Taking advantage of his last few months in office, the Governor outlined his vision and plans for moving Maine forward into “a new beginning.”

While the themes and undertones of the first and last State of the State addresses bear many common traits, the eight years between them were by no means straight and smooth. By holding the line on broad-based tax increases, establishing Pine Tree Development Zones, eliminating the personal property tax on business equipment, and shepherding a “job bonds package” through the legislative process and public approval, Baldacci has sought to foster job growth and development while in office.

Baldacci confronted the state’s budget problems early on in his speech, cit-

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January 21, 2010

Governor John E. Baldacci delivered his eighth and final State of the State address to a joint convention of the Maine Legislature on Thursday, January 21, 2010. For many Statehouse observers, the issues and challenges he discussed were reminiscent of those he outlined in his very first State of the State address eight years prior.

The economy continues to struggle; unemployment has climbed, with the loss of thousands of jobs; and, the need to position Maine to take advantage of every economic opportunity in order to strengthen its economy remains as high a priority now as it was in 2003. And the Baldacci administration and legislators are again confronted with the enormous challenge of closing a budget shortfall totaling hundreds of millions of dollars.

“Sen. Goodall, Rep. Duchesne, and members of the Joint Standing Committee on Natural Resources, my name is Chris Jackson. I represent the Maine State Chamber of Commerce, a statewide business association representing large and small employers alike. I am here today to respectfully urge the committee to vote ought not to pass (ONTP) on LD 1631, An Act To Provide Leadership Regarding the Responsible Recycling of Consumer Products. We would like to thank Rep. Innes for sharing the bill with us early on in an attempt to engage the business community, but after discussing the legislation in great detail with her and NRCM, our organization has concluded that it is not fixable in

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this short session. Let me explain why.

LD 1631 is being depicted as a manufac-
turer take-back bill. But I ask you to read the bill very carefully. This bill goes far beyond any manufacturer take-back pro-
gram now in place in Maine. It gives the DEP authority to consider how a product affects climate change. If I am reading it correctly, this bill actually directs the DEP to look at how a product is manufactured and to potentially get involved in that manu-
ufacturing process. This bill allows the DEP to require such things as carbon foot-
print labeling on products. And it gives the DEP broad authority and long reach with seemingly little accountability. Again, this bill has many, many requirements that go far beyond product stewardship.

We have been told that it is much easier to pass this bill and give DEP free rein in choosing products that manufac-
turers must take-back, as opposed to allowing the Legislature to review prod-
uct specific legislation. But this bill is more onerous than simply setting up a process to select products.

It states that if a company can actually comply with all these requirements and establish a take-back program, the DEP has the sole authority to rate the effect-
iveness of the program. As you have heard in the past, the effectiveness of product stewardship programs varies depending entirely upon who is asked.

Let me explain how this bill allows the DEP to become involved in the internal manu-
facturing process of a product. If enacted, this bill would allow the DEP to require manufacturers to take steps to manage and reduce energy and materials consumption, air and water emissions, the amount of haz-
ardous substances in certain products, work-
er exposure, and reuse, recycling and waste disposal. Does this give the DEP some con-
trol over the manufacturing process itself — including raw materials — and the operation of businesses that fall under this new regula-
tion? It certainly seems so.

I don’t know if we have ever seen legis-
lation that gives the DEP such regu-

latory authority. This bill actually requires manufacturers to provide five years worth of data about a company’s facility — including any and all violations, penalties and regulatory orders. I assume even plants out of state or in other parts of the world will have to give the DEP these records for each manufacturing facility. What does this have to do with manufac-
turer take-back? Why should a state agency have this kind of authority?

There is also a provision in the bill that socializes the costs of the collection, transportation, reuse and recycling or dis-
posal of “unwanted” orphan products across other businesses participating in product stewardship programs.

It might be reasonable to establish a pro-
cedure or framework for identifying products and product categories appropriate for prod-
cut stewardship. But the approach before you bypasses a critical opportunity for input from affected parties, particularly when done through routine technical rulemaking.

The process spelled out in LD 1631 requires that the department considers, among other things, the degree to which the product or product category poses an “adverse impact” to the environment, but that phrase is not defined and could be interpreted to mean different things to dif-
ferent people. The department also must consider the potential for energy conserva-
tion and climate change impacts of the product. Given the controversy over cli-
imate change, it is difficult to understand how the Maine DEP will determine climate change impacts of a particular product.

The legislation specifically states that when determining whether a product is appropriate for the program, the department must consider the costs of waste manage-
ment to local governments and taxpayers, but nowhere does it require the DEP to con-
sider the cost of compliance with the law for the business community and its customers.

The amount of information required of businesses mandated to participate in these plans is exhaustive in scope, and includes everything from an accounting of all transportation and handling processes, to annual reports and third party audits of the product stewardship programs. The audit requirements seek documentation of compliance with all relevant local, state, national and interna-
tional laws and with the management requirements adopted for the product by the department.

