

ONE HUNDRED TWENTY-EIGHTH LEGISLATURE
FIRST SPECIAL SESSION
2nd Legislative Day
Monday, November 6, 2017

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

Prayer by Honorable Russell J. Black, Wilton.

National Anthem by Honorable Craig V. Hickman, Winthrop.

Pledge of Allegiance.

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

The SPEAKER: The Chair recognizes the Representative from South Portland, Representative Battle, who wishes to address the House on the record.

Representative **BATTLE**: Thank you, Madam Speaker. Madam Speaker, Ladies and Gentlemen of the House, if I could have your attention for just a second. I don't know if you've seen this on the news or not. It was on just the other night. It's about a little boy, he's nine years old, his name is Jacob Thompson. He is presently in Maine Medical Center. He has stage 4 neuroblastoma cancer. His parents do not believe he's going to make it to Christmas. They believe in Christmas, and he has asked for Christmas cards. Whether you believe in Christmas or not, I'm going to ask you to please join me. I have two sheets they're going to be passing around, and I'm going to ask you, please, to write your representative REP and your signature, and then pass it on. It'll start here and go all the way across the room. There's one down in the front, on the far side, and we'll start there, go all the way back across, okay? I'm going to ask everybody to please sign it, then I'll make sure it gets put into a folder and delivered to him on behalf of the men and women of the State Capitol here. I also extend that invitation to the men and women who are staff. If you would like to sign it, I'd love to have everybody, as many signatures as I can, okay? This is for a little boy. Please, and thank you. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Dixfield, Representative Pickett, who wishes to address the House on the record.

Representative **PICKETT**: Madam Speaker, I have a request.

The SPEAKER: The Representative may proceed.

Representative **PICKETT**: In light of the tragedy that took place in Texas, 26 people killed, 10 people wounded, I'd ask that we as a House could take a moment of silence for all of the victims involved, the first responders and others, and especially for the parents of the 18-month-old child that was killed in this, in this tragedy. Thank you, Madam Speaker.

At this point, the Members of the House stood and joined in a moment of silence in honor of the victims of the tragedy at the First Baptist Church in Sutherland Springs, Texas.

The Journal of Monday, October 23, 2017 was read and approved.

At this point, the Speaker recognized the Representative from Kennebunk, Representative BABBIDGE, the Representative from Kennebunkport, Representative SEAVEY, the Representative from Searsport, Representative GILLWAY, the Representative from Athens, Representative GRIGNON, the Representative from Paris, Representative HERRICK, the Representative from Belgrade, Representative HILLIARD, the Representative from Portland, Representative MOONEN, the Representative from Portland, Representative TALBOT ROSS, and they were added to the roll call of the First Special Session of the 128th Legislature.

COMMUNICATIONS

The Following Communication: (H.C. 346)

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

November 3, 2017

The 128th Legislature of the State of Maine
State House
Augusta, Maine

Dear Honorable Members of the 128th Legislature:

Under the authority vested in me by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing LD 1650, "An Act to Amend the Marijuana Legalization Act."

When I took the oath of office as Maine's Governor, I swore to uphold the Constitution of the United States and the Constitution of the State of Maine. When the referendum seeking to legalize marijuana passed, it put me in a difficult position: to uphold Maine law, I would be required to flout federal law. I have sought guidance from the U.S. Attorney General on how the federal government intends to treat the legalization of marijuana by states across the nation, which conflicts with federal law. As an increasing number of states embark upon this path, it is imperative that the federal government takes a strong and public position on this issue.

The Obama administration said they would not enforce federal law related to marijuana; however, the Trump administration has not taken that position. Until I clearly understand how the federal government intends to treat states that seek to legalize marijuana, I cannot in good conscience support any scheme in state law to implement expansion of legal marijuana in Maine. If we are adopting a law that will legalize and establish a new industry and impose a new regulatory infrastructure that requires significant private and public investment, we need assurances that a change in policy or administration at the federal level will not nullify those investments.

Even if federal law were of no concern, there are other significant issues that must be addressed. This bill does nothing to address failings of the medical marijuana program. In fact, it does not attempt to ensure that regulations between our medical program and this new program have even a minimal level of consistency. The drafters of this bill chose to ignore the significant effects that this new program—one with different levels of regulatory oversight and a different tax structure—will have on the existing medical marijuana program, its patients and the public health and safety of the Maine people.

A concurrent medical program with weaker regulation and a lower tax rate will undermine the regulations established by this bill. The two programs must be considered together. Since the passage of the referendum last November, the medical program has seen a significant increase in the number of registered caregivers, as well as the exploitation of loopholes in medical marijuana regulations to broaden the sales base for medical marijuana, which has a much lower tax rate.

