pass" Report and vote "Ought Not to Pass" on this particular piece of legislation. I have a great deal of respect for the legislators in this area and believe that they are sincerely advocating on behalf of the interests of their community. So, I certainly support their right to bring this piece of legislation before this body.

My particular concern with this legislation came at the public hearing when testimony indicated that this was a pilot program rather than a bailout bill for one particular industry in this state.

In this bill, there are two different concepts, one is to establish the pilot program. The second is to establish a commission on industrial stabilization.

In order for the industry to receive benefit under this particular proposal, two criteria originally were required to be met. One, there needed to be at least 500 employees and the second was the wage concession. Members of this body should realize that wage concession has been amended out of that this piece of legislation. Originally, the employees of Keyes Fibre or presently have agreed to \$1.66 wage concession plus a three year freeze at this point.

My reasoning behind voting against this bill is more of a philosophical nature. It is my feeling that this particular business is just the tip of the iceberg that sort of floated to the top and there is a much deeper problem that we experience in Maine and that is experiencing high costs of energy in manufacturing.

This bill proposes establishing a commission which would report back December 1st of this year. The money in this bill is appropriated for the second year of the biennium. It would certainly be my preference to have that commission meet and make recommendations for the state as a whole rather than appropriate \$900,000 at this point in time without addressing those broader concerns. I would hope that this body would vote against this bill this evening.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Carter.

Representative CARTER: Mr. Speaker, Ladies and Gentlemen of the House: What we have before us is being labeled as the Keyes bill, that is a misnomer. This is not a Keyes bill.

We seem to have latched onto a simple word to describe the bill. I don't object to that but calling it the Keyes bill, I think is an unfair label.

The expressed intent of this bill is to assist major industrial employers to adjust to increased electricity costs. I am reading directly from the Statement of Fact. It provides a pilot program to be administered by The Finance Authority of Maine to take the first step in providing that assistance. State assistance would be contingent on the designated firm establishing eligibility. It goes on to say that is is going to call for the establishment of a commission on industrial stability and to make a report and recommendation to the legislature no later than December 1, 1985.

You have heard the gentle lady from South Paris state that this is just the tip of the iceberg. I suggest to you that it is. I would also suggest to you that we do not do like they did on the Titanic and ignore the tip and be crushed by the entire iceberg.

Let me give you some brief facts what the economic impact would be one year, one year only, were this firm to close. If the state shows

no desire in trying to assist in correcting the continued rise in electricity rates, which will reach the point eventually in this case, where it will be unbearable for this firm to compete. Here are some figures which I received from the State Development Office in March of 1985 when I first became aware of the problem that Keyes was facing. Now the figures that I will give you will include multipliers to show a true loss of what could be loss if the plant were to close.

Jobs—currently the number of people employed at Keyes Fibre in Waterville are 800 and some odd. You add the multiplier and, if the plant closes, total loss to the area will be 1,440 jobs. The current payroll is \$25 million a year. You add the multiplier and the loss to the area will be \$32.5 million. Commercial property tax lost to both communities where the plant straddles between Waterville and Fairfield is three quarters of a million dollars. Sales tax lost to the State of Maine, General Fund, \$555,000. Personal income taxes lost to the State of Maine, General Fund, \$734,000. That, incidentally, is more in one year than what is proposed in this bill to assist the firm to remain in the state. The sales tax and the income tax amount to \$1.2 million and what the bill calls for is \$900,000 in the second year of the biennium. Cost for unemployment compensation in one year, \$4.6 million. Severance pay costs, \$1.2 million. Total economic impact one year, if this plant is going to close, is \$40 million to the local and state economy.

Now we have an opportunity to deal with the tip of the iceberg. The Governor and many people have labored to come up with a vehicle to try to address the problem that affects, as my good friend from South Paris has stated, not just an industry in the Waterville-Fairfield area but affects every industry in the state. All of these industries in the state will be affected in the future when Seabrook comes on line. It is expected that the electricity rates will double within the next eight years. I would urge you to vote and follow my light.

I ask for the yeas and nays.

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

Representative PARADIS: Mr. Speaker, Ladies and Gentlemen of the House: I, too, share some of the concerns that have been voiced earlier this evening by the Representative from South Paris and also from the Representative from Winslow. But I intend to vote for his legislation tonight because I have followed it intently since last winter. The saga that has developed over this particular area of the state is one that is not only unique, it is not unique to this area, it is a problem that is going to be faced by other areas of the state.

This afternoon we had some people over here on the third floor from Statler Tissue Company in Augusta. It is a major employer of well over 500 people, not only here in Southern Kennebec County, but there are people who work in Androscoggin County and Knox County and Lincoln County, Waldo County. If that mill were ever to close, there would be severe economic repercussions in this whole area of Maine. They have had operating losses, in the last two years. They pay over 10 percent of their energy costs, approximately \$3 million a year in electricity and is a major component.

I would like to have something done for my mill because it employs so many people directly in my district, but I think the avenue of a solution, the window that we must open tonight, is to support this legislation, the one presently before us. I would hope that this commission on industrial stability will report back to us in January clear and realistic ideas for helping those industries that are faced with economic hardships as regards to energy costs.

The only message I could see sending, by voting against this bill, is that we are washing our hands of the solution, go it alone, close

your factories, move elsewhere, we care but we don't care enough. I cannot do that. I think the people want to do something realistic, they don't expect us to rob the treasury of the state, rob Peter to pay Paul, they expect us to do something that is coherent and just. I think that by voting for this legislation, we are going to do that. I intend to support this legislation and I urge you to do so also.

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

Representative PARADIS: Mr. Speaker, Members of the House: I oppose the bill that we have before us tonight. In my examination and in my discussion with any of our other industries and specially those in my area, the problems faced by this one, this Keyes industry, which we are discussing here, is symptomatic of many of the problems of which we have and center around our energy policies of which we have had before us for several years.

The bill calls for an examination of the energy usage and how to cope with the cost of energy for this particular industry. I believe that the amount of relief that it will provide will benefit this one industry and one segment of the industry by placing the burden on the other ratepayers. There is a perception out there with our people and amongst ourselves of where the cost of energy can be reduced. But who has to pay? It has only shifted. Our major utilities have to account for every kilowatt hour which is used, which is produced, and then it is sold. It must be sold at the going rate and it must be accounted for very closely. If we provide relief to one segment and there are three segments that are identified in the rate design, now is that energy that is consumed by industry, by the residential, and by the commercial? If we adjust in the industrial sector of which there is a great deal of clamor for right now, then it is moved to the other two which is in the residential sector and in the commercial sector which is the small business. I don't think we can afford to do that, that we can indiscriminately move it around in such a fashion and that to do so would bring greater instability and bring greater pressure in other sectors of our economy.

There is so much pie that is available to meet our requirements, of both our utilities and the distribution into our industrial sector. I think that all we will end up doing is cutting it in a different fashion and reallocating it around in a different direction. I would urge you to oppose the motion for passage which we have before us.