This law goes way beyond the manu-
facturer take-back laws now in place in
**Income tax apportionment rules – yet another change proposed**

In a recent edition of *IMPACT*, we described a proposed change in the state’s income tax apportionment rules. That proposal was contained in the supplemental budget submitted by Governor John Baldacci last December. The change is expected to generate nearly an additional $3 million in annual revenues.

The Joint Standing Committee on Appropriations spent nearly two weeks holding public hearings on the budget proposal. It has since referred many of the proposals to the appropriate committees of jurisdiction for their review and recommendations. As one would expect, the proposed change has been referred to the Joint Standing Committee on Taxation. That committee, in all likelihood, will make its recommendations – on this and other proposed taxation changes – to the Joint Standing Committee on Appropriations and Financial Affairs later this week.

As a reminder, the apportionment formula is the factor that determines what percentage of a multistate business’s income the state subjects to income taxation. For a company doing business in more than one state, each of those states taxes a portion of the company’s total income based on a formula designed to measure the amount of economic activity in that state versus the business activity everywhere else. In Maine, the state looks to the percentage of sales in Maine (numerator) versus the percentage of “total sales” everywhere (denominator.) That fraction is then applied to the company’s total income to determine the percentage subject to Maine taxation.

In our discussions with Maine Revenue Services after the change was originally proposed, it became clear that the language in the budget did not reflect what the agency was actually trying to accomplish. So at a taxation committee work session last week, the agency offered an amendment to correct the error. And the thrust of the amendment is significantly different from the original proposal in the budget.

Like the original proposal, the amendment makes it clear that the formula includes sales of the company and any member of an affiliated group in a unitary business. On the other hand, it changes the rules governing which sales are “thrown out” of the formula. Under the amendment, the formula must exclude sales made by the company to a state in which the company is not taxable – unless any member of the company’s affiliated group is taxable in that state. In other words, if any member of the affiliated group is taxable in that state, a company’s sales to that state are included in the formula.

Again, this change will affect only companies that are subject to income tax in Maine, have out of state affiliates in a unitary business, and make sales to states where they are not subject to tax. Given the complexity of this issue and the variability of its impact, companies with multistate operations/sales are encouraged to consult with tax professionals to determine the exact impact of the proposal on their company.

At this point, the fate of the proposal is uncertain. After discussing the issue last week, the taxation committee divided on the issue. All Republicans and two Democrats on the committee voted against the change, citing concerns over increasing business taxes in this economy. Again, however, the committee’s action is only a recommendation to the appropriations committee. And the outcome there may be totally different.

The Chamber will continue to keep members informed of developments on this issue.

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**State of the State...**

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...ing the work done last session to cut the budget by nearly $500 million. He acknowledged the “hard choices” both he and legislators will be forced to make over the next few months, bringing the total cuts to nearly $1 billion and leaving him with a budget at the same funding level as 2003.

Facing a similar situation eight years ago, he once again reaffirmed his strong commitment to opposing tax increases as an option to balancing the budget. “We can’t tax our way out of our problems, but we can grow our way out of our problems,” said Baldacci.

The Governor expressed his desire to create lasting jobs, citing his administration’s continued support of job creation and innovation. He will continue to support cultivating investment in renewable energy related economic development. He specifically mentioned opportunities in wind and tidal power; weatherization and conservation; and a new initiative, the Great Maine Forest Initiative, designed to protect forest resources, provide a sustainable wood product industry, and allow access for forest lands for Maine people.

Baldacci also outlined his administration’s continued emphasis on government streamlining and consolidation at all levels. He noted the reductions in state employee headcount, as well as the cuts to their benefits packages. He again expressed his support for his education consolidation plan, and the improvement in education services and funding that will result from lower administrative costs. He indicated he would be seeking to tie student performance to teacher evaluation and compensation, an idea not likely to be popular in the education world. He also said he would be moving to encourage schools to “innovate,” using as examples such as changes in curriculum and school schedules, even suggesting allowing schools to adopt year-round calendars.

In perhaps the most surprising and partisan moment of the evening’s speech, he used his position to urge Maine voters to reject the “People’s Veto” on the June
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ballot that seeks to overturn the legislature’s “tax reform” proposal passed along party lines last session. The remarks drew sharp applause from Democrats, who cheered in support, and stunned silence from Republicans.

When reporting on Governor Baldacci’s first State of the State address in 2003, we quoted words from his speech like “responsibility,” “tough decisions,” “hardships,” and “great opportunity.” All were once more sounded in his final speech last week. The Governor made it clear to the Maine people he was more than a caretaker; that he intended to continue to lead, even with only 11 months left in his tenure. His final State of the State address was, like his first, designed to “level” with Maine people about the hardships this state and our citizens will face in the coming months, and even years. But it was also meant to convey a sense of optimism, that government was looking to the future, seeking opportunities for growth and positive change, and positioning Maine for an eventual resurgence.

Without question, our state faces a myriad of challenges over the coming months and years. The Maine State Chamber appreciates the Governor’s commitment to balancing the budget without new taxes, as well as his desire to push ahead and plan for a positive future. We stand ready to work with the Governor and legislators in this session, and in the days beyond, for the betterment of all our citizens. 