Further still, this bill generates a bifurcated regulatory structure with two Executive Branch departments regulating the market, which is almost certain to create unnecessary additional administrative costs and confusion. Based on initial estimates, it is not even clear that the tax revenue raised by this bill will cover the cost of implementation and regulation required by this bill, creating yet another unfunded mandate and likely a further drain on the General Fund. The bill also establishes unrealistic deadlines for executive action that would result in a hastily crafted regulation. If not done right, this regulation will have a significant negative impact on Maine's families and communities.

When I sought guidance from my counterpart in Colorado, he was adamant that Maine should learn from the mistakes made by his state and others that have pursued legalization efforts. He urged that we take the time necessary to get our law right from the start and not rush just to get something in place. There have been serious negative effects of legalization in other states—effects that should not be repeated in Maine. In Colorado, marijuana-related traffic deaths more than doubled since recreational marijuana was legalized.¹ The Institute for Highway Safety reached similar findings, noting that automobile collisions increased by three percent in states that have legalized marijuana.² Alarming, the violent crime rate in Colorado increased nearly 19 percent since legalization,³ more than double the national rate.⁴ If Maine is going to legalize and regulate marijuana, it is imperative that we do it right.

Outside specific concerns about this bill, I continue to be concerned about expanded legalization of marijuana in Maine. The dangers of legalizing marijuana and normalizing its use in our society cannot be understated. Maine is now battling a horrific drug epidemic that claims more than one life a day due to overdoses caused by deadly opiates. Sending a message, especially to our young people, that some drugs that are still illegal under federal law are now sanctioned by the state may have unintended and grave consequences.

For these reasons, I return LD 1650 unsigned and vetoed. I strongly urge the Legislature to sustain it and continue to work to get this important law right.

Sincerely,
S/Paul R. LePage
Governor

¹ "The Legalization of Marijuana in Colorado: The Impact", October 2017, Rocky Mountain High Intensity Drug Trafficking Area Intelligence Unit, pp.17

² "Legalizing recreational marijuana is linked to increased crashes", IHS-HLDI, <http://www.ihs.org/ihs/news/desktopnews/legalizing-recreational-marijuana-is-linked-to-increased-crashes>

³ "The Legalization of Marijuana in Colorado: The Impact", October 2017, Rocky Mountain High Intensity Drug Trafficking Area Intelligence Unit, pp.118

⁴ "Crime in the United States 2013", FBI, <https://ucr.fbi.gov/crime-in-the-u.s/2013/crime-in-the-u.s.-2013/violent-crime/violent-crime-topic->

page/violentcrimemain_final and "Crime in the United States 2016", FBI, <https://ucr.fbi.gov/crime-in-the-u.s/2016/crime-in-the-u.s.-2016/topic-pages/violent-crime>

READ and ORDERED PLACED ON FILE.

The accompanying item An Act To Amend the Marijuana Legalization Act

(H.P. 1139) (L.D. 1650)
(S. "A" S-345)

The SPEAKER: The Chair recognizes the Representative from Newport, Representative Fredette.

Representative **FREDETTE**: Thank you, Madam Speaker, Ladies and Gentlemen of the House. Good afternoon. I hope you've had a chance to read the Chief Executive's veto letter in regards to this issue. I think he points out a number of important issues which are not necessarily new issues. My understanding is that these are issues that the Chief Executive expressed to the Committee early on and I believe that they're -- particularly the one in regards to the federal, this is in fact a federally illegal substance.

The issue about taxation, I think, is an important issue, and I think the issue about making sure that we're addressing the medical marijuana versus the marijuana piece is an important piece. What I think is important about today's vote is, is that we're not looking... in my opinion, this is not a vote to delay the implementation of this law. I think we recognize we have a responsibility to do that, and I think most people, sort of, also recognize that we're going to be back in this building in a full-time basis in about 60 days. So, I think that this vote today, to sustain this veto, is really a vote to have us maybe even work informally over the next 60 days, but really to come back in 60 days; there are a number of issues in here where I think those issues can be addressed in a timely fashion, in a fairly short fashion, and that we can pass something, then, that can have a consensus of both sides of the aisle on this important issue.

I would also iterate one thing that I think is really, really important which we did address the last time that we were here in a negative way, and that is the issue of the moratorium. As it relates to this specific bill, it does not extend the moratorium. I think it's important that we have to look at the reality that the issue of the moratorium is going to have to be extended. There's no way the rulemaking is going to be done in time for a February 1 date; and so that once we dispose of this issue I would ask, certainly, that leadership have that conversation, and we deal with that either now or in January when we come back, because I think, at the end of the day, that's really going to be an issue that we have to focus on. So, thank you, Madam Speaker. I will be voting to sustain the Chief Executive's veto and I ask that you follow my light.

The SPEAKER: The Chair recognizes the Representative from Falmouth, Representative Pierce.

