ONE HUNDRED AND TWENTY-SIXTH LEGISLATURE
SECOND REGULAR SESSION
10th Legislative Day
Thursday, February 6, 2014

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

Prayer by Pastor Darren Farmer, Deeper Worship Center, Portland.

National Anthem by Maranacook Community High School Chorus, Readfield.

Pledge of Allegiance.

Doctor of the day, James Hildebrand, M.D., Orono.

The Journal of Tuesday, February 4, 2014 was read and approved.

COMMUNICATIONS

The Following Communication: (H.C. 351)

STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT
59 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0059

February 4, 2014
Honorable Millicent M. MacFarland
Clerk of the House
2 State House Station
Augusta, Maine 04333
Dear Clerk MacFarland:

I am pleased to submit, pursuant to 5 MRSA §13056-A and 5 MRSA §13107, the Comprehensive Evaluation of State Investments in Economic Development and the Comprehensive Evaluation of State Investments in Research and Development. The reports were compiled by Investment Consulting Associates (ICA) following the company's contract award which was the result of a competitive bidding process in accordance with state policy. Links to these reports can be found on the DECD Website at the following address: http://www.maine.gov/decd/reports-pubs.

The biennial progress reports provide an assessment of the effectiveness of Maine's economic incentive programs and an analysis of the success of the state's investments in research and development. The reports were generated after ICA developed and deployed a wide-ranging survey of recipients of Maine incentive programs and through in-person interviews with businesses and stakeholders. They also collected reports, data, and other information from stakeholders and state agencies when available and not prohibited due to statutory confidentiality provisions. The reports include numerous recommendations based upon the evaluation process and highlight opportunities for improvements going forward, as well as valuable insights into which programs provide a good return on investment based on ICA's cost-benefit analysis.

Additionally, in accordance with the contract, ICA is responsible for completing a one-time overall evaluation of the state's investments based on the results of the attached assessments. That report, due no later than June 30, 2014, will assess how effective the state's economic development strategies have been in stimulating and sustaining consistent, competitive growth in Maine's economy compared to other states nationally. Specifically, it will gauge which states have experienced the greatest growth in the last 5 years, determine the drivers of that growth, discover the economic programs that contributed to the growth, and evaluate how Maine compares. It will also ascertain whether or not the state is missing opportunities to provide incentives to some business sectors while potentially over-subsidizing others.

Officials from ICA will be available during the last week of February when we would like to formally present the information **collectively** to the Joint Standing Committees on Appropriations and Financial Affairs; Taxation; and Labor, Commerce, Research and Economic Development. I welcome the opportunity to work with the appropriate Committee Clerks and Analysts to schedule a mutually beneficial time when we can present the findings and recommendations and answer any questions that you may have.

I look forward to working with you as you consider these reports. As always, if I can be of assistance to you, please do not hesitate to contact me.

Sincerely,
S/George C. Gervais
Commissioner

READ and **ORDERED PLACED ON FILE**.

The Following Communication: (H.C. 350)

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

February 6, 2014
Honorable Millicent M. MacFarland
Clerk of the House
2 State House Station
Augusta, Maine 04333
Dear Clerk MacFarland:

Please be advised that pursuant to his authority, Governor Paul R. LePage has nominated the following:

On January 31, 2014

Bruce F. Fitzgerald of South China for appointment as the Director, Maine Emergency Management Agency.

Pursuant to Title 37-B, MRSA §704, this appointment is contingent on the Maine Senate confirmation after review by the Joint Standing Committee on Criminal Justice and Public Safety.

Sincerely,
S/Mark W. Eves
Speaker of the House

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

PETITIONS, BILLS AND RESOLVES REQUIRING REFERENCE

Bill "An Act To Ensure That Large Public Utility Reorganizations Advance the Economic Development and Information Access Goals of the State"

(H.P. 1263) (L.D. 1761)

Sponsored by Representative HOBBINS of Saco.

Cosponsored by Senator JACKSON of Aroostook and Representatives: BERRY of Bowdoinham, CAREY of Lewiston, Speaker EVES of North Berwick, GILBERT of Jay, STUCKEY of Portland, TIPPING-SPITZ of Orono, Senator: President ALFOND of Cumberland.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Committee on **ENERGY, UTILITIES AND TECHNOLOGY** suggested and ordered printed.

REFERRED to the Committee on **ENERGY, UTILITIES AND TECHNOLOGY** and ordered printed.

Sent for concurrence.

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

ORDERS

On motion of Representative RANKIN of Hiram, the following House Order: (H.O. 36)

ORDERED, that Representative Dale J. Crafts of Lisbon be excused January 21 for health reasons.

AND BE IT FURTHER ORDERED, that Representative Mark N. Dion of Portland be excused January 28 for personal reasons.

READ and **PASSED**.

SPECIAL SENTIMENT CALENDAR

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

Recognizing:

North Yarmouth Academy, a private, college-preparatory, coeducational school in Yarmouth, on the occasion of its 200th Anniversary. It was first chartered on February 4, 1814, when the Governor of the Commonwealth of Massachusetts, Governor Caleb Strong, approved the act to incorporate the academy. The first building was built on land in Yarmouth, formerly named North Yarmouth, donated by the Russell family, and the school opened in 1815. North Yarmouth Academy continues to stress mutual respect, trust and community in order to foster integrity, character and intellect in its students. As it observes this special anniversary, North Yarmouth Academy plans an academic year of celebration. We join with the North Yarmouth Academy community, both past and present, in congratulating the school on its bicentennial, and we extend our best wishes for many more years of continued success;

(SLS 741)

On **OBJECTION** of Representative COOPER of Yarmouth, was **REMOVED** from the Special Sentiment Calendar.

READ.

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

Representative **COOPER**: Thank you, Mr. Speaker. I wish to speak briefly to the Sentiment. North Yarmouth Academy opened approximately 200 years ago in what was then known as the village or town of North Yarmouth. Owing to the fact that the part of North Yarmouth that was more developed wanted to buy a fire engine and the farms to the west didn't, the town was eventually divided in two. So that explains why North Yarmouth Academy is located in Yarmouth, in case you were wondering. North Yarmouth Academy has gone through many changes as well. As indicated earlier, it started out as a coeducational, college-preparatory school that later became the public academy for Yarmouth students as well as other areas in the region which did not have their own high schools. Later, it became an all-boys boarding school, which must have been a very sad time indeed. But they came to their senses and eventually became coed again and remained that to the present day. As a parent of a child who attended North Yarmouth Academy's archrival, Yarmouth High School, I approach this Sentiment with mixed feelings, particularly when it comes to ice hockey. But nevertheless, I have to admit that NYA is one of the state's finest educational institutions and in the last several decades has made great strides in broadening its diversity, both in the way of academic offerings, it's involvement in the community, the diversity of its student body and so forth. So Yarmouth is proud of NYA, as should be the state, and that it has survived this long and prospered during those years is a great tribute to the leadership there, including the current head of school, Brad Choyt, it's alumni which are very vigorous, and the quality of its students. So I join others in congratulating NYA on this amazing anniversary of 200 years. Thank you.

The SPEAKER: The Chair recognizes the Representative from North Yarmouth, Representative Graham.

Representative **GRAHAM**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I, too, join in congratulations of North Yarmouth Academy. Again, a little bit of history. North Yarmouth was established in 1680. It started at about North Yarmouth and went all the way up to Harpswell, and during that time, from 1680 to 1921, the kids from the town of North Yarmouth and the town of Cumberland went to NYA. So there is a long and storied history of this academy, and we have individuals who live in our community that went to NYA with others. So the bottom line is this is a very strong, excellent institution for academics, athletics, and I am proud to say it resides in Yarmouth next door to North Yarmouth.

Subsequently, the Sentiment was **PASSED** in concurrence.

REPORTS OF COMMITTEE

Divided Reports

Majority Report of the Committee on **CRIMINAL JUSTICE AND PUBLIC SAFETY** reporting **Ought Not to Pass** on Bill "An Act To Allow County Jails To Apply Savings to Debt Service without a Reduction in State Payments"

(S.P. 192) (L.D. 502)

Signed:

Senators:

GERZOFSKY of Cumberland
DUTREMBLE of York

Representatives:

DION of Portland
CASAVANT of Biddeford
KAENRATH of South Portland
LAJOIE of Lewiston
MARKS of Pittston
PLANTE of Berwick

Minority Report of the same Committee reporting **Ought to Pass as Amended by Committee Amendment "A" (S-374)** on same Bill.

Signed:

Senator:

PLUMMER of Cumberland

Representatives:

LONG of Sherman
PEASE of Morrill
WILSON of Augusta

Came from the Senate with the Majority **OUGHT NOT TO PASS** Report **READ** and **ACCEPTED**.

READ.

On motion of Representative BERRY of Bowdoinham, **TABLED** pending **ACCEPTANCE** of either Report and later today assigned.

Majority Report of the Committee on **INSURANCE AND FINANCIAL SERVICES** reporting **Ought Not to Pass** on Bill "An Act To Amend the Maine Insurance Code To Ensure Fair and Reasonable Coverage and Reimbursement of Chiropractic Services"

(S.P. 430) (L.D. 1236)

Signed:
Senators:
GRATWICK of Penobscot
WHITTEMORE of Somerset
WOODBURY of Cumberland

Representatives:
TREAT of Hallowell
BEAUDOIN of Biddeford
COOPER of Yarmouth
DOAK of Columbia Falls
FITZPATRICK of Houlton
McCLELLAN of Raymond
MORRISON of South Portland
PRINGLE of Windham
WALLACE of Dexter

Minority Report of the same Committee reporting **Ought to Pass as Amended by Committee Amendment "A" (S-376)** on same Bill.

Signed:
Representative:
BECK of Waterville

Came from the Senate with the Majority **OUGHT NOT TO PASS** Report **READ** and **ACCEPTED**.

READ.

On motion of Representative TREAT of Hallowell, the Majority **Ought Not to Pass** Report was **ACCEPTED** in concurrence.

Majority Report of the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-595)** on Bill "An Act To Clarify When Bonds May Be Issued"

(H.P. 628) (L.D. 904)

Signed:
Senators:
HILL of York
CAIN of Penobscot

Representatives:
ROTUNDO of Lewiston
CAREY of Lewiston
FREY of Bangor
JORGENSEN of Portland
ROCHELO of Biddeford
SANBORN of Gorham

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

Signed:
Senator:
FLOOD of Kennebec

Representatives:
CHASE of Wells
CLARK of Easton
KESCHL of Belgrade
WINSOR of Norway

READ.

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

The Bill was **READ ONCE**. **Committee Amendment "A" (H-595)** was **READ** by the Clerk and **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-595)** and sent for concurrence.

CONSENT CALENDAR
First Day

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

(S.P. 68) (L.D. 232) Bill "An Act To Increase the Base for the Cost-of-living Increase for Retired State Employees and Teachers" Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-375)**

(S.P. 217) (L.D. 627) Bill "An Act Relating to Orally Administered Cancer Therapy" Committee on **INSURANCE AND FINANCIAL SERVICES** reporting **Ought to Pass as Amended by Committee Amendment "B" (S-379)**

(S.P. 679) (L.D. 1713) Bill "An Act To Permit the Sharing of Revenue from the Sale of Alcoholic Beverages at Sporting Events" Committee on **VETERANS AND LEGAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-377)**

Under suspension of the rules, Second Day Consent Calendar notification was given.

There being no objection, the Senate Papers were **PASSED TO BE ENGROSSED as Amended** in concurrence.

ENACTORS
Resolves

Resolve, Extending the Date by Which the Family Law Advisory Commission Must Report on Its Study of the Uniform Parentage Act and Other Similar Laws and Proposals

(H.P. 1243) (L.D. 1737)

Reported by the Committee on **Engrossed Bills** as truly and strictly engrossed, **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

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

SENATE PAPERS

The following Joint Order: (S.P. 699)

ORDERED, the House concurring, that when the Senate and House adjourn, they do so until Tuesday, February 11, 2014 at 10:00 in the morning.

Came from the Senate, **READ** and **PASSED**.

READ and **PASSED** in concurrence.

REPORTS OF COMMITTEE
Divided Report

Majority Report of the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** reporting **Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7** on Bill "An Act Related to the Report of the Tax Expenditure Review Task Force"

(H.P. 1264) (L.D. 1762)

Signed:
Senators:
HILL of York
CAIN of Penobscot

Representatives:
ROTUNDO of Lewiston
SANBORN of Gorham
ROCHELO of Biddeford
CAREY of Lewiston
JORGENSEN of Portland
FREY of Bangor

Minority Report of the same Committee reporting **Ought Not to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7** on same Bill.

Signed:
Senator:
FLOOD of Kennebec

Representatives:
CHASE of Wells
KESCHL of Belgrade
WINSOR of Norway
CLARK of Easton

READ.

Representative ROTUNDO of Lewiston moved that the House **ACCEPT** the Majority **Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7** Report.

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

Representative **ROTUNDO**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. Only a few short weeks ago, we heard from local officials, firefighters and police officers about the promise that Maine made to local communities more than 40 years ago. Under the practice called revenue sharing, local communities get back a small portion of the sales and income taxes collected by the state. These Mainers, who came from our largest cities to our smallest towns, told us that their communities and property taxpayers are stretched to the brink. From Presque Isle to South Berwick, from Fryeburg to Calais and everywhere in between, the message was clear. If the state doesn't keep its promise, communities will face the awful choice of slashing, if not eliminating, services or asking property taxpayers to pay more. It's likely that many communities will have to do both.

The Chief Executive has labeled revenue sharing as welfare for communities. I, and Mainers across the state, strongly disagree with him. Revenue sharing recognizes the contribution of local communities to the state's overall economy and it helps communities provide vital services like road maintenance, first responders and schools, while keeping property taxes in check for residents and businesses. The state's funding promise to towns helps young families, elderly neighbors who want to stay in their homes, and working Mainers struggling with tight household budgets and stagnating wages. These funds for towns help our local Main Street businesses to form the backbone of our community. It helps communities attract business as well.