Product Stewardship...
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Maine. It includes labeling requirements. It requires producers to provide a toll-free telephone number and a publicly accessible website where all collection options are listed for covered entities, collectors, retailers and other parties. Plans must also include a detailed description of the collection system, including the location of sites and other collection services, as well as a description of how unwanted products will be collected in all counties and in all cities with more than 10,000 people. And of course, the collection system must be “convenient” to serve the needs of both urban and rural areas.

Frankly, I can’t imagine how any company could comply with all these requirements. Each one of these requirements adds cost for manufacturers and producers of certain products, and those costs are in addition to the administrative and operational costs associated with the program, including the costs of collection, transportation and recycling or disposal, or both, of the products covered by the program. It is impossible to give LD 1631 even a cursory review without wondering about enforcement.

Procedures used to identify products covered by this new program must include the monitoring of recovery rates to measure the effectiveness of the product stewardship programs. Monitoring recovery rates does not always tell the entire story. Last year we debated this fact when discussing the CFL product stewardship legislation. One of the things we heard from proponents of that bill was that the recovery rate for CFLs was low. CFLs can last forever, so it is impossible to know if the recovery rate is “acceptable.”

The DEP must also consider the success in collecting and processing similar products in programs in other states and countries. This is important, and if we stopped here, we might have something.

We ask you to vote this bill ought not to pass. If there is a need for a product stewardship framework, then let’s gather together and see what creative ways we can find to address the issue. We ask that before any more product stewardship bills are enacted, you complete a thorough review of the current manufacturer take-back programs both in Maine and in the nation to determine what is working and what is not working. And finally, we ask that you thoroughly understand the implications of this legislation. The process outlined in this bill is a whole new paradigm – a whole new approach to how Maine will address product issues. We believe the process outlined here is unworkable.

Many businesses are struggling through the current recession, as evidenced by the nearly 13,000 Mainers who have lost their jobs in the past twelve months alone. Recently we learned that Maine employers are facing a $54 million unemployment tax increase this 2010. The Governor announced last night that he is convening a Jobs Summit in hopes of identifying ways to attract jobs and businesses to this state. The State Planning Office has re-engaged the Regulatory Fairness Board in an attempt to identify onerous regulations that add costs, without adding value. Please consider holding off on this matter until the regulated community can be convinced of its worth.

Thank you and I would be happy to try and answer any questions.” 
We are in the midst of unprecedented times. Locked in a struggle between recession and recovery. The choices we make will help to determine which way Maine goes.

About a month ago, I submitted to the Legislature my plan to close a $438 million dollar shortfall in the State budget. It continues themes you’ve heard from me before: A leaner government, increased efficiencies and frugality.

The causes of the shortfall are well-known. Our state and country are beset by a global recession that has destroyed jobs and wealth, and undermined consumer confidence. My plan includes tough choices and pain. There’s no way around that hard truth. It will impact people and their communities. It won’t be easy.

During public hearings on the budget, we heard people talk about their economic plight. Many of them told compelling, personal stories about how state government touches their lives, the good work that it does, especially in the area of human services. I am committed to maintaining life-sustaining services, but we can’t avoid reductions. We must change the way we help people.

And we’ll continue our mission to reduce administration, so there are more dollars available for what’s really important. If we can’t break down the walls between state agencies to save money during this crisis, how can we tell other folks they need to go without? My budget proposal also contains new efforts to streamline government. I’ve suggested improving cooperation between the state’s four natural resource agencies – the folks who help us manage our forests, fish, water and wild life. They have so much in common, but are artificially broken into four pieces. We can save money and improve results by helping them to work better together.

During the last seven years, my administration has been aggressive about cutting the size of state government. We’ve eliminated 1,000 positions, about 8.8 percent of the state’s workforce. State workers have taken shutdown days, lost pay raises, and are now required to pay a portion of their health care.

We’ve combined state agencies and departments, school administrations, and county and state corrections. And we are continuing our efforts to find efficiencies and to reshape government at all levels to be less expensive. I am convinced that government at all levels can operate more efficiently, that administrative costs can be reduced through greater cooperation.

We’ve seen it work with the Board of Corrections and with regional school units, saving millions of property tax dollars. Every dollar that we save from reduced administration means more resources for direct services – those places where the money does the most good. It’s hard to change structures. But we must.

About 46 cents of every dollar brought into the General Fund is returned to county and municipal governments. There is no way that the State can absorb such a sharp reduction in revenues without impacting other levels of government. Through school administrative consolidation and our unified correction systems, we have reduced the load on local governments. But the times demand more.

While it’s a tentative first step, I was encouraged by the election results in Brewer this fall. Voters there approved a ballot question that will begin the process of greater cooperation between their city and Bangor. Maine has almost 500 municipalities plus 16 counties. We have a local government for every 2,500 state residents. We cannot afford that redundancy and the duplication. But we have also recognized that local governments need help.

With our unified corrections system, we have curbed state and local spending for jails and frozen property taxes needed for this area, helping counties to hold increases to their lowest level in many years. The system is projected to save $189 million in property taxes over the next five years.

