

MAINE STATE LEGISLATURE

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

VOLUME I
FIRST REGULAR SESSION
December 3, 1986 to May 22, 1987

On further motion by same Senator, referred to the Committee on BANKING AND INSURANCE and ORDERED PRINTED.

Sent down for concurrence.

The Chair laid before the Senate the Table and Specially Assigned matter:

Bill "An Act to Promote the Coordination of State Crime Prevention Programs for Juveniles"

H.P. 105 L.D. 115

Tabled - February 3, 1987, by Senator CLARK of Cumberland.

Pending - REFERENCE

(Committee on LEGAL AFFAIRS suggested and ORDERED PRINTED.)

(In House, February 2, 1987, referred to the Joint Select Committee on CORRECTIONS.)

On motion by Senator CLARK of Cumberland, referred to the Committee on LEGAL AFFAIRS and ORDERED PRINTED in NON-CONCURRENCE.

Sent down for concurrence.

Senator CAHILL of Sagadahoc was granted unanimous consent to address the Senate off the Record.

Off Record Remarks

Senator PEARSON of Penobscot was granted unanimous consent to address the Senate off the Record.

On motion by Senator USHER of Cumberland, ADJOURNED until Thursday, February 5, 1987, at 9:00 in the morning.

ONE HUNDRED AND THIRTEENTH MAINE LEGISLATURE
FIRST REGULAR SESSION
13th Legislative Day
Thursday, February 5, 1987

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

Prayer by Reverend Phyllis Dodd, United Methodist Church, Randolph.

The Journal of Wednesday, February 4, 1987 was read and approved.

Quorum call was held.

SENATE PAPERS

Bill "An Act to Repeal the Sunset Provision of the Social Workers Freedom of Choice Law" (S.P. 88) (L.D. 209)

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

(The Committee on Reference of Bills had suggested reference to the Committee on Audit and Program Review.)

Was referred to the Committee on Banking and Insurance in concurrence.

Bill "An Act to Provide Statutory Authority for Alcohol and Drug Education in Maine" (S.P. 89) (L.D. 210)

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

Was referred to the Committee on Education in concurrence.

Bill "An Act to Require the Department of Human Services to Establish a So-called 'Fair Rental' Methodology for Reimbursement of Capital Costs for Nursing Homes" (S.P. 90) (L.D. 211)

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

Was referred to the Committee on Human Resources in concurrence.

Bill "An Act to Increase the Small Claims Court Limit" (S.P. 91) (L.D. 212)

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

Was referred to the Committee on Judiciary in concurrence.

Non-Concurrent Matter

Bill "An Act to Provide for the Appointment of the Executive Director of the Maine Health Care Finance Commission by the Governor" (H.P. 166) (L.D. 207) which was referred to the Committee on State and Local Government in the House on February 3, 1987.

Came from the Senate referred to the Committee on Human Resources in non-concurrence.

The House voted to recede and concur.

Non-Concurrent Matter

Bill "An Act to make Allocations from the Public Utilities Commission Regulatory Fund and the Public Utilities Commission Reimbursement Fund for the Fiscal Years Ending June 30, 1988, and June 30, 1989" (Emergency) (H.P. 157) (L.D. 198) which was referred to the Committee on Utilities in the House on February 3, 1987.

Came from the Senate referred to the Committee on Appropriations and Financial Affairs in non-concurrence.

On motion of Representative Vose of Eastport, the House voted to recede and concur.

Non-Concurrent Matter
Later Today Assigned

Bill "An Act to Promote the Coordination of State Crime Prevention Programs for Juveniles" (H.P. 105) (L.D. 115) which was referred to the Joint Select Committee on Corrections in the House on February 2, 1987.

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

On motion of Representative Diamond of Bangor, tabled pending further consideration and later today assigned.

COMMUNICATIONS

The following Communication:
HEALTH CARE FINANCE COMMISSION
STATE HOUSE STATION 102
AUGUSTA, MAINE 04333

The Honorable John L. Martin
Speaker of the House
State House
Augusta, Maine 04333
Dear Speaker Martin:

It is my pleasure to transmit the Commission's Annual Report for 1986 to you. Despite the continued opposition of some hospital officials, my colleagues and I believe the new payment system we administer has served Maine citizens well.