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

Representative HICHBORN: Mr. Speaker, Ladies and Gentlemen of the House: It is stated that this is not a Keyes Bill, that Keyes is an unfair label. I find it rather ironic that statistics relating to the Keyes industry are used rather extensively in supporting this bill. If Keyes is the tip of the iceberg, I can assure you that I can find a tip of the iceberg in my area. I am sure that every one of us can find a tip of the iceberg in our own area. If we are going to help one industry, we should help them all. If we can do anything to improve the climate for business we should be doing it. But I don't think that helping one at the expense of the other is the right way to go. I hope you vote against this bill.

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

Representative WILLEY: Mr. Speaker, Ladies and Gentlemen of the House: I guess really this is a Keyes Bill, at least the problem arose from the Keyes problem. We may as well talk about them forthrightly.

I would also suggest to you that if this is indeed the tip of the iceberg that there is a very big iceberg out there which is getting larger

and larger every single day, because every time this legislature meets for some strange reason, we place other encumbrances on industry. The way to solve this is to make the business atmosphere better for the business in the State of Maine so they can show a profit and that we are not going to bail them all out with public funds. That simply does not work in the long run. Why on earth can't we pass legislation that makes it conducive for business to move into this state and to be able to make a buck while they are here. We shouldn't be having to bail them all out.

Now, while we are talking about Keyes, it seems to me that they are the least deserving of help of most of the people that I know, most of the industry that I know. I say that on the basis of the fact that their parent company has shown no interest whatsoever in helping them but they expect the people of the State of Maine to. Certainly the City of Waterville and Fairfield, and the mill is placed about halfway in between, part of it in each one, neither one of those communities has shown an inclination whatsoever, from what I read in the papers, to lend them any help. Certainly each one has access to revenue bonds to help them if they wish to, but they haven't wished to.

Electric rates—they blame a large part of their problem on electric rates. I imagine that is probably true. A great many companies in this state have to depend on electrical uses in great volume. We haven't done a thing to help that situation out either. We are not allowed in this state to build generating facilities for some reason, by any means whatever.

I noticed recently an article where in Canada they intend to build another plant, or at least they are thinking about it, for the sole purpose of exporting power to this part of the United States. That certainly doesn't create any jobs in this state, it doesn't create any tax base and it doesn't lower the rate of electricity except in a momentary way.

One of the things that I think is most injurious to the people and I am very sympathetic for the workers in that plant, one of the things that I suspect is going on is the severance pay law that we have in this state, be it right, wrong, or indifferent, if Keyes Fibre had to pay the severance pay for the 600 or 800 workers that they have, they certainly couldn't afford it. They couldn't afford to go out of business.

Incidentally on severance pay, just to refresh your memory, for each year that any individual has in seniority, they are entitled to one week's pay, and that is earned pay, fringe benefits and this sort of thing that is earned. So, it would run into millions and millions and millions of dollars. What better way to avoid this than to do something like we are planning to do here to prolong their life for a week or two? A very large part of these employees have a lot of years of seniority. They are near the retirement age, and the same time to replace some of the obsolete machinery with movable machinery that they can take out of this state, once this fracas is over in three years, and move on to another location and leave a couple of hundred workers left that they would have to pay severance pay to and therefore be able to afford to move out of the state. At the moment, I submit to you I don't think they can afford to move out of the state and pay the severance pay.

I hope that you will consider what I have said in the earnest way that I have meant it to be for I think it is about the poorest piece of legislation that I have seen before this body this session and there have been some corks.

In view of that Mr. Speaker, I would move that this bill and all its accompanying papers be indefinitely postponed and I ask for a roll call.

The SPEAKER: The Chair recognizes the Representative from Fairfield, Representative Gwadosky.

Representative GWADOSKY: Mr. Speaker, Ladies and Gentlemen of the House: Let me preface my remarks by saying, first of all, that I hope that you would indeed oppose the motion from the Representative from Hampden to indefinitely postpone this bill. If you are wondering for a reason why, it is because I, like so many others in this chamber this evening, at ten minutes of eleven, have a personal stake in this particular bill.

As Representative Willey mentioned, Keyes Fibre is located halfway between Waterville and halfway between Fairfield, specifically in my district and I represent approximately 259 of the workers who work in that plant. Representative Willey indicated that Keyes' home has always been in the Waterville area. It traditionally was a family owned business. Then, in the late 1970's, it was taken over by the Acadia Corporation and then most recently in 1982, it was purchased by Van Lear Corporation, which is a Dutch company.

You should know, just to be familiar with the plant that so many people relate this bill with, that Keyes Fibre has eight plants, five plants in the United States, three outside of the United States, and Maine is the largest of all their facilities.

Representative Carter has given you an excellent breakdown of the tally sheet, of the score, when you talk about the basic statistics over 800 employees, over a \$20 million payroll, average salary about \$25,000, average age is 43, \$734,000 in state income tax withheld and another \$500,000 for state and local taxes. They pay \$750,000 in local property taxes. They paid \$7.4 million approximately to CMP.

Now, Keyes as most of you are probably aware, is a molded fibre plant, their premium product being the chinette plates. Well, in 1983, Keyes Fibre lost a million dollars and in 1984, Keyes Fibre lost \$4.3 million. During the last five or six year, I will say at the outset as the oil prices have stabilized to a great extent, Keyes Fibre found themselves with a new competitor, that competitor was Mobil Oil and some other oil companies who found out that when the oil prices stabilize, the best way to make some money is to diversify and they got into the foam plate market and now is a direct competitor with Keyes and companies similar to Keyes. That is not a specific problem but that is something that you might want to be aware of. It is something that is out of Keyes Fibre's control but it has happened and, as any business, you try to adapt to the circumstances confronting you.

I said that Keyes Fibre is one of Central Maine Power's best customers. They pay approximately \$7.4 million in electricity. Because of their process, about 20 percent of their manufacturing costs go towards electricity. Now, Keyes has put in approximately \$8.5 million since 1980 in energy improvements. They have changed over some of their processes, some of their oil processes for example to biomass pellets and they have been able to reduce their oil consumption substantially. They still have a ways to go but they have been doing an ongoing program to some extent as far as retrofitting and tooling up as it requires.

This past spring, because of the revenue losses that Keyes was experiencing, a management team was put together to determine what they should do in the Waterville area, given the circumstances. At the same point in time, some other states came into the picture out of the blue, Kentucky and South Carolina, and started courting Keyes with some incentives like economic development rates and electricity costs. You found out that you had companies like South Carolina and Kentucky who were willing to offer Keyes electricity at three cents per kilowatt hour.

As I said, Keyes is paying five cents per kilowatt hour and because of the effects of Seabrook and other things, that is scheduled to go to nine cents per kilowatt hour in another

eight or ten years. So, you have got companies like South Carolina and Kentucky who are willing to pay three cents per kilowatt hour with no sales tax.

South Carolina was interested in the training of the labor force at no charge. So, they certainly came a-courting and, for a very good reason, Keyes has been a company successful in the past, they are in a period of adjustment, they need to retool, they need to make an immediate market decision and this bill is one step towards that direction.

I should say also that the labor costs in places like Kentucky and South Carolina are probably two dollars or two dollars and fifty cents or a little bit less. It will probably cost some \$20 million or so to physically move Keyes down to one of these areas. There is also an additional cost to build another plant, but these are all factors that came into consideration.