Last session, the Chief Executive proposed slashing all these funds to local communities, shifting enormous expenses on to local property taxpayers in the middle class. Lawmakers from both sides of the aisle came together. We did not allow him to do this, but these funds for towns remain under threat. If the Legislature does not block these proposed cuts, funding for towns will decline by 79 percent by 2015. We have no time to lose. Our communities are in crisis. Many cities and towns are planning their budgets now. It will be too late if we delay. More than half of Maine towns have either just begun their fiscal year or will do so while the Legislature is in session. Many others are facing a June deadline. One of the local officials who came to the State House a few weeks ago spoke of her constituents who will be hurt if the state breaks its promise to communities. She talked about the 90-year-old widow who lives in the house where she was born and wants to remain there. She talked about the clammers and fishermen whose families have lived by the water for generations. She talked about the farmers who work the land and keep it out of development and the middle class families trying to keep up. As we debate these issues today, I hope you will keep these stories in mind and I urge you to support our towns and cities, our neighbors and our small businesses. Thank you.

The SPEAKER: The Chair recognizes the Representative from Wells, Representative Chase.

Representative **CHASE**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. There are several portions to this bill that are extremely important and it's important for everyone to understand it, but first I would like to say that revenue sharing is important. As a tax assessor for 18 years in the Town of Wells, I understood the benefit of it lowering the tax rates for the citizens in our town, and it was important. We come from a fairly, what people consider, a wealthy town, so a lot of the money that goes to revenue sharing comes from our town and our area. While we support revenue sharing, the parts of this particular budget that we want to pay attention to is, first of all, the Stabilization Fund. The way it's broken down and this $40 million is going to get paid to cover the impact it would have on the towns if we didn't do this with the $40 million.

The first one is the Stabilization Fund. The Stabilization Fund is our Rainy Day Fund. It helps determine, in the bad times, what we can pay for emergency bills and is extremely important. It's not only important for the welfare and the balance of keeping the state solid, but it's also important for the impact on what our bond ratings are. Regardless of what you heard, or what you may have heard in the last few days, it does affect our bond ratings. The Stabilization Fund is important because if we don't have a healthy amount in the Stabilization Fund, then we will probably get a poor rating on the bonds. So raiding the Stabilization Fund is probably not a good idea.

The next part that is part of this particular bill is called the Tax Relief Fund and for anyone who was here in the 125th, we know that that was a hard fought battle to get that in place and the reason why that's so important to have that funded is that, eventually, when we put money into that, we can buy down the income tax rate for the State of Maine. That has been a goal for a lot of people for a long time and I think that is a healthy goal. So if we are funding part of this bill from the Tax Relief Fund, which we are, then we will be robbing us from a future benefit on lowering our income tax.

The last piece that I want to talk about that this bill has that is a component in it is taking it from our excess revenues for this year. I think everyone is aware that we haven't had a great

economy in the last few years and that the excess revenues that we have had have not been necessarily great and this year it's a little over $15 million at this point. Three weeks ago, we were hoping that we would have a better forecast moving forward, that there would be more tax revenue excess and that that would help us pay some of the shortfalls that we're going to see in 2014. But, right now, it's pretty conservative and we're not sure that that's going to happen, so taking $15 million from our tax excess, at this point, probably also wouldn't be a good idea. We all like the benefit to our towns of the revenue sharing and our budget that we passed, the biennial budget, impacted our towns poorly and the fact that we pushed off a lot of our problems onto the towns and cut their revenue sharing this year already. So cutting another $40 million may or may not be the best choice, and I understand that we want to pass a bill and we want to do this, but to be perfectly honest, the revenue sharing problem that we have for the $40 million is a 2015 problem and not a 2014 problem. This bill, by taking the money that it does from our Stabilization, all right, from that is really not a good idea for the simple reason that, for us, especially on Appropriations and we know that we have to balance a budget and we're well aware that there is a shortfall this year for 2014 and that to take the money that we have here proposed, money that we full well need for 2014 to pay our debts that we are going to have before the end of this year, that will cut us right off in being able to pay those shortfalls and putting it into an issue that is a 2015 issue is, in my opinion, irresponsible on our part and I will be voting against this. Thank you.

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

Representative **McCABE**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I rise representing a community that is not a wealthy community. It is a working class community and I am proud to stand today and support this measure because it's our turn, it's our turn, as communities across the state, to receive the money, the money that's owed to us, the money that's deserved to us. I think back about a year ago, actually, it was around January 11, 2013, when we looked at, as the article says, Rainy Day Fund raid. We took probably close to twice the amount of money that we're looking to take today, twice the amount of money with really no plan to pay it back. So with a plan to pay it back, as we move forward, I think that today we are making a right choice. We are making a right choice for our communities across the state. I just want to read for a moment. "'[This] is why you have the stabilization fund,' said Representative Kathleen Chase, [of] Wells, the ranking Republican on the Appropriations Committee. 'When we move forward, we'll be putting back money into the stabilization fund.'" That was a year ago, just about this time last year. Thank you very much, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Arundel, Representative Parry.

Representative **PARRY**: Mr. Speaker, may I pose a question to the Chair?

The SPEAKER: The Representative may pose his question.

Representative **PARRY**: I'm a little bit confused on procedure on this. The Speaker sent out a memo about amendments to this bill. How is this before the body without having those amendments currently and how could we vote on something that we don't know what it will actually look like?

The SPEAKER: The Chair will clarify. Currently, the motion is to Accept the Majority Ought to Pass Report. The first opportunity that the House would be able to entertain amendments is on Second Reading. The plan for today is to get through Acceptance of the report, go through First Reading and assign it for Second Reading. We will take up the Second Reading on the Calendar on Tuesday. Just as a reminder, the deadline for filing an amendment is tomorrow at 2 o'clock. Members that are interested in filing an amendment have until 2 o'clock tomorrow and we will be able to take those up on Tuesday.

The Chair recognizes the Representative from Portland, Representative Jorgensen.

Representative **JORGENSEN**: Thank you, Mr. Speaker. Mr. Speaker, Colleagues of the House. Revenue sharing, as has been noted, it's a partnership and it's a promise. It represents the simple fact that cities and towns don't have the same tools to generate revenue that we have on the state level. A few weeks ago, I spent seven hours in Room 228 listening to municipal officials who formed a line that went all the way from our committee room door, clear through the Hall of Flags and almost to the Law Library. I don't think I need to rehearse what they had to say that day because we've all heard these messages from our own communities. The calendar has been full of resolutions from city councils and select boards. We have received letters from fire chiefs, from police departments, from public libraries, from public works departments. It's not just that a bunch of people came to testify. It's the uniformity of their message that we heard from Madawaska to the Berwicks. Towns have been cutting and cutting, laying people off, raising property taxes and losing capacity. As Mark Rees, Portland City Manager, noted, people make decisions about where they live and work based on the quality of life in a community. If families don't think their child will get a good education, they won't live there. If businesses don't think that their employees will be safe and that their investments will be looked after, they won't locate there. I would say that arguments on the other side are in fact compelling. Normally, I'd agree with the strategy of waiting and watching to see how the whole budget picture unfolds before acting, but in this case, with cities and towns developing their budgets right now, the situation has such urgency that inaction now is going to cause real lasting damage later. Waiting until July is just going to be too late. I urge you all, let's keep our promise. Thank you, Mr. Speaker.

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

Representative **FREDETTE**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. The real issue before us today is not revenue sharing because we all understand the importance of revenue sharing to our communities. We get that. It's not that complicated, quite frankly. The real question is, why are we talking about it today on February 6? The Appropriations Committee has met for barely a month, we have two and a half months left in the session, and we have 2,014 bills coming due in payable very, very soon. Two thousand and fourteen bills that will pay expenses largely for the Department of Health and Human Services to the tune of somewhere around $50 million. That is the issue and that should be the issue before us today. This argument that the communities need to know, I think, is a red herring. When I served on the Appropriations Committee in the 125th and we were working on the significant issue of how much school funding there was going to be, somewhere between $800 and $900 million and we don't get a budget out of this building until June or July, and many communities are trying to figure out and they are trying to budget what level of funding the state is going to give to these communities to the tune of almost a billion dollars, and somehow we argue today that the sky is falling because it is February 6 and the communities don't know what they are going to get for revenue sharing? That is a red herring. Quite frankly,

the importance of the 2014 expenses, when the state starts running out of money in April, that should be what the priorities should be. Quite frankly, I am discouraged and frustrated at the process that brings this bill before us today, a process that, quite frankly, resulted in a vote when our members were not even present. That's fundamentally wrong. It's fundamentally wrong in a democracy. We have time to do this the right way. We have time to focus on 2014 and do the proper priority. We are concerned that taking money from the Rainy Day Fund will inhibit our opportunity to address the bond market in a proper way and possibly not sell our bonds, which will hurt the ability of our state to be able to help build the job market out there. That's a reality. We do not have the numbers yet from revenue forecasting, which will become due in late February. Two or three weeks from now, we will have that information. We will have solid data on what those numbers are really going to be. My understanding is the last time we had one done, it was in November. So we're talking a couple of weeks to get that information. We can't wait a couple of weeks to get that information, so that we know for sure where we're at? So this argument that we need to get this done today, we need to do this now is a political decision, but it is not the right decision. I urge my members, I urge all the members of the House to recognize that we need to do this in the proper sequence, to do this in the proper process and that is to address 2014 first. That is staring us square in the face. The revenue sharing is a 2015 issue, along with another roughly $50 million in 2015. The roughly $45 or $50 million in '14 needs to be and should be the priority. While I support the concept of revenue sharing, this is not the proper bill and it is not the proper time to vote in favor of this particular bill. Therefore, I will be voting against it and asking you to follow my light.

The SPEAKER: The Chair recognizes the Representative from South Berwick, Representative Beavers.

Representative **BEAVERS**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I usually prepare a speech which I did not, but I just wanted to share that my two communities, Eliot and South Berwick, have let me know this is a number one priority for them, whether they are involved in town government or not, and they are at their bones. They are already sharing services with other towns and they continue to do that. They can't cut anymore which means property tax and the majority of the people in my district have said they can't tolerate any more property tax increases. It means if we want to help our citizens, it's property tax reduction that means more to them than income tax reduction. Thank you.

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

Representative **LIBBY**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House, good morning. With due respect to our good colleague from Newport, the towns and cities in this state are not only wondering what their revenue sharing numbers are going to be in this current climate, they are trying to figure out how they are going to survive. Being faced with an 80 percent reduction in revenue sharing funds in just the last two years is what we'll be forcing the municipalities to face if we don't fix the revenue sharing problem.

As you know, I come from the City of Lewiston and the City of Lewiston hurts more from these reductions than any other service center in the state and that is because of our low property evaluation and our high mill rate. I'm going to take a moment to read part of the Resolution that was sent to this chamber and it starts with, during the year fiscal year 14, municipal revenue sharing was significantly reduced, resulting in the loss of $1.5 million to the City of Lewiston. As a result, the city was forced to take action to reduce expenditures and limit the impact of this reduction on the city's property tax assessment, including deferring filling certain vacancy positions, reducing maintenance budgets and funding capital expenditures through a combination of borrowing and fund balance. That's not a sustainable way to operate our cities and towns. The actions taken in the past year to reduce expenditures resulted in an adopted budget, which is over $1.1 million less than the year before. To accomplish this reduction, the city has eliminated virtually all flexibility in its budget, leaving significant service and personnel reductions and major property tax increases as the only viable alternatives. These reductions come after more than a decade during which the city has eliminated one-fifth of its workforce, 20 percent of the city's workforce has become unemployed as a result of actions in this chamber. As a result of these efforts, Lewiston spends the lowest amount per capita among Maine's largest 10 cities to provide basic governmental services to its residents and visitors. In spite of these efforts, the city was forced to increase the municipal property tax rate by 40 cents in the last year, increasing property taxes that must be paid by residents and businesses. Included in the state's adopted FY 15 budget is an additional $40 million cut to revenue sharing, a reduction which will take effect unless this body takes action. Funding revenue sharing at $20 million for the coming year will reduce Lewiston's revenues by an additional $2 million, in addition to the $1.2 million just in the last year that was cut. To replace these revenues through property taxation only, the city's tax rate would have to increase approximately $1.06 on its mill rate in the next fiscal year, increasing our property tax rate to $27.50. I will remind you that the City of Lewiston has the lowest cost city budget among the 10 largest cities. Alternatively, offsetting this loss of $2 million by reducing expenditures would require reducing staff by an additional 30 to 40 positions. That's putting 30 to 40 people out of work because of actions of this chamber. Further staffing and expenditure reductions of this magnitude would undermine our ability to provide the basic public services that keep our economy running. Thank you for your attention and I'd ask you to vote in favor of the pending motion. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Pittsfield, Representative Short.

Representative **SHORT**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I rise to speak in favor of LD 1762. My decision to support this bill was made after meeting with elected officials from the towns of Clinton, Detroit and Pittsfield. These towns make up House District 29. The people that elected me to be their Representative in this House live in House District 29. Every single Representative that I met with made it clear to me that they are in favor of the passage of LD 1762. The reasons for their support are many and very similar. Each of these towns have tried to cope by reducing spending when it comes to general assistance, animal control, personnel, and solid waste disposal. They say that making these cuts is tough enough, but after making the cuts, they still have to abide by all the laws that the State of Maine has placed upon them. On top of that, they have to conduct elections, review subdivisions, manage development, maintain roads, fight fires, provide emergency care services and still have to abide by all the laws that the state has placed upon them. They have also had to cut back on road repair – salt and sand, building maintenance and repairs to their equipment. In many cases, the needed replacement of worn out equipment has been placed on hold. Their surplus funds are depleting very quickly and they know that the raising of property tax is the only place to go from here. They

are asking for our assistance and I, for one, will be voting in favor of providing them with that assistance by voting in favor of LD 1762. Thank you, Mr. Speaker.