Representative **PIERCE**: Thank you, Madam Speaker. Fellow members of the House, I stand here today with a 15-1-1 bill reported out of committee after nine months of work. We were asked to do this by our local law enforcement, by our local municipalities, and by the people of this state. The very reason that we're here today is for that very reason that we don't delay the work. We were told straight out in letter and in verbal commitment from the departments that they would not begin working on any rulemaking until we had legislation that came out of this body and our body down the hall. We worked diligently and hard. We came to compromise through hours of debate and hearing from expert testimony from other states and within our own state, and we feel that we have brought something to the floor that respects the will of the people but also protects our local control element of our state, our kids,

and the public health and public safety of our state as a whole. I encourage you to follow my light and vote to overturn this veto, so that we can continue this work and make sure that we implement the will of the people. Thank you.

The SPEAKER: The Chair recognizes the Representative from Windham, Representative Corey.

Representative **COREY**: Madam Speaker, Men and Women of the House, I rise, today, in support of sustaining this veto. LD 1650 foists the cost of setting up a recreational marijuana market on Maine's taxpayers for a longer period than what I feel is necessary or decent. Considering the extremely close margin that Marijuana Legalization Act passed by last November, we cannot saddle those who are not market participants or cannabis users with the bill.

There has been much talk about the Committee's work and the level of participation by the Departments. While I say that there are some legitimate concerns here, prior to voting on the bill, we had a fiscal note and a competing fiscal note with two different tax schemes, and contrasting pictures that should have been enough to give us pause. There were options on the day we voted. We could've sent this back to Committee to be further worked or we could have amended the bill to use the tax scheme that the bill's original draft had. These are options that would've allowed us to sidestep the difficult vote we are facing today. Just to give you an image of how these fiscal notes differ regarding taxpayer subsidization of program costs, the 10% sales tax, 10% excise tax, will pay off 15% of required taxpayer money to set up the program in fiscal year 2020-2021, while a straight 20% sales tax will pay off 62% of the initial cost in that same year. Moreover, a straight 20% sales tax would be on pace to pay off the remainder of these up-front costs in the following year. LD 1650's tax scheme will take longer for sure.

In addition to sitting on the MLI Committee, I am on the Criminal Justice and Public Safety Committee. I'm sure, like your committees, we've heard proposals, and when we've asked how to fund them, the answer is the marijuana money. This morning I recalled the Opportunity Agenda outlining Maine's Democrats' spending opportunities for the budget we passed in July. To pay for this spending, the proposal was banking on 13.2 million dollars in revenue from taxes paid on recreational marijuana products. I ask you, my friends, what marijuana money? In fiscal year 2020-2021 the tax scheme in the bill this chamber passed is projected to raise a little less than 2.8 million dollars over that year's program cost; that's three years in, and there's no way it was ever going to raise \$13.2 million in revenue for these last two years. I don't know about any of you, but I can't imagine going back to my district and explaining why I wouldn't sustain a veto on a bill that puts the cost of a recreational drug program with nonparticipants longer than is necessary. I urge you to join me in sustaining this veto so that we can get back to work in the Committee. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Biddeford, Representative Grohman.

Representative **GROHMAN**: Thank you, Madam Speaker. Women and Men of the House, I feel like we've legalized gasoline but not gas stations here. You know, I'm aware that you can buy a plastic bag for \$400 that happens to have an ounce of marijuana in it, and I think if we don't act and move, we're going to continue to create profits and incentives for the wrong people; the kind of profits and incentives that we very much do not want to create in these times. I don't think we can be confident that the good hard work of the Committee will be reopened and reworked in the short and hurried second

session. The referendum language includes sales within a thousand feet of schools. I think we need to act. I think we need to move ahead. I think we need to override. Thank you, Madam Speaker.

After reconsideration, the House proceeded to vote on the question, 'Shall this Bill become a law notwithstanding the objections of the Governor?' A roll call was taken.

The SPEAKER: The pending question before the House is 'Shall this Bill become a law notwithstanding the objections of the Governor?' All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 477V

YEA - Ackley, Alley, Austin B, Babbidge, Bailey, Bates, Battle, Beebe-Center, Blume, Brooks, Bryant, Cardone, Collings, Cooper, Daughtry, DeChant, Denno, Duchesne, Dunphy, Farnsworth, Fay, Fecteau, Frey, Fuller, Gattine, Golden, Grant, Grohman, Handy, Harrington, Harvell, Herbig, Higgins, Hogan, Hubbell, Hymanson, Jorgensen, Kumiega, Lawrence, Longstaff, Luchini, Madigan C, Madigan J, Martin J, Martin R, Mastraccio, McCrea, McCreight, McLean, Melaragno, Monaghan, Moonen, Nadeau, Perry, Pierce T, Pouliot, Reckitt, Riley, Rykerson, Sanborn, Schneck, Sheats, Spear, Stanley, Sylvester, Talbot Ross, Tepler, Terry, Tipping, Tucker, Tuell, Warren, Zeigler, Madam Speaker.