The cost of hospital care is now increasing at a modest rate we believe Maine citizens can afford. During 1985 and 1986 the income Maine hospitals received from patient services increased by 10.1 percent compared to a national increase of 15.5 percent. The resulting savings to Maine citizens exceeded \$50 million.

The financial protection this payment system affords Maine hospitals has assumed added importance in light of recent changes in the Medicare program. A number of hospitals have been helped to maintain the range and quality of the services they offer despite significant reductions in Medicare payments.

The way Maine hospitals are paid is fairer than it has been for many years. The discounts received by the Department of Human Services and Blue Cross now reflect the savings their practices yield hospitals or other payors. Productive competition between organizations that manage and pay for hospital care has been stimulated without compromising its accessibility to those who are medically indigent.

Finally, we recognize that this payment system is not perfect. We are committed to examining its effects and making whatever changes we can to resolve identified problems. We are also prepared to support any amendments to the statute which will help to assure that effective and economical hospital care is available to all Maine citizens. We look forward to working with you to achieve this goal.

Sincerely,
S/Diantha Carrigan
Chairman

Was read and with accompanying report ordered placed on file.

REQUIRING REFERENCE

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

Agriculture

Bill "An Act to Increase State Revenues by Providing Expanded Opportunities for Harness Racing within the State" (H.P. 205) (L.D. 257) (Presented by Representative PARADIS of Augusta) (Cosponsors: Representatives KETOVER of Portland, ALIBERTI of Lewiston, and Senator DUTREMBLE of York)

Ordered Printed.
Sent up for Concurrence.

Appropriations and Financial Affairs

Bill "An Act Concerning the Calculation of the Insured Value Factor in Public Tuition Payments to Private Schools" (H.P. 196) (L.D. 248) (Presented by Representative MCGOWAN of Canaan) (Cosponsors: Representative THISTLE of Dover-Foxcroft, Senators DUTREMBLE of York and PERKINS of Hancock)

Bill "An Act to Fund Energy Outreach Workers in Presque Isle, Bangor, Augusta, Lewiston and Portland" (H.P. 200) (L.D. 252) (Presented by Representative DIAMOND of Bangor) (Cosponsors: Representatives CONLEY of Portland, LISNIK of Presque Isle, and NADEAU of Lewiston)

Bill "An Act Regarding Day Treatment Services to Emotionally Disabled Children" (H.P. 201) (L.D. 253) (Presented by Representative LISNIK of Presque Isle) (Cosponsors: Representatives CONNOLLY of Portland, CHONKO of Topsham and MCGOWAN of Canaan)

Bill "An Act to Increase State Revenue Sharing to 7 percent of Sales and Income Tax Receipts" (H.P. 202) (L.D. 254) (Presented by Representative NADEAU of Lewiston) (Cosponsors: Representative CASHMAN of Old Town, Senator EMERSON of Penobscot, and Speaker MARTIN of Eagle Lake)

Bill "An Act to Continue the Pine Tree Partnership Fund Program" (H.P. 207) (L.D. 259) (Presented by Representative CARTER of Winslow) (Cosponsors: Representatives MAHANY of Easton, MCGOWAN of Canaan, and Senator ANDREWS of Cumberland)

Bill "An Act to Increase State Funding for Homemaker Services" (H.P. 210) (L.D. 262) (Presented by Representative LISNIK of Presque Isle) (Cosponsors: Representative CARTER of Winslow, Senators BALDACCI of Penobscot and GILL of Cumberland)

Bill "An Act to Continue Community Mental Retardation Services" (H.P. 211) (L.D. 263) (Presented by Speaker MARTIN of Eagle Lake) (Cosponsors: Representatives MELENDY of Rockland, CHONKO of Topsham and Senator PEARSON of Penobscot)

Bill "An Act to Authorize a General Fund Bond Issue in the Amount of \$4,000,000 for the Restoration and Cleanup of Oil Contaminated Ground Water and Well Water and to Assist Low-income Homeowners in Defraying the Costs Associated with the Removal of Old Underground Oil Storage Tanks" (H.P. 212) (L.D. 264) (Presented by Representative MICHAUD of East Millinocket) (Cosponsors: Representatives CONNOLLY of Portland, SIMPSON of Casco and MCGOWAN of Canaan)

Bill "An Act to Appropriate Funds to Maintain 24-hour Coverage by State Police Troop D in Thomaston" (H.P. 219) (L.D. 271) (Presented by Representative MAYO of Thomaston) (Cosponsor: Senator BRAUN of Knox)

Ordered Printed.
Sent up for Concurrence.