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

Representative **McCLELLAN**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I've heard "Fix the problem." I humbly say that I don't think we fix problems up here. In my committees, I've recently had this vision of a structure, a rickety house. I've actually talked to people on my committee about this. I think, in my mind, it symbolizes our state, our system. I look at bills that come before me and I think, "Is this bill a board that is going to cover a hole on the roof, or is this a bill that is going to structurally and foundationally help keep that system strong?" My town actually looks at the antics that we do up here and they just kind of adjust. They know their schedules don't match and they just budget accordingly and they hope for the best, so my town is okay with us letting this ride for a while. Mr. Speaker, I would ask with LD 1762, are we creating a board to cover a hole on the roof or is this a bill that really is foundationally helping make Maine stronger? I think we make a lot of boards, Mr. Speaker. Thank you.

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

Representative **DeCHANT**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I rise enthusiastically to support LD 1762 and urge its passing. I had the opportunity and the pleasure and the honor of representing the City of Bath. If you have been to Bath, you can recognize that we're a diverse city. There is manufacturing. We have BIW, Bath Iron Works. We have a thriving downtown. We have a diverse housing population, affordable housing as well as some affluent houses, more on upper Washington Street. We have paid into income tax and sales tax. This program is not an entitlement program. We have paid into it. There is a promise that comes back to the city to be able to pay part of its revenue sharing, so I can go on and provide numbers and add volume to the legions of other towns who have had dramatic decreases and have had to suffer and cut services and raise property tax. We're not unique in that respect, but we want to be able to continue to beat the drum and make sure that this is not lost in other negotiations, that it is a standalone, make good on a promise that has been made and with the understanding that the state doesn't have a very long history in making good on promises, ask the folks who run the county jails, ask the folks who are still trying to eke out the percentage of support for the education. I submit that this bill is actually a bold approach to solving an urgent problem. Also, I don't know if anyone has recognized this or not, but it also has a mechanism to pay back the money before we move on. I think there is a bold solution on the table, and I encourage folks to pursue it and to vote in favor of it. Thank you.

The SPEAKER: The Chair recognizes the Representative from Newfield, Representative Campbell.

Representative **CAMPBELL**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I heard the good leader on the other side use the word "red herring" a couple of times. I think the red herring was in the 125th when the people of Maine got this so-called wonderful tax break. I wondered then where the money was coming from. Here we are now on February 6 trying to take the money away from the cities and towns and the taxpayers of the cities and towns and the real estate taxes to pay for this so-called wonderful tax break that the people of Maine received a couple of years ago. My suggestion is repeal a tax break and we won't have a problem with the Rainy Day Fund or anything else. Thank you.

The SPEAKER: The Chair recognizes the Representative from Hancock, Representative Malaby.

Representative **MALABY**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. We are here today to discuss the report of the Tax Expenditure Review Task Force. To repeat, the issue before us is the report of the Tax Expenditure Review Task Force. That body was charged with finding $40 million worth of savings and they failed in that effort and that bill was thereby amended recently, somewhat perhaps surreptitiously, but the amendment has brought before us funding that we're finding for 2015. I'll be very frank and say I think that is inappropriate in that we need to be dealing with our 2014 shortfall, which we have, and it comes as it regularly does out of the Department of Health and Human Services primarily. I just put it to you simply. We have the wrong issue before us. We are funding it inappropriately. The timing is wrong. We have not been asked to deal with this at this point in time. I would further say that for my communities, revenue sharing, while important, pales in comparison to General Purpose Aid to education. We get very, very little in either. We've had speakers before us who get $7,500 per student for educational purposes and my communities get about $200 per student, so the amount of revenue sharing is small for my communities and I live in a coastal community. I just want to bring us back to the point that this is before us inappropriately. It's not as important to me as GPA and I think it's been presented at the wrong time. I thank you for your time.

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

Representative **GOODE**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I rise before you to support LD 1762. I believe the state must keep our promise, our 40-year promise to our cities. If we break our promise, cities and towns across the state will have to raise property taxes on middle class families and small business owners. Their other option will be to cut schools or firefighters or police, and we all know that the services that we count on and our constituents count on are too important to break our 40-year promise to our towns. The speaker before me did speak very well about his district and what he cares about and I recognize that I rise before you representing a city. The City of Bangor has a lot of obligations for the state, provides many services throughout the whole state, and I think that we're all going to have different municipalities that have a higher or a lower level of a priority for revenue sharing. But for those of us who are from service centers and who have spent well over a year now working on revenue sharing, our communities don't think this is complicated either and I think many of them are very confused as to why we haven't dealt with this issue yet. I think that just the one instance in this bill around the Income Tax Fund where there is $4 million in a fund to be used for future income tax reduction that's not even being used for anything right now, existing while we're ignoring our responsibility for funding the revenue sharing for municipalities is really an embarrassment. That we would let that sit there and pretend like we're going to spend the entire session thinking through how to solve revenue sharing while we have $4 million designed for future income tax reduction, when we have property taxpayers in the middle class trying to make it, trying to climb the ladder of opportunity, it's just really hard to do that with a straight face.

I know that the bill before us is hard for some people, but I also know that we've worked on this for a very long time. The Taxation Committee has worked on this for a very long time. We have members from all kinds of different districts across the state. So I rise obviously in that role, but also representing

Bangor is something I care a lot about. It's the town I grew up in. I've gotten to know lots of different people in politics in Bangor and I've grown to appreciate our City Council which I don't always agree with but often do, may often come to unanimity. There is a councilor named David Nealley who I rarely disagree with. I don't think there is many referendums in the state where I've voted the same way as David Nealley. He lives in a neighborhood near where I grew up. I've seen him walking around the streets where I grew up my whole life. But I do not often vote the same way or say the same type of things that David Nealley does and David Nealley came down to the hearing on this bill a few weeks ago before Appropriations and he was quoted in the Maine Municipal Association newsletter with his remarks and I thought they were very good remarks and knowing that I might not be able to convince everybody in this body, I thought it was worth sharing his remarks with you.

To quote Council David Nealley from Bangor, "I have deep political roots with the R's and [I] have the right to say this. It seems to me that some of the issues we've had on revenue sharing is based on a concept that revenue sharing is some form of welfare. It seems indeed that most R's I know, traditionally, believe in local autonomy, not more central government, be it in D.C. or in Augusta. It seems that while they recognize that those that earn and produce should be able to keep some percentage of what they earn and produce and certainly Bangor has done its job of earning and producing significant revenues, most of which goes to Augusta and then we have some hope that with the maintenance of…revenue sharing, that [we'll] get our allotment back for these essential services that we try and maintain. My throw-out as a caveat to my party members, the Republicans, is because I have heard that there are more of them that are unlikely to allow for the maintenance of revenue sharing and again, I'm very concerned about that." So that's Councilor Nealley's position.

I know that the bill before us puts some people in an uncomfortable spot, but it's been uncomfortable for me and for other people who represent service center areas to go back to our districts and explain that we're seemingly complicit and this body is seemingly complicit in a massive property tax hike, while there's things like a $4 million fund for future income tax reduction that I just don't see as anywhere near a big enough priority for our constituents to merit us not addressing this. Thank you for your time.

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

Representative **CASAVANT**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. Imagine this scenario. Many years ago, a couple decides to get married and as part of that marriage agreement, they decide to invest in a business. The man assumed the financial obligations of running the business, borrowing the money, doing the investment, things of that nature, while his spouse gets involved in customer service, working with the public, implementing the programs. That goes on satisfactorily for 20 or 30 years. Then suddenly the husband says, 30 years later, "By the way, you know, honey, it's not working at my end. My business has gotten so expensive that I can't afford to do it anymore, so what we're going to do is you will take over part of my business part, you'll take over part of my job and you'll pay for whatever costs are part of that." Now, if that was a marriage, you could probably imagine that that marriage would be in trouble. I say that little story because, as most of you know, I am Mayor of Biddeford. I am in the trenches. I hear people who are upset on a regular basis. Up here, I am pretty well insulated. I don't hear too much. But in the council chamber, I get hammered for a number of things. I also represent a service community, service center. Now, service centers represent 14.5 percent, roughly, of all the communities in the State of Maine, yet 81 percent of all taxable consumer sales occur in service centers – 81 percent – 47 percent of all wages occur in those service centers, 43 percent of all motor vehicles are in those service centers, so we feel the effect. I can probably tell you this too. If I walk down Main Street, I bet I have some of your people, your constituents that are now living in my community, just like they might be living in Portland or Skowhegan or wherever else, because they go to service centers because of housing and the lure of jobs, whatever it might happen to be.

Now, historically, we all know that the idea of revenue sharing came out of the old inventory tax. It was considered to be a tax that was burdensome to business, so the state, roughly 40 years ago, came up with a compromise. In lieu of that tax, municipalities would get revenue sharing and businesses would be relieved from the burden of that tax. Now, if you put that all in perspective, this is what it means to me. Sitting as Mayor of the City of Biddeford about to put together a budget, I still have $40 million of combined sewer overflow stuff that I have to do – $40 million. We just finished paying or started paying $34 million for a school renovation. Why? The state had no money, so my taxpayers had to pick it up. It costs them $216 for every $200,000 of valuation. We have several buildings in trouble. The dome over my head in my mayor's office, designed by John Calvin Stevens, needs over $1 million of repair. I sometimes feel that I'm going to get my bell rung when that thing collapses. Now, if you put those things altogether, folks, the property tax can't afford to pick that up. I have people, I told this in Appropriations, I have rational people saying, regarding the dome, "Why don't we cut it down?" A historical artifact, cut it off? They don't want to pay the taxes anymore because it's so high. Now, if the revenue sharing gets cut, Biddeford loses $1 million. That's 43 cents to the tax rate. I can't afford to put that in the budget, so what does that mean. It means services get cut. So when you undermine services, when you undermine infrastructure, all those numbers I said at the very beginning about the percentage of consumer sales, the percentage of vehicles, all those get affected because my city won't be able to deliver the services that people want when they move to a service center, and that reduces the amount of money that is going to be generated by the state. So it's critical that the state of Maine honor its obligation and its promises, and by delivering revenue sharing to the City of Biddeford and to all cities and municipalities.

One last point. I am willing to bet that all of you in committee are struggling with the whole idea of revenue streams because it's not working anymore. Whether it's roads, whether it's the Maine Criminal Justice Academy, whether it's revenue sharing, it's not working, and I would argue that it's the failure of this Legislature and past Legislatures to come up with a comprehensive, modern-day tax program that affects sales tax, property tax, all the taxes, not little piecemeal things but all of them. Until we do that, we are going to continue to struggle. But if we look at the revenue sharing stream, I can tell you this. If you want a tax revolt, look at property taxes, because that is the tax that people despise the most and that is the tax that this bill is trying to at least alleviate. Thank you, Mr. Speaker.

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

Representative **SANBORN**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. Restoring revenue sharing to our towns is a top priority of my caucus. I listened when my town council sent a letter to Gorham's legislators asking

us to support the Revenue Sharing Program as it was intended – and to "take a very strong position to not support any additional reductions." I listened when Gorham's town manager and two selectmen from Buxton came to the Public Hearing on LR 2721 to strongly support this bill. Honestly, in the six years I have served in the Legislature, this is the first time I have been contacted by Buxton's selectmen and I listened. I listened when representatives of essentially all of your cities and towns spoke either in person or via email, begging the state to keep our promise and to pay our bills. I listened when town representatives explained over and over and over again that they had already cut their budgets to the bare bones and that any further cuts would put their communities at risk. I listened when my son and my mother-in-law living on a fixed budget opened their property tax bills from Gorham this year and expressed their dismay to see a significant increase in what they owed. I ask you, what happened to the Chief Executive claiming that "we pay our bills!" – a phrase he so emphatically used when it came to paying back the hospitals, something each and every one of us in this chamber believed in doing. Does that only hold true when he decides that this is a bill that he wishes to pay?

Even though a partisan vote on this bill came out of AFA, I heard each Republican legislator on the committee say Tuesday that they too believe we need to restore revenue sharing, although they did not share what amount of revenue sharing they wished to restore. Understandably, none of us want to see property taxes increase. But they also shared that they don't want to commit to this as yet. Why is that I ask? The reason given is that we need to wait and see what revenue forecasting will be or that we can't take money from Budget Stabilization without guaranteeing a decrease in our bond rating. Others before me have clarified that this is not the case. The credit agencies would not lower our rating based on one factor alone. Temporarily borrowing this money would draw down the account to similar levels as in 2012. And, we propose to pay back our rainy day funds with year-end surpluses, just like we did last year and the year before.

I believe the real reason has more to do with wanting to pit one Democratic priority against another. Some across the aisle would like to see Democrats have to choose between being able to keep our promise to our towns to prevent property tax increases and General Assistance, the last safety net to help pay the rent and keep our neediest out of the cold, or to General Purpose Aid to educate our children, or to a Welcome Center to help integrate well educated immigrants into our workforce to help grow our economy.

I am stating this now because I have every reason to believe that that will be the case when the Republicans sustain the veto of this bill. I believe it is insincere, at best, to say one wants to restore revenue sharing but not be willing to make that commitment now or, if you don't agree with the funding proposed in this bill, to offer a better alternative now. Our towns need the same predictability and reliability in funding that we argue is needed for our businesses. Now is the time towns need the numbers to plan their budgets. I find the politics of postponing this decision deceptive and discouraging. We can do better for Maine people if we are all willing to work together. I am so disappointed that all are not willing to come to the table to do this work. Unfortunately, pitting property taxes versus providing for needy people versus growing jobs and the economy is not an acceptable solution. It is really no solution at all. LD 1762 is a solution to restore revenue sharing and prevent property tax raises. I ask for your support. Thank you.

The SPEAKER: The Chair recognizes the Representative from Arundel, Representative Parry.