In addition, school funding for this budget will still be $352 million more than it was when I took office seven years ago, even after the proposed reductions. And...
It begins with our people and our natural resources. Right now, Maine is leading New England in wind power generation. And every day this important sector is growing, producing renewable and safe electricity, but we have only begun to tap the potential for wind.

Work going on today by Habib Dagher at the University of Maine, with private-sector partners and critical support from the federal government, is positioning our state at the forefront of a new energy revolution. We have it within our power to develop new, cutting edge sources of energy that can help to forever reshape the world. From start to finish, Maine has a role to play. We can develop the technology; use composites from the University of Maine to build the turbines; and lower electricity rates. That means good jobs.

It’s also important for communities to see the benefits of new energy development. That’s why I am supporting legislation that makes sure wind projects produce tangible benefits to host communities. Real benefits that communities can see and feel, like lower property taxes or improved public services. There is a burning urgency to the work we are doing. We can not wait; too much is in the balance.

What’s remarkable is that the right and left should be united on the need to free ourselves from foreign oil and all that dependency does to our people, our economy and our world. Whether you believe in global warming or not, ending our dependency on foreign oil is a matter of national security that demands action now.

In 2008, this Legislature set a goal of producing 2 Gigawatts of wind power by 2020. With 430 Megawatts already permitted, Maine is ahead of the schedule. We are on the brink of a new day; will we allow the clock to be turned back to midnight or will we embrace the dawn? The choice is as stark as night and day.

In the coming weeks, I will submit legislation to continue our aggressive pursuit of offshore wind energy. The plan, which is the result of my Ocean Energy Task Force, will help to spark this new industry and confirm Maine’s leadership role. We will set a target of producing 5 Gigawatts of electricity from offshore turbines by 2030. That sounds like a long time from now, but in the birth of a new technology it’s just a blink. In just two years, there will be a prototype turbine in the water, producing electricity. And in five years, the amount of power produced will double.

Already, our efforts are being recognized. The DeepCwind Consortium at the University of Maine already includes more than 35 public and private partners. The project has earned nearly $25 million dollars in competitive grants and is in line for additional federal support. Maine competed nationally and was one of just 12 sites in the entire country that has received this support to construct an offshore wind laboratory.

There are no sure things, but the plan has tremendous potential to create thousands of jobs in Maine and attract billions of dollars worth of investment. Permitted and approved wind power development in Maine already represents more than $1 billion dollars of capital investment in our economy. When it comes to energy, Maine’s potential is not limited to wind alone.

Matt Simmons of Rockland is one of the world’s leading thinkers about the oil industry and its limitations. Matt founded the Ocean Energy Institute, which is working with some of the most prominent researchers in the world to develop a new source of energy. Matt is working on an innovative approach that would utilize wind and tidal power to make ammonia, which could be handled and used much like propane. Imagine, using the power of the wind and waves to create a new energy source almost literally out of thin air. Matt’s imagined it, and he’s working to make it real. My administration is working with the Ocean Energy Institute, which is planning to build a pilot plant within the next two years. And Maine is right in the middle of the action.

Our future doesn’t solely depend on new technologies. Maine can also look to its forests to help provide for an independent future. Just as our woodlands powered Maine’s industrialization, they can contribute to new industries. Bio-fuels, like ethanol, and a new generation of boilers can turn wood into the energy and electricity we need for our industries and our homes. Whether it’s our ability to produce energy ourselves from sustainable resources or our strategic location between energy-rich Canada and the needs of southern New England, Maine is in a position to benefit.

I’m talking about new jobs, lower electricity rates and cleaner air and water. It goes beyond turbines on a ridge or bio-mass boilers at paper mills. Our new energy future can reach into every home, bringing benefits that are felt throughout our economy.

Maine is a national leader in weatherization and conservation efforts. We know that any serious effort to reduce our dependency on oil starts with conservation. It’s
where we get the biggest bang for the buck.

Two weeks ago, Maine awarded nearly $9 million dollars in grants to companies around the state committed to reducing their energy consumption, which will leverage about $81 million in private investment. Using estimates from the Department of Energy, that translates into more than 950 jobs.

But for Tex Tech Industries in Monmouth, the grants are a little more personal. The investment will pay for improvements that will save between 45 and 50 jobs that were slated to head offshore. Those good jobs will be saved because energy improvements will help Tex Tech hold its costs in line with its competitors in the Far East.

Conservation means jobs. And for those families at Tex Tech, it’s the difference between hope and despair.

Our efforts aren’t limited to just businesses. We also have a new program for homeowners that can provide rebates of up to $3,000 dollars for weatherization and heating upgrades. That’s money coming right back to families who make the investment to cut their energy bills. It’s available to anyone, regardless of income. The program helps families determine how to be more energy efficient and make the improvements, and the results can cut energy bills by up to half. Government can’t solve every problem, but as the grants and rebate program show, it can give businesses and families the tools to find their own answers.

For as long as I can remember, people have talked about “Two Maines.” I’ve always rejected that notion. We are one people, united in the things that matter most.