So, this management team got together, they put together this plan. They said essentially, if it is going to happen in Maine, if we are going to make an investment in Maine, they knew what they had to do, they have a strategy, they have to get involved in the microwave paperware market. They said, if we are going to do it in Maine, we have got to have three things, we have got to invest substantially, immediately, into the facility, we are going to have to have substantial wage reductions and we are going to have to do something about this trend of electricity rates which goes from five cents per kilowatt hour to nine cents per kilowatt hour.

I think most of you know what happened first of all with the wage concessions. Last summer, Keyes management received a cutback in their benefits. Last fall, approximately 24 members of management were just let go, absolutely let go, as a cost savings measure.

This spring and throughout these last couple of months, the company offered a wage concession package to the members of the Keyes plant and that was accepted, a substantial wage reductions. Keyes workers took a lot of pressure for this. It was a very difficult decision, they took a \$1.65 an hour wage decrease, not only that, they also forgo a \$.40 wage increase they were supposed to be receiving, so they ended up taking about \$2.00 an hour wage cut. Now if you work 40 hours, that comes up to \$80 a week. For practical purposes, when you count overtime and any type of double time, you are talking about substantial amount of money coming up to anywhere from \$3,000 to \$8,000 a year.

But the Keyes workers put themselves and put their jobs on the line. They accepted a three year wage concession amounting to over \$10 million because it is more important to have a job at a reduced rate than it was to have no job at all.

That was part one of what has been called this three legged stool. Part two was to do something with this trend of this escalation of electricity rates. What this bill would do is, in effect, freeze the electricity rates at the \$7.4 million they are paying right now for the next two years. In other words, if the five cents per kilowatt hour goes up to six cents per kilowatt hour or six and some percentage per kilowatt hour, the State of Maine will kick in from the General Fund to CMP an amount of money not to exceed \$900,000. That is the absolute limit, no more than that. They wouldn't get the money for some 15 months because they have to go through this process that is being developed. They have to be certified by FAME.

In the event that this is enacted, the legislature agrees to go along with this, then the company has committed to kick in immediately \$10 million into the plant to make some changes they need to make to become profitable.

I don't think any of us enjoy standing up before you and expect anybody to feel great about this. It has been a tough decision for people in our area and it is a very traumatic ex-

perience when your major employer is thinking about leaving. But they have put together a plan and they didn't shove it down people's throats, they put together a plan that said we have got to have substantial wage reductions, we need a break, we need an opportunity for two years to freeze our electricity costs, we need a transition period, we need time so that we can invest in the plant and turn things around and make a profit and that is what they are going to do. They have committed to put the \$10 million in, if we enact this bill. If we don't enact it, they are gone. It is as simple as that. It may take six months, it may take a year, it may take 15 months, but they are gone. That is the bottom line.

I think if we are talking about jobs and talking about dollars and cents, any economic development policy I have ever seen that is successful, envisions that you have got to take care of those companies that are already here.

I just soon not spend a cent in business attraction if we can't take care of the companies that are already in the state. In fact, the best business attraction program — we could save a lot of money in the state by not spending any money on state development office for business attraction if we just took care of the companies that are already in the State of Maine, because the first thing companies ask when they are coming into the state and thinking about investing in Maine, they talk to the existing companies and they say, how is the state treating you? I think this is a positive step for us to be taking.

I do want to disagree with the comments of the Representative from Hampden, Representative Willey, when he said that the town of Fairfield and Waterville have shown no interest in assisting, that is absolutely wrong. They have been involved in a number of negotiations of great financial magnitude, when you consider one of the original proposals for aid was some \$10 million. This particular package doesn't include that. That is not to say that two years down the road, the towns of Fairfield and Waterville won't be asked to contribute, believe me, we will, because we are going to pay like crazy if Keyes Fibre isn't around. If we are going to pay, we might as well have them in town.

It is an important issue to many of us. We would appreciate your consideration.

The SPEAKER: The Chair recognizes the Representative from Damariscotta, Representative Stetson.

Representative STETSON: Mr. Speaker, Ladies and Gentlemen of the House: I don't know whether this is a bailout or blackmail. I think it is a little of each. It is an attempt to bail out the Titanic when she has been ripped asunder. It is blackmail in the sense that you either pay up or we leave.

If I had any confidence in the bailout of Keyes Fibre, I would be all for it. But I am afraid I cannot engender that confidence. Keyes Fibre has made a decision to leave and it is in their best corporate interests to leave. Anything we may do here tonight isn't going to change their decision, it may postpone it for a year, two years or three years, but mark my words, they are going and they will be gone before you can realize what happened.

What a brilliant legislature we are. How very brilliant we have become since the days that the textile mills left our scene, since the days that many of our woodworking plants have had to close their doors. Well, this isn't the Keyes Fibre bill, this is really a moral fiber test. I don't think we should yield to this kind of corporate pressure, being dazzled by figures that really shouldn't scare us and shouldn't force us into decisions that we will later regret.

I think it is obvious what is happening here is an attempt by one industry to try us out. Believe me, that is the tip of the iceberg. I move that we support the motion for indefinite postponement.

The SPEAKER: The Chair recognizes the

Representative from Waterville, Representative Jacques.

Representative JACQUES: Mr. Speaker, Men and Women of the House: I am not going to ask you one time to help out Keyes Fibre. They are a big corporation, Van Lear. What I am going to ask you is to help the 640 men and women that go to work at Keyes Fibre every single day with their lunch bucket and provide for their families and contribute to the society in this state, support their towns, support the programs, support everything you and I are supposed to be here working for.

We looked at what effect this is going to have if Keyes Fibre leaves. Mr. Stetson says that Keyes Fibre has made that decision. Well, the people employed by Keyes Fibre must not feel that is the case because they gave up \$12 million worth of concessions because they believe Keyes is going to make that attempt to stay here.

I have heard from certain members of this body for seven years on economic development. Now, how in God's name can we get new business to come into the State of Maine and invest, when we have a company that has been here since 1902, that is a clean company and when I say clean, it is because they have very little negative environmental impact on the State of Maine, who is a paper based company, which is the heart of this state — how are we going to get another company? Let's put yourselves in the corporate official's position to come in here and invest in this state, when a company who has been here since 1902, cannot make it? If you believe that, I have got some land in Florida I would like to sell you.

We all talk about economic development, we talk about jobs. This is what it comes down to is jobs. Paul Jacques has always supported on the floor of this House, jobs. You ask Representative Vose, he will tell you I have supported jobs down here. You ask any other Representative that has come along and said that we need this for our district to keep those jobs and I have supported it. What is even better than that is that the people in Waterville have urged me to support it whether it was Bath Iron Works, Bar Harbor Airlines, or Spencer Press, the people in Waterville got no direct benefit but at least they had the heart and soul enough to think about what was best for all the people in the State of Maine, not their own little section of the State of Maine. They said, Paul, if it is going to help people work in this state, you vote for it. And I did vote for it. I will vote for any proposal and any member of this House that comes forth and has a proposal that will bring a business in here or keep a business in here that will have a \$22 million payroll, that will contribute \$1.2 million yearly into the coffers of this state, and employ 650 plus people and do business with over 100 small businesses located in the State of Maine, I will give them my vote.