NAY - Austin S, Black, Bradstreet, Campbell, Casas, Cebra, Chace, Chapman, Corey, Craig, Dillingham, Espling, Farrin, Foley, Fredette, Gerrish, Gillway, Ginzler, Grignon, Guerin, Haggan, Hamann, Hanington, Hanley, Harlow, Hawke, Herrick, Hickman, Hilliard, Johansen, Kinney J, Kinney M, Lockman, Lyford, Malaby, McElwee, O'Connor, Ordway, Parry, Perkins, Picchiotti, Pickett, Pierce J, Prescott, Reed, Sampson, Sanderson, Seavey, Sirocki, Skolfield, Stetkis, Stewart, Strom, Sutton, Theriault, Timberlake, Vachon, Wadsworth, Wallace, White, Winsor, Wood.

ABSENT - Berry, Bickford, Doore, Head, Kornfield, Marean, O'Neil, Parker, Sherman, Simmons, Stearns, Turner, Ward.

Yes, 74; No, 62; Absent, 13; Vacant, 1; Excused, 1.

74 having voted in the affirmative and 62 voted in the negative, 1 vacancy with 13 being absent and 1 excused, and accordingly the Veto was **SUSTAINED**.

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

The Following Communication: (H.C. 341)

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

November 6, 2017

Honorable Robert B. Hunt

Clerk of the House

2 State House Station

Augusta, Maine 04333

Dear Clerk Hunt:

Pursuant to my authority under Public Law 2017, Chapter 25, I am pleased to appoint the following legislators and members of the public to serve on the Maine Bicentennial Commission, effective October 26, 2017:

Representative James R. Handy of Lewiston as a member of the House of Representatives and House Chair

Representative David G. Haggan of Hampden as a member of the House of Representatives

David Cheever of Augusta, Maine State Archivist, as a representative of a statewide museum organization promoting the state's historic and natural heritage

Hayden Anderson of Portland, Executive Director of the Maine Humanities Council, as a representative of a statewide humanities organization that uses humanities as a tool for positive change in the state's communities

Julie Richard of Augusta, Executive Director of the Maine Arts Commission, as a representative of a statewide organization that promotes arts and culture in the state

Esther Anne of Stillwater, Co-Director of Maine Wabanaki-REACH, as a representative of a statewide organization that promotes the heritage and history of the state

Jamie Ritter of Augusta, Maine State Librarian, as a representative of a statewide organization that promotes and enhances the value of state libraries

Jason Libby of Augusta, Vice Chairman of the Maine Historic Preservation Commission, as a representative of a statewide organization that promotes historical preservation

Pursuant to my authority under Public Law 2017, Chapter 25, I am pleased to appoint the following members of the public to serve on the Maine Bicentennial Commission, effective October 30, 2017:

Esther Anne of Stillwater, Co-Director of Maine Wabanaki-REACH, as the Speaker's designee

Steve Bromage of Portland, Executive Director of the Maine Historical Society, as a representative of a statewide organization that promotes the heritage and history of the state

If you have any questions, please don't hesitate to contact my office.

S/Sara Gideon

Speaker of the House

READ and ORDERED PLACED ON FILE.

The Following Communication: (H.C. 342)

**STATE OF MAINE
PUBLIC UTILITIES COMMISSION
101 SECOND STREET
HALLOWELL, MAINE 04347**

October 5, 2017

Honorable Matthew Dunlap, Secretary of State
Secretary of State's Office

148 State House Station, Augusta, Maine 04333

Honorable Heather J.R. Priest, Secretary of the Senate
Maine State Senate

3 State House Station, Augusta, Maine 04333

Honorable Robert B. Hunt, Clerk of the House
House of Representatives

2 State House Station, Augusta, Maine 04333

Suzanne M. Gresser, Revisor of Statutes

Office of the Revisor of Statutes

7 State House Station, Augusta, Maine 04333

Re: Dissolution of Spent Nuclear Fuel Disposal Trust Fund

To the Secretary of State, Secretary of the Senate, Clerk of the House of Representatives and Revisor of Statutes:

Pursuant to 35-A M.R.S. §4392, Maine Yankee Atomic Power Company (Maine Yankee) has maintained a Spent Nuclear Fuel Disposal Trust Fund (Trust Fund), the purpose of which is to pay the United States Department of Energy (DOE) for the disposal of spent nuclear fuel resulting from the use of that fuel before April 7, 1983.

Title 35-A, M.R.S. §4392(6) provides that after payment of all fees in accordance with 35-A M.R.S. §4392(5), the Trustee of

the Trust Fund shall report to the Commission and, upon certification by the Commission, the Trust Fund must be dissolved expeditiously and the subchapter relating to the Trust Fund is repealed. The statute further provides that the Commission notify the Secretary of State, Secretary of Senate, Clerk of the House of Representatives and Revisor of Statutes when the Trust Fund is dissolved.

The Commission made the required certification on July 13, 2017.¹ On August 31, 2017, Maine Yankee notified the Commission that it had instructed the Trustee to dissolve the Trust Fund in an expeditious manner.² On September 27, 2017, Maine Yankee filed a letter in the Docket notifying the Commission that the Trust Fund had been closed.³ Pursuant to 35-A M.R.S. §4392(6), the Commission hereby notifies you that the Spent Nuclear Fuel Disposal Trust Fund has been dissolved.