Bill "An Act to Encourage Industrial Product Development in the State" (H.P. 197) (L.D. 249) (Presented by Representative CARTER of Winslow) (Cosponsors: Representative CROWLEY of Stockton Springs, Senators ANDREWS of Cumberland and KANY of Kennebec)

Ordered Printed.
Sent up for Concurrence.

Energy and Natural Resources

Bill "An Act to Establish the Water Well Information Law" (H.P. 213) (L.D. 265) (Presented by Representative MITCHELL of Freeport) (Cosponsors: Representatives COLES of Harpswell and MILLS of Bethel)

Ordered Printed.
Sent up for Concurrence.

Judiciary

Bill "An Act Affecting Joint and Several Liability" (H.P. 198) (L.D. 250) (Presented by Representative HILLOCK of Gorham) (Cosponsor: Representative ARMSTRONG of Wilton)

Bill "An Act to Amend the Maine Tort Claims Act Regarding Punitive Damages" (H.P. 204) (L.D. 256) (Presented by Representative HILLOCK of Gorham) (Cosponsor: Representative ARMSTRONG of Wilton)

Bill "An Act to Amend the Maine Tort Claim Relating to Personal Liability of Employees of a Governmental Entity" (H.P. 209) (L.D. 261) (Presented by Representative HOGLUND of Portland) (Cosponsors: Senator BRANNIGAN of Cumberland, Representatives ALLEN of Washington and RAND of Portland)

Bill "An Act to Amend the State Antitrust Laws" (H.P. 214) (L.D. 266) (Presented by Representative PARADIS of Augusta) (Cosponsors: Representative WARREN of Scarborough and Senator BRANNIGAN of Cumberland)

Bill "An Act to Create the Litigation Accountability Act" (H.P. 216) (L.D. 268) (Presented by Representative HILLOCK of Gorham) (Cosponsor: Senator COLLINS of Aroostook)

Bill "An Act to Create a Noneconomic Damages Award Act" (H.P. 217) (L.D. 269) (Presented by Representative HILLOCK of Gorham) (Cosponsor: Senator COLLINS of Aroostook)

Ordered Printed.
Sent up for Concurrence.

Legal Affairs

Bill "An Act to Amend the Election Laws Regarding Incarcerated Felons" (H.P. 206) (L.D. 258) (Presented by Representative HILLOCK of Gorham) (Cosponsors: Representatives MAYO of Thomaston, ARMSTRONG of Wilton, and Senator DILLENBACK of Cumberland)

Ordered Printed.
Sent up for Concurrence.

Taxation

Bill "An Act Amending the Excise Tax Law as it Relates to Telephone Company Motor Vehicles" (Emergency) (H.P. 199) (L.D. 251) (Presented by Representative MAYO of Thomaston) (Cosponsors: Representatives JACKSON of Harrison, NADEAU of Saco, and Senator TWITCHELL of Oxford)

Bill "An Act to Amend the Watercraft Excise Tax Law" (H.P. 221) (L.D. 273) (Presented by Representative ZIRNKILTON of Mount Desert) (Cosponsor: Senator TWITCHELL of Oxford)

Ordered Printed.

Sent up for Concurrence.

Transportation

Bill "An Act Authorizing a Study to Determine the Feasibility of Seat Belts in School Buses" (H.P. 215) (L.D. 267) (Presented by Representative REEVES of Pittston) (Cosponsors: Senator CAHILL of Sagadahoc, Representatives MILLS of Bethel and SOUCY of Kittery)

Bill "An Act to Amend the Implementation of the International Registration Plan under the Motor Vehicle Laws" (H.P. 220) (L.D. 272) (Presented by Representative MACOMBER of South Portland) (Cosponsor: Representative STROUT of Corinth)

Ordered Printed.
Sent up for Concurrence.