Look at this as a matter of economics now. We are going to be giving then \$900,000 from the General Fund. This is not going to be passed off to any ratepayer, none of the little old ladies in our district are going to have to make up the difference, but if Keyes stays here one year, we get \$1.2 million out of them. If they stay two years, we get \$2.4 million out of them. We still give them \$900,000. We don't have to do it until the second year. If they stay three years, that is \$3.6 million plus the \$22 million of payroll every year these people are going to be paying into the area economy. Is that a real bad investment?

If Keyes leaves, who loses out? Who loses out if Keyes leaves the State of Maine? We all lose out, whether you live in Kittery, Maine or Fort Kent. So, I am not going to ask you to support Keyes Fibre, I am going to ask you to support the workers of Keyes Fibre, the people that pay the bills, not people on welfare, the people that pay the bills, that sweat and toil and are trying to put their kids through college who

thought they would always have a future at Keyes Fibre, who are looking at a real tough situation right now. They gave up \$12 million out of their pay to help Keyes Fibre stay here. Keyes Fibre says, if you are willing to do that, we will put \$10 million in the State of Maine in the next three years. But all Keyes Fibre wants is a little commitment on the State of Maine's part because believe me there are other states that would love to get Keyes Fibre there. So, when you look at the big picture now, not the small picture, not the political picture, not the campaign rhetoric picture, the real life blood picture, I think the choice is very clear. But I will leave that choice up to you.

The SPEAKER: The Chair recognizes the Representative from Gorham, Representative Hillock.

Representative HILLOCK: Mr. Speaker, Ladies and Gentlemen of the House: It is really enlightening for me to hear this discussion here and we talk about an iceberg and the problem with business in the State of Maine and Keyes Fibre. Representative Jacques is correct. It means jobs in the State of Maine. But in studying business, the issue is a lot deeper than that. We have to look back one decade and how the business environment in the State of Maine has plummeted to the fourth worst environment in this country. Yes, there are people within my voice that can be blamed for this because we have been here and we have been part of that. It is not just Keyes Fibre and the individual situation in Waterville, it is much more than that.

We hear people saying, well, we are up north, we are the end of the transportation line, the frost line, so why is Vermont and New Hampshire leading the country in industrial environment?

I would like to just ask a few questions for us to think about because we are setting a precedent here and do we want to travel down this road and put a band-aid on this problem and have it come back again next spring with another company? The payroll, \$25 million as Representative Carter mentioned, that figures out to over \$31,000 per person. That is considerable, it is a considerable loss, we already know that. Representative Jacques explained that to us.

We have also got to consider how CEO's, chief executive officers operate. It is the bottom line. We talk about companies leaving this state—well there are many that never came to this state because of legislation that we have put in law over the past ten years. That cannot be denied.

I worked very hard in the Business and Commerce to work on this environment problem in the business area and hopefully, we have passed legislation in Workers' Comp to help as eight percent passed directly through Keyes Fibre and other companies in the state. Time will tell whether this will help some of our companies.

I am concerned about another issue. The issue of the welfare of the people of Keyes Fibre, the average age is in the mid-forties, some are older, they will be retiring and is it coincidental that many may retire in the next three years? Is it coincidental that 200 plus jobs will be transferred with the parent company when they move? Is it coincidental that the movable machinery can be moved to South Carolina? I know a little bit about South Carolina and Sloan Gable who built the industry in South Carolina in the early 1950's and laid the base work for the healthy business environment down there. It is no small wonder that they will attract industry and they certainly would like to have Keyes Fibre. It is a whole different story down there and we have got to deal with the macro problem, not the micro problem of each individual industry. Today, in my district, Data General laid off 100 people with many to go. Seaborg Inc. is down to two days a week. Sprague Electric in York County

has been on four days a week for many months. They have not been up here asking for this assistance. We are going to need a combined effort. I did not see tax concessions with the surrounding towns. I do not see any payback provision in case everything is turned around. So, it is the waning days of the Legislature. We all go home to our constituents and it is jobs and to come back and work together to move towards that goal of creating a better business climate. Now, that word has been beating on everybody's brow for the last 100 days. It will be there until we all can concede and do something about it.

I don't think this is the answer, because when you deal with individual solutions like this that do not have complete cooperation from everyone concerned, you will not find an answer that will solve industries problem in the State of Maine. We do not have the resources to deal with each individual problem as they come up. We have got to pursue a policy in the State of Maine that will make our environment healthy for industry to come into the state and expand in the state.

There is a long laundry list of companies, large paper companies that did not put paper machines in because of the Workers' Comp problem. Cheeseborough Ponds moved its whole factories out of the State of Maine. There are many more outside of the state who will not be sold by whatever sales pitch we have to come to the State of Maine if they cannot be competitive.

So, I leave you with this thought and I hope that you will indefinitely postpone this bill for a better answer when we retire for the summer and come on back and, hopefully, we will have a better answer for all the jobs in the State of Maine, a permanent answer.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Carter.

Representative CARTER: Mr. Speaker, Ladies and Gentlemen of the House: I sit here and I listen and I have been listening intently. We all seem to be agreeing that we have a problem. We have a serious problem in the State of Maine. Now, we can find all kinds of cliches to step around that problem. Let's not face it. It is too big for us to tackle. We have a proposition before us, it is not the solution, yet, I haven't heard anybody come up with a better one or even a suggestion of what we might be able to do.

It so happens that I have served and still serve on the local council in the town of Winslow. I have been involved in local politics since 1962, very much interested in economic development. I don't pay lip service to my constituents about economic development or to the people of the State of Maine.

I also serve on the Special Task Force for Economic Affairs in the Northeast Region. They don't pay lip service to their constituents. They don't stand up and say, we have a problem, we can't face it, we can't deal with it. They work at it and, by working at it, they can come out with a solution.

Here we have a vehicle that can offer us a solution but we refuse to see it. Representative Stetson says it is a bail out. He suggests we bury our heads in the sand and the problem will go away.

Representative Willey from Hampden suggested that the communities have not done anything to assist the plant. Well, let me set the record straight. Ten years ago, Keyes Fibre was aware that they were facing a problem. My community is aware that they are facing a problem, they are not in my community, don't misunderstand me, but we happen to look at the economic area. What affects Waterville and Fairfield, affects Winslow and Oakland and Benton and Albion and Clinton and Skowhegan and Madison. They are all in an economic region. They knew ten years ago that they were facing a problem in regards to energy

costs. We also have a problem with disposal of refuse. So, the communities got together in trying to come up with a co-generation project that would not only take care of the refuse problem, solve our land waste needs, but also generate steam that would in turn generate electricity that would help out Keyes Fibre. That was ten years ago. Unfortunately, that plan fell through about four years ago. They have since embarked on a new course for a biomass boiler to provide electricity, another type of approach to try and solve the energy problem to the area and retain the plant and maintain the economy of the region.

Now, it has been stated that it is a tip of the iceberg and I suggest to you that it is a tip of the iceberg. Keyes Fibre is not the only plant in the state that is faced with problems. If you were listening to debate that we had several days ago in reference to the Orono Research Park, you heard me cite figures that showed, during the past year, 5,000 manufacturing jobs in the State of Maine went by the wayside. They are gone, they are not temporarily off, they are gone. If Keyes Fibre closes its door, there goes another 800 jobs. We have an opportunity to do something about it. This firm is looking for assistance, it is crying out for help. We have a State Development Office where we spend \$4 million a year trying to lure new industries into the State of Maine, but we turn a deaf ear to industries that we have within the state and say, fight your own battles, paddle your own canoes. If you have problems, don't come to us for help, we will let the other states come up from Carolina and Kentucky where they can benefit from the TVA facility that we all contributed to. We will let them come over and lure our industries away.

