

MAINE STATE LEGISLATURE

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

Volume II

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First Special Session

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Second Regular Session

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Second Special Session

February 3, 2004 - April 7, 2004

Pages 777-1562

ONE HUNDRED AND TWENTY-FIRST LEGISLATURE
SECOND REGULAR SESSION
11th Legislative Day
Thursday, January 29, 2004

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

Prayer by Father Gilbert Patenaude, Augusta (retired).
National Anthem by Wiscasset Middle School Concert Band.
Pledge of Allegiance.
Doctor of the day, Lisa Ryan, D.O., Naples.
The Journal of yesterday was read and approved.

SENATE PAPERS

The following Joint Resolution: (S.P. 679)
**JOINT RESOLUTION RECOGNIZING AND
SUPPORTING
HEALTHY COMMUNITIES**

WHEREAS, health is the result of much more than just medical care. People are healthier when they live in nurturing environments and are involved in the life of their communities; and

WHEREAS, Maine citizens have formed Healthy Communities and Planned Approach to Community Health, "PATCH," coalitions across the State to improve the health of their communities; and

WHEREAS, the Healthy Communities and PATCH coalitions are a broad and sharing network of interrelated groups of citizen volunteers consisting of individuals, families, businesses, schools, churches, health care providers, government and others with similar concerns and values on health and community issues; and

WHEREAS, Maine is a leader in establishing a network of healthy communities largely due to the effectiveness of the volunteer leaders and organizations in meeting local health needs; and

WHEREAS, the dedication and efforts of the citizen volunteers deserve our strongest support and encouragement; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Twenty-first Legislature, now assembled in the Second Regular Session, on behalf of the people we represent, take this opportunity to honor the ideals and accomplishments of the Healthy Communities and PATCH coalitions on the occasion of Healthy Communities Day, January 28, 2004; and be it further

RESOLVED: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the Department of Human Services, Bureau of Health in token of the esteem in which we hold the citizen volunteers of the Healthy Communities and PATCH coalitions.

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

COMMUNICATIONS

The Following Communication: (H.C. 303)

**STATE OF MAINE
ONE HUNDRED AND TWENTY-FIRST LEGISLATURE
COMMITTEE ON TRANSPORTATION**

January 27, 2004

Honorable Beverly C. Daggett, President of the Senate
Honorable Patrick Colwell, Speaker of the House
121st Maine Legislature
State House

Augusta, Maine 04333

Dear President Daggett and Speaker Colwell:

Pursuant to Joint Rule 310, we are writing to notify you that the Joint Standing Committee on Transportation has voted unanimously to report the following bills out "Ought Not to Pass":

L.D. 1734

An Act To Ensure the Safe Operation of Trains

L.D. 1770

Resolve, Authorizing the Department of Transportation To Erect Signs Identifying the State Vietnam Veterans' Memorial in Capitol Park

We have also notified the sponsors and cosponsors of each bill listed of the Committee's action.

Sincerely,

S/Sen. Pamela H. Hatch

Senate Chair

S/Rep. Ronald E. Usher

House Chair

READ and ORDERED PLACED ON FILE.

ORDERS

On motion of Representative WHEELER of Kittery, the following House Order: (H.O. 41)

ORDERED, that Representative Robert A. Berube of Lisbon be excused Wednesday, January 21st for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Anita Peavey-Haskell of Greenbush be excused Thursday, January 22nd for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Thomas J. Kane of Saco be excused Tuesday, January 20th and Wednesday, January 21st for health reasons.

AND BE IT FURTHER ORDERED, that Representative Louis B. Maietta, Jr. of South Portland be excused Thursday, January 22nd for personal reasons.

READ and PASSED.

SPECIAL SENTIMENT CALENDAR

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

Recognizing:

Richard Lyons, of Hampden, Superintendent of School Administrative District No. 22, who has been selected Maine's 2004 Superintendent of the Year. Mr. Lyons was nominated by members of the district's board of directors for his outstanding educational leadership. The award is testament to the school administrative district's high performance. Mr. Lyons has been involved in Maine public education for more than 28 years and continues to draw on his experience to provide workshops, conferences and seminars for superintendents, assistant superintendents, teachers and administrative district citizens. He is currently on the American Association of School Administrators Advisory Board, the Maine Association of Supervision and Curriculum Development and the Maine Coalition for Excellence in Education. We extend our sincere congratulations on his achieving this distinctive and well-deserved honor and wish him success as Maine's representative for the 2004 National Superintendent of the Year;

(HLS 991)

Presented by Representative KAELIN of Winterport.

Cosponsored by Representative DUPREY of Hampden, Senator WESTON of Waldo, Senator MITCHELL of Penobscot.

On **OBJECTION** of Representative KAELIN of Winterport, was **REMOVED** from the Special Sentiment Calendar.

READ.

The SPEAKER: The Chair recognizes the Representative from Winterport, Representative Kaelin.

Representative **KAELIN**: Mr. Speaker, Ladies and Gentlemen of the House. SAD 22 serves the citizens of Hampden, Newburg and Winterport. Both of my sons attended SAD 22 from preschool, through their high school years. Over these years I have been impressed with the initiative taken by the district's teachers and board of directors to provide an innovative array of programs, both educational and extracurricular, to the districts' students. SAD 22's high school consistently ranks as one of the 10 best high schools in Maine. Many of the people who move into Winterport do so because of the quality of our school system, like my family did about 20 years ago.

Today I am pleased to stand before you to recognize the accomplishments and leadership of SAD 22 Superintendent Richard A. Lyons, who has been selected as Maine's 2004 School Superintendent of the Year.

Rick Lyons has been the district's superintendent for the past 12 years. His selection by the Maine School Superintendent's Association acknowledges Rick's personal leadership and is also testimony to the district's faculty, staff, administration, students and parents.

Mr. Lyons was President of the Maine School Superintendent's Association during 2001-2002 and is a member of the American Association of School Administrators Advisory Board, the Maine Association of Supervision and Curriculum and the Maine Coalition for Excellence in Education.

Previous recipients of this award include former Commissioners of Education Leo Martin and J. Duke Albanese as well as current Commissioner Susan Gendron. The 2004 National Superintendent of the Year will be named at the American School Administrator's National Conference on Education in San Francisco next month. Please join me this morning in congratulating Superintendent Lyons selection as Maine's 2004 School Superintendent of the Year and in wishing him well in this national competition.

Thank you Mr. Speaker.

Subsequently, **PASSED** and sent for concurrence.

REPORTS OF COMMITTEE

Divided Report

Majority Report of the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-642)** on Bill "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary for the Proper Operations of State Government for the Fiscal Years Ending June 30, 2004 and June 30, 2005" (EMERGENCY)

(H.P. 1351) (L.D. 1828)

Signed:

Senators:

CATHCART of Penobscot

ROTUNDO of Androscoggin

Representatives:

BRANNIGAN of Portland

MAILHOT of Lewiston

COWGER of Hallowell

DUDLEY of Portland

PINGREE of North Haven

FAIRCLOTH of Bangor

Minority Report of the same Committee reporting **Ought to**

Pass as Amended by Committee Amendment "B" (H-643) on same Bill.

Signed:

Senator:

TURNER of Cumberland

Representatives:

ROSEN of Bucksport

MILLS of Cornville

O'BRIEN of Augusta

MILLETT of Waterford

READ.

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

The Bill was **READ ONCE**. **Committee Amendment "A" (H-642)** was **READ** by the Clerk.

On further motion of the same Representative, **TABLED** pending **ADOPTION** of **Committee Amendment "A" (H-642)** and later today assigned.

REPORTS OF COMMITTEE

Divided Report

Majority Report of the Committee on **LEGAL AND VETERANS AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-360)** on Resolve, Authorizing Germaine Bell To Sue the State

(S.P. 567) (L.D. 1613)

Signed:

Senators:

GAGNON of Kennebec

LEMONT of York

MAYO of Sagadahoc

Representatives:

CLARK of Millinocket

CANAVAN of Waterville

LANDRY of Sanford

BROWN of South Berwick

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

Signed:

Representatives:

PATRICK of Rumford

BLANCHETTE of Bangor

JENNINGS of Leeds

MOORE of Standish

GLYNN of South Portland

HOTHAM of Dixfield

Came from the Senate with the Majority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Resolve **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-360)**.

READ.

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

Representative GLYNN of South Portland **REQUESTED** a roll call on the motion to **ACCEPT** the Majority **Ought to Pass as Amended** Report.

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

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

Representative **BLANCHETTE**: Mr. Speaker, Ladies and Gentlemen of the House. I stand today to address the Minority Report, Ought Not to Pass. It is a very, very uncomfortable situation I find myself in when I am opposing my most respected

chair of Legal and Vets. Having heard this bill and all of the accompanying papers and the motional testimony that went forth on this, I reached the only conclusion that I could possibly vote for in good faith and that was Ought Not to Pass.

I will give you a few examples of why I reached that conclusion. Outside of the fact that it is setting a precedent for allowing people to sue the state for undocumented accusations, but it has the potential of opening up Pandora's Box to allow all manner of suits to be brought against the state because of the disenchantment with the Department of Human Services at the present time. In this particular case there was no court or factual evidence ever presented that said that this particular person was, in fact, violated by a social worker that was employed by the Department of Human Services. Without this legal standing it was a he said, she said, they said, I said situation that didn't warrant the permission to sue the state for damages. This is a very, very old case and I questioned this Miss Bell about why it was so long in coming to the table to be discussed when the violation had happened 30 or 40 years ago. She had a very good explanation. She had to get herself mentally equipped to come in and testify on something like this. There are many people out there with horror stories that we will all hear. I am just asking you to seriously consider what you are doing if you vote with the Majority Ought to Pass Report on this particular bill. It is the first, but it will not be the last. We have to set standards on when we allow individuals to sue the State of Maine for damages. One, they do have to be verified by court documents. There was never any verification. This never went to court. There was no DNA taken to prove that this social workers that was employed by the State of Maine was, in fact, the guilty party. Ask yourself, would you want to open the door to have the state sued by every he said, she said, case that comes down the line? Thank you Mr. Speaker.

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

ROLL CALL NO. 271

YEA - Annis, Canavan, Clark, Dunlap, Duplessie, Eder, Jackson, Landry, Makas, Marley, Paradis, Percy, Richardson J, Sampson, Tobin J, Twomey.

NAY - Adams, Andrews, Ash, Austin, Barstow, Berry, Berube, Bierman, Blanchette, Bliss, Bowen, Bowles, Brannigan, Breault, Brown R, Browne W, Bruno, Bryant-Deschenes, Bull, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cowger, Craven, Cressey, Crosthwaite, Cummings, Curley, Daigle, Davis, Dudley, Duprey B, Duprey G, Earle, Faircloth, Finch, Fischer, Fletcher, Gagne-Friel, Gerzofsky, Glynn, Greeley, Grose, Heidrich, Honey, Hotham, Hutton, Jacobsen, Jodrey, Joy, Kaelin, Kane, Ketterer, Koffman, Ledwin, Lemoine, Lerman, Lessard, Lewin, Lundeen, Maietta, Mailhot, Marraché, McCormick, McGlocklin, McGowan, McKee, McKenney, McLaughlin, McNeil, Millett, Mills S, Moody, Moore, Murphy, Muse, Norbert, Norton, Nutting, O'Brien J, O'Brien L, O'Neil, Patrick, Peavey-Haskell, Pellon, Perry A, Perry J, Pineau, Pingree, Piotti, Rector, Richardson E, Richardson M, Rines, Rogers, Rosen, Saviello, Sherman, Shields, Simpson, Smith N, Snowe-Mello, Stone, Sukeforth, Sullivan, Suslovic, Sykes, Thomas, Thompson, Tobin D, Trahan, Treadwell, Vaughan, Walcott, Watson, Wheeler, Woodbury, Wotton, Young.

ABSENT - Bennett, Bunker, Dugay, Goodwin, Hatch, Jennings, Mills J, Smith W, Tardy, Usher, Mr. Speaker.

Yes, 16; No, 123; Absent, 11; Excused, 0.

16 having voted in the affirmative and 123 voted in the negative, with 11 being absent, and accordingly the Majority **Ought to Pass as Amended** Report was **NOT ACCEPTED**.

Subsequently, the Minority **Ought Not to Pass** Report was **ACCEPTED** in **NON-CONCURRENCE** and sent for concurrence.

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

Majority Report of the Committee on **LABOR** reporting **Ought to Pass as Amended by Committee Amendment "B" (H-639)** on Bill "An Act To Encourage Workers' Compensation Dispute Resolutions"

(H.P. 438) (L.D. 575)

Signed:

Senators:

EDMONDS of Cumberland

STANLEY of Penobscot

Representatives:

SMITH of Van Buren

HUTTON of Bowdoinham

PATRICK of Rumford

JACKSON of Fort Kent

WATSON of Bath

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

Signed:

Senator:

BLAIS of Kennebec

Representatives:

TREADWELL of Carmel

CRESSEY of Baldwin

HEIDRICH of Oxford

NUTTING of Oakland

READ.

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

On further motion of the same Representative, **TABLED** pending his motion to **ACCEPT** the Majority **Ought to Pass as Amended** Report and later today assigned.

Majority Report of the Committee on **TAXATION** reporting **Ought to Pass as Amended by Committee Amendment "B" (H-640)** on RESOLUTION, Proposing an Amendment to the Constitution of Maine Related to the Taxation of Personal Property

(H.P. 167) (L.D. 208)

Signed:

Senators:

STANLEY of Penobscot

NASS of York

Representatives:

LEMOINE of Old Orchard Beach

SUSLOVIC of Portland

TARDY of Newport

MCCORMICK of West Gardiner

SIMPSON of Auburn

PERRY of Bangor

CLOUGH of Scarborough

COURTNEY of Sanford

LERMAN of Augusta

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

Signed:

Senator:

STRIMLING of Cumberland

Representative:

McGOWAN of Pittsfield

READ.

On motion of Representative LEMOINE of Old Orchard Beach, the Resolution and all accompanying papers were **COMMITTED** to the Committee on **TAXATION** and sent for concurrence.

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

CONSENT CALENDAR

First Day

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

(H.P. 1278) (L.D. 1756) Bill "An Act To Amend the Uniform Federal Lien Registration Act" Committee on **JUDICIARY** reporting **Ought to Pass**

There being no objections, the above item was ordered to appear on the Consent Calendar tomorrow under the listing of Second Day.

CONSENT CALENDAR

Second Day

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

(H.P. 1089) (L.D. 1492) Bill "An Act To Promote the Production and Use of Fuels Derived from Agricultural and Forest Products" (C. "A" H-641)

No objections having been noted at the end of the Second Legislative Day, the House Paper was **PASSED TO BE ENGROSSED AS AMENDED** and sent for concurrence.

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

BILLS IN THE SECOND READING

House as Amended

Bill "An Act To Increase the Sale of Lottery Tickets To Benefit Conservation and Wildlife"

(H.P. 441) (L.D. 578)

(C. "A" H-635)

Bill "An Act to Allow Beverage Sales from Mobile Service Bars on Golf Courses"

(H.P. 486) (L.D. 656)

(C. "A" H-636)

Reported by the Committee on **Bills in the Second Reading**, read the second time, the House Papers were **PASSED TO BE ENGROSSED AS AMENDED** and sent for concurrence.

Bill "An Act Regarding Habitual Truants"

(H.P. 800) (L.D. 1082)

(C. "A" H-634)

Was reported by the Committee on **Bills in the Second Reading** and **READ** the second time.

On motion of Representative RICHARDSON of Brunswick, was **SET ASIDE.**

On further motion of the same Representative, **TABLED** pending **PASSAGE TO BE ENGROSSED as Amended** and later today assigned.

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

UNFINISHED BUSINESS

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

Bill "An Act To Amend Water Quality Laws To Aid in Wild Atlantic Salmon Restoration"

(H.P. 1358) (L.D. 1833)

(Committee on **NATURAL RESOURCES** suggested)

TABLED - January 27, 2004 (Till Later Today) by Representative DUPLESSIE of Westbrook.

PENDING - REFERENCE.

Subsequently, the Bill was **REFERRED** to the Committee on **NATURAL RESOURCES**, ordered printed and sent for concurrence.