Utilities

Bill "An Act to Increase the Annual Public Utilities Commission Regulatory Fund Assessment" (Emergency) (H.P. 203) (L.D. 255) (Presented by Representative VOSE of Eastport) (Cosponsors: Senator ERWIN of Oxford and Representative NICHOLSON of South Portland)

Bill "An Act to Permit Ownership of Telephone Pay Stations by Persons other than Public Utilities" (H.P. 208) (L.D. 260) (Presented by Representative DORE of Auburn) (Cosponsor: Representative MAYO of Thomaston)

Bill "An Act for Timely Construction of Water Main Extensions" (H.P. 218) (L.D. 270) (Presented by Representative CLARK of Millinocket) (Cosponsors: Representatives VOSE of Eastport, BAKER of Portland and Senator KERRY of York)

Ordered Printed.
Sent up for Concurrence.

CONSENT CALENDAR

Second Day

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

(H.P. 26) (L.D. 23) Bill "An Act to Extend Immunity from Civil Liability for the Unlawful Cutting of Trees to Municipal Employees Acting within the Course and Scope of their Employment"

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

On motion of Representative Cashman of Old Town the House reconsider its action of earlier in the day whereby Bill "An Act to Increase State Revenue Sharing to 7 percent of Sales and Income Tax Receipts" (H.P. 202) (L.D. 254) was referred to the Committee on Appropriations and Financial Affairs.

On further motion of the same Representative, tabled pending reference and specially assigned for Monday, February 9, 1987.

At this point, a message was received from the Senate, borne by Senator CLARK of Cumberland, proposing a Joint Convention to be held in the Hall of the House at 10:30 a.m. for the purpose of extending to His Excellency, John R. McKernan, Jr., Governor of the State of Maine, an invitation to attend and make such communication as he may be pleased to make.

The House voted to concur in the proposal for a Joint Convention and the Speaker appointed

Representative DIAMOND of Bangor to convey this message to the Senate.

Subsequently, Representative DIAMOND reported that he had delivered the message with which he was charged.

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

Senate Paper

The following Joint Order: (S.P. 100)

ORDERED, the House concurring, that when the House and Senate adjourn, they do so until Monday, February 9, 1987, at 10 o'clock in the morning.

Came from the Senate, read and passed.

Was read and passed in concurrence.

(Off Record Remarks)

(At Ease)

The House was called to order by the Speaker.

At this point, the Senate entered the Hall of the House and a Joint Convention was formed.

IN CONVENTION

The President of the Senate, Charles P. Pray, in the Chair.

On motion of Senator DUTREMBLE of York, it was ORDERED, that a Committee be appointed to wait upon the Honorable members of the Governor's Cabinet, inviting them to attend the Joint Convention.

The Chairman appointed:

Senators:

TUTTLE of York
BALDACCI of Penobscot
GOULD of Waldo

Representatives:

CARROLL of Gray
ROTONDI of Athens
BOUTILIER of Lewiston
LACROIX of Oakland
HUSSEY of Milo
ANTHONY of South Portland
WENTWORTH of Wells
BICKFORD of Jay
LOOK of Jonesboro
STROUT of Windham

Subsequently, Senator TUTTLE of York reported that the Committee had discharged the duty assigned it, and the Cabinet members would attend the Joint Convention forthwith.

At this point, the Chairman recognized in the gallery the Cabinet members of the Governor of the State of Maine. (Applause, audience rising)

On motion of Senator CLARK of Cumberland, it was ORDERED, that a Committee be appointed to wait upon His Excellency, Governor John R. McKernan, Jr., of the State of Maine and inform him that the two branches of the Legislature are in Convention assembled, ready to receive such communications as he may be pleased to make.