Representative **PARRY**: Thank you, Mr. Speaker. First of all, I'd like to thank the good Representative from Bowdoinham on his little yellow sheet that he sent around. It was very enlightening, but I'll get back to that a little bit later. I'm lucky, I guess, because my towns, we dealt with this last year and we weren't sure what we were going to have for revenue sharing in the budget last year, so my towns built their budgets last year with little or no revenue sharing. I told them they were going to get some, but we weren't exactly sure when they were building their budgets, so they built their budgets with little or no revenue sharing and looked at it that, if they got revenue sharing, maybe they'd do some extra paving, maybe they would do some extra onetime projects. To listen to, I heard it a couple of times, about massive tax increases, I know in my town, if revenue sharing went away, it's about $100 per household which would mean, roughly, I mean these numbers are just rough, my taxes would go from $4,000 a year to $4,100. In talking to several people in town, if you ask them this question, "Would you rather pay your taxes at state level or at town level?" I bet almost every single one would say at town level. We've also heard on this several people today talk about these tax increases in the revenue sharing that we changed last year and we're looking at this bill, this year. Some of the same people in this chamber that are complaining about the revenue sharing, in the roughly $100 per town, didn't seem to have a problem taking up to $1,300 away from our poor property owners and our poor seniors in our communities when they took away Circuit Breaker. To me, if we're going to spend $40 million on something, we should be reinstituting Circuit Breaker to take care of our seniors and our low-income property owners in our towns. I bet if you ask any person in your town, if they had a choice to protect their neighbor that got hit up to $1,300 on their property tax, that they had to pay an extra $100, I bet almost every single one would.

That's another issue here. We're voting on a bill today that we still don't know what amendments are going to look like, so we don't even know what the bill is going to look like. I really hate putting the cart before the horse myself. Yes, all the towns would like revenue sharing and more revenue sharing, but we also have to look at how we do things here at the State of Maine. It was mentioned before a lot of our towns look at us and say, "You guys are crazy up there," but I really think that we have to look at how we're spending our money. Yes, a lot of these towns and we have some smaller towns that we really need to protect because some towns, this revenue sharing is huge, and we need to protect those towns. But on some of the other towns that are looking at, as I said, approximately $100 per household, I think those people in those towns would much rather pay the tax in the town than pay the tax to us, and it has been mentioned several times about our tax breaks that we put in in the 125th. Most of those households have two incomes, which means two people in that household are going to get taxed on their income or taxed on their increased sales tax, but it's one house. You have to break it down in half on a lot of households.

Now, I'd like to come back to my good friend from Bowdoinham's yellow sheet and I was looking at it very interestingly here that, and I go back to, I think, it's fiscal year '08 and we see a huge drop in revenue sharing in that year for the next three years, four years, and then for the next two years, we see an actual increase, and then now we see this huge drop over the last two years and into the next fiscal year. It's very interesting and maybe our towns need to know that the only time on this chart from '08 on is when this side of the aisle was in the majority. Thank you very much.

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

Representative **KUSIAK**: Thank you, Mr. Speaker. Mr. Speaker, Women and Men of the House. I rise in support of the pending motion. Local taxpayers in my small, working class town of Fairfield have faced steady increases to local property taxes since 2005. In fact, the rate of the local share of taxes has increased steadily since that year, while the state share of funding to our town has decreased since 2008. Town officials calculate that state revenue to Fairfield has decreased by 50 percent in the last six years. Prior to serving in the Legislature, I served as a member of the MSAD 49 Board of School Directors. If you represent a "high receiving" town or school district like mine, perhaps many of you have experienced or witnessed the struggle between town leaders and school leaders over property tax dollars every year. In my town, each entity tended to point fingers at the other for raising local property taxes. When confronted, school leaders listed the number of positions they had cut in order to avoid a local tax increase. Town leaders, in turn, pointed out that their employees had not received raises since the economic decline of 2008. What happened? A fair and necessary annual negotiation between town and school officials, an annual ritual almost, that kept each side in check and our budgets trimmed, has now become a desperate situation. These days it takes more than not replacing a retiring teacher, or consolidating or regionalizing services, or avoiding pay increases for hardworking public employees to balance our budgets without further burdening taxpayers. These days, to avoid crippling property tax increases, schools are faced with "solutions" such as dramatically cutting programs, such as foreign languages, library programs, special ed and so forth. Meanwhile, towns struggle to keep public works and safety programs in place. In Fairfield, about 10 percent of town positions have already been cut – 2 police officers, 1 firefighter, and 2 administrative staff. Furthermore, our town has already entered into a regional agreement for services. Just this week, I saw a rescue truck with the names of two towns on it, Fairfield and Benton. These are two towns separated by a river, two different counties, yet we are regionalizing services for rescue services. In the words of our town manager, however, he says, "…there is no service that could be regionalized that would offset the amount of revenue sharing the town of Fairfield is currently losing."

These days, rather than pointing fingers at each other, town officials and school officials are talking to us, to their elected state officials, and seeking answers from us about why the towns need to accept the burden for municipal services. They cite Maine Revised Statutes that confirm that funds from broad-based state taxes are required to stabilize municipal property taxes. Furthermore, our Fairfield town manager points out that many municipal services are mandated by state government. Neither these mandates, nor reductions in basic services, should be forced onto local property taxpayers in my working class community. Our taxpayers are stretched to the limit. I would not be representing my district and my surrounding communities well if I did not join the fight to restore cuts to municipal revenue sharing. I urge you all to vote in favor of this motion. Our town and school leaders are trying to prepare their budgets now. I know that. They are in preliminary discussions about how they're going to build a budget without knowing what's going to be coming from the state. They need our support. Thank you.

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

Representative **SCHNECK**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I rise in support of LD 1762. I can tell you, local communities across our state are hurting. Their budgets are stretched to the limit and their property taxpayers cannot afford a property tax hike. Our cities and towns, our middle class and our small businesses are relying on the state to keep its promise to local communities. That's what revenue sharing is: it's a longstanding promise that recognizes how municipalities support Maine's overall economy. Think of Bangor's role in our state. We're a regional service center and our city generates $1.2 billion in annual retail sales. That's more than any other municipality in this state. And yet we're in a situation where the state may fail to honor its commitment to Bangor and other communities across Maine. If the state does not step up, local communities will be forced to choose between slashing services and raising property taxes. Probably, they'll have to do both. Bangor stands to lose $1.4 million. That's a devastating cut at a time when revenue sharing is already down. What is the city to do? Cut firefighters and police officers? Stop plowing the roads after snowstorms? The other options aren't any better. Who wants to send bigger property tax bills to seniors on fixed incomes? Or to middle class Mainers working harder than ever to keep up? Or to Main Street businesses that are still trying to shake off the effects of the recession? We can't do this to our communities and their property taxpayers. I urge you to support this critical measure. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Waterville, Representative Longstaff.

Representative **LONGSTAFF**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I'm a former member of the Waterville City Council. Waterville is one of the service centers in our state and I know firsthand how important this legislation is and how important it is that we take action now. I'll be brief and give you only one example. In 2008, Waterville received $2.9 million in revenue sharing. Under the leadership of our Chief Executive, who was then the Mayor of the City of Waterville, we cut and consolidated many municipal services including police and fire. We achieved many other savings. Under the Mayor's capable leadership, we used a substantial amount of money from the so-called Rainy Day Fund to balance the budget without raising any taxes, but this can't continue. If LD 1762 does not pass, Waterville's revenue sharing will decrease from that $2.9 million in 2008 to a projected $336,000 for next year, as I calculated a reduction of about 88.5 percent. That would probably mean an increase in local property taxes of 4 mills, because for major revenue streams, in addition to revenue sharing, it is the property tax that is the major source of income for municipalities. This can't continue as I said. Since many municipalities are now preparing their budgets for next year, they can't remain and we should not let them remain uninformed, uncertain about what they can expect for revenues in the coming year. Finally, revenue sharing is not aid to our cities and towns. It's actually the reverse. We need to remember that every dollar that we raise in state revenue comes from the businesses and the men and the women who live in our towns and cities. We owe them something. We owe them our decision now. Thank you very much.

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

Representative **McGOWAN**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I've been sitting here reflecting on the very first comment from the good Representative from Wells about this issue and when I sit here in the chamber, I try really hard to listen to what people are saying, not what side of the chamber they sit on. So what I struggled with was simply her rationale that said, to me, it would be better to hold on to $4 million to reduce the income tax of our wealthiest citizens than it would be to lower the property taxes of all of our citizens. I cannot imagine going back to my constituents to say,

"You know, I didn't support this because I thought it was better to lower the income taxes of our wealthiest citizens than to reduce the property taxes of all of our citizens." I urge you to join me and go back to your constituents with the same message and to support this bill. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Freedom, Representative Jones.

Representative **JONES**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I'm also a selectman in the Town of Freedom and I also represent eight towns in western Waldo County – small businesses, farmers, middle class, retirees, the working poor. I'd like to point out a few statistics that are informing my vote today. In my county, 1 out of every 6 people live in poverty and 1 out of every 5 children live in poverty. In the United States, the median household income is $53,000. In the State of Maine, it's $48,000. In my county, it's $34,000. In Maine, the foreclosure rate is 9 homes per 10,000. In Waldo County, it's 15 per 10,000. That's two-thirds greater, directly attributed to property taxes. In Maine, the median home price is $190,000. In Waldo County, it's $145,000. In the area of the county I serve, it's $123,000. I represent a very poor section of the state and, ideologies aside and partisan differences, these people deserve to be represented by good policy and good legislation. The loss of revenue sharing from my town, and I assume it's similar for the other towns I represent, is much less than the good Representative from Waterville pointed out. But we would be raising taxes $154 on a median priced home which is unacceptable to many of my citizens, especially in light of the loss of the Circuit Breaker. Gentlemen and Ladies of the House, the property tax is the nastiest and most regressive tax of all, meaning those who can least afford to pay it end up paying most of it. Since 1972, the state has realized its mandates and obligations to our poor property owners and renters is important, and that promise has been broken by this Legislature. Quite frankly, I would ask us, as legislators, to implement policy that redeems our good standing with property owners in the State of Maine. Thank you, Mr. Speaker.

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

Representative **NADEAU**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. Maine's communities depend on the state to keep its promise. Communities all over depend on revenue sharing to help fund our schools, police and fire departments and public works. Without it, towns will have to resort to raising property taxes on homeowners – something many cannot afford. It's a contract between the state and towns to help young families afford their homes and to keep seniors in theirs. Still, serving over 12 years on the Winslow Town Council, I can tell you first-hand how difficult it is for our towns, both Winslow and Benton, to pay for vital and necessary services. We, as a town, both Winslow and Benton, again, have done everything we can to consolidate services, personnel and goods. We share a fire chief with a surrounding town. We share equipment. We work together. Let us do that here. It is not about us. It is about our people who sent us here. And they are in trouble: the young couples trying to start out and the older population. This will hurt them. Paying even more, even if it's only $100 more, is hard for the older and it's hard for the younger. Let's not make it hard for them. During the public hearing, city officials came from across the state and said that their budgets are already cut to the bone, and they have to cut hours of good, hardworking municipal employees. We need to keep our promise to our communities. If we don't, our economy will suffer and so will many Maine families. Let's make the right, responsible decision to keep our promise. Thank you.

Representative BERRY of Bowdoinham **REQUESTED** a roll call on the motion to **ACCEPT** the Majority **Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7** 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 Rockland, Representative Dickerson.

Representative **DICKERSON**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I rise to support LD 1762. I represent the communities of Rockland and Owl's Head. As you know, Rockland is a thriving service center, recently reincarnated, in some sense, as an arts community. Still retaining its heritage as a working class city, a large portion of our community are low to moderate income households. Our property taxes are very high and our aid to general purpose education from the state is skewed by the fact that our community is alongside the ocean, which makes our property valuations high, despite the fact that the residents of our communities are of moderate income, for the most part. We absolutely depend on revenue sharing because we send much of that money to the state as a service center in Rockland. I could tell you that we have had to lay off four employees of the City of Rockland. I could tell you that we've had to reduce the hours of employment for two of those employees. I could tell you that we've drained $150,000 from our undesignated fund balance. But what I am going to tell you is that on December 22, I witnessed a woman driving a Honda pulling out in one of those ice storms we had after a church service to go home, and because the City of Rockland had made a decision to cut public works overtime which was one of the few places that could be cut, and in so cutting the public works overtime, meaning less salt and less sand on the roadways in this dangerous ice storm, a pedestrian stepped out into the roadway in front of that little compact car and the driver of that car stepped on the brakes and the car didn't stop. Fortunately, the pedestrian stopped dead in her tracks. The driver slid into the road and that pedestrian would have been hit had it not been for the fact that she stopped in the nick of time. This is the human face of what we're doing up here. We are making decisions that are not only affecting people's lives, but they could take people's lives because we are cutting services. We are breaking promises that are making municipalities and towns make hard decisions. That can mean that a child doesn't each lunch at a public institution of education or that someone gets hit by a car on a street because there is not enough salt on the road. I urge you to do the right thing. Whatever vehicle that we need to get there, whether it be this bill or another vehicle, we have to get there and we have to honor our promises and protect and serve the people of the State of Maine. Thank you.

The SPEAKER: The Chair recognizes the Representative from Searsport, Representative Gillway.

Representative **GILLWAY**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. As most of you know, I am a town manager of a small coastal town. Most of you have been talking about me. I've heard some of the arguments today that we need this bill passed so that we can build our budgets. I report to you that we did build our budget. Most towns on the calendar year have already done the same. I want to vote yes today because a bird in the hand; however, I did build my budget. I built it with the expectation of no revenue sharing. Quite frankly, it's hard to trust Augusta. I was inspired to come to Augusta because revenue sharing raids have been imposed for the past six years. You can figure out who started it. I don't want to pass this bill or any bill that fixes a problem and causes another

problem down the road. I find myself in a very difficult situation. I have seen rushed decisions in Augusta that hurt towns down the road. We'll talk about consolidations. This is a rushed decision that very possibly will hurt us later. We do have time. Now I know this vote will be used against me to beat me in the upcoming election and I don't care, because if we don't get this right, we don't deserve to be here. What we do politically, the decisions that we make, could potentially cost not the revenues for the towns, but millions of dollars in bonding that will hurt people in the long run. I urge the Appropriations Committee to bring this bill back and bring us a bill that fixes revenue sharing without putting our bond rating at risk or create other problems down the road. Let's get this right. Thank you.