When other industries come to us, we will turn a deaf ear like we did for the proposed ethanol plant in Auburn or Bar Harbor Airlines or the fish pier in Portland or the cargo port in Searsport or Sobin Chemical and on and on. Are we being selective?

The next two bills coming up before us deal with the railroad. Are we going to call that also a bailout or the tip of the iceberg? Are we going to sit back and do nothing and let the economy go to the devil and wait for George to do it?

I suggest to you, ladies and gentlemen, we have an opportunity, we are being challenged. I am ready for the challenge—are you going to join me?

The SPEAKER: The Chair recognizes the Representative from Durham, Representative Hayden.

Representative HAYDEN: Mr. Speaker, Ladies and Gentlemen of the House: As has so often happened in the years I have been in the Legislature, Representative Carter's words cut through the brush on this issue. The fact is, that when we first started talking about Keyes' problem, and that is what it was called, we were talking about huge, huge amounts of dollars potentially being granted to Keyes perhaps to bail them out. The fact is, as legislators, as the Governor continued to work on this problem, the complexion changed to the form that it is today.

Like most of you, I don't have any constituents that work at Keyes Fibre and I suspect and hope like most of you, I will be voting for this bill today. I want to very quickly tell you the reasons why.

What we see with the Keyes issue is an industry that is the industrial heart of our state, in the paper industry. It has a high demand for energy and that hunger costs more and more dollars to satisfy. If there is any tip of an iceberg, it is the fact that other paper industries in this state are going to be running into comparable problems in the years to come. It is certain that there will be other companies like Keyes that are lured by cheap power in Kentucky, by federally subsidized power in Oregon. We are going to have to answer that demand

if we still want to rely on the paper industry as the life blood of our state.

You are going to make your choice whether you have a responsibility to the citizens of the area that Keyes Fibre serves. You are going to make your choice whether or not this is a rational solution. But I want you to know about the substantive things that are in this bill that I think are very significant. Besides the \$900,000, the commission is set up to try to anticipate what we are going to do when these problems reoccur in the future, when a drastic increase in the cost of energy produces another industry in this area in trouble.

In addition, one final thing that is in the bill and perhaps it might be the most significant portion of all. For the first time in Maine, the Public Utilities Commission will be required in this legislation to consider rate stability when it is setting the rates of electrical power. Very quickly what this means is, that when the Public Utilities Commission sets rates, which often come up in a very complicated case called a rate restructuring, where the rates for a whole industry or a whole class of consumers are set, they not only will consider the cost of power, they not only will consider the economic pressures, but they will consider an obligation that they have to all the consumers in this state to make any increase if it has to come gradual.

There are people that are affected by this bill today. That is a very emotional issue and legitimately so. But there are substantive things in this bill that take a step in the direction that many of you have asked we need to go. We are not there at the end of the road yet but we are taking steps with this program. I can't promise you it is going to work out but sometimes that is what our job here is, to use our heads, take the most intelligent risks we can where the stakes are the highest. I think that is what we are doing here. I think this bill is a long way from the type of legislation that many of us anticipated being requested when this issue started and this bill does more than any other piece of legislation I have seen this session to deal with the problem that all of us are going to be facing for the next ten years, whether we are in this body or not, and that is, what are we going to do in this state when the cost of power skyrockets and the hunger for our industry increases? That is no easy solution, there are no easy decisions. This bill is one step, it is a rational step besides being a compassionate one.

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

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

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

Representative JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: I rise with hesitation to prolong the debate on this issue this evening due to the lateness of the hour. I have sat here this evening and listened quite closely as to what the people have been saying in this body on both sides of the issue.

I would like to take you back to the original L.D. that was brought before this body and passed to the Taxation Committee and which the Taxation Committee dealt with. The original L.D. that was supposedly going to assist Keyes Fibre and all their financial woes and endeavors that dealt with the removal of the sales tax on that electrical energy used in the electrothermal process, which resulted in a loss of revenue to the general fund of approximately \$145,000, it became obvious to me in the days that ensured hearing that this wasn't

the only thing that the Keyes Corporation was interested in. I think they recognized at that time that they had a sympathetic year, that certainly the Taxation Committee was concerned and certainly other people were concerned as to the cost that they have incurred in operating in this state as far as the electrical energy component of their process.

I followed in the next few days the editorials, the accounts that were generated due to the fact that Keyes had indicated that they were being wooed by the State of Kentucky and the State of South Carolina. With that information, I decided I would look and see how we compared with those states as far as economic development and electrical costs. I really became concerned when I saw the electrical costs in this state as compared to the State of Kentucky. Our costs were a little over five cents a kilowatt-hour; Kentucky's were roughly three cents a kilowatt-hour. Taking the figures that were given to us by Keyes Fibre, they use approximately 150 million kilowatt-hours of electricity a year. Currently, they pay \$7.5 million to Central Maine Power for electrical costs. Multiplying that out with the State of Kentucky, it figured out about \$4.5 million. Then I took what was projected in this state for the next nine years and what was projected in those states for the next nine years. This is where the real disparity arose in the electrical costs. The electrical costs in 1994 in this state are going to be somewhere in the vicinity of an excess of \$15 million. The costs in Kentucky were going to be a little over \$5 million. There is almost a \$10 million spread in the cost of energy from the State of Maine to the State of Kentucky in 1994.

We had some of the members of the Keyes staff back in front of the Taxation Committee and we asked questions as to their profitability, their operation. Some members of the Taxation Committee even had the opportunity to meet at the plant and tour the plant. I was not one, I was not able to do it that morning they had arranged that.

The problem that has arisen and I think that I am not going to try to second guess the management at Keyes Fibre, but it seems apparent to me that if I were wearing their shoes and sitting at their desks that I certainly would be looking elsewhere to locate my business, particularly the business that they are in.

I asked a question of how much it would cost them to relocate in either South Carolina or in Kentucky. The figure that was provided to me was approximately \$24 million and that included equipping of the plant. It would be easy to see that by moving to Kentucky or South Carolina, Kentucky was the cheapest and that is the one I will use, that they certainly could save in energy costs, enough to pay for their plant in three years.

I think that the gentleman from Hampden has been correct in his assumption with the information that was provided by another member of the body, I don't recall who it was, the average age of the employee at Keyes Fibre is 43 years old. I would suggest that a large portion of their employees are reaching retirement age; thus giving them, if they do decide to leave at the end of three years and I see nothing in this proposal or nothing in any amendment or nothing that has ever been presented to us which assured if we gave them any financial aid that they would keep their operation in Waterville, Maine.

So, I think that is where I am going to come down this evening on their decision that we have a corporation here, which is a foreign owned corporation, a closed corporation. When I say closed, the stock is not open to the public, that they have put a gun to the employees of Keyes Fibre in Waterville, not on one occasion, not on two, but three to ask for wage concessions. They have asked us once for concessions on the sales tax on that energy used in the electrothermal process. Now they

are putting a gun to the head of the legislature saying, we are going to go South or we are going to move if we don't get some assistance. Well, so be it. I think that if they are as concerned in the people of Waterville and Fairfield as concerned as the people who have spoken here this evening that Waterville and Fairfield should be leading the charge, not waiting a year or two years to assist this company, this company that benefits them the most of anyone in the State of Maine.