The Chairman appointed:

Senators:

PEARSON of Penobscot
BERUBE of Androscoggin
EMERSON of Penobscot

Representatives:

CARTER of Winslow
CHONKO of Topsham
CONNOLLY of Portland
LISNIK of Presque Isle
NADEAU of Lewiston
HIGGINS of Scarborough
FOSTER of Ellsworth
DAVIS of Monmouth
FOSS of Yarmouth
MCGOWAN of Canaan

Subsequently, Senator PEARSON of Penobscot reported that the Committee had discharged the duty assigned it, and the Governor was pleased to say that he would forthwith attend the Convention.

The Convention was called to order by the Chairman.

At this point, Governor John, R. McKernan, Jr. entered the Convention Hall amid prolonged applause, the audience rising.

The Governor then addressed the Convention as follows:

Mr. President, Mr. Speaker, Honorable Members of the 113th Legislature, Fellow Citizens of Maine:

I hope you are all applauding as enthusiastically when I finish with this budget speech.

Tomorrow I will present to you my budget for the State of Maine for the biennium of July 1, 1987, through June 30, 1989.

As many of you are well aware, no new administration ever has the luxury of beginning the budget process with a completely clean slate. Many parts of this budget were -- because of this state's ongoing programs and obligations -- established years, administrations, and legislatures ago.

But in spite of these constraints, the budget I am about to present to you, is a strong and sound one.

It is a balanced budget.

It is -- out of necessity -- a budget that will force our departments to hold the line on spending.

In the four weeks since my inauguration, members of our transition team, our new Commissioner of the Department of Finance, and the staff of the budget office under the able direction of Bill Buker, have worked with me -- and worked tirelessly I might add -- to put our stamp on this document, and to create a budget that achieves three primary goals:

First: This budget provides for the continuation of all necessary state services.

Second: It funds a number of new, essential, programs. They are programs designed to address this state's most critical needs. And they are programs designed to assure a brighter future for all our citizens.

Third: And most importantly, this budget does not -- in any shape or form -- increase taxes. (applause)

We have been able to meet these three goals because we have set priorities and stuck to them.

Certainly, we have not funded everything we might have wished. And we have not been able to fund certain areas and programs as fully as we would like.

But in setting priorities, we have remained true to our agenda. And I am confident that, at the same time that this budget allows us to meet the shortfall in funding caused by federal cutbacks, it will also allow us to begin to address our two greatest concerns — economic growth for all of Maine, and educational opportunities for all our citizens. (Applause)

PROJECTED REVENUES

All of this may, I realize, sound too good to be true: no new taxes, the funding of all necessary existing services, as well as additional funds for new programs. In response to that, I would ask you to look at Chart A.

As you can see, during the 88/89 biennium we expect — thanks to an expanding economy — a projected 17 percent increase in revenues. That's an additional \$345 million in funds to the state over the next two-year period. This increase contributes in good measure to supporting the \$2.3 billion General Fund budget for the 88/89 biennium that I am recommending today.

TOTAL EXPENDITURES

The total expenditures for All Funds are projected to be \$4.7 billion for the 88/89 biennium (\$2.3 billion in FY88 and \$2.4 billion in FY89). Of that amount, \$1.2 billion is from federal revenues, both categorical and block grants. A total of \$886 million is for Other Special Revenue and Miscellaneous Funds. Expenditures of \$309 million are projected to be made from the Highway Fund.

EXPENDITURES: FIXED OBLIGATIONS

This morning, I would like to focus on the General Fund, for it is where most of our priorities lie. And it is, I think, the area that is of greatest concern to many of you.

If you will look to Chart B, I would like to explain how the projected \$342 million in additional resources available to the General Fund will be spent.

By far, the greatest amount, 70 percent or \$239,116,000, will be applied to this state's fixed obligations in our Part 1 budget. These are costs that result from the continuation of commitments to services made in the past.

Of that \$239 million, \$116 million represents the increase in this state's contribution to our local schools, a contribution that for this biennium will amount to \$766 million — an 18 percent increase over the last biennium. (Applause)

An additional \$31 million, representing a 17 percent increase, has been appropriated to meet our fixed obligations to the University of Maine, making the state's total Part 1 contribution to the University more than \$211 million.

\$37.6 million, an increase of nearly 20 percent, has been allocated to meet the projected normal growth of the state's retirement funds. Total Part 1 contributions to those funds will now represent more than \$230 million.