But there is truth to the idea that we live in different communities, each with its own strengths and challenges. We can’t be satisfied with an economy that favors one region or one industry. We need statewide growth, building on the assets that make each part of Maine unique and strong.

That is the idea behind the Great Maine Forest Initiative. I believe it’s the key to a successful rural economy, and can find the right balance for tourists and sportsmen, energy and industry. A group of dedicated and diverse people have been working since last summer to develop a pilot program for this initiative. The idea is to create large scale conservation that maintains access for traditional uses. It protects Maine’s valuable forest resources from development, and provides a stable source of wood, sustainably managed, for our forest products industries and our growing energy sector.

If we make wise choices, and keep our forests as forests, there are enough resources for everyone. In the last seven years, Maine has conserved nearly 1.3 million acres of land, including completing Governor Baxter’s vision for Baxter State Park. We’ve done it through a State trusted program, Land for Maine’s Future, with federal and private resources and, most importantly, with local support. Environmentalists, private landowners, sportsmen and industry have bridged the gaps that in the past had kept them from working together. This is the model the Great Maine Forest Initiative will build upon. In February, we will present this innovative plan to the Obama administration, where it will be considered as a national model of how conservation can be done in a new, cooperative way.

No initiative can be successful without the most important ingredient – our people. If we want our economy to grow, then our people need the tools to succeed. On February 9th, I will be holding a Jobs Summit at the Augusta Civic Center. This is a cooperative event between the Maine Chamber of Commerce, Department of Economic and Community Development and the Department of Labor. We’ll listen to people who are growing their businesses in this tough economy and take away the lessons they can share. We want to put people to work today.

We’re also going to make sure that Maine businesses are aware of the tax incentive and business development programs that are available. For example, Maine’s Pine Tree Zone program was expanded statewide last spring. The program is an important tool for companies that create new jobs or relocate here.

For 2009, Maine received 65 applications for the program, more than any other year since it was introduced and despite the recession. Of those, 27 came from York and Cumberland counties, which were just made Pine Tree Zone eligible. These companies are creating jobs right now. And that’s good news.

Also at the summit, I want to introduce my proposed new structure for the Department of Economic and Community Development. Our economic development efforts are going to be more locally and regionally based, growing from the ground up and not from Augusta down. This new approach will build on local assets and will be more friendly to businesses looking for assistance. Over the long-term, jobs creation depends upon having a quality workforce.

And that starts with a quality education. Despite mounting financial pressures, Maine continues to demonstrate that our children are our highest priority. Education spending accounts for half of every dollar spent by state government.

I want to do more, but a good education depends upon more than just money. My administration has made it a focus to reduce administrative costs for education, so resources can be directed to the classroom where they matter the most. And in those districts that have reorganized, there are real savings. We have never sacrificed quality to save money. And we won’t start now.

The voters this fall validated our approach to reducing unnecessary school district administration. And I will not support changes that undermine the law.

We must move forward, not back. But I also recognize administrative reform can take you only so far. We are at a crossroads in education. We must make changes. President Obama has set aside significant incentive dollars as part of a national Race to the Top competition. For states to be eligible for the increased funding, they must answer some difficult questions, beginning with accountability.

Teachers and principals are responsible for their classrooms and the students in them. Student achievement must be part of how they are evaluated. There are many factors that contribute to student performance, some of them outside the control of hardworking teachers. But we know that effective teachers get better results. It’s time we put that common sense into policy. I know this proposal will be controversial in some quarters. But no less an authority than Randi Weingarten, the president of the American Federation of Teachers, acknowledges that student performance must be part of teacher evaluations. How can we, in good faith, hand out grades that are less an authority than Randi Weingarten, the president of the American Federation of Teachers, acknowledges that student performance must be part of teacher evaluations. How can we, in good faith, hand out grades that are less an authority than Randi Weingarten, the president of the American Federation of Teachers, acknowledges that student performance must be part of teacher evaluations. How can we, in good faith, hand out grades that are less an authority than Randi Weingarten, the president of the American Federation of Teachers, acknowledges that student performance must be part of teacher evaluations. How can we, in good faith, hand out grades that are less an authority than Randi Weingarten, the president of the American Federation of Teachers, acknowledges that student performance must be part of teacher evaluations. How can we, in good faith, hand out grades that are less an authority than Randi Weingarten, the president of the American Federation of Teachers, acknowledges that student performance must be part of teacher evaluations.
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curriculum and instruction. For example, we could see schools try a year-round schedule with a science-based theme that runs through the curriculum.

And we must address low-performing schools and reduce dropout rates. We can do it by empowering parents and districts, and encouraging programs like Jobs for Maine’s Graduates that we know are effective in keeping kids in school and preparing them for a career or college.

It’s not enough to have good schools if too many of our kids don’t go to them. We will also adopt national standards for performance. Maine already has rigorous standards, but because most states use different ones, comparisons are difficult. By adopting core national benchmarks, we will be able to better understand the places where Maine excels and the areas where we need more work.

Look around and the world is a much different place than when I was in school. The challenges are greater, and they require a focus on science, technology, engineering and math or STEM for short. Schools are partnering with businesses to create STEM-related internships, to engage students and introduce them to a world of possibilities.