I have heard that there hasn't been anything in this legislature that anybody has seen that would address the problem in this state. If there is a problem with the cost of electrical energy, we have a proposal in the front of the Taxation Committee which removes the sales tax on electricity use in the manufacturing process. It was a phase-out of over five years and I thought was a good bill and I still do think it is a good bill.

I would just like to make those comments and having made them, I would hope that you would support the motion to indefinitely postpone this bill and all accompanying papers.

The SPEAKER: A roll call has been ordered. The pending question before the House is the motion of Representative Willey of Hampden that the bill and all accompanying papers be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 212

YEAS:—Armstrong, Baker, A.L.; Begley, Bell, Bott, Brown, D.N.; Cahill, Callahan, Davis, Dellert, Dillenback, Farnum, Foss, Foster, Greenlaw, Harper, Hepburn, Hichborn, Higgins, L.M.; Hillock, Holloway, Ingraham, Jackson, Jalburt, Kimball, Lawrence, Lebowitz, MacBride, Masterman, Matthews, Mitchell, Murphy, E.M.; Murphy, T.W.; Nicholson, Nickerson, Paradis, E.J.; Perry, Pines, Racine, Scarpino, Seavey, Sherburne, Small, Sproul, Stetson, Stevens, A.G.; Taylor, Webster, Wentworth, Weymouth, Willey, Zirnkillton.

NAYS:—Aliberti, Allen, Baker, H.R.; Beaulieu, Bost, Boutilier, Bragg, Brannigan, Brodeur, Carroll, Carter, Cashman, Chonko, Clark, Coles, Connolly, Cooper, Cote, Crouse, Crowley, Daggett, Dexcoateaux, Dexter, Diamond, Drinkwater, Duffy, Erwin, Gwadosky, Hale, Handy, Hayden, Hickey, Higgins, H.C.; Hoglund, Jacques, Joseph, Lacroix, Lander, Law, Lisnik, Lord, Manning, Martin, H.C.; Mayo, McCollister, McGowan, McHenry, McSweeney, Melendy, Michael, Michaud, Mills, Moholland, Murray, Nadeau, G.G.; Nadeau, G.R.; O'Gara, Paradis, P.E.; Parent, Paul, Pouliot, Priest, Rice, Richard, Ridley, Rioux, Roberts, Rolde, Rotondi, Ruhlman, Rydell, Salisbury, Simpson, Smith, C.B.; Smith, C.W.; Stevens, P.; Stevenson, Swazey, Tammara, Tardy, Telow, Theriault, Vose, Walker, Warren, Whitcomb, The Speaker.

ABSENT:—Bonney, Brown, A.K.; Carrier, Connors, Kane, Macomber, McPherson, Nelson, Randall, Reeves, Soucy, Strout.

52 having voted in the affirmative and 87 in the negative with 12 being absent, the motion to indefinitely postpone did not prevail.

Thereupon, the Majority "Ought to Pass"

Report was accepted and the Bill read once. Committee Amendment "A" (H-473) was read by the Clerk and adopted.

Under suspension of the rules, the bill was read the second time.

Representative Higgins of Scarborough offered House Amendment "A" (H-474) and moved its adoption.

House Amendment "A" (H-474) was read by the Clerk.

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

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: Very briefly, what this amendment does it simply says that if the facility or the applicant who receives any of the money from this fund, presumably Keyes

Fibre, if that applicant before July 1st of 1990, five years from now, reduces its labor force by more than 50 percent or if it ceases operation in this state during that period, that they must repay whatever they received from the fund during that time, plus interest. It is a very simple amendment.

I, along with many other people, are very, very sympathetic to the cause of Keyes Fibre. We are sympathetic in wanting to keep industry in the state and we are sympathetic in wanting to attract industry to the state. The major problem that I had as an individual legislator was not one of assistance, but one of a gift. As I understand the way this bill is presently drafted, there are no responsibilities on the part of the applicant whatsoever. The only responsibility, if you will, are to have failed, to have lost money, to obtain some wage concessions, and to have a significant amount of electricity usage that they apparently can't afford.

There has been a lot of talk about the overall business climate and all that sort of thing and I can appreciate that. The issue we have before us not is a very specific one, we all know that from the previous debate. All I am simply saying with this amendment is, there ought to be some responsibility on the part of the people who are going to obtain the benefit of this \$900,000 to repay the State of Maine if they don't fulfill their commitment. Now, they have verbally said that they intend to invest x-number of dollars in the state, they intend to stay here if we go along with this proposal and all sorts of other verbal commitments. I think it is important that if they are not successful in meeting those commitments that they should be required to pay back that money. I don't see that as asking an awful lot. If they intend to follow through and to stay for that period of time, they won't have to pay it back. Without the amendment, my opinion is that they would get away scot-free. If they should decide to phase out their operations in the state over the next three or four years, those workers that the Representative from Waterville, Mr. Jacques, talked about, who go to work every day with their lunch box, they are going to lose their severance pay. This is only an attempt to place a good faith effort, at least for me, to make this bill acceptable.

I would hope that you would accept this amendment.

Representative Carter of Winslow moved the indefinite postponement of this amendment and requested a roll call vote.

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

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

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

Representative HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I would like to hear if there is a reason why this is not an acceptable amendment. It appears to me that those who are supporting this proposal think that we simply ought to give this money to Keyes Fibre, no strings attached, no conditions, none whatsoever. I don't think that is good faith policy. I can't go home to the people in my district that are walking to work with their lunch pails and say, well I just gave \$900,000 to Keyes, we rewarded them because they failed.

The issue is, do we want to assist business in the State of Maine or do we want to, by assisting them with a loan to keep them here for a while, or do we want to give the money away? What about the people in the State of

Maine who are competing with Keyes to some extent? We are not giving them any money.

I think it is unfortunate. I think the conclusion can be drawn that if the amendment is not accepted that those people at Keyes don't intend to fulfill their commitment. They simply want a grant, they want the cash and they don't want any strings attached. I, for one, don't want a part of that arrangement.

The SPEAKER: The Chair recognizes the Representative from Fairfield, Representative Gwadosky.

Representative GWADOSKY: Mr. Speaker, Ladies and Gentlemen of the House: The amendment, although well intended, I think misses the mark in its mechanics. This amendment would have the qualifying applicant repay to the fund the amount equal to the amount of the assistance provided, the inference being that Keyes Fibre or any other applicant is receiving money and that is absolutely not the case. The utility is receiving the money so that any money that would be contributed, for example \$900,000, goes to the utility, it doesn't go to Keyes Fibre directly.

Secondly, the situation where there may be a substantial reduction in personnel, perhaps 50 percent, certainly you can figure out that if there is a reduction in personnel to 50 percent, they are reducing their total employment, they are reducing their total operations in a particular area so they are never going to reach that peak where they would get this money that the state is kicking in the third part.