Also included among our fixed obligations is a \$29 million, or 17 percent increase, in the projected costs of our Medicaid programs. In Fiscal Years 1988 and 1989, that cost will be nearly \$196 million.

UNEXPECTED OBLIGATIONS

You will notice that 15 percent, or nearly \$52 million of the \$342 million in projected revenues for the 88/89 biennium will be applied to the state's unexpected obligations. These include continued funding for some FY87 emergency requests that I will propose funding within the next few weeks.

These obligations also include \$8 million to fund unexpected increases in the costs of Medicaid services.

And, in order to meet what has been determined by a recent actuarial study to be an underfunded system, \$3.8 million to meet the shortfall within the Maine State Employees retirement fund and \$36 million to meet the shortfall in the state teachers fund. Thus, our retirement system will be fully funded for 88/89.

Before we accept permanently the new valuation of the old plan, however, I believe it imperative to review the entire retirement system. Our retirement plans represent a major investment of state revenue. Before we continue with the present plan, I want to be sure of two things: that Maine state employees are adequately compensated for their years of service to this state and that we, as taxpayers, are getting the best retirement system for the best price. (Applause)

In order to accomplish this balance, I will be commissioning, in the next few weeks, a study to provide a comprehensive review of the retirement system's structure and benefits. This study will, I hope, identify issues and options that will make the plan most effective.

FEDERAL SHORTFALLS

To meet cutbacks in federal spending that will affect both Medicaid and AFDC, I will ask the legislature to approve an additional \$12 million, or 4 percent of projected new resources for the 88/89 biennium, for those programs over the next two years. This should allow the state to continue the levels of services provided during the past biennium.

GOVERNOR'S INITIATIVES

As you will notice, that leaves unaccounted 11 percent of the new-revenue pie. I'd like now to do some accounting, to explain how and where I believe the remaining \$38 million can be best spent. Chart C may be of interest as I describe some of these programs.

It will come as no surprise to any of you that education and economic development are at the top of my list. (Applause)

As I noted in my inaugural speech, for this state's future to shine as brightly as possible, our quality of life must be strengthened to include good jobs in all parts of this state. And it must also include an educational system that provides our children the intellectual and vocational skills necessary for the future.

The programs that I will propose to you in my budget tomorrow will, I am convinced, help to provide new opportunities to citizens throughout Maine. Included in these initiatives is a job training program that will assist those who — like the hardworking employees of Health-Tex — suddenly find themselves out of work and, until now, oftentimes out of luck.

As Chart C indicates, I have apportioned the lion's share of funding to education. Included in this category is \$24 million to the University of Maine, which is in addition to the \$31 million of increases in fixed obligations. This \$55 million in new funds for the biennium is essential if the university is to provide the quality education necessary for the future prosperity of our citizens and our state. And it is also necessary if the university is to provide the kind of research necessary to assist the state in planning its economic future.

While we have divided our initiatives into separate categories, I want to remind you that nearly all of these programs are interrelated. Nearly all are intended to provide new economic and educational opportunities for our citizens.

Take, for instance, the more than \$1.5 million I have proposed for child care. (Applause) Most

importantly, this funding will help ensure that our children are cared for in a safe and creative environment. But on another level, this funding makes good economic sense. A survey in this week's Fortune magazine indicates that lack of good day care may be the most significant cause of absenteeism and unproductive time at work for parents with children under 12. This state and our businesses can no longer deny this economic and social reality. (Applause)

This money, then, will help to establish regional child care resource and referral programs that will work with the private sector to increase the number of child care programs. In addition, the funding will increase the number of subsidized day care slots for low-income parents. (Applause)

There's something else that many of these programs have in common. Many of them offer new ways to leverage -- or multiply, if you will -- this state's resources. Included in my proposals is \$820,000 for an anti-drug abuse program. (Applause) This amount will be matched by federal funds on a 3 to 1 basis, meaning that over the next two years some \$3.2 million will be available to us to combat the drug problems of this state. One of the most important aspects of this program is that 45 percent of the total funding will go directly to our towns and cities -- at no cost to them because the state has picked up the local share of the matching grant requirements. (Applause)

I would like to turn for a moment to my plans for economic development, to the 18 percent piece of this pie. I have already mentioned the \$2 million for job training. This program, administered by the Department of Labor, will provide employment and training services in every county in the state. As part of the program, these state funds will be matched on a dollar for dollar basis, either through local, private, or federal monies. Those who will benefit most are those who most need these services -- people who, because of plant closings, find themselves out of work, and groups such as women, youth, the handicapped, and older workers.