If you have any questions, please do not hesitate to contact us. Sincerely,

S/Mark A. Vannoy, Chairman

On behalf of the Chairman and

R. Bruce Williamson, Commissioner

Maine Public Utilities Commission

¹ *Maine Public Utilities Commission, Maine Yankee Atomic Power Company Request for Certification of Report, Docket 2017-00 I 04, Order Certifying Report (July 13, 2017).*

² Letter from Maine Yankee, Docket 2017-00 I 04 (August 31, 2017).

³ Letter from Maine Yankee, Docket 2017-00 I 04 (September 27, 2017).

READ and ORDERED PLACED ON FILE.

The Following Communication: (H.C. 343)

**MAINE HUMAN RIGHTS COMMISSION
51 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0051**

October 25, 2017

Honorable Paul R. LePage, Governor

Honorable Michael Thibodeau, President of the Senate

Honorable Sara Gideon, Speaker of the House

State House, Augusta, Maine 04333

Dear Governor LePage, President Thibodeau and Speaker Gideon:

On behalf of the Commissioners and staff of the Maine Human Rights Commission ("Commission"), we are pleased to present you with the 2017 Annual Report of the Commission. As you will see from the following, the Commission continues to uphold its statutory charge to enforce Maine's anti-discrimination laws. A few highlights are as follows:

- The number of new complaints filed in Fiscal Year 2017 increased by 12.4% from the year (from 611 to 687).

- Of new complaints filed, 69.4% were based on employment, 14.8% were based on housing, 15.1% were based on public accommodations, and 0.7% were based on education.

- With respect to type of allegation, disability discrimination represented 28.4% of complaints filed (an increase from last year's 25.2%). Retaliation complaints increased from 19.1% to 26.8% of complaints filed, with whistleblower retaliation complaints decreasing from 18.9% to 9.5%. Sex discrimination complaints decreased from 15.1% to 14.1%; sexual harassment is alleged in 39% of sex discrimination complaints. Race/color/national origin/ancestry complaints constituted 10.5% of complaints filed, an increase from 9.6% last year.

Age complaints comprised 7.6%, and sexual orientation complaints were 1.1%, of complaints filed.

- Of the 228 cases in which Commission staff completed Investigator's Reports, 70.6% (161 cases) were uncontested. Commissioners heard argument in 67 of the 228 cases.
- In 31 of the 228 cases determined by the Commission after an Investigator's Report, the Commissioners found "reasonable grounds" to believe discrimination occurred, a rate of 13.6% (an increase from the prior year's 11.2%). In these 228 cases decided by Commissioners, there were 1697 distinct claims of discrimination made; of these claims, Commissioners found "reasonable grounds" in 150 claims. The reasonable grounds rate for Commission claims was 8.8%.
- At the end of FY 2017, 798 cases remained pending, a 9.9% increase in pending cases from the prior year.
- Commission staff delivered or participated in or delivered more than 38 training forums during FY 2017.
- The Commission continues to promote diversity and tolerance, and to work to eliminate unlawful discrimination for all citizens of and visitors to Maine. We hope this report is of assistance, as our agency seeks to work closely with the Executive and Legislative branches as we jointly assure the citizens of Maine the protections afforded under the Maine Human Rights Act.

Sincerely,

S/Arnold Clark

Chairman of Maine Human Rights Commission

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

The Following Communication: (H.C. 344)

**MAINE HEALTH AND HIGHER
EDUCATIONAL FACILITIES AUTHORITY
127 COMMUNITY DRIVE
AUGUSTA, MAINE 04338**

October 31, 2017

Honorable Sara Gideon

Speaker of the House

2 State House Station

Augusta, Maine 04333

Dear Speaker Gideon:

Pursuant to M.R.S.A. Title 22, Chapter 413, Section 2069, on behalf of the Board and staff of the Maine Health and Higher Educational Facilities Authority, I am pleased to provide you with our Fiscal Year 2017 Annual Report.

The Maine Health and Higher Educational Facilities Authority was established by the legislature in 1972. Since its inception, the Authority has issued in excess of \$5 billion to meet the capital needs of Maine's healthcare and higher educational institutions.

During fiscal year 2017, the Authority issued \$227,170,000 under its general tax exempt conduit resolution and \$39,000,000 under its moral obligation reserve fund resolution. These sales were accomplished in 5 series for 2 colleges, 12 hospitals and 2 nursing homes.

In addition, Pursuant to M.R.S.A Title 22, Chapter 413, Section 2075, paragraph 1C, the Authority certifies that our reserve fund investments exceed the reserve fund requirement at June 30, 2017.

We are proud of our accomplishments and look forward to continuing our commitment of providing the lowest cost financing to the community we serve.