Later this month, we’ll hold our STEM Summit, where Maine’s leading high-tech industries and thinkers will come together. Companies will locate to places like Maine with a highly skilled workforce. Attention to early childhood education is also critical for laying the foundation for success in life. Even during these difficult times, we know that we have to invest in early childhood education.

Last year, working with the Legislature, we created New England’s first and only Educare site, a public-private partnership that will help improve early childhood education in every part of the State. Educare wouldn’t have happened without the vision and determination of the First Lady. She is a dedicated educator and advocate for children and families. She is here tonight with our son, Jack. Would you both please stand and receive the greetings of the chamber? Thank you.

Maine is blessed with an active and committed people, determined to make our state better. We see it every day in big ways and small, whether its donations to churches, relief efforts and spaghetti fundraisers, or big gifts to support our soldiers or our students.

And we see it from individuals like Stephen and Tabitha King or the Alford Foundation, who continually contribute to worthy causes, and from groups like State workers, who contributed more than $340,000 to their communities through our coordinated campaign. Tonight, I would like to recognize Richard Collins, who is here with us. Dick and his wife, Anne, have contributed $6 million dollars to support the University of Maine, providing one of the largest gifts in the school’s history. It’s an example of how the people of Maine support their communities and partner with government on issues that matter. Dick grew up on a Maine potato farm and despite great success never forgot about his alma mater or his state. His contribution will help thousands of students and Maine’s flagship university. Dick, would you please stand and receive the greetings of the assembly? Thank you.

There’s a temptation to look around and see our challenges and feel like the terms of our economy are being dictated by others — financiers; Wall Street; oil companies. They’ve all certainly taken their toll. But come June, Maine voters will have a chance to take control and make a real and lasting difference in our economy. No, I’m not talking about the 23—or more—people who are running so they can give this speech next year. Although that’s important too.

I’m talking about an investment package and tax cut that will appear on the ballot. Maine has an opportunity to invest in economic development and innovation, green energy, clean drinking water, higher education and the redevelopment of Brunswick Naval Air Station.

About $69 million dollars in bonds will go to voters in June. I understand that during a recession, voters might be reluctant to approve new borrowing. But the truth is, we can’t afford not to make these investments. They will put people to work, make our universities and colleges stronger, and help our critical midcoast economy weather the storm of the air station’s closing. This is an investment in our people and our future. It’s strategic and timely. We must make it.

Also on the ballot in June will be a question opposing an income tax cut. Last spring, we passed legislation that cuts income taxes in Maine. The Wall Street Journal editorial page called it the “Maine Miracle.” We lowered the rate from 8.5 percent, one of the highest in the country, to 6.5 percent for people making $250,000 or less.

We did it by closing loopholes in the sales tax and by increasing the tax on meals and lodging to spread the burden onto visitors who come to Maine but who don’t pay taxes here. Maine Revenue Service says 90 percent of Maine families will benefit and more of our tax burden will be exported to tourists. After all, when you and your family plan a vacation, you don’t check to see how much the lodging tax is before you go. This is a middle-class tax break that rewards work. If you earn a paycheck, you’ll be able to keep more of your wages. And the lower income tax burden will attract new investors to Maine, where they can create needed private-sector jobs. In June, I urge you to vote NO on this misguided effort to raise the personal income tax again. Working families and small businesses deserve a tax break, and Maine needs new jobs now.

In Washington, there’s a loud debate centered on health care. The policy choices are far from clear cut, but the states are struggling, and we need relief both in terms of increased financial support and better policies so that everyone has access to affordable and high quality care. It’s a big issue and it touches every family and business in Maine.

Reform is difficult work. We know because Maine has been a leader, enacting the first comprehensive health reform effort in the country. While we know we need a national solution, we will continue on our path of increasing access, quality and reducing costs. Tonight I’m announcing another part of that effort. Each one of us can help lower health care costs by taking better care of ourselves and taking responsibility.

As a doctor once told me: We can’t show up at the emergency room and pretend we had nothing to do with getting there. Tomorrow, a new resource will be available to help Mainers take control of their own health. It’s not health care reform from Washington or Augusta, but better health in the hands of the individual. By logging on to “KeepMEWell.org,” people can sign up and learn more about their health status and lower their risk for disease. The confidential Web site will connect people to information and resources they need to be healthier and lower their health care expenses. It will connect them to low-cost health services and community resources built through our sustained commitment to using tobacco settlement...
Public Hearings

Public hearings are open to everyone. This public hearing schedule is subject to change. Questions may be directed to the Secretary of the Senate’s Office at (207) 287-1540. For the most current schedule, please visit http://www.mainelegislature.org/legis/io/phSched.asp or contact the committee clerk.