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

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

SENATE PAPERS

The following Joint Resolution: (S.P. 681)

JOINT RESOLUTION COMMEMORATING THE 100TH ANNIVERSARY OF MORSE HIGH SCHOOL

WHEREAS, Charles W. Morse was a prominent New York financier, a self-made man, who worked his way through college and was an 1877 graduate of Bowdoin College. He founded Eastern Steamship, one of the most successful shipping lines operating along the Atlantic Coast; and

WHEREAS, it was 100 years ago, on January 30, 1904 that Charles Wyman Morse turned the keys of Morse High School over to the City of Bath in memory of his mother, Annie E. J. Morse; and

WHEREAS, the original school was built with the finest of local materials and was considered one of Bath's most beautiful buildings and one of the State's finest schools, and Charles W. Morse's own sons graduated from Morse High School; and

WHEREAS, the original school was destroyed by fire in 1928 and was replaced by the current structure in 1929 that today houses about 800 students and 75 faculty and staff; and

WHEREAS, Morse High School now celebrates its 100th Anniversary this year; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Twenty-first Legislature, now assembled in the Second Regular Session, on behalf of the people we represent, take this opportunity to congratulate all Morse High School alumni and staff, past and present, and the City of Bath on this centennial celebration of Morse High School.

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

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

The House recessed until 4:00 p.m.

(After Recess)

The House was called to order by the Speaker.

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

HOUSE DIVIDED REPORT - Majority (8) **Ought to Pass as Amended by Committee Amendment "A" (H-642)** - Minority (5) **Ought to Pass as Amended by Committee Amendment "B" (H-643)** - Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** on Bill "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary for the Proper Operations of State Government for the Fiscal Years Ending June 30, 2004 and June 30, 2005" (EMERGENCY)

(H.P. 1351) (L.D. 1828)

Which was **TABLED** by Representative BRANNIGAN of Portland pending **ADOPTION** of **Committee Amendment "A" (H-642)**.

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

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. Tonight we are going to ask you to continue your support of health care for all the people of our state, especially those who are low waged workers, families, people who are self-employed and those who work in small businesses. Maine has been a leader in trying to work with health care. Maine RX is familiar to all of you and the work that has been done in this Legislature by our Attorney General. We are working as a leader. Maine is now working as a leader with Dirigo Health to bring health care to those who don't have it. We are looked upon as a leader. People may say that we can't afford to be a leader, but we can't afford not to. Health care is the issue. We have to be there. This budget, while making cuts and managing the budget deficit that we have, in doing it we have assisted our administrative arm of the government in reducing cuts. We have reduced cuts here in this budget. We have reduced them to hospitals. We have reduced cuts to pharmacists. We have reduced cuts to higher education. Other providers to those who help people in need have had their cuts reduced. We have avoided wherever possible using one-time money to fill cuts that need to go on.

When I first was in the Legislature in the Appropriations process, we had a major deficit and the committees of oversight had no involvement in dealing with those cuts. Coming back in the last few years, the committees of oversight have been looking into the problems that are necessarily faced in balancing the budget. Never before have committees of oversight been so involved as they have been in this process of the last few weeks. We have, the Appropriations Committee, on many, many parts of this budget accepted the recommendations of the committees of oversight. Many, many times those have been unanimous for both parties involved and many times they were a large majority of the committee. This budget was put together by

this whole Legislature. Health care for all of the people in our state is the issue here. I ask you to please support this budget. Thank you Mr. Speaker.

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

Representative **DUDLEY**: Mr. Speaker, Men and Women of the House. I rise this afternoon to express my strong support for Committee Amendment "A," the Majority Report from Appropriations. Probably foremost to preserve what we did last session. Last session in this chamber and the one down the hall, we made history in the United States of America by beginning the Dirigo Health Program, but making a promise to Maine's small businesses and individuals whose bottom lines are being decimated by ever increasing costs of health care. We made a promise to them that we would go forward with Dirigo Health and try to rein in those runaway costs. That is precisely what Dirigo Health is designed to do. I am proud of this budget because this budget protects that very promise.

This budget also protects the promises that we have made to the existing Maine Care population. Unfortunately when we began this session we were forced to contend with proposals that sought to roll back some of the coverages and protections that we have enacted for some of the most vulnerable Maine citizens. We stood up and we found other ways to hold these populations whole, to preserve them, to not make them more vulnerable. This budget accomplishes that and at the same time keeps our promise to small businesses and individuals struggling with the ever-increasing costs of health care in the State of Maine. I am proud to stand behind this budget and I hope you will join me in support. Thank you.

The SPEAKER: The Chair recognizes the Representative from Bucksport, Representative Rosen.

Representative **ROSEN**: Mr. Speaker, Ladies and Gentlemen of the House. I hope this evening you have the opportunity to read the budget document that is before you. It is particularly important that we understand what we are being asked to vote on and the issue that is in front of us, which is a budget bill. It is a budget bill designed to deal with a shortfall in this fiscal year. I think if you examine the proposal, the Majority Report that is in front of us, objectively with open eyes, I think you will come to the conclusion that the responsible thing to do is to reject it and move onto the Minority Report.

There are three primary overarching reasons why you should reject this bill. The first is that this budget and the process to pass it, have diminished the Legislature. We have been behaving as though this great branch of government was nothing more than an agency of the Executive. You have heard that there were extensive negotiations. The reality is that the Appropriations Committee was called in to conduct hearings with a shortened notification to the public on a draft proposal that was continually being changed as we were conducting those hearings. We moved into the next week with a Monday holiday and only had two days to receive the reports back from the policy committees. That brought us to a Thursday. From Thursday to Sunday night we were presented with a 96-hour deadline to achieve an accommodation.

We weren't able to do that and on Monday the 26th, the Executive indicated that unilaterally through authority and statute given to the Department of Human Services, \$29.9 million of provider cuts would be implemented. I ask you to look back and review the history of traditionally how this Legislature, during the previous decades, had dealt with emergency budget situations by working through the entire session and deliberately and carefully crafting a proposal that could be presented to the body that would deal with the shortfall of the entire biennium and would be a

package that would earn two-thirds support from the membership. That is the tradition of this Legislature. It has only been broken one time. It truly is unfortunate that we find ourselves on the brink of doing it again.

The second reason is because of the specific components that are in the budget before us. This proposal includes a proposal to bring back the very destructive tax on hospitals. It also includes a transfer from the State Retirees Health Insurance Program, retired state employees, retired teachers who have received their health insurance that is funded through this program will see \$10 million transferred out of that fund and used to fill this hole. We see a transfer of \$1 million out of the Small Harbors Fund. We see severe cuts to our higher education institutions.

The third reason, the third general theme of why you should reject this proposal is because this proposition ignores the causes of the Medicaid shortfall and makes absolutely no attempt to address those in a meaningful and an ongoing way. Thank you.

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

Representative FAIRCLOTH: Mr. Speaker, Men and Women of the House. I rise in support of Committee Amendment "A." The Legislature is an independent branch of government and this independent branch has placed its stamp on this legislation in significant and important ways with the appropriate discussion and debate regarding Dirigo and hospitals, which is all valid, I think it is important to emphasize first that among three important promises that this Committee Amendment "A" keeps, first among those is caring for the core functions of government, our most vulnerable. I just want to remind this body that initially there were proposed cuts for the School for the Deaf. Those are restored, blind and visually prepared, cuts were proposed for education there. Those are restored. Women working in communities, those were proposed to be cut. They are now restored. Drugs for the Elderly Program, proposed to be cut, but now restored. All the unanimous proposals of the HHS Committee were restored with regard to those major parts of the budget and beyond that the Appropriations and Financial Affairs Committee even improved upon those proposals by restoring some more money for the waivers. We have done a lot about the basic functions of government. We have done a lot to help research and development and help economic development. We have kept that promise to meet the basic functions of government and it was the Legislative Body creating its stamp on this process that greatly improved what was proposed.

Secondly, we do keep a commitment to deal and manage with this process responsibly, the hospital issue. If things were to go forward as currently planned, as on the table, it would be \$26.1 million to the hospitals. We managed that. We draw down federal dollars and of the gross patient services revenues to the hospitals, which according to the Office of Fiscal and Program Review is \$3.5 billion. We have a statewide impact on hospitals of \$2.6 million. According, again, to the Office of Fiscal and Program Review, this would be .12 percent of net patient services revenues and .07 percent if you use gross patient services revenues, less than one-tenth of 1 percent. We have managed this in a responsible way.

Third, we have dealt in a significant way with the causes of the Medicaid issue because we are keeping our promise to Dirigo, which is critically important. We are going to have it start on time. We are going to have it start strong. We are going to have it start in a way that engenders competence so that businesses will be able to participate. We are keeping our promise to small businesses. We know those premiums are

high. We are going to do something that is very strong to help them. We have kept those three promises. We have done so in a unique way, caring for the most vulnerable, managing the issues where everyone shares the pain and doing it in a responsible way and then helping our small businesses in the state through Dirigo starting July 1, about which we are all very excited. Thank you men and women of the House.

The SPEAKER: The Chair recognizes the Representative from Raymond, Representative Bruno.

Representative BRUNO: Mr. Speaker, Men and Women of the House. I have to disagree with the good Representative from Bangor. I don't think we are doing this in a responsible way. The Legislature did not put its stamp of approval on this budget. This is a budget that came from the Executive that everyone just said, if that is what he wants, then that is what we are going to do. That is not the way we should do budgets. It is not the way we should do any piece of legislation. We have given up our responsibility as legislators. This budget proposal uses 80 percent one-time money. The other 20 percent comes from a tax increase. You may want to hear that tax increases are already on the books, but it expired six months ago. It is a brand new tax. What we did in 1991, it was eliminated in 1995 because the feds stopped paying the federal match on it. We now want to do it again. I used to get these press releases that said, by the way, we cut taxes by \$450 million. Well \$161 million of that money was the hospital tax. Now you want to re-impose it. That must make it a tax increase. If you say you have cut it and now you put it back, then that must be a tax increase. What happens for '05 when you don't have any more pots of money to go after? What are you going to do? You still have the same problem, because you are using one-time money to fix this year. You haven't fixed the problem.

The other question you need to ask yourself, is this budget in balance? If you go to OFPR, they will tell you, no, it's not, because you are accepting the premise that \$700,000 in new revenue is coming into this budget from the liquor sale and you are selling more liquor. The fact of the matter is, the Revenue Forecasting Commission looked at that and rejected it. Your budget is not even in balance.

Ten million dollars from the State Retiree Health Insurance Fund, that unfunded liability on the health insurance fund is now \$935 million. There was no public hearing on that. No one came forward and said, we approve of you taking \$10 million out of our health insurance fund. That was just put in the budget, \$10 million, ladies and gentlemen. How much more are you going to take? There is only \$34 million left in the entire fund. Why don't you sweep all of it?

Remember in 1995 there was a Constitutional Amendment passed that said the Legislature will no longer raid the Retirement System Fund. What did you do? A year ago we all voted to re-amortize that fund to its legal limit. There is a difference between re-amortization and stealing money. While the Health Insurance Fund is a separate fund, not part of the Retirement System, you still have an unfunded liability of close to a billion dollars. In the Retirement Fund you have an unfunded liability of over \$2 billion. If that is your idea of responsible budgeting, there is a bridge in Brooklyn. I think you ought to read the budget that you want to vote for. All I hear about it Dirigo, Dirigo, Dirigo. The Republican Minority Budget does not stop Dirigo from going forward. As a matter a fact, it leaves enough money in it so it will go forward. What we are saying is before you continue to expand Maine Care, you ought to look at what you are doing. The State of Maine cannot afford to expand that program anymore. I think you ought to weigh the options in front of you here. What is responsible and what is not? Examine the Minority Budget. It

restores all the cuts. It doesn't take any money out of the Fund for a Healthy Maine. It restores higher education completely. That is what it does. It does so by using \$18 million of what is known as federal fiscal relief money, not Dirigo money. It was given to us with a purpose of solving our Maine Care Medicaid budget problems, not to start a new program. We are not saying that we don't want to start a new program. We are saying you ought to look at how you spend your money. Thank you Mr. Speaker.

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

Representative **RICHARDSON**: Mr. Speaker, Men and Women of the House. I am trying to recall just some months ago when we all voted on a budget in which we agreed to put \$53 million into the Dirigo Health Plan. Now all of a sudden I hear this is federal money somehow to be used for some Medicaid budget shortfall. I thought I knew what I was voting for when I voted to create Dirigo Health and I thought I understood the funding mechanism by which we were going to create the Dirigo Health Plan in order to relieve the high cost and burden of health care upon Maine's small businesses and individuals. That is what I recall doing last time we sat to put a budget together.

With respect to the issue raised by the good Representative from Raymond, Representative Bruno, I do to some degree disagree as I read through bits and parts of the minority budget. I think, as I read it, it is just my opinion, the Dirigo Health Plan is under attack. It is threatened. We are taking, as I understand it from the minority budget, millions and millions of dollars that would otherwise go to fund this plan. We are delaying it, as I understand it, the implementation of some aspects of the Dirigo Health Plan. That is not what I agreed to a year ago. That is not the commitment I made to Maine people to do something about health care. Yes, it is true that we are expanding Maine Care, an expansion of 60,000 people. Who can complain that that is a bad idea in the State of Maine, to provide people health care to people who didn't otherwise have it? You know what we are doing is taking off the backs of the hospitals the bad debt and charity care that they otherwise would have had to pay. When we put more people into a plan, we are taking off that burden and replacing it, not in the hospitals ledger, but in the state's ledger. I think we are helping the hospitals quite a lot here.

I see some paper shifted my way with respect to how some hospitals feel about the so-called tax and match. I like to think about it as the fact that we are maximizing the amount of federal subsidies that Maine is entitled to that we can provide to ourselves in order to infuse cash into a strapped hospital budget. What are we doing? I talked to you about the fact that bad debt and charity care is being handled. We are picking up the poorest of the poor.

I want to talk to for a minute about the fact that this so-called tax and match under the Governor's curtailment plan would have lost \$25 million for hospitals. That is quite a huge sum. The plan that we put together limits that amount of the loss to \$2.5 million. We are not done yet with what we have done for hospitals. We had a hospital settlement that would have been paid in the fiscal year '05 and we moved that into the year '04, a \$10 million move that translates into leveraging of \$30 million to infuse capital into the hospital accounts. I think the hospitals are well served in this budget. I think that really is the major distinction between what both sides of the aisle want here. It is a matter of either taking one-time money out of the Dirigo Health Plan and balancing this budget and plugging that hole and losing forever, in my opinion, the opportunity effective July 1st to see that health care is offered and provided to all Maine people.

The issue I want to talk about last before I sit down is the issue of the \$10 million from the retirement account. We borrow for one day \$10 million, which allows us to leverage another million from the federal government in order to help balance this budget. I ask you, if you had \$10,000 and I said to you, if you lend me that \$10,000 for a day, I will give you \$11,000 back. How many of us would avoid that temptation. I don't think so. I think we all know how to add. I think we all understand in the budget that we put together here, that that \$10 million is paid back in '05.

Those are my comments in response to the Republican floor leader. I just wanted to rise to kind of clear the air on this side of the aisle to give comfort to those who understand the budget, but need a response from what we have heard on the other side. Thank you Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Raymond, Representative Bruno.

Representative **BRUNO**: Mr. Speaker, Men and Women of the House. I ask you to look at Part P of your budget. Maybe I can't read, but you are going to borrow \$10 million on June 30, 2004. You are going to pay it back on or after July 1, 2005. That sure seems like a year to me. You are going to borrow it at 8 percent interest when the prime rate is 4 percent. How is that a good deal? That is not one day, ladies and gentlemen, that is a year or more because it says on or after. The last time we did it in 1991, 1993, we never paid it back, ladies and gentlemen. That is what Part P says. It doesn't say on July 1, 2005 I am paying it back. Thank you Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Waterford, Representative Millett.

Representative **MILLETT**: Mr. Speaker, Ladies and Gentlemen of the House. I would like to take a few moments to explain my reasons for supporting the Minority Report and by discomfort with the approach represented by the Majority Report. I would also like to speak to some concerns that I have now about the process we have been through since we began the hearing process on January 13th and how I feel it bodes ill for the future for this body and for our Appropriations Committee. Let me say at the outset that I am proud to be a member of the Appropriations Committee. It is a fine group of 13 people with good intellect and an ability to get along, analyze serious problems and we have already adapted to our role as the De-appropriations Committee because that is really what we have been doing since we convened in the First Regular Session. However, I am troubled by some changes that have occurred within that relationship and the process we followed over the less than two-week period from the time we began hearing the draft until we had to vote last Monday evening.

Representative Rosen has talked about the extreme time pressure we were under and the fact that we were focusing only on the '04 portion of a biennial budget that is in serious deficit. Make no bones about it, numbers that will be on your desk, if not tonight, by tomorrow, show that we have over a \$300 million Maine Care related shortfall in the budget for the balance of this biennium. One hundred thirty-seven of it in the year in which we are now more than half way through. We came here with a draft with no public opportunity to review the bill before testimony began on the 13th under the pressure and the cloud of Maine Care rule changes. They were already pretty far down the track.