Also, this represents somewhat of an intrusion to the negotiations that are in agreement that have already been worked out between Keyes and the state. Finally, as far as the suggestion of severance pay that Representative Willey and Representative Higgins have brought up, I think that everybody who is familiar with labor law and is familiar with the severance pay laws in the state now know that that can't be used as an argument anymore because the severance pay is being challenged in the courts across the country, being challenged in Maine, and I don't think that is something that anybody ought to be holding out for.

The SPEAKER: The Chair recognizes the Representative from Gorham, Representative Hillock.

Representative HILLOCK: Mr. Speaker, Ladies and Gentlemen of the House: Just a couple things to comment on Representative Gwadosky's statement. The money the state gives to the utilities is certainly the money that Keyes Fibre would be paying out to utilities so, it is certainly money that would be in the cash flow of Keyes Fibre.

I look at this bill through the same eyes as protecting the employees as Representative Jacques of Waterville intentions were. This is bringing to the surface the true intention of this company. If they want to stay here and keep these employees, let them come forth and say so now with their intent of living up to the loan. We are setting a very dangerous precedent here. I hope that the late hour doesn't dim you people to see this. This makes this bill acceptable as far as handling the problem in the broad range. I think we have to look at this this way. If you don't accept this amendment, we are going to be having a whole box of band-aids at the cost of \$900,000 each.

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

Representative NICHOLSON: Mr. Speaker, Ladies and Gentlemen of the House: Nothing is gained in business or in any walks of life if you receive something on a silver platter. What makes the whole thing worthwhile is the struggle. There is a struggle here. As a businessman, I would want to encourage this company, but it is up to the chief executive officers and all of the workers and the officials of the

surrounding towns and the people to roll up their sleeves and get the job done. And if they are doing what they are supposed to do, we will receive and they will gain.

The SPEAKER: The pending question before the House is the motion of Representative Carter of Winslow to indefinitely postpone House Amendment "A" (H-474). Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 213

YEAS:—Aliberti, Baker, H.R.; Beaulieu, Bost, Boutilier, Bragg, Brannigan, Carroll, Carter, Cashman, Chonko, Coles, Connolly, Cooper, Cote, Crowley, Daggett, Descoteaux, Diamond, Duffy, Erwin, Gwadosky, Hale, Handy, Hayden, Hickey, Hoglund, Jacques, Joseph, Lacroix, Lisnik, Manning, Martin, H.C.; McCollister, McGowan, McHenry, McSweeney, Melendy, Michael, Michaud, Mills, Moholland, Nadeau, G.G.; Nadeau, G.R.; O'Gara, Paradis, P.E.; Paul, Pouliot, Priest, Richard, Ridley, Rioux, Roberts, Rolde, Rotondi, Ruhlin, Rydell, Simpson, Smith, C.B.; Smith, C.W.; Stevens, P.; Swazey, Tammam, Tardy, Telow, Theriault, Vose, Walker, Warren, The Speaker.

NAYS:—Allen, Armstrong, Baker, A.L.; Begley, Bell, Bott, Brodeur, Brown, D.N.; Cahill, Callahan, Crouse, Davis, Dellert, Dexter, Dillenback, Drinkwater, Farnum, Foss, Foster, Greenlaw, Harper, Hepburn, Hichborn, Higgins, H.C.; Higgins, L.M.; Hillock, Holloway, Ingraham, Jackson, Jalbert, Kimball, Lander, Law, Lawrence, Lebowitz, Lord, MacBride, Masterman, Matthews, Mayo, Mitchell, Murphy, E.M.; Murphy, T.W.; Murray, Nicholson, Nickerson, Paradis, E.J.; Parent, Perry, Pines, Rice, Salsbury, Scarpino, Seavey, Sherburne, Small, Sproul, Stetson, Stevens, A.G.; Stevenson, Taylor, Webster, Wentworth, Weymouth, Whitcomb, Willey, Zirkilton.

ABSENT:—Bonney, Brown, A.K.; Carrier, Clark, Conners, Kane, Macomber, McPherson, Nelson, Racine, Randall, Reeves, Soucy, Strout. 70 having voted in the affirmative and 67 in the negative with 14 being absent, the motion did prevail.

Thereupon, the Bill passed to engrossed as amended by Committee Amendment "A" (H-473) and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The following item appearing on Supplement No. 27 was taken up out of order by unanimous consent.

Reports of Committees Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-476) on Bill "An Act to Authorize a General Fund Bond Issue in the Amount of \$850,000 for Acquisition of Certain Rail Liners in Maine" (H.P. 1136) (L.D. 1642)

Signed:

Senators:

DOW of Kennebec
McBREAIRTY of Aroostook
PEARSON of Penobscot

Representatives:

McGOWAN of Canaan
SMITH of Mars Hill
LISNIK of Presque Isle
NADEAU of Lewiston
CONNOLLY of Portland
CHONKO of Topsham
CARTER of Winslow
FOSTER of Ellsworth

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

Signed:

Representatives:

BELL of Paris
HIGGINS of Scarborough

Reports were read.

On motion of Representative Carter of Winslow, the House accepted the Majority "Ought to Pass" Report and the Bill was read

once.

Committee Amendment "A" (H-476) was read by the Clerk and adopted.

Under suspension of the rules, the bill was read the second time, passed to be engrossed as amended by Committee Amendment "A" and sent up for concurrence.

The following item appearing on Supplement No. 29 was taken up out of order by unanimous consent.

Reports of Committees Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-477) on Bill "An Act to Appropriate Funds for the State Railroad Program under the Department of Transportation" (H.P. 1135) (L.D. 1641)

Signed:

Senators:

DOW of Kennebec
McBREAIRTY of Aroostook
PEARSON of Penobscot

Representatives:

McGOWAN of Canaan
LISNIK of Presque Isle
NADEAU of Lewiston
CONNOLLY of Portland
FOSTER of Ellsworth
CHONKO of Topsham
CARTER of Winslow

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

Signed:

Representatives:

SMITH of Mars Hill
HIGGINS of Scarborough
BELL of Paris

Reports were read.

On motion of Representative Carter of Winslow, the House accepted the Majority "Ought to Pass" Report and the Bill read once. Committee Amendment "A" (H-477) was read by the Clerk and adopted.

Under suspension of the rules, the Bill was read the second time, passed to be engrossed as amended by Committee Amendment "A" and sent up for concurrence.

Orders of the Day

The following matters, in the consideration of which the House was engaged at the time of adjournment Monday, June 17, 1985, have preference in the Orders of the Day and continue with such preference until disposed of as provided by Rule 24.

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

Bill "An Act Relating to Retirement Options for Legislators" (H.P. 703) (L.D. 1013)

TABLED — June 14, 1985 (Till Later Today) by Representative DIAMOND of Bangor.

PENDING — Adoption of Committee Amendment "A" (H-154) as amended by House Amendment "A" (H-263) thereto.

Thereupon, Committee Amendment "A" as amended by House Amendment "A" (H-263) thereto was adopted.

Representative Hickey of Augusta offered House Amendment "B" (H-450) and moved its adoption.

House Amendment "B" (H-450) was read by the Clerk.

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

Representative HICKEY: Mr. Speaker, Ladies and Gentlemen of the House: Due to the lateness of the hour, I will refrain from clarifying the amendment but if anybody has any questions, I would gladly respond.

Representative McCollister of Canton moved the matter be tabled one legislative day.