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

Representative **VEROW**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. A common word that has been mentioned by many of our distinguished speakers here today is the word "promises." If we look back, we realize that the Legislature, some 40 years ago, made a promise to the citizens of the towns and cities to share revenue with them. I think we have a choice here to make today to keep that promise, to change the law, or to break the promise. Keeping our promises is something our citizens expect us to do here and I will be supporting this bill. Promises made, promises kept. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Burlington, Representative Turner.

Representative **TURNER**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I don't rise very often and it's very difficult for me today. I represent rural Maine. I represent 59 communities as many of you have heard, 35 have people in them. It's very, very difficult if they lose revenue sharing. I intend to vote to restore revenue sharing and keep my promise. But, Mr. Speaker, LD 1762 addresses a 2015 issue in 2014. We have a shortfall. With that, we could be voting to not pay our nursing homes, our most vulnerable people yet again, our hospitals. If you vote for LD 1762, I want to be clear: We have a shortfall and we are using revenue that we could have helped. Mr. Speaker, I wanted a bite of the apple, a better bite, a better solution, another LD, but the Appropriations Committee members in the majority party chose this as the solution. As I said, I intend to keep my promise, but knowing full well those that I may not be paying. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Mexico, Representative Briggs.

Representative **BRIGGS**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I represent the Town of Mexico, which is a poor and elderly community of just under 3,000 people, and we are a service center as well. Between last year's revenue sharing cuts and if this bill does not pass, the Town of Mexico will be losing a total of $529,000. That means possibly cutting our fire, police or highway department. Can you imagine what these cuts are going to do to the safety of our communities? Most likely, my hours at the town office where I work will also be reduced or possibly even eliminated. My surrounding towns are experiencing high cuts as well. Again, this issue goes back to are we listening to the people. The testimony we recently heard from my municipality and many, many others spoke to us loud and clear. Let's do the right thing and support LD 1762. Thank you, Mr. Speaker.

Representative FREDETTE of Newport moved that the Bill be **TABLED** until later in today's session pending the motion of Representative ROTUNDO of Lewiston to **ACCEPT** the Majority **Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7** Report.

Representative McCABE of Skowhegan **REQUESTED** a roll call on the motion to **TABLE** until later in today's session pending the motion of Representative ROTUNDO of Lewiston to **ACCEPT** the Majority **Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7** Report.

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 to Table until later in today's session pending the motion of Representative Rotundo of Lewiston to Accept the Majority Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7 Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 474

YEA - Ayotte, Beaulieu, Bennett, Black, Campbell R, Chase, Cotta, Crafts, Cray, Crockett, Davis, Doak, Dunphy, Duprey, Espling, Fitzpatrick, Fredette, Gifford, Gillway, Guerin, Harvell, Jackson, Johnson P, Kinney, Knight, Libby A, Lockman, Long, MacDonald S, Maker, Malaby, Marean, McClellan, McElwee, Nadeau A, Newendyke, Nutting, Parry, Pease, Peavey Haskell, Reed, Sanderson, Sirocki, Turner, Tyler, Volk, Wallace, Weaver, Willette, Winchenbach, Wood.

NAY - Beavers, Berry, Bolduc, Briggs, Brooks, Campbell J, Casavant, Cassidy, Chapman, Chenette, Chipman, Cooper, Daughtry, DeChant, Devin, Dickerson, Dill, Dorney, Evangelos, Farnsworth, Fowle, Frey, Gattine, Gideon, Gilbert, Goode, Graham, Grant, Hamann, Harlow, Hayes, Hickman, Hobbins, Hubbell, Jorgensen, Kaenrath, Kent, Kornfield, Kruger, Kusiak, Lajoie, Longstaff, Luchini, MacDonald W, Marks, Mason, Mastraccio, McCabe, McGowan, McLean, Monaghan-Derrig, Moonen, Moriarty, Morrison, Nadeau C, Nelson, Noon, Peoples, Peterson, Plante, Pouliot, Pringle, Rankin, Rochelo, Rotundo, Russell, Rykerson, Sanborn, Saucier, Saxton, Schneck, Shaw, Short, Stanley, Stuckey, Theriault, Tipping-Spitz, Treat, Verow, Villa, Welsh, Werts, Mr. Speaker.

ABSENT - Beaudoin, Beck, Boland, Carey, Clark, Dion, Herbig, Johnson D, Jones, Keschl, Kumiega, Libby N, Powers, Priest, Timberlake, Wilson, Winsor.

Yes, 51; No, 83; Absent, 17; Excused, 0.

51 having voted in the affirmative and 83 voted in the negative, with 17 being absent, and accordingly the motion to **TABLE** until later in today's session **FAILED**.

Representative FREDETTE of Newport moved that the Bill and all accompanying papers be **COMMITTED** to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS**.

Representative McCABE of Skowhegan **REQUESTED** a roll call on the motion to **COMMIT** the Bill and all accompanying papers to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS**.

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 to Commit the Bill and all accompanying papers to the Committee on Appropriations and Financial Affairs. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 475

YEA - Ayotte, Beaulieu, Bennett, Black, Campbell R, Chase, Cotta, Crafts, Cray, Crockett, Davis, Doak, Dunphy, Duprey, Espling, Fitzpatrick, Fredette, Gifford, Gillway, Guerin, Harvell, Hayes, Jackson, Johnson P, Kinney, Knight, Libby A, Lockman, Long, MacDonald S, Maker, Malaby, Marean, McClellan,

McElwee, Nadeau A, Newendyke, Nutting, Parry, Pease, Peavey Haskell, Pouliot, Reed, Sanderson, Sirocki, Turner, Tyler, Volk, Wallace, Weaver, Willette, Winchenbach, Wood.

NAY - Beavers, Berry, Bolduc, Briggs, Brooks, Campbell J, Casavant, Cassidy, Chapman, Chenette, Chipman, Cooper, Daughtry, DeChant, Devin, Dickerson, Dill, Dorney, Evangelos, Farnsworth, Fowle, Frey, Gattine, Gideon, Gilbert, Goode, Graham, Grant, Hamann, Harlow, Hickman, Hobbins, Hubbell, Jones, Jorgensen, Kaenrath, Kent, Kornfield, Kruger, Kusiak, Lajoie, Libby N, Longstaff, Luchini, MacDonald W, Marks, Mason, Mastraccio, McCabe, McGowan, McLean, Monaghan-Derrig, Moonen, Moriarty, Morrison, Nadeau C, Nelson, Noon, Peoples, Peterson, Plante, Pringle, Rankin, Rochelo, Rotundo, Russell, Rykerson, Sanborn, Saucier, Saxton, Schneck, Shaw, Short, Stanley, Stuckey, Theriault, Tipping-Spitz, Treat, Verow, Villa, Welsh, Werts, Mr. Speaker.

ABSENT - Beaudoin, Beck, Boland, Carey, Clark, Dion, Herbig, Johnson D, Keschl, Kumiega, Powers, Priest, Timberlake, Wilson, Winsor.

Yes, 53; No, 83; Absent, 15; Excused, 0.

53 having voted in the affirmative and 83 voted in the negative, with 15 being absent, and accordingly the motion to **COMMIT** the Bill and all accompanying papers to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS FAILED**.

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

Representative **ROTUNDO**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I would simply like to clarify why we are taking this issue up now, why it must be dealt with now. The $40 million of revenue sharing we're talking about today is part of the biennial budget that we, as Republicans and Democrats, adopted last session. We're taking this up now, today, because the budget we passed last spring, last summer, instructed us to come back and deal with this issue now in this part of the legislative session, not at the end when we deal with a shortfall. This is not part of the shortfall. This is part of the biennial budget. This is the promise that we made. This is not rushed. This is when we were supposed to come back and deal with this, in the legislative session. We must keep our promise to local communities and local property taxpayers so they – the elderly who want to stay in their homes, struggling, hardworking middle class families who are trying very hard to make ends meet – won't face massive property tax increases. Thank you.

The SPEAKER: The Chair recognizes the Representative from Berwick, Representative Plante.

Representative **PLANTE**: Thank you, Mr. Speaker. Mr. Speaker, Colleagues of the House. I come from a smaller town, not like a Biddeford, but I do know the effects of the property tax and its negative impact on its citizens. In 2008, Prime Tanning, a leather facility, closed its doors and the property tax rate for the individual citizen within my town saw a major increase. In 2011, as a result of the budget passed, they, again, saw another tax increase for their property tax due to the change in formula and approach of how we were going to pay for our government. This past year, as we passed a budget and only brought back roughly two-thirds of revenue sharing, compared to what they were expecting, they again saw a property tax increase. I have talked with them both on the road and on the phone. They've told me it's getting out of control. They need to know that the money that they're giving to the government, whether local, state or federal, will provide the services that they expect and they want. In fact, some of them are seeing hundreds of dollars a year increase in their property tax bills. They can't even get their roads paved. They can't even guarantee that they know that the roads are going to be of a quality they need when they drive. In Berwick and in Lebanon, they are seeing a higher number of trucks that provide greater pressure and stress on the roads, degrading those roads at a quicker rate because they're not graded out to properly handle such loads, and those dollars that pay for that come from both revenue sharing and the property tax. What we need to understand is there is a great stress on the local taxpayer and to say no to keeping our promise on revenue sharing does not serve them to their betterment. I would hope that we would vote in favor of this motion, in favor of our citizens. Thank you.

The SPEAKER: The Chair recognizes the Representative from Livermore Falls, Representative Knight.

Representative **KNIGHT**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I'm not quite sure where to begin. Unlike most of the folks in the room, I am not standing with prepared remarks. The last couple of votes we just took probably exemplify some of my frustrations that I'm about to express. Let me start, however, by saying that I represent four small communities, all who very, very much depend on revenue sharing. I think we are definitely out of order and I'm disappointed on a couple of fronts. First of all, I'm going to go through a series of them. My good friend from Bowdoinham, the Majority Leader, and I tried very, very hard, I know a couple of years ago, to discuss tax expenditures and nothing was accomplished. I'm very disappointed in the Tax Expenditure Task Force. I've been a member of the Tax Committee now for eight years and sadly there is way, way too much politics. Probably most of you know I've tried to be a collaborator, working both sides for my entire time here in the Legislature, and this task force failed, failed miserably. I don't think we should send this back to the Appropriations Committee. I agree with that vote not to send it back. We should send it back where it belongs, to the Tax Committee and we need to get it right.

I'm going to bring up another sore point for probably everybody in the room, but it needs to be said. I headed up a group called the "Gang of 11," affectionately referred to by the press, and neither party would give us the time of day to address an archaic, outdated tax system. If we had done that, if we were allowed by either the Republican Party or the Democratic Party, we probably wouldn't even be having this discussion today. But this discussion we're having doesn't belong here. It shouldn't be here. The Republican leader made it very clear, as did the lead on the Appropriations Committee, that the process is flawed that brings this bill before us today. It should not be before us today. This is a 2015 issue. It's not just about revenue sharing. It's about the Rainy Day Fund. We need to take care of the 2014 budget, not the 2015 budget. I would agree with the good Representative from Lewiston when she says that it needs to be dealt with now, but this is not the way to deal with it now. What we need to do now is to send this back to Taxation and find $40 million in tax expenditures. It can be done. There are hundreds of millions of dollars in tax expenditures. That task force did not do its work and we need to give them time to do their work by sending it back to the committee. This all started, you know, I mean a lot of people refer to the current Chief Executive officer and some of his feelings about this. Revenue sharing was first attacked not by the current Chief Executive officer, by the former Chief Executive officer, Mr. Baldacci. That's when we first cut the revenue sharing. This has not been a Republican issue or a Democratic issue. Both sides of the aisle have had their input. I guess I'm just frustrated with the process. While I'm talking, I want to thank the good leader of the Republican Party for calling for the roll call and to table this because the room was empty. Now I get to speak before a full room, everybody's back. I appreciate you all coming back to hear my remarks. But that procedural motion, I know I can't count on one hand the number

of times, as a courtesy, we've asked a particular bill to be tabled. It always is, but not today. We are playing politics and we're not here working for the people of the State of Maine. We're working here for the 2014 campaign. Let's call a spade a spade and let's stop it. Let's start working for the people of the state and stop working this as a political issue. This is exactly what this has become, a political issue. It's inappropriate, it needs to be back in Taxation and we need to do our work. Mr. Speaker, if it's appropriate and I'm not sure how to make such a motion, I would move that this bill be Indefinitely Postponed and the work be sent back to Taxation for them to do their work. Thank you, Mr. Speaker.

The same Representative moved that the Bill and all accompanying papers be **INDEFINITELY POSTPONED**.

Representative McCABE of Skowhegan **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE** the Bill and all accompanying papers.

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 the Bill and all accompanying papers. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 476

YEA - Ayotte, Beaulieu, Bennett, Black, Campbell R, Chase, Cotta, Crafts, Cray, Crockett, Davis, Doak, Dunphy, Duprey, Espling, Fitzpatrick, Fredette, Gifford, Guerin, Harvell, Jackson, Johnson P, Kinney, Knight, Libby A, Lockman, Long, MacDonald S, Maker, Malaby, Marean, McClellan, McElwee, Nadeau A, Newendyke, Nutting, Parry, Pease, Peavey Haskell, Reed, Sanderson, Sirocki, Turner, Tyler, Volk, Wallace, Weaver, Willette, Winchenbach.