Many of you will remember the day after we came in here on January 7th and a public hearing was heard about those rules. Some of you attended. You got a flavor for the feelings reflected from both the low income and the needy and those directly impacted and to provide a community that was really one of

causing them to be scared about what was being done and what the implications were.

From the time we received the report backs, and I would agree with my House Chair, the policy committees have been extremely helpful to us, but after receiving them and discussing the larger ones for Tuesday and Wednesday of the week of the Martin Luther King Holiday, we stopped talking about them. We never got back together again until Monday evening except for a very brief opportunity on Friday morning last to actually talk about our differences in an open forum on open mike. We never took the bill printed on the 16th of January after the hearings were over and voted in or out a single item. Never have I seen an Appropriations bill treated in this manner where the committee actually never gropes and grapples with the detail and the issues and tries to arrive at a point of difference through the compromise process and try to work it out. It is unheard of in my history that we are at this point where we closed the budget out a week ago on a Monday night with verbal analysis that were about 10 minutes in length of each party, each side. We knew we were going to divide. There was nothing in front of us and then we voted to close the budget without having voted once on individual items within this budget. That troubles me. I worry that it could become the pattern if the next year's appropriations process is approached or begun with the same sort of unwillingness to take the public debate and hash it out within committee.

I understand some of the criticisms of our committee. However, there are some that I can't accept. I would like to just put to rest any hint of anyone believing the assignments of political motivation or an unwillingness to negotiate on the part of myself and my four colleagues on the Republican side of the aisle. We have no political bones in our bones when we try to dissect the policy implications and look at the long-term fiscal implications of a budget as complicated as this. I can assure you on my word that never did we even enter that arena of political motivation. Also, never did we negotiate, because we never had an opportunity to talk to anyone offering to negotiate, no proposals were exchanged, no counter proposals were given and no discussion of the differences right up until the vote to report this bill out before you. If nothing else and in spite of all the number you will see and hear that might give all of you some pause for concern, is this a budget that you want to latch onto when your committee of jurisdiction has really not voted on a single component within it.

The distinction between health care and some of the inferences on Dirigo and the motive of the Republican members and I won't debate the Minority Report, I think our attempts to portray our motives as having different levels of compassion for the needy. I would like to put that to rest because most of us on the committee, I know that I worked hard to craft the Dirigo Program. I wanted it to succeed. My concerns about the approach we are on are driven by that \$300 million problem that we have in front of us. If we aren't able to come to grips with and to recognize that what we did just a year ago, some of it not completed until the spring of 2003 has now bubbled up to a \$300 million problem. All of it exceeding the estimates of costs of Maine Care related programs in about four different departments all of it occurring in the short period of time since we adjourned last June. You look at the numbers and you can't draw any other conclusion but to assume that. We low-balled the estimates of participation when we expanded the eligibility windows. We didn't anticipate the increase in utilization services and we certainly assumed that we would offset some of that growth along the way with assumptions that have not proven to be workable.

I should have felt a sense of concern when I voted on the biennial budget last year because if you look back at it, we

actually decreased Medicaid account appropriations so far below the request that originally came from the departments as to make you wonder if we knew what we were doing. Now we are seeing, based on the budget that we approved, wrote that it is much more than double digits. It approaches 20 percent in some instances just in the short time since the fiscal year began.

If we don't come to grips with the fact that the Maine Care express is on a very fast track and try to think about it in relation to the economy, which is our driving source of revenue, you can't really make a compassionate decision with dispassionate thinking if you don't connect the two. The dots do connect. We can't have a Maine Care express that is proceeding down the track under full throttle with an economy that is percolating along almost in idle. Even the latest versions of the economic forecasting commission, which will soon be reflected upon by the Revenue Forecasting Committee will project little or no growth in the balance of this biennium and not much optimism for the rest of this decade.

Think about it. We are here now in this shorter session to try to put \$300 million of deficit back in balance. What we are doing, and this is my concern for the future, we are doing more of what we did last year. We picked most of the low hanging fruit last year. We sold some assets. We refinanced the Retirement System. We alienated many of you by transferring funds from many other funds to the general fund when we thought we had previously protected them. Where are we today? More of the same, more fund transfers. We are not refinancing, we are borrowing. You just heard that discussion. We are not actually looking at ongoing implications, we are basically looking at more one-time solutions to a problem that is significant and can only increase in the year ahead.

What do we do to address the issue of the primary cause being clearly Maine Care costs and services that are running \$300 million above our current biennial budget? If we don't at least pause and step back and look at why this increase is occurring, what have we done that is encouraging it or allowing it to happen and what can we do to prevent it from continuing at the rapid pace that it is? That is when and why my committee and my party chose to take a look at the value of a pause, not a retrenchment, but a pause in further expansions of eligibility until we can get our Maine Care house in order. We didn't look at Dirigo as a villain. We looked at the Maine Care expansion and the train that is going down the track and tried to take a paused look at it and ask ourselves, can we afford it based on this current economy, which is relatively flat when we know from the trends that we have been given are going to on the cost side expand out of sight dramatically.

I am not going to go into the individual issues because many of them will be addressed by amendment. I lived through the first tax and match. I can tell you it was promoted out of pure desperation of a revenue shortfall that was a result of an economy in free fall. It was the Hobson's choice of choosing something like that, which the federal government was basically encouraging at the time, rather than making wholesale cuts in programs. I regret that we did it then. I worry that we can be seduced into doing it again. Make no bones about it, it is a gimmick. I was then and it is now. You are actually proposing to impose two taxes. One between now and June 30th and another one on July 15th, making hospitals become the source of cash flow twice within the span of a couple of months, equivalent to two years worth of payments into a system which we don't know will pass federal muster on review.

There are many other examples like that. I will stop and hope that the debate will help to bring them to life and make all of us feel a little bit more aware of what we are being asked to do here

today. I hope and I pray that we will make the right decisions on this first glimpse of a significant ongoing problem and it won't poison the well and prevent us from getting back together as a body taking legislative responsibility for our fiduciary charge and doing things in a much more above board open light process that we failed to be able to pull off in the last two weeks. I urge your consideration of some of the amendments coming up. I hope you will listen closely to the debate. I urge you to oppose the Majority Report and consider the Minority Report. Thank you.

The SPEAKER: The Chair recognizes the Representative from North Haven, Representative Pingree.

Representative **PINGREE**: Mr. Speaker, Men and Women of the House. I am standing up to again urge you to adopt Committee Amendment "A." I want to start by echoing some of the comments of my good colleague from Waterford because he is right. This is an incredibly difficult process. If when I was talked into running for office and being part of the Appropriations Committee, I understood the weight of the difficulty of balancing a budget like this, I'm not sure, but I might have rethought it. This is not fun stuff. We have been facing huge, huge problems from balancing a \$1.2 million budget to finding a solution to make sure that people are able to get the services they need through the Medicaid Program. This is not easy stuff. I have heard about good times and I hope that they come soon because I think we can all agree that this is not easy.

I wanted to again reiterate what some of my colleagues have said about the fact that this is a responsible budget. Without going into the details, I think the Democratic and Republic colleagues on the Appropriations Committee saw a lot of the same concerns. We were concerned about a lot of the same cuts, a lot of the same rule changes and most the way we dealt with these concerns were the same. I believe that we are mostly in the same mind about how to do this.

Both of us balanced our budgets, but the idea that the alternative budget is more responsible isn't accurate. Lots of members of this chamber voted for Dirigo Health and a number of members of both sides of the aisle were part of a great committee that proposed this exciting plan that we are all looking forward to, Republicans and Democrats. Part of that was to put \$53 million into the start up of this program. We have been told by a lot of the people that put this program together that that \$53 million is essential to the startup of Dirigo Health.

The idea that you could manage the Medicaid Program by using Dirigo Health's one-time money to fill that hole is not responsible. That money is one-time money. I believe what we have done in this majority budget that you are looking at today is manage our current Medicaid issues, make difficult choices about how we are going to balance this budget and ensure that Medicaid doesn't run out of money at the end of April. I believe that we balanced this budget in a responsible process. I have been very proud to be a part of the this effort and I really appreciate the work that we have done with my colleagues on the other side of the aisle. I am sorry that we couldn't come to an agreement on this.

From my perspective, which was not always in the room, is that Dirigo Health was the central negotiating factor. It was about whether or not we could take a significant amount of money out of the Dirigo Health Plan to balance this budget. I feel very strongly and I know many of you feel very strongly that Dirigo Health is our only option in trying to get us out of the health care mess that we are in today, the reason we are dealing with Medicaid and health care costs like we are. I urge your support of this budget. Thank you.

The SPEAKER: The Chair recognizes the Representative from Hallowell, Representative Cowger.

Representative **COWGER**: Mr. Speaker, Colleagues of the House. I want to rise to just respond to some of the comments that were raised earlier regarding this legislation. You have heard that Committee Amendment "A," which I urge your support of, is not in balance. Let me assure you that it is in balance and the staff at the Office of Fiscal and Program Review have told us exactly that. If you look at all the numbers and the language in the budget, this is a balanced budget. We also heard that we are just rubber stamping what the Executive proposed to us and that we are not making any changes. You have heard, the good Representative from Bangor earlier and the Representative from North Haven, they list the number of restorations that we have made in this budget. Let me point out a couple of other areas. We have done a lot of work in the areas of education and economic development. The University of Maine System which had some significant cuts in the Executive's proposal, has \$1.7 million restored in Committee Amendment "A." Our newly renamed and newly energized Community College System had an additional \$700,000 restored in Committee Amendment "A." In research and development, yes, we are going to continue to invest in R & D with an additional \$2 million in Committee Amendment "A."

This amendment is a good deal to move our economy forward in continuing to invest in our economy and our students. I also want to point out that the good Representative from Raymond, Representative Bruno, mentioned Part P. I just wanted to point out that I believe we have a typographic error in the bill, which I am sure we can fix. Let me clearly tell you that it is clearly the intent of the Majority Report to have the \$10 million for one day and one day only. It should read returning that money on July 1, 2004. I am sure we will find a way to fix that. Thank you and I urge everyone's strong support for the current motion. Thank you.

Representative **MILLS** of Cornville **REQUESTED** a roll call on **ADOPTION of Committee Amendment "A" (H-642).**

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

The SPEAKER: The Chair recognizes the Representative from Cornville, Representative Mills.

Representative **MILLS**: Mr. Speaker, Men and Women of the House. I don't think that this moment should pass without taking a brief look at history and tradition and custom and practice and for someone to put on the record an itemization of how so many of those are being violated, but ignored by the process that we have been engaged in in the last couple of weeks and are now bringing to fruition here at the end of this week. Several of these have been very capably described by the good Representative from Waterboro.

The first of them is the very notion of a majority budget. At times when the Republicans were in control of government back in the '50, I think 1954 may have been the last time, it was a tradition that budgets would be passed in such a fashion that the minority would have voice in the framing of their priorities. Certainly we Republicans were extended that courtesy during the '70s and the '80s when the other party was so significantly in charge of this building.

We began what I think is a bad precedent several years ago by passing a budget with only a bare majority and I regret to note in passing that this may be another occasion when that may occur. We get better budgets when we have participation from both parties and both sides of the aisle. I think that is a tradition that we let go at our peril.

We also have the issue of the closing of the budget without a known balance and it was clear that the verbal descriptions of what was in the budget that we are now acting up did not come to

balance last Monday night when we heard what those descriptions were. We passed over completely the long standing custom in Appropriations to take each item of the budget line by line and move those items in and move them out because that is the very process by which you struggle for consensus without exhausting that process it is hard to know whether you are going to come consensus or not. We followed that with a great deal of secret drafting and frankly many changes from the oral description that was given to us last Monday night and some very significant surprises and indeed provisions in this budget that have never been exposed to the public or to the interest groups or to the people who are most affected by these significant changes.

The budget also fails to address the '05 year. It has been brought to our attention in many informal ways by our staff and by the administration that we have an extraordinary shortfall for FY '05 looming over this institution like the sword of Damocles. I have said to many of you that this little budget for '04 is nothing but the first day of Gettysburg. That day when everybody was strutting around looking for the high ground, they were still coming up from the south, General Lee was getting his troops in order and the Union was trying to find room on Cemetery Ridge. A few pot shots and a little Calvary worked, nothing much occurred. The wheat field, the slaughter, is the '05 budget that has been described by my good brother from Waterboro.

We have some very, very serious near bankruptcy issues to be faced by this institution and we need to do it together.

We saw in our Appropriations Committee a failure to authorize the 13 members of that committee or at least speaking for myself, I would suggest to you that the people on the other side of the aisle were not given the authority that they needed to openly negotiate with those of us on this side. That, I think, is the sad passing of tradition. Customarily this institution has run on the notion that the people on the Appropriations Committee would be given rather plenary authority to discuss the pros and cons of all elements of the budget, taking nothing off the table, leaving everything for debate and discussion within that committee. That committee is the sword point. That is where you try to put your most reasonable people, not speaking for myself of course. You try to put people on there who are good negotiators, not the extremists. The reason those people are selected is because those are the kinds of people, frankly, that might be able to bring people to consensus and come to a budget that will be reluctantly accepted by the extreme wings of both of our respective parties. That process, ladies and gentlemen, was never allowed to start. That is why we are here tonight debating a document that has such limited support. Thank you.

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

Representative DUDLEY: Mr. Speaker, Men and Women of the House. A week ago I had the pleasure, along with the Representative from Lewiston, Representative Mailhot, to meet with the Representative from Waterford, Representative Millett, and the ranking member of the committee from the other body, Senator Turner, to discuss possible common ground in changes to the Dirigo Health Plan that might result in our going forward with a unanimous committee budget. I want to say that I feel very strongly that those were good faith negotiations. I don't think it was the aim and I don't think it is now is the intent of Senator Turner or Representative Millett to do anything to harm the potential success of the Dirigo Health Program. I don't for a moment believe that is their motivation. I will challenge anybody who thinks differently on that.

The point remains that the recommendations that they made for changes would have resulted to continue with the analogy

presented by the Representative from Cornville of Gettysburg. The result would have been to grave shot at Dirigo Health and eviscerate the Dirigo Health Program. As I said, I do not believe it was their intent, but it was clear to those of us who discussed this with them and certainly those in the Executive Branch, the Governor's Office of Health, Policy and Finance with whom we worked on Dirigo Health, that the result would be to destroy the potential success for the Dirigo Health Program.

It became clear to us that the price of Republican participation in this budget would be the evisceration of Dirigo Health. Again, I do not think that was the intent, but it was very clear to us that that would be the result. With that understood, the Democrats could not in good conscience continue in a negotiation which we knew was unrealistic for us. We knew it could not result in an agreement. Representative Millett and Representative Mills were correct. Negotiations did not go very far because we couldn't agree on the very elements that we had to negotiate with. I wish it were different. I think it is regrettable as Representative Mills expressed that we couldn't work together. I think it is sad that some of our traditions have had been put aside. The cost of gutting Dirigo Health was too great. We could not in good faith enter into that kind of negotiation.

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

Representative MAILHOT: Mr. Speaker, Ladies and Gentlemen of the House. I won't be very lengthy tonight. I figure I am going to rise two or three times in the deliberation of this budget.

I would just like to say where I stand when I sit in the Appropriation's room working on a budget, whether a two-year budget or whether a supplemental budget, what runs in mind before money, and I know we need money to settle budgets, but what really runs in my mind are the human beings that are out there that rely on us to do the right thing at the right time, for them to stay healthy, educated and everything else that comes with being young or being old in a state. Whether we are discussing the young and old, the rich and the poor, education, health care or restoring the cuts that had been done for the Drugs for the Elderly Program with all 151 of us in this chamber, think a healthy program for our constituencies.

This Majority Budget restores the prescription drug program to its full extent as it was before we started to discuss the budget. It was going to be cut by approximately 35 to 40 percent. It is restored. When we vote on this budget, Amendment "A," I want us all to think of what our people would have said to us out there that rely on this program on a daily, weekly and monthly basis for prescription drugs if we would have cut this by 35 to 40 percent.

The last thing I want to say in rising this time is we have an opportunity at this time to support what we did in the last budget by making a strong attempt and funding \$53 million for the new Dirigo plan. I think we owe this plan an opportunity to start. I think we owe our small businesses an opportunity to get in on this and offer their employees, employees of small businesses, that is the way Maine runs, small businesses, an opportunity to get health care. Thank you very much for your time, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Kossuth Township, Representative Bunker.