This program will be the basis upon which we will build a comprehensive and coordinated employment and training strategy that meets the needs of Maine's businesses and workers, one that assures future prosperity for all of our citizens.

Also included among my initiatives are a \$507,000 agricultural marketing program and a \$200,000 Fresh Maine Fish Program. Both are intended to strengthen traditional industries, to help assure the future of our farm and fishing communities.

And to brighten the future of another Maine industry, I will propose an additional \$4 million over the next two years to promote tourism. (Applause) When it comes to attracting tourists, we must realize the importance of spending money to make money.

Much of the funding will be targeted to areas less well known outside of Maine. Much of it will be aimed at attracting visitors year-round. Those of us who live here know that this state has more to offer than just the beaches in July and August. It is time others realize that, too.

The Fresh Maine Fish program, the agricultural marketing program, and the increase in expenditures for tourism are all intended to help bring the two Maines together, to help bring prosperity to all parts of this state. In that same spirit, I propose that Maine invest \$350,000 over the next two years to create Job Opportunity Zones in areas of high unemployment. This program will provide special

state assistance to help communities attract and develop job-creating enterprises.

But Job Opportunity Zones are not enough. Therefore, I am also asking that \$75,000 be spent to create and define an economic development strategy for this state. (Applause) Before we fully achieve the state of opportunity that I envision, it is imperative that we know where we are going. We need to strike a balance between growth and restraint. We need to listen to the needs and plans of our local communities. We need to assess our resources and our infrastructure. We need, quite simply, to invest \$75,000 to create a roadmap for the future of Maine.

Because we have had to set priorities, because this state -- in these economic times -- simply cannot serve all of our needs, I think it imperative that we encourage and assist local communities in their volunteer efforts. We must ask neighbors to help neighbors, and because we must, we should be willing to assist those efforts. Therefore, I ask that \$100,000 be provided for volunteer services. (Applause) Knowing Maine people, I know that that \$100,000 will be multiplied many times in acts of kindness and generosity.

RAINY DAY FUND

We face, in the next biennium, a tremendous increase in our fixed and unexpected obligations. We have, by setting priorities and holding the line on spending, been able to create a budget that meets all of those obligations and that also allows us to implement programs essential to Maine's future.

But these are not the only obligations with which we are faced. At this moment, the state holds in its hands a long list of requests for capital construction, repairs, and improvements. That list represents a huge, 71 percent increase in demands for repairs over the 86/87 biennium. To the extent possible, we have funded those requests from undedicated revenue in the General Fund. But, still, we are faced with the need for an additional \$8.5 million. In order to pay for those repairs -- many of which are emergency ones -- I ask you to approve the use of \$8.5 million of the state's Rainy Day reserve within the General Fund.

In order to accomplish this, I must ask you to change the terms of that fund to include any capital construction or repairs, rather than just those with costs of over \$500,000.

I do not ask this lightly. But I believe that we must make prudent use of all of this state's resources. I will not ask the millworker in Biddeford or the carpenter in Calais for additional taxes when there is money sitting in reserve in the General Fund. (Applause)

I applaud the creation of this fund. I believe it exists for times and circumstances such as these. By the end of this fiscal year, because of your foresight, the fund should have a projected worth of \$15-16 million. I ask that you approve the use of \$8.5 million for essential capital construction and repairs.

SURPLUS

By making prudent use of all this state's resources, we have, in spite of the federal shortfall and the huge increases in fixed and unexpected obligations, been able to produce a balanced budget, one that -- if projections hold true -- includes a small surplus.