Sincerely,

S/Michael R. Goodwin

Executive Director

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

The Following Communication: (H.C. 345)

**STATE OF MAINE
OFFICE OF TAX POLICY
MAINE REVENUE SERVICES
24 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0024**

November 1, 2017

Honorable Sara Gideon

Speaker of the House

Honorable Michael Thibodeau

President of the Senate

Members of the 128th Maine Legislature:

Pursuant to 5 M.R.S.A. §13070-J, Maine Revenue Services (MRS) is required to submit a report to the Legislature identifying the revenue foregone as the result of the Jobs and Investment Tax Credit ("JITC"), the Research Expense Tax Credit ("R&D"), the Seed Capital Investment Tax Credit, the Shipbuilding Facility Credit, the Credit for Maine Fishery Infrastructure Investment, and public funds spent on the Business Equipment Tax Reimbursement ("BETR") program. Attached are three reports that provide you with this information.

The First attachment shows the number of individual and corporate JITC, R&D, and Seed Capital credits for tax year 2015, as well as the value of those credits. Tax year 2015 is the last year for which we have full information on both corporate and individual filers. Statutes governing the release of confidential taxpayer information prevent us from reporting the names of the corporations or individuals that benefited from these tax credits. No taxpayer took advantage of the Credit for Maine Fishery Infrastructure Investment in tax year 2015.

The second attachment explains the Shipbuilding Facility credit. As required by statute, the report provides information on the level of employment, yearly investment and the cumulative amount of investment. Since the inception of the credit, the level of employment has been such that the annual cost to the state treasury has been at least \$3 million per year.

The third attachment is a list of BETR recipients. For purposes of this report, businesses that filed for reimbursement during the fiscal year ending June 30, 2017 are listed. Recipients filed between August 1, 2016 and December 31, 2016 for eligible property taxes paid during calendar year 2015. For that period the state reimbursed \$31,787,742 to 1,430 companies.

Public Law 2017, chapter 211 (LD 1551) repealed the requirement that MRS issue this annual report. In the future the information included in this report will be found in the biennial *Tax Expenditure* report issued in February of each odd-numbered year.

If you have any questions on this report, please do not hesitate to contact me.

Sincerely,

S/Michael J. Allen

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

The Following Communication: (S.C. 694)

**MAINE SENATE
128TH LEGISLATURE
OFFICE OF THE SECRETARY**

October 23, 2017

Honorable Sara Gideon
Speaker of the House
2 State House Station
Augusta, Maine 04333

Dear Speaker Gideon:

In accordance with 3 MRSA §158 and Joint Rule 506 of the 128th Maine Legislature, please be advised that the Senate today confirmed the following nominations:

Upon the recommendation of the Committee on Agriculture, Conservation and Forestry

- David C. Adams of Mapleton for appointment to the Board of Pesticides Control
- Stanley K. Millay of Appleton for reappointment to the Maine Milk Commission

- Hon. Michael J. Timmons of Cumberland for appointment to the Maine State Harness Racing Commission

- Hon. Gary W. Reed of Falmouth for reappointment to the State Harness Racing Commission;

Upon the recommendation of the Committee on Appropriations and Financial Affairs

- Alexander E. Porteous of Portland for appointment as the Commissioner of the Department of Administrative and Financial Services;

Upon the recommendation of the Committee on Education and Cultural Affairs

- Patricia A. Duran of Hermon for reappointment to the Maine Community College System, Board of Trustees
- Emily G. Smith of Presque Isle for appointment to the Maine Community College System, Board of Trustees
- James Douglas Wellington, Esq. of Castine for reappointment to the Maine Maritime Academy, Board of Trustees

- Ande A. Smith of North Yarmouth for appointment to the Maine Maritime Academy, Board of Trustees

- Jay M. Hibbard of Portland for appointment to the Maine Public Broadcasting Corporation, Board of Trustees

- Terry L. Morrell of Gorham for appointment to the School Board of the Governor Baxter School for the Deaf

- Michelle S. Ames of Portland for reappointment to the School Board of the Governor Baxter School for the Deaf

- John G. Shattuck of Newcastle for reappointment to the School Board of the Governor Baxter School for the Deaf

- Hon. Wendy L. Ault of Wayne for appointment to the State Board of Education

- Elizabeth M. Timm of Falmouth for appointment to the University of Maine System, Board of Trustees;

Upon the recommendation of the Committee on Energy, Utilities and Technology

- Donald C. Lewis, Jr. of Brewer for reappointment to the Efficiency Maine Trust Board

- Randall D. Davis of Smithfield for appointment to the Public Utilities Commission;

Upon the recommendation of the Committee on Health and Human Services

- Albert Ricker Hamilton, Jr. of Falmouth for appointment as the Commissioner of the Department of Health and Human Services;

Upon the recommendation of the Committee on Judiciary

- Hon. Bruce A. Jordan of Bangor for reappointment as a District Court Judge

- Hon. Susan E. Oram of Lewiston for reappointment as a District Court Judge

- Hon. Robert E. Murray, Jr. of Bangor for reappointment as a Superior Court Justice