Representative BUNKER: Mr. Speaker, Men and Women of the House. Here we are again debating budgets. Budgets are always a difficult thing to debate. I do want to thank both sides of the aisle for providing a budget document for us to view. In the past, as you well know, we are usually just debating one budget and one side says it is bad and the other side says it is good. I am very pleased to see that the effort has been made. I would

set a little history for that, the last time we had two budgets before us, probably was the time we were trying to move forward with a majority budget as we are here today with Libby Mitchell several years ago and I was a part of that. Sometimes when you get to the point where the right thing has to be done, there is a point where you have to take action. Ladies and gentlemen, when it comes to Dirigo and taking \$20 million of one-time funds and using it to pay ongoing expenditures of this state, which the other side of the aisle has always said is improper to do and they intend to do it this time, again, I think that is inappropriate and shouldn't happen. Our people, our small businesses, out there, we promised them that this plan was coming forward. It would be up and running this year. It is going to go forward and it is the number one problem in this state raised by our small businesses from Allagash all the way down to Kittery and Fort Kent. I know I sold catastrophic health care and each and every one of them said, when are those people down there in Augusta going to turn their brains on and understand where our number one fiscal problem is to keep our business going. It is health care. I didn't have a good answer, but I am glad to see in the last couple of years we came up with the right answer. It is Dirigo. I agree with the prior speakers that taking \$20 million of one-time funds and applying it for ongoing bills is inappropriate and it is only intended to delay this program two years. Our business folks cannot handle a two-year delay in the relief necessary to get our economy going by ensuring our hard working people out there in these small businesses, which is the lifeblood of this state. I do not have a large business, period, in my rural district and the woods and the trees and the moose and the deer need Dirigo now, not two years later.

I am going to tell you folks that it is really funny when we have these budget debates about who is better and who is fiscally responsible. Both these documents on my desk spend \$109 million. It has nothing to do with spending money, that is for darn sure. Let's vote on this thing and move forward. I do applaud both sides of the aisle for putting together a budget. We know how we are going to vote, let's do it.

The SPEAKER: The Chair recognizes the Representative from Brewer, Representative Rogers.

Representative **ROGERS**: Mr. Speaker, Ladies and Gentlemen of the House. I don't rise very often, but when I do I have a message for all of you. There are about 70 new members here that are voting on these things for the first time. Ladies and gentlemen, think about what is going on. You don't have any past history or any promises you have to maintain. I think we are all running on a pattern of reduced spending and fiscal responsibility when we came down here. This ship has been running without a rudder. It is about time we took it, brought it in, straightened it out. All we are talking about tonight is the Dirigo Plan. That is really secondary to the bottom line of the whole budget. Again, I hearken to you new members, think about it. You are here to make an impact. Tonight is the night we can make that impact. When you go home and you are out there seeing your people and they say, what have you done for me lately? You don't want to have to tell them you spent \$50 million that came from the federal side to start a new program, which I did not vote for and I did not support. I don't think that is fiscal responsibility to head down that path. I will not vote in favor of the amendment. Thank you sir.

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

Representative **KANE**: Mr. Speaker, Men and Women of the House. We all are sent here to do the will of the people of Maine. It is not always easy for us to discern what that will is. For the last few minutes Dirigo has been in the cross hairs of the debate.

It is important for us to try to determine if we can will of the people, a poll released just today by the Portland Press Herald, it asks the question about whether the lawmakers should look to cuts in the Dirigo Health Program to help balance the budget. Nearly 63 percent of the 550 odd respondents said no, nearly 63 percent to 37 percent. I think that if we do want to keep in mind in our deliberations what the people want us to do here, this is a unique and not always opportune source of information for us. I hope, Mr. Speaker, that we will use this information wisely in our deliberations and retain our support for Dirigo and retain support for Committee Amendment "A." Thank you.

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

Representative **FAIRCLOTH**: Mr. Speaker, Men and Women of the House. I rise to make a distinction regarding majority and super majority votes in this body. Certainly unanimity is to be sought. I recently served as House Chair of the Commission to Increase Community Safety and Sex Offender Accountability. That report will be coming here we hope. We always work towards unanimity. I served four years on the Judiciary Committee. We always worked towards unanimity. Of course, as I said the other night when it appeared that my colleagues on the Appropriations Committee that we might be parting. I think very highly of them, including the Republican members and we always want to work towards unanimity with them. I do want to draw a distinction here because the Maine Constitution, when we get down here on the floor, it is appropriate to note that the Maine Constitution specifically contemplates a majority budget. The founding fathers of Maine, indeed the founding fathers of this country, James Madison, foremost among them, enshrined majority rule. It is welcomed for those who disagree with Dirigo or any other policy to disagree with it. We enshrined a majority rule process and I think that Dirigo is a very valid example, a very important example, of where majority rule is appropriate. Why? As James Madison will tell you in the vast majority of cases we make decisions through a Democratic process and that is how the majority handles these questions. Super majorities constitutionally and conceptually are reserved for things like changes in the Constitution. Because we believe in democratic values with a small d, while we desire and would certainly work to seek unanimity if we can, just remember that we are the majority that has an idea whose time has come, even if the good Representative from Saco had said it had been 55 percent for Dirigo, that would have been valid. The majority believes in this policy as I think we do, then I think it is appropriate to combine in this budget, as we do uniquely, I include the Administration's proposals with that, as I said earlier, we uniquely combine meeting our core values of dealing with those who are vulnerable in our society, dealing responsibly with the budget, including with our colleagues in the hospital community and finally moving Dirigo forward promptly, strongly in a way that builds confidence. This majority method was the unique method by which we could achieve that valid policy goal. If that is the way it has to be, then so be it. Bear in mind that I will be eager when the '05 budget comes to work toward unanimity because we have such excellent people serving on both sides of the aisle on the Appropriations Committee and on the floor. Thank you.

The SPEAKER: The Chair recognizes the Representative from Raymond, Representative Bruno. Having spoken twice now requests unanimous consent to address the House a third time. Is there objection? Chair hears no objection, the Representative may proceed.

Representative **BRUNO**: Mr. Speaker, Men and Women of the House. I am only rising to ask you to look at the general fund status report that was distributed under my name. This is where

it shows that the majority budget is out of balance. Look at footnote number three, \$700,000 is included in that budget that is not accepted by the Revenue Forecasting Commission, meaning that when you subtract that from the \$533,000 at the end of fiscal year '05, you have a negative balance. That is how you read a P & L statement, ladies and gentlemen. You are out of balance. You have a negative balance. Thank you Mr. Speaker.

Representative TRAHAN of Waldoboro **PRESENTED House Amendment "A" (H-649) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The **SPEAKER**: The Chair recognizes the Representative from Waldoboro, Representative Trahan.

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. This past November the Speaker of the House, along with the Speaker's Advisory Task Force on the Office of Program Evaluation and Governmental Accountability arranged for John Turcotte of MGT of America, a consulting firm that specializes in helping states organize their Program Evaluation Offices to come to Maine and help our new oversight office organize. The task force was charged with reviewing our current statute to ensure that when OPEGA starts its work, the new office will have the tools and strong statutes needed to guarantee this controversial, yet desperately needed office the protections necessary to do their work.

Mr. Turcotte a national expert in program evaluation, having directed program evaluation offices in Mississippi and Florida, as well as chairing the National Conference of State Legislatures, Program Evaluation Society spent three days working with the House Committee. From those meetings the Legislature received invaluable information on how to make OPEGA a better program.

The report from John Turcotte included five recommendations on statutory changes he felt necessary to make OPEGA whole. Many of the changes he recommended were simply to return to original language passed by the State and Local Government Committee three years ago. As you most likely already know, OPEGA has been fought tooth and nail by some in the other chamber. In that fight the OPEGA statute has been mortally wounded by the amendments that have weakened its intent, power and ability to remain independent.

The amendment before you would wipe the slate clean and restore integrity to both the office and the process that eroded this statute. In other words, you have the opportunity to make things right by supporting this amendment.

Part one of this amendment restores the authority of OPEGA to look at entities other than state programs, like local and county government funded by taxpayer dollars.

This is what John Turcotte said about this section. "The statute does not provide OPEGA with jurisdiction to conduct a program evaluation of localities to determine if public funds were spent efficiently, effectively and economically. The OPEGA report in such a case without a determination of efficiency would be useless." I repeat the word useless.

Part Two of this amendment restores original OPEGA statute language that allows OPEGA to look at individual employees receiving private money for state purposes. In Mr. Turcotte's report he explains why this is necessary. "Program evaluations and investigative audits in other states have found that some state institution heads with access to private donations wasted those funds on purchases that would have been illegal or considered just an enrichment." He goes on to explain how one South Carolina university president was forced to resign after it was revealed by an evaluation that he had "lavish travel expenses, wasteful spending of private foundation money" and

that he was later convicted in federal court of selling US Visas and money laundering.

Part three of the amendment simply clarifies language that ensures this new office does not duplicate the work of the State Auditor.

Part four adds language that specifies this office is nonpartisan, like OPLA and Fiscal and Program Review.

Last, and most importantly, part five clarifies that this office has access to confidential information. It insures this information is protected from disclosure and fulfills a demand by the Senate President that this section of statute is reviewed and justified. Turcotte states in his report, "Such access is essential for OPEGA to carry out its function." He goes on to state "Access to records goes to the heart of legislative oversight and nearly every state audit program evaluation operation has generally unrestricted access to state and local records, including records deemed confidential by state and federal laws."

Ladies and gentlemen of the House, I ask you to join me in making the OPEGA statute whole. This legislation was passed in 2001 and has been blocked more times than I can count. In the current fiscal crisis, I can only wonder what crucial state services might have been saved from cuts if OPEGA would have been allowed to go to work two years ago. Just recently, in one year, South Carolina saved \$43 million, Florida \$270 million and Texas \$56.7 million, as well as countless improvements to essential programs.

In the last two years many of you have asked what you can do to help and I have not asked anything of you, until today. I ask you to put an end to any more delays in OPEGA, restore the integrity of this important legislation by adopting this amendment and finally, ladies and gentlemen, I am going to repeat what I said to the State and Local Government Committee some 3 ½ years ago. You have an opportunity to be part of legislation that will change the institution of government, you just have to have the courage to stand up for what is right. You see, as of today, no one here, not one person including me, can claim credit for this office, because it only exists on paper, and unless we make a change today and demand that this move forward and move forward right, strong and independent, it always will. I want a division.

Representative TRAHAN of Waldoboro **REQUESTED** a division on the motion to **ADOPT House Amendment "A" (H-649) to Committee Amendment "A" (H-642)**.

Representative BRANNIGAN of Portland moved that **House Amendment "A" (H-649) to Committee Amendment "A" (H-642) be INDEFINITELY POSTPONED**.

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

Representative **BRANNIGAN**: Mr. Speaker, Ladies and Gentlemen of the House. I just feel that we really appreciate the frustrations of the Representative from Waldoboro, Representative Trahan, but I believe at this time that this would be inappropriate and would actually slow down the full establishment of OPEGA.

Representative TRAHAN of Waldoboro **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "A" (H-649) to Committee Amendment "A" (H-642)**.

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

The **SPEAKER**: The Chair recognizes the Representative from Waldoboro, Representative Trahan.

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. I don't know if there is another human thing that I can do to get this office moved any further. I have

done everything in my power. I have worked with dozens of you on the other side. Many of you have offered your support and done everything in your power to move this thing forward. I want you to know what you are doing here today. When someone stands and says that they think it is going to slow things down that does not bother me one bit. I will tell you why. If this office moves forward crippled as it is now, whether you fund it and it starts to do its work or not is irrelevant, because it will fail. You move it forward with the funding, with the appointments and this office will fail. Amendments have been made to it that have crippled it. I would rather see it fail right now to move forward and fix it and make it right, then to allow it to move forward. I want you to know today when you vote on this, you are voting to allow a crippled office to move forward to do months and months of work crippled. It will fall on its face. I think the Legislative Record needs to show that this vote today allows that to occur. When the vote is taken I guess I have already requested a roll call.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "A" (H-649) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 272

YEA - Adams, Ash, Barstow, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Earle, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Landry, Lemoine, Lerman, Lessard, Lundein, Mailhot, Makas, Marley, Marraché, McGowan, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Eder, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Saviello, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Woodbury, Young.

ABSENT - Bennett, Berube, Daigle, Dugay, Duprey G, Fletcher, Goodwin, Greeley, Hatch, Jennings, Maietta, McGlocklin, McKee, McNeil, O'Neil, Peavey-Haskell, Piotti, Smith W, Usher.

Yes, 68; No, 63; Absent, 19; Excused, 0.

68 having voted in the affirmative and 63 voted in the negative, with 19 being absent, and accordingly **House Amendment "A" (H-649) to Committee Amendment "A" (H-642) was INDEFINITELY POSTPONED.**

Representative MILLS of Cornville **PRESENTED House Amendment "B" (H-651) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Cornville, Representative Mills.

Representative MILLS: Mr. Speaker, Men and Women of the House. There was recently passed in Congress a 681-page bill amending, in many respects, our Medicaid laws, adding a drug benefit and doing other things. Buried in that lengthy piece of legislation is a provision that frees up to some extent the eligibility of small hospitals to qualify for critical access care status. The advantage of having a hospital be able to qualify for critical

access status is primarily that it increases its access to Medicare reimbursements from the federal government for the services that it serves, renders. It also does enhance, to some extent, their entitlement to Medicaid reimbursements. We now have eight critical access care hospitals that are limited to 15 acute care beds. This amendment, if you accept it, would permit those eight hospitals to have as many as 25 critical care beds if they so choose under this federal provision. We need to change our state laws to conform to the federal provision in order to take advantage of these more favorable rates of reimbursement that are available to these hospitals. If we were to conform our law to the federal, it would open up opportunities for the Bridgton Hospital in Bridgton, the Mayo Regional Hospital in Dover, the Houlton Regional Hospital in Houlton and the Downeast Community Hospital in Machias to apply to the state and to the federal government to be treated in this category. It would, of course, greatly restrict the kinds of services that these small hospitals would be entitled to deliver. It also allows them to get a stronger rate of reimbursement for those services that they are allowed to provide and it is of great benefit to the small hospitals largely, I must add, at the expense of federal funds.

As you will note from the fiscal note, this amendment would have no net affect on general fund appropriations and revenues. It may have some minor cost impact to the general fund, but on balance, they have told us that it will have no net affect. This will be a great service to render for these smaller hospitals. It would generate federal dollars into these small communities. I offer this amendment in the spirit of trying to improve the majority budget. I know that there were so many things that had to be added to it. I am hopeful that you would consider this proposal as one more component of the budget.

If there is a vote to be taken on my motion, I wish that it would be done by roll call vote, Mr. Speaker.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "B" (H-651) to Committee Amendment "A" (H-642).**

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

Representative BRANNIGAN of Portland moved that **House Amendment "B" (H-651) to Committee Amendment "A" (H-642) be INDEFINITELY POSTPONED.**

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

Representative DUDLEY: Mr. Speaker, Men and Women of the House. I won't go into the details as the Representative from Cornville already did that about this. It is certainly an idea that is worth discussing. Unfortunately neither the Health and Human Services Committee nor the Appropriations Committee has gone through that discussion. There has been no deliberation by the Legislature on this proposal. It ought to be discussed in part of the deliberations of the state health plan, an effort set up under Dirigo Health. That said, the primary reason why I will not be voting for this or rather I will be supporting this current motion is that according to the Governor's Office of Health, Policy and Finance, the general fund cost in fiscal year 2004 will be in excess of a half a million dollars.

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

Representative COURTNEY: Mr. Speaker, Ladies and Gentlemen of the House. I guess I have to ask the rhetorical question. That question is, since when do the policy committees have anything to do with this budget?

The SPEAKER: The Chair recognizes the Representative from Hodgdon, Representative Sherman.

Representative **SHERMAN**: Mr. Speaker, Men and Women of the House. Representative Mills laid this out and Houlton Regional Hospital is one of those. They were down here today. They were telling us that they could draw down up to \$2 million worth of Medicare money. We already have tax and match in this budget, but they are not sure that they are going to get that back. We have people on the other side that are taking \$16 million out and using \$14 million for something else. Two million dollars to help this budget gap of \$9 million in federal funds. Looking at the number at Houlton Regional Hospital, that money may or may not come back to them. This is billed upon what the federal government has already done. They may get up to \$2 million worth of Medicare money. If you lose a half a million in this budget bill, then I say so what? You have a net gain.

I would simply like to read the other critical care hospitals there. This is not a Democrat or Republican issue. Bar Harbor is a critical access hospital, Boothbay Harbor, Calais Regional, Greenville, Lincoln, Millinocket and Rumford. What we are asking you to do is add, as already has been mentioned, Bridgton, Dover-Foxcroft, Houlton Regional Hospital and down to Machias. I think we are leaving money on the table. We have done tax and match to draw down federal money. Why not do this one? I won't speak to the prior gentleman's comment about policy, but it certainly has a certain amount of germaneness. Thank you.