MONDAY, JANUARY 25, 2010

Legal and Veterans Affairs (287-1310)
10:00 a.m., Room 437, Statehouse
LD 1691, An Act To Amend the Laws Governing Taste Testing of Alcoholic Beverages by Retail Licensees (Emergency) (Sponsor: Rep. WEBSTER of Freeport)

WEDNESDAY, JANUARY 27, 2010

Utilities and Energy (287-4143)
1:00 p.m., Room 211, Cross State Building
LD 1535, An Act to Create a Smart Grid Policy in the State (Sponsor: Rep. HINCK of Portland)
LD 1647, An Act to Ensure Maine’s Clean Energy Opportunities (Sponsor: Rep. BERRY of Bowdoinham)
LD 1680, An Act to Assist in Reviewing Wind Energy Applications (Sponsor: Sen. HOBINS of York)
LD 1682, An Act to Amend the Electric Utility Industry Laws as They Relate to Renewable Resources (Sponsor: Sen. BARTLETT of Cumberland)
LD 1717, An Act to Increase the Affordability of Clean Energy for Homeowners and Businesses (Sponsor: Rep. CROCKETT of Augusta)

FRIDAY, JANUARY 29, 2010

Natural Resources (287-4149)
9:00 a.m., Room 214, Cross State Building
LD 1693, An Act to Protect the Environment and Natural Resources of the State by Regulating the Discharge of Certain Substances into the Environment (Sponsor: Rep. FLAHERTY of Scarborough)

THURSDAY, JANUARY 28, 2010

Utilities and Energy (287-4143)
1:00 p.m., Room 211, Cross State Building
LD 1528, An Act to Ensure the Wisconsin Department of Natural Resources (Sponsor: Rep. MAZUREK of Rockland)

TUESDAY, FEBRUARY 2, 2010

Utilities and Energy (287-4143)
1:00 p.m., Room 211, Cross State Building
LD 1499, An Act to Protect Confidential Consumer Records in Self-service Storage Facilities (Sponsor: Sen. BOWMAN of York)

THURSDAY, FEBRUARY 4, 2010

Business, Research and Economic Development (287-1331)
1:00 p.m., Room 220, Cross Office Building
LD 1529, An Act to Amend the Maine Workers’ Compensation Act of 1992 Regarding Coordination of Benefits (Introduced By: Sen. JACKSON of Aroostook) (Submitted by Workers’ Compensation Board)
LD 1565, An Act to Amend the Laws Governing the Knowing Misclassification of Construction Workers (Sponsor: Rep. MARTIN of Eagle Lake)
LD 1566, An Act Relating to the Membership of the Workers’ Compensation Board (Sponsor: Rep. BUTTERFIELD of Bangor)

For the most current information, visit www.mainechamber.org

01/21/2010 III Impact III 9
Maine State Chamber endorses “American Free Enterprise. Dream Big.” campaign

As you may know, Maine has a big challenge ahead to get the state’s economy back on the path to prosperity. Statewide, economists estimate that we need to create thousands of jobs to turn around the state’s economic slump – this is no small challenge. Today, as part of the U.S. Chamber’s “National Jobs Week,” the Maine State Chamber of Commerce endorsed the “American Free Enterprise. Dream Big.” campaign and pledged its support to job creation over the next decade.

Maine’s state challenge is part of a broader challenge: Nationwide, according to the U.S. Chamber of Commerce, the creation of 20 million jobs over the next 10 years is needed to replace the jobs lost in the current recession and to meet the needs of America’s growing workforce. The “American Free Enterprise. Dream Big.” campaign will help get us there. Campaign officials are traveling across the country hosting discussions and town halls on how to spur job creation and economic growth by mobilizing Americans to work together to strengthen the American free enterprise system—the only system capable of creating the jobs needed to move forward.

This campaign has a pivotal role to play in our economic recovery. But our endorsement is not enough. We need you—America’s entrepreneurs—to get involved. How? Consider one or more of the following actions today:

- Link to www.freeenterprise.com from your Web site;
- Sign the free enterprise pledge and tell others to do so (http://snipurl.com/snw9j);
- Share free enterprise stories (http://snipurl.com/snwdl);
- Join the Campaign’s Facebook fan page (http://snipurl.com/snwau);
- Follow the Campaign on Twitter (http://snipurl.com/snwa3);
- Help organize a free enterprise event in your community; and,
- Encourage your members to compete in the “I am Free Enterprise” video contest for a chance to win $50,000 (www.freeenterprise.com/video).

We all have a stake in the free enterprise system. And so we all must join the fight to make sure it endures for generations to come.

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Poland Spring plant earns LEED Gold standard for environmental sustainability

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Kingfield bottling plant becomes Maine’s highest LEED certified manufacturing facility

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Editor’s Note: Guest columns such as this one do not necessarily reflect the opinions or policies of our organization. They are the opinions of the guest author and are solely provided for your consideration.
Cianbro partnered with Poland Spring in 2007 and 2008 to build the Kingfield plant. Cianbro CEO, Peter Vigue, congratulated Poland Spring today and lauded the partnership between their companies saying, “True quality of life cannot be achieved without quality of place. We believe it’s up to us to take action to ensure that these qualities are preserved while our economy is strengthened. Poland Spring continues to be a strong contributor to Maine’s economy and their facility in Kingfield enhances both quality of life and quality of place. Cianbro is honored to be a part of that success.”