CONCLUSION

Because we have used all of this state's resources to their maximum advantage, we have been able to meet all of our essential needs without raising taxes. (Applause)

As you can see from Chart D, we have been able to maintain basically the same allocation of resources as we have in the past. We have achieved a reduction in general government's share of resources; we have increased funding to education; and we have maintained this state's commitment to human services. We have done all this, and there will be no increase in state taxes. (Applause)

In order to ensure that we continue along this same course in the future, we must -- all of us -- work for economic growth. To do that, we must, first of all, step back and take a careful look at where we are. We must examine our retirement system. We must conduct a thorough review of our regulatory policies. And we must develop an economic development strategy for the entire state.

We must, in short, examine and question the ways we spend our taxpayers' dollars. We must be sure that our programs and services are as efficient and effective as possible. (Applause)

As I have already said, this administration has had little time to do that. I hope, therefore, that you will consider the submission of our budget the beginning of the process. I hope that, as my commissioners take office and begin to review expenditures and services within their departments, we might continue to fine-tune this document. And I hope that all of you here today will be willing to assist in that process.

Maine can, indeed, be the state of opportunity that I envision. But we must work hard -- and work together -- to make it so. I am convinced that this budget is the first important step towards that goal.

Thank you very much. (Applause)

At the conclusion of the Governor's address, the Governor withdrew amid applause of the Convention, the audience rising.

The purpose for which the Convention was assembled having been accomplished, the Chairman declared the same dissolved and the Senate retired to its chambers amid applause of the House, the members rising.

IN THE HOUSE

The House was called to order by the Speaker.

On motion of Representative Perry of Mexico, Adjourned until Monday, February 9, 1987, at ten o'clock in the morning pursuant to Joint Order.

STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION
JOURNAL OF THE SENATE

In Senate Chamber
Thursday
February 5, 1987

Senate called to Order by the President.

Prayer by Pastor Ronnie Dean McRaven of the Kennebec Valley Assembly of God in Augusta.

PASTOR MCRAVEN: Our Father, which art in Heaven, hallowed be Thy name. Thy name is sanctified, Thy name is sacred. Thy kingdom come, Thy will be done, on earth, here in Augusta, Maine, as it is in Heaven. Father, I come to You in the name that is above every name. The name of Jesus Christ. I ask You to direct and guide these precious men and women who are in the authority of leadership. God, turn every question mark into an exclamation mark. Place a period at the end of the sentence today. Let the work be complete, as You are complete, we are complete in Thee. I ask for the direction of the Holy Spirit, the divine power, the divine guidance of the Holy Spirit, of our God.

We are a needy people. You placed these men and women in authority to lead and guide. We only see the veneer. You know what is inside of all of us. Those that may be hurting today, inside of this building. I pray You go beyond the veneer of this flesh, that You will touch their hearts, and touch their spirits. Guide them in the right way. Lord, we call upon You, as our forefathers did, when they founded this great land. We need You. Man without the touch of God, without Your spirit, according to Thy word, we could do nothing. We reach out in longing and anxiety. We reach out in love, depending upon our great Creator, knowing without You we could do nothing. With You, we are more than conquerors, we can do all things, because You give us strength.

Lord, let us turn to Thee, knowing You are our hope. If You breathe into a chunk of red clay, that clod of dirt becomes a living soul. Then breathe upon us today, and let us feel the divine spirit of a living God. Let us feel once again, in our hearts, that You are turning this country around, using men and women like this audience, to bring it all back. Freedom and love and power and grace, that out stretched hand, reaching to the bum on the street and rich in the palace.

We pray for our President, we pray for our Vice President, we pray for our precious Governor of this State, we pray for this Senate, today, that the overpowering presence of a living God will be felt here, and when all is said and done, that we will leave this place in unity, in the direction of the Holy Spirit.

We thank you, God, for America and our freedom. As Patrick Henry said, "Give me liberty or give me death." What is a country or a nation without freedom? What is a soul without the liberty and the freedom of the Holy Spirit? Free our minds, free our flesh and free our spirit, today. We give You thanks, and let us say in 1987, we begin this new year, that God is blessing America and freedom rings again. The liberty of God and the power of America is well intact. Keep us free, in Jesus name, keep us free and let us always see victory, in God and the liberty of this Country. In Jesus name, Amen.

Reading of the Journal of Yesterday.