Representative MILLS of Cornville **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "B" (H-651) to Committee Amendment "A" (H-642)**.

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

The SPEAKER: The Chair recognizes the Representative from Crystal, Representative Joy.

Representative **JOY**: Mr. Speaker, Ladies and Gentlemen of the House. I stand to rise in support of the good Representative Mills and also Representative Sherman. Living in a very close proximity to Houlton, I have a very good understanding of what their budget problems are. Having been a former administrator of a small hospital, I know that you have to get out there and scrap for every single dollar that is going in order to keep your head above water. I think this is an opportunity to help those small hospitals and it will also expand the capabilities of the hospitals that are already in that category. I urge you to defeat this pending motion and go on to accept the amendment. Thank you.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "B" (H-651) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 273

YEA - Adams, Ash, Barstow, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Landry, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes,

Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Glynn, Goodwin, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McGowan, McKenney, Millett, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Bennett, Berube, Daigle, Dugay, Fletcher, Greeley, Hatch, Jennings, Maietta, McNeil, Peavey-Haskell, Piotti, Smith W, Usher.

Yes, 74; No, 62; Absent, 14; Excused, 0.

74 having voted in the affirmative and 62 voted in the negative, with 14 being absent, and accordingly **House Amendment "B" (H-651) to Committee Amendment "A" (H-642) was INDEFINITELY POSTPONED**.

Representative MILLS of Cornville **PRESENTED House Amendment "C" (H-652) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Cornville, Representative Mills.

Representative **MILLS**: Mr. Speaker, Men and Women of the House. There are certainly many thousands of Maine people who do not have access to quality health care. Over the last couple of decades this Legislature has taken steps to extend coverage and assistance to those who could not afford it or provide it for themselves. Just in the year 2002 we expanded the Medicaid entitlement to include everybody who is below 100 percent of the poverty level. That was a very significant expansion. We paid of it in part by raising the cigarette tax from .94 to \$1. It had always been tradition in this state, not tradition, but law, that you were entitled to a Medicaid card if you were both disabled and below the poverty level, but we did away with the disability requirement in that year and said that we would extend this benefit to all poor people with incomes below 100 percent of poverty. They have been known by various labels, not very flattering, frankly, childless adults we have sometimes called them, non-categorical we have sometimes called them, but they are very needy people. Since they became entitled to a Medicaid card in November 2002, they have flocked to our primary care practitioners and to our hospitals and some of them have come into care perhaps for the first time in their lives.

I think it was a worthy expansion. I not only voted for it, but I lobbied our then Governor for it to overcome his resistance to it. I worked for it. I argued to raise the cigarette tax to support it. I would not retreat from that. I think it was a good decision, but I am also alarmed at the cost of that decision because it has outstripped the estimates that we made two years ago and indeed many other elements of the Medicaid account have far outstripped our expectations and our projections.

I was alerted to a problem with this when I learned that the Hospital Association and many individual hospital administrators who have spoken to me have told me recently that they would greatly appreciate it if we would not expand Medicaid further as we are projected to do in the summer of 2004 until we have taken a better look at what it truly takes for state resources and health care resources to digest this large population, to bring this large population into care and give them what they need.

Associated with our passage of Dirigo, but not necessarily related to our passage of Dirigo last May, which I also voted for, argued for, lobbied for and supported, we passed into state law a provision that late next summer we will extend Medicaid benefits to those from 100 to 125 percent of poverty regardless of disability. We will add in another population, what we call the CHIP Parents, the parents of children who are eligible for CHIP

Medicaid coverage. We will expand those eligibilities from 150 percent to 200 percent of poverty. A family of four at 200 percent of poverty makes about \$37,000. If we continue with these expansions, we will be the state that grants free medical care and free it must be under Medicaid, we are not allowed, frankly, to charge any significant co-pays or any premiums. We are not allowed to get any sort of contribution from the family and those who are covered. We will be, as a poor state, providing free health insurance to families that are making as much as \$35,000, \$36,000 or \$37,000. If they have more children, it would be well over \$40,000.

I fear that the public is going to question our judgment about making those expansions at this time or continuing with our plan to make those expansions at this time in the face of the incredible difficulty that we, as a state, have encountered in paying for the costs of basic care for this population.

I have asked hospital administrators, isn't this somehow, these expansions, aren't they relieving you from your obligation to provide charity care? Isn't it relieving you of your bad debt problem? After all even though Medicaid pays you very little, well below cost, isn't it better that you receive something than that you provide free care and receive nothing or have a bad debt on your hands? They have told me universally, look, it isn't the in-patient side where we are obliged to render free care. It isn't on the in-patient side that we have experienced much change. It is on the outpatient side. I have had primary care doctors describe to me what is happening. We have people who do need care who come into care for sometimes the first times in their lives, age 40, age 50 or age 60 and some of them on Medicare. They don't get the basic care under Medicare. You don't get primary care under Medicare, but you do under a Maine Medicaid card.

They are coming into the doctor's office for the first time. They are given a screen and when the doctor finds that they need a PSA test or a mammogram or a colonoscopy, these tests are taking place at the hospital and the hospital is losing substantial amounts of money on every single one of those outpatient procedures. It is not one of those things that you can make up in volume, because you are losing on every single one of them. They have seen a dramatic increase in outpatient costs since we did the last Medicaid expansion in the fall of 2002.

To give you a concrete example, this unpleasant procedure called a colonoscopy, which those of us over 50 have relished the experience and perhaps the memory, the retail cost from the hospital is \$977, from the gastroenterologist or the surgeon \$800. The combined cost is \$1,777 in charges. I admit that is what the hospital would like to receive for that procedure. It is probably well above costs. I am starting with a high number. Medicare, and we are very poorly compensated under Medicare for a lot of historical reasons that I won't bore you with tonight. We are on the low end of the totem pole on Medicare reimbursement. As bad as Medicare is to our hospitals and doctors, Medicare would pay half of that, which is \$846. You go down the totem pole, that is a combined fee to the hospital and to the doctor, what does Maine Medicaid pay, the current rates to the hospitals near my home up in Skowhegan. It is \$520, which is far less than a third of charges and about 60 percent of the Medicare reimbursement rate in which they say to me that they don't make any money.

They are losing money on these procedures. What we have done with this Medicaid expansion that we passed a couple of years ago that I still favored, frankly, we paid for it by taxing the hospital, by forcing them to eat these costs and of course they are duly transferring them to Anthem and Aetna and state employee accounts. That is a big reason why our insurance, my insurance premium at my law office and other people's insurance premiums are as high as they are today.

The hospitals have said enough and the doctors have said enough. One well-known leader of a large hospital said, I don't think you and Legislature can destroy the hospitals as hard as you might try. You have to have us. We are it. You don't have any public hospitals or county hospitals. We have very little public health infrastructure. We have nothing else delivering care. We, the hospitals, own the primary care delivery systems now. We took them over beginning a dozen years ago. There is nobody else on the scene. We are it. When we are gone, you have no health care system. I believe in the long run we will survive somehow. He didn't know how many doctors will stay if, as employees of the hospital who are obligated to make Medicaid because they are employees of the hospital, all they see is a constant diet of very needy, very deserving, but very poorly compensated work. I think we would be losing our medical doctors if this trend continues.

There are those who will stand up this evening before we vote on this motion to say that the failure to expand Medicaid on schedule in the late summer of '04 is a threat or a way of diminishing the possibility that Dirigo will survive. This is somehow a disguised way of making sure that Dirigo Health doesn't work. They will make the argument perhaps, I think this is how it goes, that because people who come into Medicaid on Dirigo Health can use an employer premium to be converted into state funds and thus use it as a draw down for federal match money that when we have Medicaid entitled people within Dirigo, it helps Dirigo's bottom line. I agree that that is so. I agree that is how Dirigo was shaped and designed and all of the spreadsheets that came out of the Muskie Institute and the mathematical people. I understand that part of Dirigo. In some measure, at least, it depends in part being able to integrate Medicaid with employer-contributed premium and that sort of thing. I understand all of that.

It is also true, this is the part that we haven't been talking about very much, that Dirigo Health has the obligation for paying the costs of all the non-Dirigo Medicaid expansions. Let me see if I can make that graphic. If you are somebody that makes 120 percent of poverty, where are you most likely to work? Many of them will work at Wal-Mart. Wal-Mart has more than 50 employees. Wal-Mart will not be eligible to pay a premium to Dirigo and to participate in the Dirigo Plan even if they were so inclined. I can just picture the personnel manager at Wal-Mart going through the usual motions with a new employee saying here is your W-4, you have to fill all of this out Social Security purposes. Here is the standard company rules and regulations and personnel information. By the way, here is our health plan, a 2-page Medicaid application. Send it down to the Department of Human Services and they will provide you with free health insurance courtesy of the state in the first instance, but those costs will have to be reimbursed out of Dirigo. Think about how many thousands of people there are in that category.

One other category of person concerns me. Many of the people that make between 100 and 125 percent of poverty are already on Medicare. They are retired. They are on Social Security. They are not working. They have no employer to contribute the matching funds in Dirigo. They have no employer who will be part of Dirigo, but they are going to be entitled to a Maine Medicaid card because of their low income and this will be in addition to the people that we already have who have come into care now who are under 100 percent of poverty. We will be expanding that population up to 125 percent. Guess what? Dirigo, this new fledgling insurance entity will be burdened with having to pay the seed money, the costs, of those people who will come into Medicaid who are not part of the Dirigo system.

It is my sense that the best way we can help Dirigo Health get off the ground this evening is to make sure that Dirigo does not have the burden of paying for these very expensive Medicaid expansions that will take place outside of Dirigo and off of the Dirigo plan. To my knowledge, I know that there have been surveys done and estimates and work done to see what proportions the new Medicaid populations will be inside Dirigo, which will be helpful to Dirigo and what proportion will be outside. My fear is that there will be so many more people outside that it will bankrupt Dirigo before it gets a fair chance to start. That is my concern. I think that if we just wait 18 months, the amendment before you suggests that what we should do is implement these expansions, Medicaid expansions on February 1, 2006. Why? That would give us 18 months to study the expansions that we are already just beginning to pay for. It would give Dirigo a chance to get started without the burden of having to compensate the Department of Human Services for all of the non-Dirigo Medicaid expansion people and it would give not only the next Legislature, but the Second Session of the next Legislature a little chance to take a last minute look and say that we don't want to stop these expansions. They will go forward in February 1, 2006.

The other magic thing about 2006 is this, the new Medicare reform bill that came out of Congress, the 681 page monster that I talked about earlier this evening, that pharmaceutical plan for those on Medicare starts on January 1, 2006. If we implement the Medicaid expansions this summer, that means for all of what we call the dual eligible, all of the people on both Medicaid and Medicare, we, the State of Maine, will have to find the money to pay for everything over the first \$600 in pharmaceutical costs that these folks will incur. If we wait until the beginning of 2006, these folks will be on the new pharmaceutical plan under Medicare and it will relieve us to a great extent from having to encounter those costs.

I know this is complicated. I know that there are ramifications that are very difficult to judge. I have made the judgment, however, that the finest thing that we could do for the Dirigo Health System would be to relieve it of these costs and to take some time, not to cancel these expansions, but to defer them for 18 months, that is all this amendment does, and take a quiet look and study what we have done to ourselves with just the recent expansion that we have begun to digest. Thank you.

Representative BRANNIGAN of Portland moved that **House Amendment "C" (H-652) to Committee Amendment "A" (H-642) be INDEFINITELY POSTPONED.**

The same Representative **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "C" (H-652) to Committee Amendment "A" (H-642).**

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

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

Representative DUDLEY: Mr. Speaker, Men and Women of the House. I point you all to this amendment, House Amendment "C," turn it over, look at the back. Net cost or savings to the general fund in 2003 and 2004, the current fiscal year, \$0. Zero savings. That is natural. This program doesn't start until July 1st so there shouldn't be savings in '04. Fair enough. The next fiscal year '04-'05. It is set to begin July 1st. What is the savings from delaying this enrollment or this expansion of Maine Care? Zero dollars. This delay does nothing to help us balance our budget.

Do you know what it does do? My goodness, it offers health care to Maine people. Shocking! Do we want to do that? It offers health care to Maine people. They get treatment for illness

so that they don't get sicker. Yes, I am pleased to say that I agree with Representative Mills. I am actually grateful to him for making my point for me that this is fundamental to Dirigo, this expansion. This helps us draw down the \$46.5 million that you will see on the fiscal note from federal funds to help us pay for health care for Maine people and to help Maine people qualify and help Maine employers qualify their employees for Dirigo Health.

I have heard no report from the experts that we, look at our numbers last year, that we were incorrect in our assumptions, in our unanimous committee assumptions and I think in two-thirds majority in both chambers assumptions. I have seen no evidence to suggest that we are on the wrong path, but we are on the right path to providing health care to Maine people who need it.

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

Representative DUNLAP: Mr. Speaker, Ladies and Gentlemen of the House. I appreciate the remarks of the Representative from Cornville, Representative Mills, but there was one very important thing I have learned from them and I hope that the rest of us learned from those remarks as well, we should never invite the Representative from Cornville to deliver the morning prayer.

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

Representative BOWLES: Mr. Speaker, Ladies and Gentlemen of the House. I am not so naive as to believe that we agree on a budget. When all is said and done, the Republicans will support, by enlarge, the minority budget. The Democrats will support, by enlarge, the majority budget. We all know that is eventually the outcome. I hope we could agree on one thing and that is, what is the cause of the fiscal crisis in which we find ourselves now? One positive thing has happened; we have moved away from a discussion that we used to have in which we blamed a shortfall of revenues for our fiscal problems. We all knew that wasn't true at the time. It is not true now. I am glad that we are no longer having that discussion. Revenues aren't pouring in. They are coming in at a trickle, but they are coming in nonetheless. We took in more money in '03 than we took in '02. We are probably going to take in more money in the future each year.

The real root cause is the explosive and unsustainable growth in Medicaid. This amendment goes to the heart of that problem. When I came here in 1998 and the figures I am going to give you, I will tell you are not exact, but they are awfully close. I am going from memory. When I came here we had about 70,000 or 80,000 Maine people on Medicaid. When I came back for my second session, we were up around 125,000 or 130,000. When I showed up for this session, we were at 240,000. That is one-fifth of all Maine residents. Now we have a proposal in the majority budget that is going to cause a growth of at least probably 70,000 going forward. What we are asking and what the Representative from Cornville is asking is, can't we just slow this down a little? No one is trying to make the argument that Dirigo Health shouldn't go forward. We are making the argument that it should go forward, but in a prudent and cautious manner that would ensure its survival and not put it on a course where it is probably headed to oblivion.

We haven't talked about '05 because fiscal year '05 is not addressed in this budget. We all know that we have a terrific shortfall coming in front of us. I have heard estimates that are over \$150 million. We are not addressing that. I think that this is what we refer to in the sports world as a gut check time. This amendment is a gut check. If we continue on the path that we are on when you are traveling out of state and people ask you

where are you from? You better not say you are from the State of Maine. You better say that I am from the State of Denial. This amendment is on target and I urge you to support it.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "C" (H-652) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 274

YEA - Adams, Ash, Barstow, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Landry, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, McGlocklin, McGowan, McKee, McLaughlin, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, Marraché, McCormick, McKenney, Millett, Mills J, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Woodbury, Young.

ABSENT - Bennett, Berube, Daigle, Dugay, Eder, Fletcher, Goodwin, Greeley, Hatch, Jennings, Maietta, McNeil, Peavey-Haskell, Piotti, Smith W, Usher.

Yes, 71; No, 63; Absent, 16; Excused, 0.

71 having voted in the affirmative and 63 voted in the negative, with 16 being absent, and accordingly **House Amendment "C" (H-652) to Committee Amendment "A" (H-642) was INDEFINITELY POSTPONED.**

Representative ROSEN of Bucksport **PRESENTED House Amendment "D" (H-653) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Bucksport, Representative Rosen.

Representative **ROSEN**: Mr. Speaker, Ladies and Gentlemen of the House. This is an amendment that is concerning the funding of higher education. If you recall in the original proposal that we received from the Executive there was a rather substantial reduction in funding to our three public higher education institutions in the State of Maine. It was roughly over \$9 million reduced from the University of Maine, Maine Maritime Academy and the Community College System. There is a minor adjustment to that in the Committee Report "A" that is before us. I think the reduction has been reduced from slightly over \$9 million to a little bit over \$7 million. The intent of this report is to dramatically reduce the impact of these cuts on our higher education system. This report, if you choose to accept it, would allow the Community College System to remain whole. It would restore the entire cut to the Community College System. It would allow the Maine Maritime Academy to remain whole, restoring that entire cut and it would restore the entire \$5 million plus cut in '04 for the University of Maine and reduce the '05 cut down to \$1.2 million. From an originally proposed cut to higher ed of over \$9 million, the purpose of this amendment would restore those two institutions completely and leave roughly a million or more in the University of Maine reduction in '05.