NAY - Berry, Bolduc, Briggs, Brooks, Campbell J, Casavant, Cassidy, Chapman, Chenette, Chipman, Cooper, Daughtry, DeChant, Devin, Dickerson, Dill, Dorney, Evangelos, Farnsworth, Fowle, Frey, Gattine, Gideon, Gilbert, Gillway, Goode, Graham, Grant, Hamann, Harlow, Hayes, Hickman, Hobbins, Hubbell, Jones, Jorgensen, Kaenrath, Kent, Kornfield, Kruger, Kusiak, Lajoie, Libby N, Longstaff, Luchini, MacDonald W, Marks, Mason, Mastraccio, McCabe, McGowan, McLean, Monaghan-Derrig, Moonen, Moriarty, Morrison, Nadeau C, Nelson, Noon, Peoples, Peterson, Plante, Pouliot, Pringle, Rankin, Rochelo, Rotundo, Russell, Rykerson, Sanborn, Saucier, Saxton, Schneck, Shaw, Short, Stanley, Stuckey, Theriault, Tipping-Spitz, Treat, Verow, Villa, Welsh, Werts, Wood, Mr. Speaker.

ABSENT - Beaudoin, Beavers, Beck, Boland, Carey, Clark, Dion, Herbig, Johnson D, Keschl, Kumiega, Powers, Priest, Timberlake, Wilson, Winsor.

Yes, 49; No, 86; Absent, 16; Excused, 0.

49 having voted in the affirmative and 86 voted in the negative, with 16 being absent, and accordingly the motion to **INDEFINITELY POSTPONE** the Bill and all accompanying papers **FAILED**.

Representative KNIGHT of Livermore Falls moved that the Bill and all accompanying papers be **COMMITTED** to the Committee on **TAXATION**.

Representative McCABE of Skowhegan **REQUESTED** a roll call on the motion to **COMMIT** the Bill and all accompanying papers to the Committee on **TAXATION**.

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 to Commit the Bill and all accompanying papers to the Committee on Taxation. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 477

YEA - Ayotte, Beaulieu, Bennett, Black, Brooks, Campbell R, Chase, Cotta, Crafts, Cray, Crockett, Davis, Doak, Dunphy, Duprey, Espling, Fitzpatrick, Fredette, Gifford, Gillway, Guerin, Harvell, Hayes, Jackson, Johnson P, Kaenrath, Kinney, Knight, Libby A, Lockman, Long, MacDonald S, Maker, Malaby, Marean, McClellan, McElwee, Nadeau A, Newendyke, Nutting, Parry, Pease, Peavey Haskell, Reed, Sanderson, Sirocki, Turner, Tyler, Volk, Wallace, Weaver, Willette, Winchenbach, Wood.

NAY - Beavers, Berry, Bolduc, Briggs, Campbell J, Casavant, Cassidy, Chapman, Chenette, Chipman, Cooper, Daughtry, DeChant, Devin, Dickerson, Dill, Dorney, Evangelos, Farnsworth, Fowle, Frey, Gattine, Gideon, Gilbert, Goode, Graham, Grant, Hamann, Harlow, Hickman, Hobbins, Hubbell, Jones, Jorgensen, Kent, Kornfield, Kruger, Kusiak, Lajoie, Libby N, Longstaff, Luchini, MacDonald W, Marks, Mastraccio, McCabe, McGowan, McLean, Monaghan-Derrig, Moonen, Moriarty, Morrison, Nadeau C, Nelson, Noon, Peoples, Peterson, Plante, Pouliot, Pringle, Rankin, Rochelo, Rotundo, Russell, Rykerson, Sanborn, Saucier, Saxton, Schneck, Shaw, Short, Stanley, Stuckey, Theriault, Tipping-Spitz, Treat, Verow, Villa, Welsh, Werts, Mr. Speaker.

ABSENT - Beaudoin, Beck, Boland, Carey, Clark, Dion, Herbig, Johnson D, Keschl, Kumiega, Mason, Powers, Priest, Timberlake, Wilson, Winsor.

Yes, 54; No, 81; Absent, 16; Excused, 0.

54 having voted in the affirmative and 81 voted in the negative, with 16 being absent, and accordingly the motion to **COMMIT** the Bill and all accompanying papers to the Committee on **TAXATION FAILED**.

The SPEAKER: The Chair recognizes the Representative from New Gloucester, Representative Espling.

Representative **ESPLING**: Mr. Speaker, may I pose a question through the Chair?

The SPEAKER: The Representative may pose her question.

Representative **ESPLING**: Thank you. I guess, as part of my fear, if we do this, is still that we have to get to the end of fiscal year '14. How do we guarantee that we will have a surplus at the end of '14, when we have unpaid bills currently in '14? I guess that's my question. Where I don't sit on that committee, I wouldn't really know the answer. If someone could help me with that, that would be great.

The SPEAKER: The Representative from New Gloucester, Representative Espling, has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Lewiston, Representative Rotundo.

Representative **ROTUNDO**: Thank you. We aren't proposing to use any surpluses in this proposal. We're proposing to take care of the full 40 percent. We are talking about paying back the Budget Stabilization Fund and I believe some of my Republican colleagues were talking about using that same surplus to pay down the revenue sharing in '15. I think what we need to really focus on is what we have before us and the promise that we have made to local communities, the fact that it was made in the biennial budget. We need to take this up now, as we've promised that we would do. And we do always have surplus at the end of the year, historically we have, and that would flow back into the Budget Stabilization Fund. While there certainly are no guarantees, if you look at the history of what happens at the end of the fiscal year, there have always been funds that have been able to flow through the cascade, so I'm confident there will be money there to replenish the Budget Stabilization Fund. Thank you.

The SPEAKER: The Chair recognizes the Representative from Calais, Representative Maker.

Representative **MAKER**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I have to agree with my colleagues, Representative Knight, of Livermore Falls, and Representative Turner from Burlington. I'm very disappointed. I have a lot of friends on both sides of the aisle and I respect them dearly. I just feel that this is somehow a political way to divide us all, and not just this side of the House but that side of the House. I quote as saying that, I guess the prior speaker said, "The best work we do, we do together" and this is not the best work. We could have worked this out and I will be supporting this bill, but it's under duress because I feel that I support revenue sharing, I support my towns, and to say that because we're on this side of the aisle that we don't support it, that's not right. The other part, the rhetoric that we say, that because the Chief Executive might have said that it is welfare, I never said that. Ask me how I feel. I think it's an important part of our towns and cities to survive. I've said before and I will say it again, we need a referendum on this to see if people feel this is important. I think it is important. I've been on the City Council. I know what it does for our towns. I will be supporting it, but it's not because I want to, because I think there's an alternative way and we could have worked it out together, and it's unfortunate that we didn't. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Amherst, Representative Lockman.

Representative **LOCKMAN**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. Where has all the money gone? If I may, I'd like to take a look at the big picture and the history of our budget troubles here. The truth is that state government is broke. We have no revenue to share. I would remind everyone in this room that the revenue sharing reductions began in the previous administration with Democrat majorities in both houses of the Legislature. So where has all the money gone? The answer is the last Medicaid expansion in 2002. It is cannibalizing the rest of the state budget – revenue sharing, education, law enforcement, roads and bridges. Spending on medical welfare has doubled as a percentage of General Fund spending in the last 15 years. That's where your revenue sharing money has gone. Now, we're being told that we have a moral obligation. After we've turned the safety net into a hammock, we have a moral obligation to make the hammock bigger and more comfortable for tens of thousands of able-bodied young adults and until we deal with the 800 pound gorilla in this building, we are just putting Band-Aids on an open wound. I urge you to vote no on the pending motion.

The SPEAKER: The Chair recognizes the Representative from Morrill, Representative Pease.

Representative **PEASE**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I don't stand to hear my voice, like many of us have already, I don't stand with a script, and I'm not going to change anyone's vote. You've already made that up. Today is today is today. I want to talk about tomorrow. This is a gimmick, period, no matter how you look at it. I'm a businessman. We haven't even figured out how the heck to pay for 2014 bills, yet we want another gimmick, just like school consolidation. How's that working for you? Just like jail consolidation. How's that working in your counties? It's not. This is another gimmick. There isn't anyone in this room that's an adult and I'll tell you that or they wouldn't be voting for it because this is passing the buck. This is what we do well here. This is why I'm ashamed to be here. This is why this whole process from how this came out of a committee the other day and those people should be ashamed. This is not the way we should do work. I will ask you to vote your conscience and you'll do that. But I ask when you leave here today and before you go to bed tonight, take a good look at yourself in the mirror and say, "Did I do the right thing for Maine, for my children and grandchildren in the future, or did I just kick another can?" Thank you.

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

Representative **VILLA**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I rise in support of LD 1762. The importance of restoring revenue sharing now is that many municipalities are currently working on their budgets, due to the fact that their fiscal year begins July 1 and ends June 30 for the fiscal years 2014 and 2015. As a former selectman and Representative of Bridgton, a service center community, revenue sharing has been used to help pay for necessary services such as police, fire, administrative services, and, yes, roads.

As the good Representative Parry said, "So you don't pave your roads." I want to make it clear that the poor condition of transportation infrastructure costs Mainers on average $400 per year. The danger associated with not maintaining transportation infrastructure comes at a cost that you can't measure in funding. It affects the safety and the lives of Mainers. So municipalities can't just afford to "not pave our roads." He also noted that his taxes would only go up $100. One hundred dollars to my constituents means the difference between being able to pay for groceries, heat, electricity, gas to get to and from work, and even their ability to give their child lunch money. This is the reality of what Mainers face today.

Mainers have been blindsided by many cuts in programs that help support working class individuals, which includes the loss of the Circuit Breaker program and revenue sharing. The elephant in the room is the $400 million in unfunded tax cuts that were passed. We need to stop the political posturing and take care of working class Mainers who need the help the most, because essentially, a vote against LD 1762 is a vote for a trickle down tax burden to Maine taxpayers. Now is the time to restore municipal revenue sharing. Thank you.

The SPEAKER: The Chair recognizes the Representative from Old Orchard Beach, Representative MacDonald.

Representative **MacDONALD**: Thank you, Mr. Speaker. Obviously, I'm a freshman legislator and I know the eyes will roll and the sighs happen when we speak, but I don't understand why we are proposing putting a Band-Aid on an issue that has been on the forefront of local government for many, many years. Instead of debating revenue sharing, why aren't we working on a sustainable solution? Why aren't we debating how we can fully fund revenue sharing? That is the actual promise the state made and has not kept. Look at the chart we received today. It has been dramatically cut. Many of those cuts were voted on by some of the longstanding and current members sitting here. My rejection of this bill is because until our government stops politicizing the property tax card and stops using our local Maine citizens as political pawns, just in ways to benefit our own political agendas, let's truly be brave, take a breath and work to find a solution to fully fund revenue sharing to the actual level it was promised when conceived. That is the right thing to do, that will help all of our friends and neighbors, and I am committed to finding a real and true solution to that revenue sharing problem. I support 100 percent revenue sharing and will continue to fight to fully restore it to the level it was actually promised, not the fake promise debated here today. Thank you, Mr. Speaker.

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

Representative **DUPREY**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I don't usually rise on financial issues, but having the history of being here for five terms

I've got a little bit of experience under my belt. I used to think experience came with age and wisdom came from age, but I think wisdom comes better from experience. I've been here a long time, I've been through a lot of these debates, and I've been through a lot of rank partisanship. In the 120th, the 121st, it was really bad. In the 122nd, brutal. It got a little better in the 123rd. So I've been on both sides of the issue and I've seen some good work together in this Legislature with the budget. I don't always agree with what comes out of Appropriations, but I do know it always seems to be better for the citizens of Maine when they do work together. When they come out with a unanimous report, it seems like, in the end, the Maine people always win. Now, we made decisions in the past, the 121st Legislature made decisions and it's their fault that we're in this mess we're in today, plain and simple. Medicaid expansion of the 121st has caused this budget problem that we're in now. There is absolutely no doubt about it, just look at the hole next door that all the money is getting sucked into.

Now, we've been breaking promises to the communities for years. Under the K-12 education 55 percent promise, we're good at breaking promises. We're politicians, that's what we do. I can see that as a headline tomorrow. But you know what? Every single one of you who voted for the last budget voted for a broken promise because you didn't fund K-12 education. We break promises every single day in this chamber. I'm tired of breaking promises. But I will tell you right now, every municipality in Maine, we are breaking another promise this year. There will be no revenue sharing going forward. From 2018 on, it will be gone if we expand MaineCare once more, and that is my promise and it's going on the record because I wish I could have gone back to the 121st, get in DeLorean today and tell the people of the 121st "This is what's going to happen if we do this today. There is going to be a lot people. We're going to cut Circuit Breaker for seniors. We're going to take away your revenue sharing. We're going to add money to your property tax. We're going to do this, that and the other thing. We're going to raise taxes." We do one thing out of one pocket and we put it into the other. We say things out of one side of our mouth and say in the other. We get mad that, oh my God, $100 more for this person because it buys food and that, but then we raise their income tax and they have to pay $100 on their income tax more that year, but we forget about that vote very quickly around here. We forget the actions that we do yesterday. We just worry about today and we worry about when the cameras are in here that we can get a political statement on here. I don't speak very often in here, but I just look back at history once in a while because we are destined to repeat this and our children and grandchildren are going to have to pay a bill someday that we're writing checks for today, that we are never going to be able to cash. And I feel bad for my kids and I feel bad for your kids and grandkids, because that's not the Maine that I want them to be in. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Bethel, Representative Crockett.