Representative Dillenback of Cumberland requested a division on the tabling motion.

Representative Hickey of Augusta requested

a roll call vote on the tabling motion.

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

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

The SPEAKER: The pending question before the House is the motion of Representative McCollister of Canton that L.D. 1013 be tabled one legislative day. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 214

YEAS:—Allen, Baker, H.R.; Beaulieu, Brodeur, Carroll, Coles, Connolly, Crouse, Diamond, Duffy, Hale, Higgins, H.C.; Manning, Martin, H.C.; Mayo, McCollister, Mills, Mitchell, Moholland, Nadeau, G.G.; Priest, Roberts, Rotondi, Rydell, Scarpino, Theriault.

NAYS:—Aliberti, Armstrong, Baker, A.L.; Begley, Bell, Bott, Boutilier, Bragg, Brannigan, Brown, D.N.; Cahill, Callahan, Carter, Cashman, Cooper, Cote, Crowley, Daggett, Davis, Dellert, Descoteaux, Dexter, Dillenback, Drinkwater, Erwin, Farnum, Foss, Foster, Greenlaw, Gwadosky, Handy, Harper, Hepburn, Hichborn, Hickey, Higgins, L.M.; Hillock, Hoglund, Holloway, Ingraham, Jackson, Jacques, Jalbert, Joseph, Kimball, Lacroix, Lander, Law, Lawrence, Lebowitz, Lord, MacBride, Matthews, McGowan, McHenry, McSweeney, Melendy, Michaud, Murphy, E.M.; Murphy, T.W.; Murray, Nadeau, G.R.; Nicholson, Nickerson, O'Gara, Paradis, E.J.; Paradis, P.E.; Parent, Paul, Pines, Pouliot, Rice, Richard, Ridley, Rioux, Rolde, Ruhlin, Salsbury, Seavey, Sherburne, Simpson, Small, Smith, C.B.; Smith, C.W.; Sproul, Stetson, Stevens, A.G.; Stevens, P.; Stevenson, Swazey, Tammam, Tardy, Taylor, Telow, Walker, Warren, Webster, Wentworth, Weymouth, Whitcomb, Zirkilton.

ABSENT:—Bonney, Brown, A.K.; Carrier, Chonko, Clark, Conners, Hayden, Kane, Lisnik, Macomber, Masterman, McPherson, Michael, Nelson, Perry, Racine, Randall, Reeves, Soucy, Strout, Vose, Willey, The Speaker.

26 having voted in the affirmative and 102 in the negative with 23 being absent, the motion to table did not prevail.

The SPEAKER: The Chair recognizes the Representative from Canton, Representative McCollister.

Representative McCOLLISTER: Mr. Speaker, Ladies and Gentlemen of the House: In response to Representative Hickey's offer, I would like him to describe the amendment. I don't know what it is.

The SPEAKER: Representative McCollister of Canton has posed a question through the Chair to Representative Hickey of Augusta, who may respond if he so desires.

The Chair recognizes that Representative.

Representative HICKEY: Mr. Speaker, Ladies and Gentlemen of the House: The amendment changes several sections of the original bill. Last week we passed L.D. 246, which is now on the Governor's desk. This Bill, "An Act to Prevent Discrimination Against Retired Maine Residents who have Previously Been Members of the Maine State Retirement System" has much of the substance which was contained in L.D. 1013 and had to be deleted. The amendment also changes Section 3A, which grants one year of credible service to the Maine State Retirement system for two years of State Legislative service.

The amendment recognizes the credible service in the legislature and provides a mechanism for computing retirement benefits. A legislator's allowance after his years of service would be based on the amount of money he received in his three highest years. For this, he would receive a monthly check from the Maine State Retirement. If this same legislator at a

later date should enter state employment, he upon his retirement, would receive a second check based on his three highest years of salary since entering the state employment. The amendment also repeals the emergency clause which wasn't necessary as the bill does not become effective until December 3, 1986.

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative Jalbert.

Representative JALBERT: Mr. Speaker, Ladies and Gentlemen of the House: It should be understood that the amendment took out that section that many, many people did not like when the original bill said that if you are a member of the legislature and you attempted to use that credible service later on you would get only one year for every two years of service. That amendment changed that so that you will get year for year. In other words, if you get ten years in the House or the Senate, you will get ten years credit. That is exactly what it was. The one thing that held up everything has been corrected.

Also, the amendment corrected the part, as Representative Hickey said, where the original bill here would take care of the part of the medical insurance for the people who come under this system. This has been taken care of by another bill and that is why it had to be removed. I would like to repeat again, the very thing that people didn't like about the two for one has been removed so that if someone has ten years will get ten years; if you have 20 years, you will get 20 years. That has been repealed.

Thereupon, House Amendment "B" was adopted.

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

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

An Act to Make Additional Allocations from the Alcohol Premium Fund (S.P. 505) (L.D. 1365) (C. "A" S-226)

— In House, Passed to be Enacted on June 10, 1985.

— In Senate, Passed to be Engrossed as amended by Committee Amendment "A" (S-226) as amended by Senate Amendment "A" (S-262) thereto in non-concurrence.

TABLED — June 14, 1985 (Till Later Today) by Representative DIAMOND of Bangor.

PENDING — Further Consideration.

On motion of Representative Diamond of Bangor, the House voted to recede.

On further motion of the same Representative, the House voted to recommit the bill to the Joint Select Committee on Alcoholism Services.

Representative Smith of Mars Hill was granted unanimous consent to address the House on the record.

Representative SMITH: Mr. Speaker, Ladies and Gentlemen of the House: On Supplement No. 29, I am listed in the wrong report. I was supposed to be listed in the Majority "Ought to Pass" Report and I am listed in the "Ought Not to Pass." I just wanted to correct it.

The following item appearing on Supplement No. 30 was taken up out of order by unanimous consent.

Papers from the Senate Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (S-312) on Bill "An Act to Authorize a General Fund Bond Issue in the Amount of \$3,000,000 for Acquisition and Development of State Parks, Historic and River Access Sites" (S.P. 425) (L.D. 1182)

Signed:

Senators:

DOW of Kennebec
PEARSON of Penobscot
McBREAIRTY of Aroostook

Representatives:

CARTER of Winslow
McGOWAN of Canaan
SMITH of Mars Hill
LISNIK of Presque Isle
HIGGINS of Scarborough
CONNOLLY of Portland
CHONKO of Topsham
NADEAU of Lewiston

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

Signed:

Representatives:

BELL of Paris
FOSTER of Ellsworth

Came from the Senate with the Majority "Ought to Pass" as amended Report read and accepted and the Bill Passed to be Engrossed as amended by Committee Amendment "A" (S-312).

Report were read.

On motion of Representative Carter of Winslow, the House accepted the Majority "Ought to Pass" Report and the Bill read once.

Committee Amendment "A" (S-312) was read by the Clerk and adopted.

Under suspension of the rules the Bill was read the second time, passed to be engrossed as amended by Committee Amendment "A" in concurrence.

By unanimous consent, all matters having been acted upon requiring Senate concurrence were ordered sent forthwith to the Senate.

(Off Record Remarks)

On motion of Representative Michael of Auburn,

Adjourned until twelve o'clock noon tomorrow.