I think it is particularly important that you be willing to give this amendment consideration in light of everything, of course, that we know in terms of the data that is before us, the value of higher education in the state, the fact that I would guess that a great majority of us have all run to support higher education and to provide opportunity for students in the state to be able to move on and to gain their degrees in Maine and be able to stay and work and live in the State of Maine. I would like to remind you that the report back that Appropriations received from the Education Committee was a unanimous report back to our committee stating that their number one priority in their report back was the complete restoration of these cuts to higher education. I would also like to remind you that we are facing a Medicaid shortfall in this budget. This shortfall has not been caused by the higher education community in Maine and should not fall on them particularly at the size of this burden that is being asked.

We should remind ourselves that the University of Maine, particularly, helped to participate in resolving the original budget that we passed by allowing their employees that are enrolled in their insurance plan to be part of the what is commonly referred to as the Anthem swap, which was a mechanism that helped generate \$30 million in savings in the biennial budget to help balance it. The higher education systems have also foregone increases and the Community College System has just been impacted by a rather significant unexpected cut of \$1 million, which they had expected would be going to fund their salary plan and apparently now that is not going to happen. My point is that they have already been fairly significantly impacted by the budget.

The other point that I would like to make is that they have all stepped up to the plate and they have all done exactly what we asked them to do. We asked them to expand their programs, open their doors and they are all experiencing record enrollments. We have an interesting case at the Community College System where the management of the system is unable to successfully grant the kinds of salary increases that the men and women that are in the classroom deserve and expect. They have delivered. They have accepted a substantial increase in enrollment and we are unable to pay them the way we should. I hope you give this amendment serious consideration and consider the fact, particularly in the Community College System, just to remind you, they currently have a 1,600 student waiting list, but the graduates of the system are enjoying a 95 percent placement rate with 98 percent of the graduates placed in Maine. The average salary of those graduates is \$30,000.

The impact statement from the University of Maine if these cuts do go through, UMS has record enrollments just as in the 1990s. This is their testimony before the Education Committee. "We must keep in mind that the actions taken today will impact quality, access, affordability and enrollment in the future. Right now attainment of higher education for more Maine citizens is a major component of a successful economic recovery. If these cuts go through, the University will face tuition increases, workforce reductions, program and center closures and deferred maintenance."

Ladies and gentlemen, I ask your favorable consideration of this amendment and I also request a roll call.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "D" (H-653) to Committee Amendment "A" (H-642).**

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

Representative BRANNIGAN of Portland moved that **House Amendment "D" (H-653) to Committee Amendment "A" (H-642)** be **INDEFINITELY POSTPONED**.

The same Representative **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "D" (H-653) to Committee Amendment "A" (H-642)**.

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

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

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. Certainly we do appreciate the higher ed pieces of our budget. We spent a great deal of time discussing them. We have restored a number of cuts made to the University and to the Community Colleges. We have done the best we can with the budget of where we believe we had to make cuts in order to keep the health care issue strong. We have made some cuts, but we have restored many. Therefore, I ask you to support our budget. Thank you.

The **SPEAKER**: The Chair recognizes the Representative from Holden, Representative Ledwin.

Representative **LEDWIN**: Mr. Speaker, Ladies and Gentlemen of the House. We, as a body, I believe, have made a promise to the people of Maine in regards to access for higher education. This is a commitment that we have made to our people. We are expecting now expansion of services while we are taking away funds. This is the same thing we are doing to health care providers. Tuition hikes, layoffs, fewer choices in classes and curriculum will be definitely part of the scene in our higher education community. Educated people will be employed and will have the ability to move themselves and their families forward. We all realize, I am sure, that educated people are better equipped to take care of themselves. Therefore, there is monies saved in our health care system. An educated workforce also entices businesses to come to our area. Education is a long-term investment in our state and the people of Maine. We need to look forward and invest in our state. Thank you.

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "D" (H-653) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 275

YEA - Adams, Ash, Barstow, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Finch, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rines, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Thomas, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Bennett, Berube, Daigle, Dugay, Fletcher, Goodwin, Greeley, Hatch, Jennings, Landry, Maietta, McNeil, Peavey-Haskell, Smith W, Usher.

Yes, 72; No, 63; Absent, 15; Excused, 0.

72 having voted in the affirmative and 63 voted in the negative, with 15 being absent, and accordingly **House Amendment "D" (H-653) to Committee Amendment "A" (H-642)** was **INDEFINITELY POSTPONED**.

Representative **JOY** of Crystal **PRESENTED House Amendment "E" (H-654) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The **SPEAKER**: The Chair recognizes the Representative from Crystal, Representative Joy.

Representative **JOY**: Mr. Speaker, Ladies and Gentlemen of the House. As you know, I probably know I seldom rise to add amendments to anything that comes on the floor of the House. It is even more rare for me to suggest that we spend any money.

This amendment repeals the marriage tax. As you are well aware, if you are a married couple filing jointly, you are assessed a greater amount than if you were filing separately. What this does, very simply is take that away. Having been married for 43 years, I have paid that penalty for a great number of years and I think it is high time that it was taken away.

As many of you know, I have very little faith in the budget process and you are wondering where the \$20 million over the biennium might come from. I was assured at the end of the session that we had successfully passed four budgets, but since we are working on our fifth one in the same calendar year, I question the validity of that assurance. Just as certain that we are working on our fifth budget right now, I feel very certain that we will be working on a sixth before the end of this fiscal year and there certainly will be plenty of time to bring forth that \$20 million in lost revenues to the general fund.

Mr. Speaker, I request a roll call.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "E" (H-654) to Committee Amendment "A" (H-642)**.

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

Representative BRANNIGAN of Portland moved that **House Amendment "E" (H-654) to Committee Amendment "A" (H-642)** be **INDEFINITELY POSTPONED**.

The same Representative **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "E" (H-654) to Committee Amendment "A" (H-642)**.

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

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "E" (H-654) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 276

YEA - Adams, Ash, Barstow, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Bennett, Berube, Daigle, Dugay, Fletcher, Goodwin, Greeley, Hatch, Jennings, Landry, Maietta, McNeil, Peavey-Haskell, Sherman, Smith W, Usher.

Yes, 75; No, 59; Absent, 16; Excused, 0.

75 having voted in the affirmative and 59 voted in the negative, with 16 being absent, and accordingly **House Amendment "E" (H-654) to Committee Amendment "A" (H-642)** was **INDEFINITELY POSTPONED**.

Representative GLYNN of South Portland **PRESENTED House Amendment "F" (H-655) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "F" (H-655) to Committee Amendment "A" (H-642)**.

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

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

Representative **GLYNN**: Mr. Speaker, Ladies and Gentlemen of the House. Before you is House Amendment "F" and simply stated what it is meant to do is to restore the homestead property tax exemption that was taken away from my community and your community with the adoption of our last budget. The homestead exemption was put into place for a very simple reason. That reason is that property valuations are not an indication of somebody's wealth or their ability to pay property taxes. What we did in the 121st Legislature is we undid all of that and we put in a tiered system on assessments. What we said is that you won't get the same value of homestead exemption if your property is worth a lot of money. I say to all of you, that is exactly why the homestead exemption was put into place. It is because people's property valuations have increases at such an enormous level and at such an alarming level that their personal incomes are no longer able to meet their property tax bills. That is the whole reason behind the homestead exemption. What we did is a group of people that needed this exemption the most, we took it away. I think that that is wrong.

We had our Executive, Governor Baldacci, put forward in the proposition that was just sent out to the voters proposed that we, in fact, did do away with and reverse this taking away of the homestead exemption. However, I think it is disingenuous for us when it is fully under our control, not under the voter's control to not follow the same lead and build it into our budgets. I can say without any reservation whatsoever to you that one of the biggest mistakes our Legislature has made recently was the taking away of the homestead exemption. I have a number of constituents, mostly people in southern Maine, coastal properties, anybody that looks or smells or is near the water. Their property evaluations have gone up at alarming rates, your constituents, my constituents and we have lost this homestead exemption and the ability to keep them in their properties. I would hope that we do not let this opportunity slip by and to restore the homestead exemption back to its full \$7,000 and at least provide that minor level of property tax amount. I urge you to adopt this motion. Thank you.

Representative BRANNIGAN of Portland moved that **House Amendment "F" (H-655) to Committee Amendment "A" (H-642)** be **INDEFINITELY POSTPONED**.

The same Representative **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "F" (H-655) to Committee Amendment "A" (H-642)**.

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

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "F" (H-655) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 277

YEA - Adams, Ash, Barstow, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Eder, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Percy, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Bennett, Berube, Daigle, Dugay, Fletcher, Goodwin, Greeley, Hatch, Jennings, Landry, Maietta, McNeil, Peavey-Haskell, Smith W, Usher.

Yes, 73; No, 62; Absent, 15; Excused, 0.

73 having voted in the affirmative and 62 voted in the negative, with 15 being absent, and accordingly **House Amendment "F" (H-655) to Committee Amendment "A" (H-642)** was **INDEFINITELY POSTPONED**.

On motion of Representative RICHARDSON of Brunswick, **TABLED** pending **ADOPTION of Committee Amendment "A" (H-642)** and later today assigned. (Roll Call Ordered)

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

COMMUNICATIONS

The Following Communication: (H.P. 1362)

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

January 29, 2004

Honorable Millicent M. MacFarland

Clerk of the House

2 State House Station

Augusta, ME 04333

Dear Clerk MacFarland:

Pursuant to my authority under House Rule 201.1 I (a) I hereby rescind the appointment of Representative Raymond G. Pineau

of Jay as a member of the Joint Standing Committee on Inland Fisheries and Wildlife.

Should you have any questions regarding this appointment please feel free to contact me.

Sincerely,

S/Patrick Colwell

Speaker of the House

READ and ORDERED PLACED ON FILE.

Sent for concurrence.

The Following Communication: (H.P. 1363)

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

January 29, 2004

Honorable Millicent M. MacFarland

Clerk of the House

2 State House Station

Augusta, ME 04333

Dear Clerk MacFarland:

Pursuant to my authority under House Rule 201.1 I (a) I am pleased to appoint Representative Stanley A. Moody of Manchester to serve as a member of the Joint Standing Committee on Inland Fisheries and Wildlife.

Should you have any questions regarding this appointment please feel free to contact me.

Sincerely,

S/Patrick Colwell

Speaker of the House

READ and ORDERED PLACED ON FILE.

Sent for concurrence.

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

HOUSE DIVIDED REPORT - Majority (8) Ought to Pass as Amended by Committee Amendment "A" (H-642) - Minority (5) Ought to Pass as Amended by Committee Amendment "B" (H-643) - Committee on APPROPRIATIONS AND FINANCIAL AFFAIRS on Bill "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary for the Proper Operations of State Government for the Fiscal Years Ending June 30, 2004 and June 30, 2005" (EMERGENCY)

(H.P. 1351) (L.D. 1828)

Which was **TABLED** by Representative RICHARDSON of Brunswick pending **ADOPTION** of **Committee Amendment "A" (H-642)**. (Roll Call Ordered)

Representative BOWEN of Rockport **PRESENTED** House **Amendment "G" (H-656)** to **Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The **SPEAKER**: The Chair recognizes the Representative from Rockport, Representative Bowen.

Representative **BOWEN**: Mr. Speaker, Men and Women of the House. I have a good one here. For this late hour, I am looking around, it looks like we are dropping like flies in here. This is one that we can get behind. First of all, it has to be the shortest amendment. It is one line. Amend the amendment by striking out all of Part E. I am going to give you a few reasons why we should do that. The other benefit is it is not going to have any impact on this budget to slice out Part E, because this budget books no savings from Part E. You will look in the fiscal note that is attached to the majority budget here and you will look in vain

for savings attributed to Part E. There are none. You might wonder why we are talking about Part E or why Part E is in this budget. What Part E does is it limits the state medical reimbursements for health care provided to inmates in state prisons to the limits allowable under Maine Care. The reason it is here, I think, is because what we have is a bit of a case of Mission Creek.

This policy change should seem familiar to you because we dealt with this already last session. It came up. We fought it. We decided as a body we didn't want it. It got killed and that should have been the end of it. It reappeared again in a bill before the Criminal Justice for this year. Myself and Representative Rector and other Representatives of Knox County appeared before the committee to try and vote this part of that bill down and we were told by the department that they were going to move it to the budget rather than leave it in the bill.

A cynical person might say that they did that because they knew that it might not pass and they decided to attach it to a bill that would pass, like the budget. So, here it is before us having no impact on this budget whatsoever. We voted against it as a body last session because it is palpably unfair. What it does is it takes the extraordinarily high cost of providing health care for the inmates of the State of Maine, which is currently distributed relatively evenly across the population of the state and by cutting the reimbursement rates to those few health care providers who provide health care to the state inmates, it is focusing those costs on those few communities. It is taking a cost that is being born widely right now and has a handful, a couple really, of health care providers in this state take a tremendous loss providing health care to these inmates who are inmates of all of us.

I am rising on this because one of the providers that provides the most health care to inmates is Pen Bay Medical Center, which is in my district in Rockport. Pen Bay is the state's eighth largest hospital. It is a beautiful hospital. I have been fortunate never to darken its doors other than for the birth of my youngest daughter, Katherine, about a year and a half ago, which was handled in a fantastic manner. I have no complaints. They provide a tremendous number of services to the midcoast region and they are a valuable resource and an employer in my district.

Unfortunately, they do treat a lot of prisoners at the hospital in Warren so they have a lot of costs connected to that. What we are going to do is make this hospital bear those costs. The hospital haters of which there are some around would say, good, because it is hospitals that are driving up all our costs. It is hospitals that are wasteful. It is hospitals that are profiting off the health care needs of population. Let's go get them. Pen Bay is not a hospital that is owned by some giant conglomerate outside of the state that has all kinds of profits and so forth. Pen Bay Medical is run by North East Health, which is a community based, not for profit health care system that in fiscal year 2002 gave away \$1.3 million in care, free, to people who needed it and absorbed another \$3 million or so in other bad debt and other charity care for which they were never reimbursed. The Medicaid cuts we made last year cost the hospital another \$400,000 or so. The tax and match proposal which is part of this budget, they estimate is going to cost them another half million and the cuts to the provision of health care services for the state inmates that they treat is going to cost them another quarter of a million.

In a letter from Roy Hichings, the CEO and President of North East Health, he says altogether between Medicaid cuts and these cuts North East Health stands to lose approximately \$1.2 million for reimbursement of care that we provide to patients. Last year they provided \$1.4 million in health care who could not afford to pay. The reason we do so is because we are committed to serving the people of this community. Without adequate

reimbursements for Medicaid, it will become harder and harder to care for the people who cannot pay and meet operating costs for the hospital. We have had a lot of talk tonight about providing health care. It may be hard to believe that it is possible for some of us to disagree with some of you about this document and still want to provide health care to the people of this state.

I offer this amendment, Mr. Speaker, because this does not have anything to do with the budget. This provision does not belong in this bill. It belongs back in front of the committee where it was originally. It deserves to have its day in court, to be argued and debated over. It deserves a long involved conversation about how we provide health care for the inmates of this state in the jails and in the prisons and it deserves to be deliberated at length and not stuck into a budget document with a guarantee of passage without ever having really a public hearing about it.

Mr. Speaker, this part of the budget has no impact on the budget. It will have no affect on the bottom line. It is a very simple change. We can move this back before the committee with another bill and be done with it. I urge your support for this amendment. Let's move ahead.

Representative BRANNIGAN of Portland moved that **House Amendment "G" (H-656) to Committee Amendment "A" (H-642)** be **INDEFINITELY POSTPONED**.

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

Representative **RECTOR**: Mr. Speaker, Ladies and Gentlemen of the House. My hometown has the dubious distinction of being thought of as synonymous with the Maine State Prison. We house the largest number of prisoners in the state in our region. Any decisions made affecting the interface between the Maine State Prison and the community deeply impact the midcoast area. The proposal to reimburse our hospital at the Maine Care rates for health care expenses has a direct and serious impact on our regional health care provider. Penobscot Bay Medical Center, not only are they the regional health care provider, but they are a key employer in our region. They perform a host of vital community services. Any threat to that institution is a threat for our entire region. Reductions in reimbursements have already caused layoffs and program elimination. A reduced reimbursement well below the costs incurred for services rendered added to the many burdens that this important institution already suffers due to under reimbursement threatens their long-term viability. Currently the state has been unable to pay their bills in a timely manner, already causing problems for the hospital. The costs of prisoner care are the responsibility of the entire state, not just some isolated region because they happen to have a facility in their backyard. Fairness dictates that the cost be born by all Maine citizens, not just my neighbors. If we do have one responsibility it is to deal fairly with all the citizens of the state. This issue affects not just our hospital, but Maine Medical Center as well. Portland area legislators should realize that in addition to the many shifted costs that their medical center is experiencing, their burdens are increases by nearly half a million dollars if this provision is allowed to be maintained. If we truly care about health care costs and we are truly concerned for our hospitals, we will not add to their burdens. I urge you to defeat the Indefinite Postponement and to pass this amendment. Mr. Speaker, I request the yeas and nays.