Representative **CROCKETT**: Thank you, Mr. Speaker. Mr. Speaker, Distinguished Members of the House. When I was a boy, I spent a lot of time with a pulp hook in my hand. We used to do the four-foot pulpwood and send it off to the mill. One of the old guys on the crew that I worked with, he told me a story about Joshua Chamberlain. As a soldier, I've always kept this in mind because when you think of Chamberlain, you think of Little Round Top. You think of him winning the Medal of Honor and turning the tide of the Civil War. But this old man, who probably had an eighth grade education, told me a story of his greatest courage. When Chamberlain, after he left office, he was still on record, I guess, as being a military governor of Maine, which is sort of like our Adjutant General today. At a later election, the governor's term had expired and the new governor hadn't been chosen yet, so both parties, the Republicans, where James Blaine's house was, and the Democrats both wanted to descend on the capitol. But they called to Brunswick and they had Joshua Chamberlain come to our capital and he threw everybody out of that building and he secured it, and both sides wanted to come down to get the ballot boxes, because who doesn't want to be governor? Well, nobody wants to be governor right now, but back then, it was a big deal. He actually had to meet the crowd of Republicans coming across and they were armed, some with, I guess the story goes, I don't know how much truth there is to it, pitchforks and pistols, and he went out to meet them alone. That's an act of courage. It's one thing to face an armed man. If you've ever done that, that's bad. But it's another to face your friends, and he gave them a speech about process, about how the decision was going to be with the law court, they would decide who the governor of the State of Maine was going to be, and they'd have to kill him in order to change that outcome. Now, that was courage, but it was courage based on the fact he believed in the process. Now, I didn't rise to antagonize or chastise or even reenergize the intrigue and divisiveness that has appeared in the papers regarding the history of this particular bill, but I do like the process and the members of the committee that this bill falls under have always done a really good job. They've worked the process. I, personally, am in favor of revenue sharing and I'm hoping that when the curtain of today's political theater is pulled and we get a chance to kind of relook at this before our final enactment, that it's worked again, that there is room for this bill. Our towns need revenue sharing. I believe in that, but I also believe in the process more importantly. That's the lesson that came from that old man at the wood pile years ago and I hope it means something to the rest of you. Thank you.

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

Representative **PRINGLE**: Thank you, Mr. Speaker. Mr. Speaker, Women and Men of the House. I rise in support of the bill. I represent a number of senior citizens who have talked to me about their struggle the past few years to stay in their own homes because they live on fixed incomes. When we think of all of the research and projects that we are seeing in other states dealing with the aging population and being one of the oldest states in the country, we know that keeping our seniors and people on fixed incomes in their homes actually saves the state money. We talk about our Medicaid expense. One of the biggest cost drivers is nursing home expense. I look at what is the fairest way for us to find a way to keep our seniors at home, able to afford it and not having to make choices between paying their taxes, paying for their food, paying for their heat, and paying for their medications. I believe this is an issue of making smart choices to invest in the things that make a good community and saves money in the long run. I believe we all want the most cost effective use of the money we spend and revenue sharing is a much fairer way to pay for the things that we need, and our towns are all telling us this, my senior citizens, in particular, are telling us this, and I believe that it is the smart thing to do. Thank you.

The SPEAKER: The Chair recognizes the Representative from Sabattus, Representative Wood.

Representative **WOOD**: Mr. Speaker, I'd like to move the question. I think we've released enough global warming for the day.

The same Representative **MOVED THE PREVIOUS QUESTION**.

Representative BERRY of Bowdoinham **REQUESTED** a roll call on the motion to **MOVE THE PREVIOUS QUESTION**.

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 Winterport, Representative Brooks, and inquires as to what purpose does the Representative rise.

Representative **BROOKS**: Point of Order, Mr. Speaker. As I understand it, the rules on moving the question require a two-thirds vote. This roll call requires a majority vote.

The SPEAKER: In order to entertain the motion of moving the question, it must have the consent of one-third of the members present. To request, which we did have, it requires one-fifth of the members present.

A roll call has been ordered. The pending question before the House is to Move the Previous Question. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 478

YEA - Beaulieu, Beavers, Chenette, Crafts, Crockett, Davis, Dill, Doak, Dorney, Duprey, Evangelos, Fitzpatrick, Harlow, Harvell, Kaenrath, Kinney, Knight, Libby A, MacDonald S, McLean, Moriarty, Morrison, Nadeau A, Newendyke, Pease, Pouliot, Sanderson, Shaw, Sirocki, Tyler, Weaver, Wood.

NAY - Ayotte, Bennett, Berry, Black, Bolduc, Briggs, Brooks, Campbell J, Campbell R, Casavant, Cassidy, Chapman, Chase, Chipman, Cooper, Cotta, Cray, Daughtry, DeChant, Devin, Dickerson, Dunphy, Espling, Farnsworth, Fowle, Fredette, Frey, Gattine, Gideon, Gilbert, Gillway, Goode, Graham, Grant, Guerin, Hamann, Hayes, Hickman, Hobbins, Hubbell, Jackson, Johnson P, Jones, Jorgensen, Kent, Kornfield, Kruger, Kusiak, Lajoie, Libby N, Lockman, Long, Longstaff, Luchini, MacDonald W, Maker, Malaby, Marean, Marks, Mastraccio, McCabe, McClellan, McElwee, McGowan, Monaghan-Derrig, Moonen, Nadeau C, Nelson, Noon, Nutting, Parry, Peavey Haskell, Peoples, Peterson, Plante, Pringle, Rankin, Reed, Rochelo, Rotundo, Russell, Rykerson, Sanborn, Saucier, Saxton, Schneck, Short, Stanley, Stuckey, Theriault, Tipping-Spitz, Treat, Turner, Verow, Villa, Volk, Wallace, Welsh, Werts, Willette, Winchenbach, Mr. Speaker.

ABSENT - Beaudoin, Beck, Boland, Carey, Clark, Dion, Gifford, Herbig, Johnson D, Keschl, Kumiega, Mason, Powers, Priest, Timberlake, Wilson, Winsor.

Yes, 32; No, 102; Absent, 17; Excused, 0.

32 having voted in the affirmative and 102 voted in the negative, with 17 being absent, and accordingly the motion to move the **PREVIOUS QUESTION FAILED**.

The SPEAKER: The Chair recognizes the Representative from North Yarmouth, Representative Graham.

Representative **GRAHAM**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I realize this vote is creating heartburn for my colleagues on the other side. I understand the difficulty you are facing and I count many of you as my friends. But with all due respect, to each and every one of you, my obligation here in this House is not to you first, but to my communities and the people that I represent. For me, this is not about process or about politics. It's about my integrity. Putting off the day of reckoning for two weeks or a month will not change anything. It's time to sit down and be counted. Tough choices await us. I ask you to vote on the merits of the bill. However, we all vote, we all have to be accountable for it. I ask you to vote with your conscience and I ask you to respect the fact that we are calling for this vote now, is for the members of our communities and their needs and not about playing games or politics. Thank you, ladies and gentlemen.

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

Representative **HARVELL**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I voted to shut myself up but you wanted to hear me. I took the mirrors out of my house when I ran for office because I figured I couldn't look at myself in the mirror anymore after being down here, and I find it staggering to listen to so many politicians talk about we shouldn't be playing politics. If we didn't do that, what would we be doing? You know what. We make too many promises. That's the problem we have. We make promises all the time. Look at any campaign pamphlet we all run with. We're going to do everything. We're going to fund education at 55 percent, give everybody a job, give everybody free health care, save the planet and love dogs. We helped create this problem with the citizenry. Why, because we have, in effect, been telling them for generations that they can have it all and they don't have to pay for it. Our side of the aisle has been fairly guilty in assuming that we can find a welfare cheat to cover it from and yours is ready to pound down the rich's door to take money, neither of which are enough to cover the demographic and systemic problems that we face. The Chief Executive stood in this room Tuesday and suggested a referendum on taxes. I can guarantee pretty much how it would work. No, but if the next question behind it was "Do you want a lot of free stuff?" the answer would be "Yes." We are facing a demographic problem that is unseen in human history and it is taking place across western civilization. We are the oldest society in the Union now, which means the percent of our population that is over 65 is greater than any other state, we have the greatest number of veterans per capita of any state in the United States, and we have a fairly significant underclass. All of these demographics are not playing into the pot the same as everybody else. The tax base is shrinking. We need tax reform in this country that recognizes the 21st century and the demographics we face and everything else we do is fairly unimportant.

Another point is, in 2009, when the federal government passed the stimulus package for an economic downturn, this state had seen economic downturns in the past. In the early '90s, it was a fairly significant one. What normally happens in an economic downturn is the state, its legislators are forced to make some tough decisions and they cut back some programs, and then generally what happens is, as the money comes back in, they begin to grow again. There is a downturn. You have to cut them. The federal government took care of our tough decisions in 2009 because it wrote us a billion dollar check that said, "You won't really have to face that reality," so we never made the cut down to have to start up. We more or less made a little bump and we are better than we were and we are continuing to grow from that level. This absurdity has to end.

The SPEAKER: The Chair recognizes the Representative from Amherst, Representative Lockman.

Representative **LOCKMAN**: Thank you, Mr. Speaker, and I apologize for rising a second time, especially after that roll call we just had. I did want to address a couple of members on the other side of the aisle who alleged that our budget problems are a result of the tax cuts that were passed in the 125th Legislature. I would remind them that that tax package got a unanimous report out of the Appropriations Committee. Representative Emily Cain, Representative John Martin, it was unanimous out of the Appropriations. It got a two-thirds vote in both houses. It merely reduced the top rate from 8.5 to 7.95, not a huge cut. Anyhow, opponents argued that it would blow a $3 to $400 million hole in the budget. They just made that up. It didn't happen. Revenues are up and the reason for that is when you allow people to keep more of the money they've earned, they don't put it in a coffee can and bury it in the backyard. They spend it. They invest it. It

generates more taxable transactions in the economy. That's how it's worked and that's how it's worked every time it's tried. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Cumberland, Representative Moriarty.

Representative **MORIARTY**: Thank you, Mr. Speaker. Mr. Speaker, Fellow Members of the House. This issue, having already gone through five procedural votes, I'm not under any illusions that anything I say will change anyone's mind. I also want to join with the comments made by some of my colleagues that they seldom rise to speak in connection with fiscal matters. That has certainly been the case with me as well. I think we ought to be very cognizant of the fact that, in government, when a promise is made and kept, and kept consistently for a lengthy period of time, such as four years, it is particularly important to stick with that promise and not let it lapse. When promises such as that, revenue sharing, are made and in fact kept, expectations are created, plans are developed, planning is made and certain assumptions that are critical to the operation of municipal government take shape, not only for the current period of time but over the longer period of time. We're not talking about the establishment of a new program which has never existed and never been funded, but rather the continuation of a well-established program that benefits every single one of the residents of every single one of our districts. I understand that revenue sharing does not exist in a vacuum, that there are larger financial issues in play and that are circling about us. But to address the immediate question as to whether or not we preserve revenue sharing as it has existed for the past several decades, our focus ought to be to crystalize upon the reaffirmation of that program so that the other tangential and related issues can then take shape about it. By all means, we should fulfill and keep the promises that we have made and not let our people down who depend upon us back home.

The SPEAKER: The Chair recognizes the Representative from Newfield, Representative Campbell.

Representative **CAMPBELL**: Thank you, Mr. Speaker. I apologize for rising again but one of my colleagues on the other side of the aisle mentioned about someone speaking up about the tax cut, and he mentioned a couple of Senators that are Democrats. Well, if the shoe fits, wear it. I don't care if they're Democrats or Republicans. If you vote for a tax cut, you'd better know how to pay for it and it's not by the backs of the taxpayers in the towns. Take and repeal it, whether you are a Democrat or a Republican. Thank you.

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

Representative **FREDETTE**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I will be very brief and I do apologize for speaking a second time. There was just one or two quick points that I wanted to make. Coming into my second term, over the last three and a half years, we have paid $750 million over the last three years to Maine's hospitals, a significant portion of that being General Fund dollars. When people want to talk about tax cuts and tax revenues and whatnot, we had a significant burden, financial burden, an unpaid bill, if you will, to pay over the last three and a half years, a $750 million bill. It's a reality. You can't play it one way or play it the other, probably roughly $250 million state dollars that we had to pay on an unpaid bill. You know, it isn't a question about tax cuts or whatnot. It's a question of the realities of a budget. I think that's just an important fact to point out. I just wanted to close because I think, often times, you know, Republicans want to be or Republicans are characterized as not being compassionate. As a matter of fact, I think I heard someone across the aisle making the point that they wanted to hear more compassion for the poverty from the Chief Executive on Tuesday evening. You know, I think that sometimes Republicans don't come across as being compassionate enough. The last point that I want to make here today is that I want to speak for a group that you don't hear from and that you don't see, that we don't often talk about, and that's the 4,000 people on the waitlist. I see some of you turning your faces and rolling your eyes like that's not important. Forty million dollars would take care of most every person on that waitlist…

The SPEAKER: Will the Representative defer? The Chair recognizes the Representative from Skowhegan, Representative McCabe, and inquires for what purpose does the Representative rise.

Representative **McCABE**: Mr. Speaker, Point of Order. I'm not sure what the waitlist has to do with the issue that's before us.

On **POINT OF ORDER,** Representative McCABE of Skowhegan asked the Chair if the remarks of Representative FREDETTE of Newport were germane to the pending question.

The SPEAKER: The Chair would remind all members to keep the remarks to the bill that is before us. The Representative may proceed.

The Chair reminded Representative FREDETTE of Newport to stay as close as possible to the pending question.

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

Representative **FREDETTE**: I don't think it's any more out of order than talking about tax cuts in the 125th, so you probably don't want to hear about the waitlist. That's probably true, but it is a reality that we are setting revenue sharing as a priority above those people on the waitlist, the severely disabled and the severely handicapped, and, yes, that is relevant. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Bowdoinham, Representative Berry.