- Hon. MaryGay Kennedy of Auburn for reappointment as a Superior Court Justice

- Hon. Ann M. Murray of Bangor for reappointment as a Superior Court Justice;

Upon the recommendation of the Committee on Labor, Commerce, Research and Economic Development

- James P. Violette of Waterville for reappointment to the Finance Authority of Maine

- James G. Howard of Topsham for reappointment to the Finance Authority of Maine

- Amie M. Parker of Lewiston for reappointment to the Maine Labor Relations Board

- Dennis E. Welch of Windham for reappointment to the Maine Labor Relations Board

- Carl A. Guignard of Lewiston for reappointment to the Maine Labor Relations Board

- Kevin P. Joseph of Oakland for reappointment to the Maine State Housing Authority

- Lincoln J. Merrill, Jr. of North Yarmouth for reappointment to the Maine State Housing Authority

- Jennifer J. Duddy, Esq. of Cape Elizabeth for reappointment to the Maine Unemployment Insurance Commission;

Upon the recommendation of the Committee on State and Local Government

- Stacey L. Morrison of Gardiner for reappointment to the Maine Governmental Facilities Authority;

Upon the recommendation of the Committee on Taxation

- Hon. Richard A. Nass of Acton for reappointment to the Maine Board of Tax Appeals

- Douglas Kelley Young, Esq. of Portland for appointment to the Maine Board of Tax Appeals;

Upon the recommendation of the Committee on Veterans and Legal Affairs

- Lawrence J. Davis of Hallowell for reappointment to the State Liquor and Lottery Commission.

Best Regards,

S/Heather J.R. Priest

Secretary of the Senate

READ and ORDERED PLACED ON FILE.

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

ORDERS

On motion of Representative LONGSTAFF of Waterville, the following House Order: (H.O. 49)

ORDERED, that Representative Christopher W. Babbidge of Kennebunk be excused October 23 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Paul B. Chace of Durham be excused August 2 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative James S. Gillway of Searsport be excused October 23 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Lance Evans Harvell of Farmington be excused August 2 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Lloyd C. Herrick of Paris be excused October 23 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Gary L. Hilliard of Belgrade be excused August 2 and October 23 for health reasons.

AND BE IT FURTHER ORDERED, that Representative Matthew W. Moonen of Portland be excused October 23 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative H. Stedman Seavey of Kennebunkport be excused October 23 for personal reasons.

READ and PASSED.

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

On motion of Representative LONGSTAFF of Waterville, the following House Order: (H.O. 48)

ORDERED, that Representative Stacey K. Guerin of Glenburn be excused May 9, 2017 and August 2, 2017 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Patricia Hymanson of York be excused August 2, 2017 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Erik C. Jorgensen of Portland be excused August 2, 2017 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Mark W. Lawrence of South Berwick be excused August 2, 2017 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Jeffrey K. Pierce of Dresden be excused August 2, 2017 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative John C. Schneck of Bangor be excused August 2, 2017 for personal reasons.

AND BE IT FURTHER ORDERED, that Representative Karleton S. Ward of Dedham be excused August 2, 2017 for personal reasons.

READ and PASSED.

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

Representative **BABBIDGE**: Thank you, Madam Speaker. I request unanimous consent to address the House on the record.

The SPEAKER: The Representative has requested unanimous consent to address the House on the record. Hearing no objection, the Representative may proceed on the record.

Representative **BABBIDGE**: Thank you, Madam Speaker. Madam Speaker, and Men and Women of the House, in reference to Roll Call No. 468 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 469 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 470 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 471 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 472 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 473 on

LD 1651, had I been present I would have voted yea. In reference to Roll Call No. 474 on LD 1650, had I been present I would have voted yea. In reference to Roll Call No. 475 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 476 on LD 1650, had I been present I would have voted yea. I appreciate your indulgence. Thank you, Madam Speaker.

The SPEAKER: The record shall so reflect.

The SPEAKER: The Chair recognizes the Representative from Rockland, Representative Beebe-Center.

Representative **BEEBE-CENTER**: Madam Speaker, I request unanimous consent to address the House on the record.

The SPEAKER: The Representative has requested unanimous consent to address the House on the record. Hearing no objection, the Representative may proceed on the record.

Representative **BEEBE-CENTER**: Thank you, Madam Speaker. Madam Speaker and Men and Women of the House, in reference to Roll Call No. 427 on LD 1147, had I been present I would have voted yea. In reference to Roll Call No. 428 on LD 481, had I been present I would have voted yea. In reference to Roll Call No. 429 on LD 1512, had I been present I would have voted yea. In reference to Roll Call No. 430 on LD 1557, had I been present I would have voted yea. In reference to Roll Call No. 431 on LD 586, had I been present I would have voted yea. In reference to Roll Call No. 432 on LD 1641, had I been present I would have voted yea. In reference to Roll Call No. 433 on LD 182, had I been present I would have voted yea. In reference to Roll Call No. 434 on LD 1108, had I been present I would have voted yea. In reference to Roll Call No. 435 on LD 1552, had I been present I would have voted yea. In reference to Roll Call No. 436 on LD 1613, had I been present I would have voted yea. And in reference to Roll Call No. 437 on LD 1163, had I been present I would have voted yea. Thank you very much.