Representative **RECTOR** of Thomaston **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "G" (H-656) to Committee Amendment "A" (H-642)**.

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

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "G" (H-656) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 278

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressy, Crosthwaite, Curley, Davis, Duprey B, Fletcher, Glynn, Heidrich, Honey, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Berube, Daigle, Dugay, Goodwin, Greeley, Hatch, Hotham, Jennings, Landry, Maietta, McNeil, Peavey-Haskell, Smith W, Usher.

Yes, 76; No, 60; Absent, 14; Excused, 0.

76 having voted in the affirmative and 60 voted in the negative, with 14 being absent, and accordingly **House Amendment "G" (H-656) to Committee Amendment "A" (H-642)** was **INDEFINITELY POSTPONED**.

Representative **GLYNN** of South Portland **PRESENTED House Amendment "H" (H-657) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "H" (H-657) to Committee Amendment "A" (H-642)**.

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

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

Representative **GLYNN**: Mr. Speaker, Ladies and Gentlemen of the House. I rise to address what I believe to be one of the most critical issues in the budget document that have this evening, an issue that has been overlooked entirely by the Appropriations Committee and the majority budget and that is the issue of general purpose aid to education. I have risen several times during my tenure here in the Legislature to talk about the affects of the Legislature's decision on general-purpose aid to education and how those decisions have impacted local communities school districts such as mine in South Portland. Tonight, I have to tell you that I am more afraid of a budget being enacted by the Legislature and its impacts on local public education than any other budget that I have voted on in my tenure in the Legislature.

What this Legislature has done is we have adopted a budget that represents a \$5 million cut statewide to general-purpose aid to education in school year 2005. We are almost to that. It is going to start July 1. Local school boards, like my school board and your school board is currently deliberating their local school budgets. Low receiving districts which represent about half of the

members here in this Legislature, your districts will be decimated by a school funding distribution cut to general-purpose aid to education.

Where is that \$5 million going to come from? It is going to come from all of our school budgets and particularly those that have high valuation communities or low receiving districts are going to bear the brunt of this decrease. I have seen our local school budget cut \$2 million and \$3 million by this Legislature through the school funding formula. That was years where there was a cushion in the budget. That was years when the Legislature increased the amount of general-purpose aid to education for local school districts from the previous year to the following year. This year neither one of those conditions exist.

The Appropriations Committee and this majority budget did not appropriate a cushion for the local school districts and to add insult to injury allowed a presentation of a budget which also cuts general-purpose aid to education from last year to next year. That means that more than half of our school districts are going to be cut and we will be balancing the state budget on the backs of the local school districts on the backs of the property taxpayers and then we question why we have the Carol Palesky petition. I am not surprised. A lot of voters are looking to Augusta wanting to know what are we doing up here and why we are having these debates on the budget, but yet forget our local school districts. I understand that this budget that we are debating this evening is going to be passed by a majority vote. I also understand from speaking to fellow legislators that it is the intent of the majority to adjourn our Legislature and go home for our Second Session. Again, I tell you that I am terrified that we will leave without addressing the very important issue of general-purpose aid to education to our cities and local towns. I am not willing to go out that door without protecting my local community and I hope you feel the same way I do.

The proposal that is in front of you has no revenue impact at all. It will not put the majority budget out of balance. What it will do is it will take the funds that are distributed, whether it is positive or negative and right now under the majority budget it is a negative amount, it is a cut of \$5 million to general-purpose aid to education and it will distribute it equally to each one of the school districts. I was promised and all of you were promised and the commitment was made by the Commissioner of Education that with the changes that were made as we migrated to the essential programs and services model funding for public education that there would be cushions placed in the budget that school districts would be protected as we migrated to a new school funding formula. As you can see, that promise as with our commissioner, both are gone now. We are left with a budget that does not protect the local school districts. I ask, isn't it fair that we take this cut that all of you have voted to deliver to the school districts in Maine to distribute it equally. I am urging all of you to suspend the school funding formula from going into affect from this budget, but will look at the figures of distributions for this year for 2004 and what we will do is whatever the cut is, which is about a half a percent at this point, is distribute it equally to all school districts so that we do not have the ramifications and the whole brunt of the school funding formula and the essential programs and services model felt in our local school districts.

I know that there are communities particularly mine in greater Portland, I wouldn't be surprised if Portland gets a \$3 million cut in general purpose education from this budget. I wouldn't be surprised if my community gets cut a million dollars. I think if you look at your local school budgets and you listen to the dialogue that is taking place by the school boards as they try and figure out what it is we are doing up here in Augusta. You will want to protect your local school districts too.

For all these reasons, I hope you support this amendment. Again, it is make the majority budget palatable, something that the local school districts can live with. It is to give them the predictability. If, in fact, after we adjourn and we have left the Legislature if by some stoke of imagination that with a \$300 million shortfall we find some money for public education and that gets put on the table, then let's go back and look at the school funding formula. If this Legislature isn't willing to fund the educational school funding formula that we have on the books, then we need to suspend it and protect the local communities and school districts. I urge your support of this amendment. Thank you.

Representative BRANNIGAN of Portland moved that **House Amendment "H" (H-657) to Committee Amendment "A" (H-642) be INDEFINITELY POSTPONED.**

Representative GLYNN of South Portland **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "H" (H-657) to Committee Amendment "A" (H-642).**

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

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "H" (H-657) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 279

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kaelin, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Mills S, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Eder, Fletcher, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Ledwin, Lewin, McCormick, McKenney, Millett, Moore, Murphy, Muse, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Berube, Daigle, Dugay, Goodwin, Greeley, Hatch, Jennings, Landry, Maietta, McNeil, Peavey-Haskell, Smith W, Usher.

Yes, 77; No, 60; Absent, 13; Excused, 0.

77 having voted in the affirmative and 60 voted in the negative, with 13 being absent, and accordingly **House Amendment "H" (H-657) to Committee Amendment "A" (H-642) was INDEFINITELY POSTPONED.**

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

Representative ROSEN of Bucksport **PRESENTED House Amendment "K" (H-660) to Committee Amendment "A" (H-642), which was READ by the Clerk.**

The SPEAKER: The Chair recognizes the Representative from Bucksport, Representative Rosen.

Representative **ROSEN**: Mr. Speaker, Ladies and Gentlemen of the House. This is a very simple straightforward amendment. This amendment would strike from the bill the \$10 million transfer from the Retiree Health Insurance Fund. If you notice on your desk we also have another amendment that lays before you, which is a very thick House Amendment "J," which I have introduced, if you take a good look at House Amendment "K" that is in front of you and if you are agreeable and show the kind of support that I think this amendment deserves, then I give you my pledge that I will not introduce that very thick, weighty, heavy House Amendment "K."

Mr. Speaker, I would request a roll call.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "K" (H-660) to Committee Amendment "A" (H-642)**.

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

Representative BRANNIGAN of Portland moved that **House Amendment "K" (H-660) to Committee Amendment "A" (H-642)** be **INDEFINITELY POSTPONED**.

Representative ROSEN of Bucksport **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "K" (H-660) to Committee Amendment "A" (H-642)**.

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

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "K" (H-660) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 280

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Fletcher, Glynn, Goodwin, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Berube, Daigle, Dugay, Greeley, Hatch, Jennings, Ketterer, Landry, Maietta, McGlocklin, McNeil, Muse, Peavey-Haskell, Smith W, Usher.

Yes, 74; No, 61; Absent, 15; Excused, 0.

74 having voted in the affirmative and 61 voted in the negative, with 15 being absent, and accordingly **House Amendment "K" (H-660) to Committee Amendment "A" (H-642)** was **INDEFINITELY POSTPONED**.

Subsequently, **Committee Amendment "A" (H-642)** was **ADOPTED**.

On motion of Representative RICHARDSON of Brunswick, the House **RECONSIDERED** its action whereby **Committee Amendment "A" (H-642)** was **ADOPTED**.

Representative BRANNIGAN of Portland **PRESENTED House Amendment "I" (H-658) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

Representative BRUNO of Raymond **REQUESTED** a roll call on the motion to **ADOPT House Amendment "I" (H-658) to Committee Amendment "A" (H-642)**.

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

The SPEAKER: A roll call has been ordered. The pending question before the House is Adoption of House Amendment "I" (H-658) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 281

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Fletcher, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Berube, Daigle, Dugay, Goodwin, Greeley, Hatch, Jennings, Ketterer, Landry, Maietta, McGlocklin, McNeil, Muse, Peavey-Haskell, Smith W, Usher.

Yes, 74; No, 60; Absent, 16; Excused, 0.

74 having voted in the affirmative and 60 voted in the negative, with 16 being absent, and accordingly **House Amendment "I" (H-658) to Committee Amendment "A" (H-642)** was **ADOPTED**.

The SPEAKER: The Chair recognizes the Representative from Raymond, Representative Bruno.

Representative **BRUNO**: Mr. Speaker, Men and Women of the House. You will be happy to know that I don't have an amendment to offer you. I have some thoughts on this majority budget. I was speaking with our Director of the Office of Fiscal and Program Review just a little while ago. I said, "In your 20 years of being here, do you ever remember a Chief Executive offering a budget proposal that didn't deal with a biennium when you have a problem going out two years?" His answer was no. He can never remember that. Here we have a piecemeal budget, 80 percent of one-time money that doesn't even solve the major problem coming up. There is no more money left. There is no more easy stuff left. We have taken it all. We resorted back to gimmicks that we got rid of, one big G, one big gimmick in this budget. We haven't even thought of the economic impact of this budget on the State of Maine. Hospitals taking \$50 million cuts, pharmacy providers taking cuts, mental health providers taking cuts. What are we going to do when those people get laid off or go on unemployment? No one has even mentioned that. We

have reduced funding for higher education. We all say we think that sending kids to college and training them and giving them more knowledge is going to be the key to changing Maine, yet our actions speak otherwise. We are going to ask them to pay more and we all say there is a roadblock to kids going to college because they can't afford it, yet we hit higher education with a \$7 million cut in this majority budget, but we saved Dirigo. We saved it. The answer to everything if you listen to the arguments. It will cause an economic stimulus in this state like we have never seen. Therefore, I need to presume that we will never need another economic bond package coming up. Right? Dirigo will solve it. Dirigo is going to solve the war on terror if you listen close enough.

The SPEAKER: The Chair would remind the Representative he is getting perilously close to being off track here. This debate is about Committee Amendment "A."

Representative BRUNO: Mr. Speaker, I am addressing Committee Amendment "A." I am also addressing what I have heard all nightlong here about Dirigo is going to solve all our problems.

In my 10 years up here, I have never been told how to vote. I have always taken an issue and looked at it and made up my own mind. As a leader, I have never told my caucus how to vote. I hope many of you really take a hard look at this budget and really think about it, really think what is it is going to do to your hospitals. In your little rural town that is probably the major employer in your town and you think about what is going to happen when those people get laid off and what is going to happen to health care access in this state. Think hard.

I don't want to stand here three months from now and tell you I told you so and a year from now I won't be standing here. We had a discussion on the last budget and we made some assumptions there and we said, you know some of the things we are doing here in this biennial budget don't make a whole lot of sense, but for the sake of the good of the State of Maine, we are going to go along with it. I think for the good of the State of Maine we are going to go along with it. I think it may have been a mistake. I think we bought into it too easily, but that is hindsight. Now I can look forward knowing that we are going to have major problems coming up. We have failed our kids. Our kids in college are failed. We haven't done anything to help them. We haven't done anything to help business in the state.

I know there is supposedly going to be talk of a bond package. It is unfortunate. That discussion may not go too far, because of this budget. There are many consequences to our actions tonight. I think the State of Maine is poorer for it.

Representative GLYNN of South Portland **PRESENTED House Amendment "N" (H-663) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "N" (H-663) to Committee Amendment "A" (H-642)**.

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

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

Representative GLYNN: Mr. Speaker, Ladies and Gentlemen of the House. Before you is House Amendment "N" and it is a proposition dealing with the general-purpose aid for local schools, the bread and butter of your school district and my school district. I thank the House for their indulgence and I really ask that you look long and hard at what we have done to the general-purpose aid, the school districts in our state and ask that you adopt this measure.

In the majority budget \$1.365 million was taken away from public education and used to cover this budget deficit. I think that is wrong. I think it is plain and simply wrong. In the '05 the second half of this biennium budget that we are considering we are under funding education \$5 million less than we are funding it in the '04 year. We cut it and then we went in with the Majority Report, the recommendations of the Executive, Governor Baldacci and the Democratic majority of this body, we are going in and we are going to clean out all of the accounts for local general purpose aid to education. We are going to take the excess bus money, the excess money from '04 that was set aside for the state agency wards of the state and rather than meet our obligations for local school districts, we are going to plug our budget hole with it.

I ask that we reconsider this. I think there is a better way. The better way is that we can use this in part to make up the cut that is going to be delivered to all of our school districts. Why should we take money earmarked in the budget for public education for the school districts and use it in this manner. I hope you agree with me. I hope you will de-allocate this money from being used as a general source of revenue and put it back where it belongs, back in the hands of the local school districts. Thank you.

Representative BRANNIGAN of Portland moved that **House Amendment "N" (H-663) to Committee Amendment "A" (H-642) be INDEFINITELY POSTPONED**.

Representative GLYNN of South Portland **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "N" (H-663) to Committee Amendment "A" (H-642)**.

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

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "N" (H-663) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 282

YEA - Adams, Ash, Barstow, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Mr. Speaker.

NAY - Andrews, Austin, Bennett, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Eder, Fletcher, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Nutting, O'Brien J, Rector, Richardson E, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Wotton, Young.

ABSENT - Annis, Berube, Daigle, Dugay, Goodwin, Greeley, Hatch, Jennings, Ketterer, Landry, Maietta, McGlocklin, McNeil, Muse, Peavey-Haskell, Richardson M, Smith W, Usher.

Yes, 71; No, 61; Absent, 18; Excused, 0.

71 having voted in the affirmative and 61 voted in the negative, with 18 being absent, and accordingly **House**

Amendment "N" (H-663) to Committee Amendment "A" (H-642) was INDEFINITELY POSTPONED.

Representative VAUGHAN of Durham **PRESENTED House Amendment "M" (H-662) to Committee Amendment "A" (H-642)**, which was **READ** by the Clerk.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "M" (H-662) to Committee Amendment "A" (H-642)**.

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

The **SPEAKER**: The Chair recognizes the Representative from Durham, Representative Vaughan.

Representative **VAUGHAN**: Mr. Speaker, Ladies and Gentlemen of the House. This amendment addressed the much reviled, unpopular and unfair automatic increase on gasoline tax. It requires very little discussion. I will spare you. This is your big chance to tell the people back home that you saved them an awful lot of money and gave them a big tax cut. I urge your support for this amendment. When the vote is taken, I request a roll call. Thank you.

Representative **BRANNIGAN** of Portland moved that **House Amendment "M" (H-662) to Committee Amendment "A" (H-642) be INDEFINITELY POSTPONED.**

Representative VAUGHAN of Durham **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "M" (H-662) to Committee Amendment "A" (H-642)**.

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

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "M" (H-662) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 283

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Collins, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Courtney, Cresse, Crosthwaite, Curley, Davis, Duprey B, Fletcher, Glynn, Goodwin, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Nutting, O'Brien J, Rector, Richardson E, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Wotton, Young.

ABSENT - Berube, Daigle, Dugay, Eder, Greeley, Hatch, Jennings, Ketterer, Landry, Maietta, McGlocklin, McNeil, Muse, Peavey-Haskell, Richardson M, Smith W, Usher.

Yes, 73; No, 60; Absent, 17; Excused, 0.

73 having voted in the affirmative and 60 voted in the negative, with 17 being absent, and accordingly **House Amendment "M" (H-662) to Committee Amendment "A" (H-642) was INDEFINITELY POSTPONED.**

Representative **BRANNIGAN** of Portland **PRESENTED House Amendment "L" (H-661) to Committee Amendment "A" (H-642)**, which 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. This is the one I think we are looking for. It does several things. It decouples the Maine Care from the Maine RX, which helps pharmacists. It strikes out Part H, which deals improperly with mental retardation, people who have mental retardation providers. It strikes out Part Z, which needed to be struck out. It dealt with rules and regulations that need to be dealt with in the budget and it moves the \$75,000 from the general fund to transportation, which will make it much better for OPEGA.