Representative **BERRY**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. I've been sitting and listening and thinking about what it is about this bill that is most important to me. The person that keeps coming to mind is a farmer in Bowdoinham, a fellow named Brian Hobart who served on the Select Board with me and, for a while, for more than a year, we were the only two members of the Select Board. Brian is a Republican, I'm a Democrat and we had to agree on everything to make it work. He ended up running against me the first time that I ran for office, ran for this office that I currently hold, and, well, I prevailed but we're still friends. He cuts my hay and drives the York rake up and down my driveway to keep the ruts out of the driveway. I can tell you that Mr. Hobart, as Chair of the Select Board right now, wants us to do the right thing and to pay our bills and to keep our promises. Mr. Hobart wants me to keep the same promise that both of us made the first time that we stood for election which was, if elected, we would serve the local community, we would serve the local taxpayers, the middle class taxpayers, because both of us were primarily concerned about the impact of property taxes which affect the middle class so much more, because so much more of their equity is in their homes. We were concerned about funding the schools, about paying for the services that our towns provide, the roads, and we all know what's happening to the sand and salt budgets right now out there, the police, the firefighters, the local senior center, and so on. At that time that we were serving together, the voters of Maine took an overwhelming vote. It was in June of 2004 and I'm sure you all remember question 1.a., a referendum question which asked us if we should keep our promises to fund education

at 55 percent. Well, the overwhelming vote on that was a clear signal that the voters wanted us to stop shifting property taxes, to focus on alleviating the burden on property taxpayers. And I can guarantee, Mr. Speaker, that if they had known that we would be sitting here today with a Chief Executive who has proposed to cut revenue sharing to the bone, to zero, and debating whether we will keep our promise to even put $40 million towards revenue sharing, which to the Town of Newport would be $97,000 out of a total of $150,000, I can guarantee you they would have wanted revenue sharing on that ballot as well, that we would keep our forty-year promise to fund revenue sharing.

To the Representative from Arundel, I appreciate your remarks about the chart. Perhaps the ending lines there are not clear enough in the photocopy, but we are here because there was a proposal to zero out revenue sharing. If we fail here today, I hope we can work together on finding an alternative, but I'm not sure we can because I think this is our first and best chance to keep our promise. To the Representatives from Old Orchard and Livermore and Hancock, I agree that we should keep working together, but a reminder that Appropriations did consider all of the alternatives including several that were named in the bill presented by the Commission on Tax Expenditures. Those were taken out because it seemed that there was some pushback, that maybe there was a better way, that we could come together around an alternative, and I hope we can do that today. I still hope that we can do that today because I can't go back and tell Brian Hobart that this is a red herring, that $40 million is a red herring. I can't go back and tell my town of Bowdoin who is building its budget right now and has a town meeting in a month that this $40 million is a red herring. I can't say that the bipartisan budget that we voted for that guided this work, that said that we would take this vote early in the session today which many of us on both sides of the aisle voted for was a red herring, that our promises as a state are red herrings. They're not. They're meaningful. They have to be. Mr. Speaker, however we go forward and pay for $400 million in an unfunded tax cut that was passed by a previous Legislature, however we do that, I hope that we can work together and take this vote today to pay our bills. It's always time to pay our bills. It's always time to keep our promises…

The SPEAKER: The Chair recognizes the Representative from Newport, Representative Fredette, and inquires for what purpose does the Representative rise.

Representative **FREDETTE**: Well, I simply rise because I was just called as being out of order in talking to something that wasn't germane, and I would simply request that the same be asked of the other side of the aisle.

On **POINT OF ORDER,** Representative FREDETTE of Newport asked the Chair if the remarks of Representative BERRY of Bowdoinham were germane to the pending question.

The SPEAKER: The Chair will remind all members to stay focused on the bill that is before us. It's been a long debate. It's beyond 1 o'clock. Committees are starting immediately, is my thought, right after this. We've got two people in the queue and I hope we can end well. I would remind everybody to stick to the matter before us. The Representative may proceed.

The Chair reminded Representative BERRY of Bowdoinham to stay as close as possible to the pending question.

The SPEAKER: The Chair recognizes the Representative from Bowdoinham, Representative Berry.

Representative **BERRY**: Thank you, Mr. Speaker, and I do believe that the way that we got here is absolutely germane. There was an unfunded tax cut that was passed a little over two years ago that would have changed income taxes. Mr. Speaker, I'm going to explain exactly why this is relevant today…

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative Crafts, and inquires for what purpose does the Representative rise.

Representative **CRAFTS**: Here we go again. This is not germane again. We're going down the same road again.

On **POINT OF ORDER,** Representative CRAFTS of Lisbon asked the Chair if the remarks of Representative BERRY of Bowdoinham were germane to the pending question.

The SPEAKER: The Chair would recognize that many of the comments of many of the members on both sides of the aisle have included other things, whether it is a prior tax cut or the waiting list or other issues. I am going to allow this to move forward as I did with the Minority Leader, allow it to move forward. I would remind folks we do now have three more in the queue. The hour and the debate, with that in mind, the Representative may proceed.

The Chair advised Representative BERRY of Bowdoinham to proceed with his remarks.

The SPEAKER: The Chair recognizes the Representative from Bowdoinham, Representative Berry.

Representative **BERRY**: Thank you, Mr. Speaker. I guess the point that I'm making here is that we make choices and when we make choices about future budgets that we then have to deal with those choices, address those choices in those future budgets, and that the choices we make about property taxes versus income taxes are important because they impact different communities in the state differently. We can stand here and we can take credit, Mr. Speaker, for cutting the income tax on a group of people, or we can take credit for helping our communities to keep property taxes down on the middle class, and that's really all I'm trying to say here. I'm saying that we have our first and best opportunity right now to pay our bills. We have the first and best opportunity to keep our promises to our local taxpayers, to represent our communities and to do the will of the people, as expressed in June 2004 and as expressed since in multiple statewide referendums on income taxes versus property taxes and what's important to the people of Maine. We have the opportunity not to pass the buck, but to make the decision here to keep our promise and pay our bills. Thank you, Mr. Speaker. I hope we can take this first and best opportunity. Thank you.

The SPEAKER: The Chair recognizes the Representative from Wells, Representative Chase.

Representative **CHASE**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I will be very brief as I promised. We want to stay focused on this bill. This bill is not about the revenue sharing and whether or not we support it. I'll say that there isn't anybody in this chamber that doesn't want to have $40 million go back to the their towns in revenue sharing. What we're focusing on, what this bill means for irresponsibility is that we have four months left in this year, 2014, with a $57 million shortfall and the money used to pay this $40 million which should be coming from the next year is being used for money this year that we're going to need to pay that $57 million, and that's irresponsible. We all want to pay back the towns the $40 million. We don't want to push off another $40 million onto them. But this bill and the way it's being funded is irresponsible because it's taking this year's 2014, a lot of that money that we only have available for a very short time. We can't cut programs, we can't cut agencies in the next four months to pay for what we need to pay for that $57 million, and that's why I'm voting no on this bill and I think everyone else should be too. Thank you.

The SPEAKER: The Chair recognizes the Representative from Arundel, Representative Parry.

Representative **PARRY**: Thank you, Mr. Speaker. Sorry for rising again but my name was invoked a couple of times. I have

no problem in people quoting me, just please quote me correctly. One of the members said that I was for cutting transportation, which I was not. Several members talked about the statement I made about the $100 this would cost for revenue sharing and they were concerned about the seniors. Yet those same Representatives voted to take $1,300 away from seniors. I think most seniors would be very happy to have their $1,300 and have us take $100 away. If you're really concerned about seniors, in the 124th Legislature you took $400 away from the seniors and low-income property owners when you cut the maximum Circuit Breaker from $2,000 to $1,600, and now in the last budget, it was cut out completely, and it added in with a tax fairness that was $300 or $400 and a lot of these seniors were getting $1,600, so you took $1,200 or $1,300 away from seniors and you're concerned because a senior, today, with this bill, is going to lose $100. I think they would take $9 less a week over getting $100 more a month. I mean $9 a month versus $100 a month. The good Representative from Bowdoinham mentioned me not knowing how to read his chart and I believe what I stated that from 2008 to now, the only two years that the revenue sharing went up was during the 125th Legislature. We aren't in the majority now, so when it gets cut down to $60 million, $20 million, we don't have 90 members on this side of the aisle and we didn't have 90 members on our side of the aisle in the 124th Legislature. If you're going to complain about this side of the aisle being devastating to revenue sharing, we're not the majority, you are. Thank you.

The SPEAKER: The Chair recognizes the Representative from Fort Kent, Representative Nadeau.

Representative **NADEAU**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. After listening to all of this for the last two hours, three hours, I think my own personal experience with this is that a lot of this argument could have been settled by the process that was supposed to work for us, and this bill, apparently the process has failed all of us in one way, shape or form because those who support the bill don't seem to be concerned with disenfranchising others that would not support the bill. That's not to say that my decision has been made, but the anguish and the conversations that are going on today are out of frustration because of the process and how the process failed to come forward in a bipartisan way. As a new legislator, I find that very disheartening and when there is talk about bipartisanship and about integrity and about moral decay and about our moral obligations, where are those conversations today when the process truly has failed to come to a bipartisan agreement in committee? We wouldn't be dealing with these arguments and these frustrations today if most of these things would have been taken care of primarily. I think this bill, whether it passes or not, but if it was going to pass in a bipartisan way, we'd have been done a couple of hours ago. We wouldn't be dealing with the frustrations that people are dealing with today. Thank you.

The SPEAKER: The Chair recognizes the Representative from Hiram, Representative Rankin.

Representative **RANKIN**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I cannot believe what's happening here today. I believe that, deep down, we are all above this rancor. The bill here today is so serious and I think we all have to look inside ourselves and make sure that we know what we're doing here. If we break a promise to these people who are so bad off, well, your conscience, whoever does that has got to live with that. Supposedly, we are adults and we should be able to disagree with each other, and we have been. As other people have said, we have dear friends on both sides of the aisle and it's very hurtful what's going on here today. But as I said to somebody here, all I can think of is children, who, when they're playing a game and they know they're not going to win, they say, "I want to start over again." Well, we've started over again several times today and we keep going right back to where we were. We're not making any progress at all in the process. We're embarrassing ourselves, not only here in the chamber but to anybody who sees us or hears us. This is not the proudest moment of the House of Representatives and we all have to take a share of the blame. It isn't pretty. There is no sense in dragging this on any longer. Let's act like adults and accept the inevitable. None of us can win all the time and whatever happens here, we should make the very best decision that we can, know we've done the best we can, even if we didn't win. Several people have left the House, gone out of the room. Some because they're just sick and tired of listening to all the rancor, some because they're rude. But if people have the courage to stand up and say what they really believe in, we should have the respect to listen to them. We don't have to agree, but we should show respect. We're Representatives and we should live up to what we are supposed to represent. I'm sorry, I don't know who I think I am to be lecturing to you. I don't mean it to come out that way. I just hope that we can resolve this, get over it and accept the inevitable. Thank you, Mr. Speaker.

The SPEAKER: A roll call having been previously ordered, the pending question before the House is Acceptance of the Majority Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7 Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 479

YEA - Beaudoin, Beavers, Berry, Black, Bolduc, Briggs, Brooks, Campbell J, Campbell R, Casavant, Cassidy, Chapman, Chenette, Chipman, Cooper, Crafts, Crockett, Daughtry, Davis, DeChant, Devin, Dickerson, Dill, Doak, Dorney, Dunphy, Duprey, Espling, Evangelos, Farnsworth, Fowle, Frey, Gattine, Gideon, Gilbert, Gillway, Goode, Graham, Grant, Guerin, Hamann, Harlow, Harvell, Hayes, Hickman, Hobbins, Hubbell, Jones, Jorgensen, Kaenrath, Kent, Kinney, Kornfield, Kruger, Kusiak, Lajoie, Libby N, Long, Longstaff, Luchini, MacDonald W, Maker, Marean, Marks, Mastraccio, McCabe, McElwee, McGowan, McLean, Monaghan-Derrig, Moonen, Moriarty, Morrison, Nadeau A, Nadeau C, Nelson, Noon, Peavey Haskell, Peoples, Peterson, Plante, Pouliot, Pringle, Rankin, Reed, Rochelo, Rotundo, Russell, Rykerson, Sanborn, Sanderson, Saucier, Saxton, Schneck, Shaw, Short, Sirocki, Stanley, Stuckey, Theriault, Tipping-Spitz, Treat, Turner, Tyler, Verow, Villa, Volk, Wallace, Welsh, Werts, Willette, Winchenbach, Wood, Mr. Speaker.

NAY - Ayotte, Beaulieu, Bennett, Chase, Cotta, Cray, Fitzpatrick, Fredette, Jackson, Johnson P, Knight, Libby A, Lockman, MacDonald S, Malaby, McClellan, Newendyke, Nutting, Parry, Pease, Weaver.

ABSENT - Beck, Boland, Carey, Clark, Dion, Gifford, Herbig, Johnson D, Keschl, Kumiega, Mason, Powers, Priest, Timberlake, Wilson, Winsor.

Yes, 114; No, 21; Absent, 16; Excused, 0.

114 having voted in the affirmative and 21 voted in the negative, with 16 being absent, and accordingly the Majority **Ought to Pass pursuant to Public Law 2013, chapter 368, Part S, section 7** Report was **ACCEPTED**.

The Bill was **READ ONCE**.

The Bill was assigned for **SECOND READING** Tuesday, February 11, 2014.

COMMUNICATIONS

The Following Communication: (H.C. 352)

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

February 6, 2014
Honorable Millicent M. MacFarland
Clerk of the House
2 State House Station
Augusta, Maine 04333
Dear Clerk MacFarland:
Pursuant to my authority under House Rule 201.1 (I) (a), I have temporarily appointed Representative Beth P. Turner of Burlington as a member of the Joint Standing Committee on Veterans and Legal Affairs for the duration of the absence of Representative David D. Johnson of Eddington.
Should you have any questions regarding this matter, please do not hesitate to contact me.
Sincerely,
S/Mark W. Eves
Speaker of the House

READ and **ORDERED PLACED ON FILE**.

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

On motion of Representative CAREY of Lewiston, the House adjourned at 1:31 p.m., until 10:00 a.m., Tuesday, February 11, 4014 pursuant to the Joint Order (S.P. 699).