The SPEAKER: The record shall so reflect.

The SPEAKER: The Chair recognizes the Representative from Lincoln, Representative Hanington, who wishes to address the House on the record.

Representative **HANINGTON**: Thank you, Madam Speaker. Ladies and Gentlemen of the House, there are many veterans in this room. There are spouses of veterans, sons, daughters, husbands and wives of veterans. Saturday is Veterans Day. There's going to be breakfasts, there's going to be memorials, there's going to be some heartfelt tears. Let's just remember each and every veteran that fought for our freedoms. Thank you, Madam Speaker.

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

Representative **MOONEN**: Thank you, Madam Speaker. Madam Speaker, I request unanimous consent to address the House on the record.

The SPEAKER: The Representative has requested unanimous consent to address the House on the record. Hearing no objection, the Representative may proceed on the record.

Representative **MOONEN**: Thank you, Madam Speaker. Madam Speaker and Men and Women of the House, in

reference to Roll Call No. 468 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 469 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 470 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 471 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 472 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 473 on LD 1651, had I been present I would have voted yea. In reference to Roll Call No. 474 on LD 1650, had I been present I would have voted yea. In reference to Roll Call No. 475 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 476 on LD 1650, had I been present I would have voted yea. Thank you, Madam Speaker.

The SPEAKER: The record shall so reflect.

The SPEAKER: The Chair recognizes the Representative from South Portland, Representative Battle, who wishes to address the House on the record.

Representative **BATTLE**: Thank you. Just an update -- thank you, Madam Speaker. According to local media Channel 6, the young man received 14,000 cards yesterday. The program is going very good for him. He's ecstatic about it. And for those of you that got it, it's still passing around the room. If you haven't had a chance, please sign one of those sheets. If the front is filled please flip it over. And, again, from the heart, thank you very much.

The SPEAKER: The Chair recognizes the Representative from Bath, Representative DeChant, who wishes to address the House on the record.

Representative **DeCHANT**: Thank you, Madam Speaker. Ladies and Gentlemen of the House, I want to underscore the calendar, that Saturday is Veteran's Day, November 11th. I can't believe we're actually here to be able to announce that it's, you know, this Saturday. But I also wanted to underscore that, Madam Speaker, Ladies and Gentlemen of the House, if you have any veterans in your district, the Chocolate Church Art Center that's located in Bath is doing a concert that's featuring the Don Campbell Band and there are free tickets available for veterans. Veterans, there's free tickets available for the 7:30 show, so if you know anybody who's -- who enjoys the Don Campbell Band, it is a patriotic concert, it is nonpartisan, and music is the great unifier.

At this point, a message came from the Senate borne by Senator VOLK of Cumberland of that Body, informing the House that the Senate was ready to adjourn without day.

The Speaker appointed Representative HERBIG of Belfast on the part of the House to inform the Senate that the House was ready to adjourn without day.

The Speaker appointed the following members on the part of the House to wait upon his Excellency, Governor PAUL R. LePAGE, and inform him that the House is ready to adjourn without day:

Representative TIPPING of Orono
Representative COOPER of Yarmouth
Representative GRANT of Gardiner

Representative HILLIARD of Belgrade
Representative POULIOT of Augusta
Representative STANLEY of Medway
Representative TEPLER of Topsham
Representative TERRY of Gorham

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Talbot Ross.

Representative **TALBOT ROSS**: Madam Speaker, thank you. I request unanimous consent to address the House on the record.

The SPEAKER: The Representative has requested unanimous consent to address the House on the record. Hearing no objection, the Representative may proceed on the record.

Representative **TALBOT ROSS**: Thank you, Madam Speaker. Madam Speaker and Men and Women of the House, in reference to Roll Call No. 468 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 469 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 470 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 471 on LD 1646, had I been present I would have voted yea. In reference to Roll Call No. 472 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 473 on LD 1651, had I been present I would have voted yea. In reference to Roll Call No. 474 on LD 1650, had I been present I would have voted yea. In reference to Roll Call No. 475 on LD 1646, had I been present I would have voted nay. In reference to Roll Call No. 476 on LD 1650, had I been present I would have voted yea. Thank you.

The SPEAKER: The record shall so reflect.

Subsequently, Representative HERBIG reported that she had delivered the message with which she was charged.

Subsequently, the Committee reported that they had attempted to deliver the message with which they were charged.

On motion of Representative LONGSTAFF of Waterville, the House adjourned without day at 5:15 p.m., in honor and lasting tribute to the victims of the tragedy at the First Baptist Church in Sutherland Springs, Texas.