The **SPEAKER**: The Chair recognizes the Representative from Waldoboro, Representative Trahan.

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. I would like to say thank you to the chair for trying to do what he thought was right and move this project forward. I am talking about OPEGA. I still have to rise and draw some concerns to your attention. First, I have to give you a little background where this \$75,000 came from. Back in the last session the Transportation Committee met several times about trying to find ways to evaluate their programs and transportation. During their deliberations they came forward with a proposal to put \$150,000 forward to evaluate programs in their department. As you know, there was someone who objected to that. They met again after their unanimous committee report and reduced it to \$75,000 and then voted again unanimously to put this \$75,000 forward. That was last year. As you know, this program has been delayed because of this \$75,000 transfer because somebody in the other chamber objected to that transfer. I find that hard to accept as a legislator. When I look back in the transportation records in files since 1988, \$1.7 million has been transferred out of the highway fund into the general fund to subsidize general fund programs. I understand that things happen here. We don't always get our way.

Ladies and gentlemen, I think by doing this without fixing the statute, we really just created a car without an axle bolted to the frame. What I mean by that is, we are creating an entity that the first time it hits a bump, the axle is going to fall off and it is going to crash. It is great that you are doing this, but you are missing the most vital element of all and that is with an office like OPEGA, this office is going to be dealing with controversial issues and it is going to come under attack day after day after day. If there is even a crack in its foundation, it will erode the program and it will eventually fail.

I brought those cracks in the foundation to your attention earlier and you rejected them, all but one of the democratic caucus. Thank you to that one member. I think your wisdom will shine in years to come. I say to you tonight if we pass this amendment so be it. I don't have the votes to stop it. If you ignore the fact that this statute has been crippled and really all you are doing tonight is signing its death warrant and that is a shame. I think this office had the potential to change this state for decades. We are never going to be able to see that happen. I am sad tonight.

Mr. Speaker, when the vote is taken, I request a roll call.

Representative **TRAHAN** of Waldoboro **REQUESTED** a roll call on the motion to **ADOPT House Amendment "L" (H-661) to Committee Amendment "A" (H-642)**.

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

Representative **DUNLAP**: Mr. Speaker, Ladies and Gentlemen of the House. The Representative from Waldoboro and myself have worked together on the OPEGA project and other interested members of the Legislature now for several years. We have been through quite a bit together. I think that we had shared a common vision for a better government for the people. I don't disagree that this is a worthy project at all. I have had a lot of discussions with Representative Trahan from Waldoboro. I talk to the Representative from Waldoboro more often than I talk to members of my own family. We have, I think, come to a little bit of a disagreement on this one aspect of our budget. I understand the desire to move this forward. I share it. It is important to move it forward. This small piece of this budget will yield great dividends in moving this project forward.

As far as the condition of our authorizing statutes, I would not describe them as being crippled. I think we change our statutes quite frequently in this body. In fact, I have, in my time here, seven plus years, it took me many months to get my first bill passed into law. It was a very thoughtful piece of legislation, I might add. I have seen that provision of law repealed in my time and superceded by yet a better idea. I do not believe that our statutes necessarily be regarded as tablets from the mountain. I think that they are living documents and we have moved forward and backward. I know there is a desire to move forward again and I believe that we will do that. Nonetheless, I don't think that we need to solve all the problems that we face statutorily through rules, through our basic everyday functions as legislators. We need not fix those with a single document. I think that this amendment will take us as far as we need to go for the time being. If it does not, then I cannot describe to you the scene that will unfold. I believe that it would be a violation of the rules to impugn the actions of others. Nonetheless, I can assure the members of this body that this action at this moment will take us forward in a great leap. Thank you Mr. Speaker.

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

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

Representative **GLYNN**: Mr. Speaker, May I pose a question through the Chair?

The SPEAKER: The Representative may pose his question.

Representative **GLYNN**: Thank you Mr. Speaker. I was reading over this amendment and in the summary it says that this amendment gives the Commissioner of Human Services the authority to withhold Medicaid payments on hospitals regarding tax payments. I was wondering if I could have someone explain that meaning to me.

The SPEAKER: The Representative from South Portland, Representative Glynn has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. I would take it to be exactly what it says. As we put a plan in to help hospitals and reduce their cuts, hopefully everyone will be able to make their payments on time, but this gives the Commissioner of Human Services certain abilities were that not the case.

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

Representative **GLYNN**: Mr. Speaker, May I pose a question through the Chair?

The SPEAKER: The Representative may pose his question.

Representative **GLYNN**: Thank you Mr. Speaker. Thank you to the good Representative from Portland for answering my question. I guess that leaves me with one last question. What will happen to a hospital if we withhold their Medicaid payments?

The SPEAKER: The Representative from South Portland, Representative Glynn has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Portland, Representative Dudley.

Representative **DUDLEY**: Mr. Speaker, Men and Women of the House. To answer the question from the Representative from South Portland, the hospital would not get the tax and match money that would make them whole from the new tax and match.

The SPEAKER: A roll call has been ordered. The pending question before the House is Adoption of House Amendment "L" (H-661) to Committee Amendment "A" (H-642). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 284

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Twomey, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Fletcher, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Berube, Daigle, Dugay, Goodwin, Greeley, Hatch, Jennings, Landry, Maietta, McNeil, Muse, Peavey-Haskell, Smith W, Usher.

Yes, 76; No, 60; Absent, 14; Excused, 0.

76 having voted in the affirmative and 60 voted in the negative, with 14 being absent, and accordingly **House Amendment "L" (H-661) to Committee Amendment "A" (H-642) was ADOPTED.**

The SPEAKER: The Chair recognizes the Representative from Bucksport, Representative Rosen.

Representative **ROSEN**: Mr. Speaker, Men and Women of the House. Just one final comment regarding the hospital tax that is included in Committee Amendment "A." We have heard some discussion this evening and we have had some people talk to us that have lived through the last time this tax was implemented from 1991 to 1995. We had an excellent article that was distributed a couple of days ago on our desks. I think there was some information in that from people that after the repeal of the tax in 1995, in 1996 looked at the whole experience and recorded it in an article that was published in February 1996 by now *Bangor Daily News* editor Mark Woodward. I think some of the items that were included in that are worthy of being heard one more time before we vote on this. "Suffered from over exploitation from financially strapped state governments. It was a desperate year, 1991, when the Legislature arrived in Augusta. The economy was in a structural recession. The paper industry

was shrinking. The state stared at a substantial revenue shortfall. The high estimate was \$1.2 billion. It sounds very familiar. Despite the failing economy and shriveling of tax receipts, the institution of state government continued to expand. A program that was intended to generate funds for health care for the poor had suddenly become widely popular. Too much money was being raised too quickly and it was obvious to federal officials that states were using the program to finance their general fund budgets. Washington was moving to shut down the program over the objections of participating states. The roll call of unintended victims was compelling. One hundred and fifty-five dollars more for families' Blue Cross coverage. Five million dollars added to Medicare co-payments for Maine's elderly. A 10 percent increase in hospital rates and serious jeopardy for the continued survival of 15 hospitals in nine Maine counties. Emily Friedman, a medical ethicist commented at the time and described the program as a scam and a shell game and seen by the federal government for what it is, an act of predation upon its finances as well as a manipulation of its statutes." For Friedman the deliberate melting of tax and match is not a big moral issue, but a painful practical one that has negative consequences for the poor and sick and troublesome implications for the future of public policy.

The tax and match scam exposes a fundamental dishonesty in some federal state relations, one in which morality and trust become inoperative in the hunt for a balanced budget and reveals a weakness in the social contract between some state governments and their needy. Tax and match experience, what Friedman colorfully refers to as "gorilla funding for health care".

Maine was premeditated. This state's entry into the tax and match was not motivated by genuine concern for the poor and the sick and even by its hospitals annual \$75 million shortfall in Medicare and Medicaid programs, but by the need to balance the state budget, driven and desperate Maine did the wrong thing for the wrong reasons. It will be buying its way out of the problem for the next four years. I am afraid we are about to repeat that history.

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

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. That was then and now is now. That is accurate and it points out the sins of some of us. I am not the only one here who embraced that need at that time. We did balance our budget. We kept it in balance. That particular program has changed dramatically. The federal government has set rules and regulations whereby federal funds can flow to funds who have need to use this kind of a federal maximization. Many other states are doing it. We did it and everyone here voted for it for nursing homes. We are still doing it for nursing homes. We are doing it for ICFNs. We are planning to do it. We voted last time to do it for PNMs, which take affect after July.

We need to do this. It was a way for the hospitals not to lose large amounts of funds through the cuts that were being proposed. They were going to be cut over \$8 million, which federalized means over \$25 million. This allows them to lose only \$2.6 million. I don't think anybody likes to have it put that way, but the cuts have been reduced dramatically through the use of this method, which is being used now by many, many states with federal approval and will be used well by us. The federal laws do not allow the runaway that was done in the early '90s. We learned and they learned and so we are here now.

The SPEAKER: The Chair recognizes the Representative from Kennebunk, Representative Murphy.

Representative **MURPHY**: Mr. Speaker, Ladies and Gentlemen of the House. With the late hour I hope I can find my

way back there this evening. I have to agree, Mr. Speaker, with Representative Bruno that this is a sad night, this budget and the process we have gone through and the vote this evening. In the last few years here in the House I have had the opportunity to stand back almost like a passenger on a ship and each year I see that iceberg looming ahead and getting ever closer. Five years in the Appropriations Committee and on the floor here in debate over the budget, I called the Medicaid Program the ticking time bomb of the Maine budget. The Speaker at that time, now Attorney General, got very angry and the response as we have heard here tonight is Maine gets \$2 for every \$1. We heard that then and we hear that now.

In that time period there have been some real costs that have taken place and one is the budget process. We used to pass a two-year budget and then we would come back in the short session and we would do a supplemental budget and that was it. Our window was a much wider or longer window. What we do now is we go from crisis to crisis, supplemental budget to supplemental budget, from shortfall to shortfall and probably within less than a month we are going to start this again because we haven't addressed 2005. Rather than working toward a common goal and solution, we see an approach with this amended bill a separate road, a separate path that is going to be followed.

The first cost that you see over the last five years in the budget and you see it here this evening in this majority budget is that GPA aid nose-dived. Our partnership with the local schools, at that point that the Medicaid began to take off rapidly and we changed the eligibility, GPA nosedived.

Property taxes have always been rising in Maine. If you look at the charts and you look where that rocket went off where property taxes accelerated to the point that they drive people out of their homes. It came from cannibalizing GPA to pay the rising costs of Medicaid, but we get \$2 for every \$1 that we raise. We have had a problem over the last five years finding that \$1. Now we find ourselves in terms of costs, this June facing a referendum, this November facing a referendum that probably the odds makers would say has a pretty good chance of passing, especially after people get their property tax bills in August and especially over the next few months when they do their income tax and find out we didn't conform. They might get a federal refund, but they are going to be writing a check to the State of Maine. That is the cost and there may be a consequence come at the polls with these referendums as the voters begin to address them.

The cost has been to our hospitals, repeatedly over the last three or four years they have taken cuts on their Medicaid reimbursement to the point where they are in the low '70s in terms of percent of reimbursement of their costs, what it costs to provide that service. I think we are already beginning to see the costs in terms of medical professionals who are deciding to leave the State of Maine or as they graduate or they look to relocate that Maine is no longer on the list. I have a real concern that as we look down the road and the only people that remain in Maine are those with silver or gray hair, we may not have those medical professionals to help us and carry us through those golden years. We may not even have the residential care facilities to go to because of what we have done, cannibalizing to get the money on the Medicaid side.

We have heard amendments this evening, the University System and the Community College, both have an up tick in the amount of students. They have gotten the message and those institutions are delivering the product. You know, we hear talk and it gets reported in the paper, we care about access. We care about affordability, higher education is the future of the State of

Maine. Well, you flat funded them a year ago and they had more students and they have more students this year and you cut them. We hear all kinds of talk about young people leaving the State of Maine. The cost of this budget, what we have done for the last five years is the facts are that other states and other institutions outside of Maine offer our young people a better package to go on to college. We know when they leave to go to college elsewhere, two-thirds of them aren't coming back. We can talk about the plight of young people, but this budget is going to accelerate that flight and probably only help out the U-Haul business as those vehicles leave the State of Maine on a one-way trip.

I look at the raid on the Maine Retirement System, the health insurance side, I see we are going to write a piece of paper and we are going to drop an IOU in. I am not sure if it is one day or if it's a year. We are going to drop a paper in and we are going to pay it back next year. We have a \$150 to \$200 million shortfall next year. Where is it coming from? When you look at it, it is as if you maxed out a card and you are getting the phone call saying, when are you going to pay the bill and you whip out another credit card to pay that credit card bill. If you got a shortfall next year, how are you going to pay the IOU? Are you going to do it like they did in the '90s? Forget about it and walk away from it and then put retirees in this state at risk in terms of the money that is there in that account for their health insurance.

In this last three to four years, especially, I guess trying to characterize the process that happened, you are cannibalizing the rest of state government. Every time that the Department of Human Services has an accounting error or loses money or the federal government says you didn't handle it right, you owe us, we go out and cannibalize the rest of Maine state government. We are slowly eating our way through the rest of state government. If we keep it up over the next few years, that state government in terms of its costs right now, would be the cost of just the health insurance. We are either going to have to drop the other functions or you are going to have to begin to severely accelerate the enactment of new taxes. There is no other way to go.

It was interesting to hear and in many cases people who got up a year ago, that went along and said that we need a Constitutional Amendment to protect the Tobacco Fund. One quote on the floor was, we can't help ourselves. That prophecy came true. You can't help yourselves. It is sacred, but you are taking the money. You are taking the money. We had stood with the Attorney General at that time and said, we are going to settle and this money is going to tobacco cessation, especially with young people. You are raiding it in this budget and I think within two or three weeks from now you are going to raid it again.

Mainers who are struggling with the cost of health insurance, we passed a brand new tax on hospitals that you might get reimbursement, maybe back from the federal government, but we don't know how long it is going to last. Folks with health insurance now have almost a half of 1 percent increase on their hospital bill. It has to be picked up through the premiums. Tonight, with this majority budget, you are going to raise the premiums of those Mainers, 82 or 83 percent that do have health insurance, you are going to raise their premium costs and the cost of health insurers. This is all happening while the increasing number of regions in this state that the economy in those regions is in a death spiral and we are doing this.

When I first came to the Legislature as a young man the Representative from Lewiston, Louis Jalbert, had taken me aside and said, don't look at people's campaign literature. Don't listen to their speeches. Go down to the Appropriations room and watch the budget. Watch how they vote and when that budget

comes up, watch how they turn their light on. You will find out what their real priorities are. They talk one way at election time and they make the campaign promises, but when it comes time to deliver, follow the money and that will tell you what their priorities are. The sad thing about this evening and the sad thing about the budgets that we have done over the last two or three years is finding out as a Maine legislator in terms of priorities, I thought in terms of local education, higher education and improving this economy, reducing the cost of health insurance, that there are many in this chamber that don't agree with us.

The SPEAKER: A roll call having been previously ordered. The pending question before the House is adoption of Committee Amendment "A" (H-642) as Amended by House Amendment "I" (H-658) and House Amendment "L" (H-661) thereto. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 285

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Sullivan, Suslovic, Thomas, Thompson, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Davis, Duprey B, Fletcher, Glynn, Goodwin, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Ledwin, Lewin, McCormick, McKenney, Millett, Mills S, Moore, Murphy, Nutting, O'Brien J, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Twomey, Vaughan, Young.

ABSENT - Berube, Churchill J, Daigle, Dugay, Greeley, Hatch, Jennings, Landry, Maietta, McNeil, Muse, Peavey-Haskell, Smith W, Usher.

Yes, 75; No, 61; Absent, 14; Excused, 0.

75 having voted in the affirmative and 61 voted in the negative, with 14 being absent, and accordingly **Committee Amendment "A" (H-642) as Amended by House Amendment "I" (H-658) and House Amendment "L" (H-661) thereto was ADOPTED.**

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

Under further suspension of the rules, the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-642) as Amended by House Amendment "I" (H-658) and House Amendment "L" (H-661) thereto and sent for concurrence.**

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

On motion of Representative DUNLAP of Old Town, the House adjourned at 10:57 p.m., until 11:00 a.m., Friday, January 30, 2004.