Kingfield’s LEED Gold is Poland Spring’s second LEED certified facility in Maine, joining the Hollis warehouse expansion, which earned LEED Silver in October 2009. Poland Spring has committed to building all new construction to LEED specifications.

Thanks to its environmentally conscious design, the LEED Gold certified Kingfield facility:

- Saves 70.4 million BTU’s of energy each year.
- Conserves approximately 140,000 gallons of water a year.
- Recycled or diverted approximately 91% or 1,478 tons of construction waste from landfill disposal, or the equivalent weight of 850 cars.

Kingfield’s green building features include:

**Building Materials...**

- Salvaged and recycled materials were used in the structural timbers, bead board and floorboards.
- A minimum of 20 percent of the other building materials used were extracted, harvested or recovered, as well as manufactured, within 500 miles of the project site.

**Energy usage...**

- At least 35 percent of the building’s calculated electricity comes from either wind, solar or low impact hydroelectric.
- Energy efficient windows provide daylight, reducing the need for artificial lighting.
- Solar Reflectance roofing materials used to reduce the roof’s temperature, decreasing the demand for air conditioning in the warm months.
- Climate control sensors monitor and regulate heat and air conditioning.

**Exterior...**

- Indigenous plants were used to create a water efficient landscape.
- A storm water management plan controls 100 percent of storm water to minimize runoff and protect nearby streams.
- Preferred parking for car pools, and the addition of bicycle storage and changing rooms encourages employees to use those modes of transportation.

**Recycling...**

- In addition to the use of recycled materials in the actual building construction, more than 75 percent of the non-hazardous construction and demolition debris was recycled or salvaged.
- Like all of Poland Spring plants, the Kingfield plant recycles more than 90 percent of its waste stream.

**Other...**

- Rest rooms contain water efficient fixtures to reduce water usage.
- The plant is cleaned using green products and practices.
- The facility does not contain ozone-depleting refrigerant or fire suppressants. (CFCs, HCFCs or Halons)

Poland Spring’s parent company, Nestlé Waters North America (NWNA), was the first beverage manufacturer to build plants in America with LEED certification and is the leading U.S. food and beverage manufacturer in LEED plants. There are now nine NWNA bottling facilities nationwide to have earned certification, including two with Gold certification, four with Silver certification, and one with full LEED certification. For more information about Poland Spring in Maine visit www.PolandSpringWorksforMaine.com.
money for improved health and the Healthy Maine Partnerships that are located throughout Maine. We need systematic improvements in health care. But we also have an obligation as individuals to take responsibility. No matter the challenges we face as individuals or as a state, the people of Maine are always willing to help others even when money is short at home. As we work to balance a difficult budget and to set Maine on the course for a prosperous future, I keep coming back to how lucky we really are to live in such a wonderful place.

Last week, the tiny island nation of Haiti was devastated by an earthquake. The capital was destroyed, and it’s hard to imagine the scale of the destruction and the terrible loss of life. A country and its people precariously cling to life. Mainers are already answering the call. They rushed into chaos to provide aid and comfort, and to tell the stories of life and death. Our state stands ready to do its part to help Haiti.

Soon, 324 members of the Maine Army National Guard will deploy to Afghanistan. Whether it’s at home during a disaster, or overseas in the fight against Al Qaida or delivering humanitarian assistance to a battered neighbor, Maine’s National Guard is ready. Every time I meet these men and women, I am overwhelmed with pride. They are among our best, they do us proud and they keep us safe.

The Herald tonight is Lieutenant Colonel Diane Dunn. Colonel Dunn recently returned from Afghanistan, where she led a team of 81 National Guard soldiers. She is the first woman to lead a Maine National Guard battalion in either Iraq or Afghanistan. The unit performed its mission with professionalism and courage. Colonel Dunn please stand and accept the appreciation of the assembly for a job well-done and for bringing our soldiers home safely. Thank you.

Tonight, I make this promise to the people of Maine. We will not relent. We will drive forward regardless of the obstacles that confront us. We will sacrifice today, and we will make strategic investments for tomorrow. We face hurdles and hardships, but we are not afraid to make decisions, to break new ground and to build, to set the bar high, to challenge old and outdated limits.

We are called to act prudently and responsibly, but we are called to act. This is not an easy time, but we are not adrift. We are grounded in the Maine values of hard work and integrity, and by a spirit of determination. We are not trying to just get by. We are making changes so that Maine can be at the forefront of recovery and a new economy. Our State is small enough where you know everyone, but big enough to get the right things done. We have the power, the ability, the skills, the resources and the people.

On January 4th, 1972, Sen. Edmund Muskie came home to Maine to announce that he would run for President. That night, he said: “There is not a single problem we do not have the resources to solve if we overcome our fears and quiet our doubts and renew our search for the common good. Ultimately, of course, what is at stake is your future. I am not telling you that I can guarantee the best of all possible worlds. All I am asking is that we pledge a new beginning.”

Tonight I say to you, the future is ours to make. God bless you. God bless Maine, and God bless the United States of America. Thank you.