

2004

## 2004 Archive of Governor Baldacci's Press Releases

Office of Governor John E. Baldacci

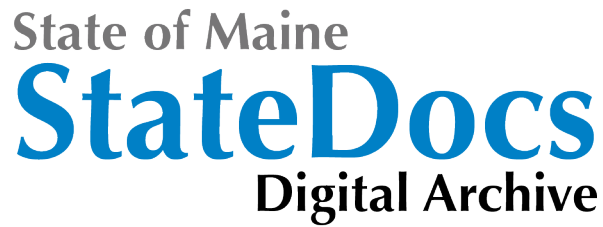
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## 2004 Archive of **Governor Baldacci's Press Releases**

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## Governor Announces Community Development Block Grants

January 6, 2004

Contact: Lee Umphrey, 287-2531

Jack Cashman, 624-9800

AUGUSTA – Governor John E. Baldacci today announced the Department of Economic and Community Development has awarded nearly \$6 million in Community Development Block Grants (CDBG). The monies fund Public Facility and Public Infrastructure programs.

“These critical grants promote important projects in municipalities across the State,” said Gov. Baldacci. “This is another example of successful partnerships between local communities and the State to build a thriving economy and infrastructure for all Maine citizens.”

Twelve communities will receive a total of \$4.099 million in Public Infrastructure Program grants. Eleven communities will receive a total of \$1.823 million in Public Facility Program grants. The combined total of twenty-three funded applications from each program represents communities in twelve of Maine’s sixteen counties. The complete list of projects follows below.

The Passamaquoddy Tribe received two grants. One such grant was awarded to the Town of Baileyville on behalf of the Passamaquoddy Community of Indian Township. These funds will be used to implement the first phase in solving wastewater treatment and septic system problems.

The Town of Eastport received a grant on behalf of the Passamaquoddy Community of Pleasant Point. This project will relocate the Pleasant Point fire department from an unsafe and crowded facility to a new location central to the community. The new site is close to the school and health center and will accommodate equipment, training rooms and meeting rooms.

Other successful applicants for the Public Infrastructure grants involve activities to improve water/sewer and storm water drainage projects. One of these grants is in support of a large housing project with a focus on creating affordable housing units. The activities for the Public Facility applicants include projects for the construction of fire stations, community centers, transfer station and removal of architectural barriers. Together all of these projects will leverage over \$20 million in other public and private investments.

Funding for the program originates with the U.S. Department of Housing and Urban Development (HUD) and is administered by the Office of Community Development. This year, HUD allocated just under \$17 million for the Maine program. Communities receiving grants leverage funds to complement the awards.

Jack Cashman, Commissioner of the Department of Economic and Community Development, stated, “Community Development Block Grants provide vital program funds to towns and cities in Maine. This is an important tool available to the Department to work with local communities to meet development objectives and bring economic and community improvements to distressed areas.”



2004 CDBG Public Facility Program

Beaver Cove - Community facilities - \$125,000

Brooks - Fire station - \$250,000

Bucksport - Renovate Head Start building - \$200,000

Canton - Fire station - \$250,000

Columbia Falls - Community center - \$100,000

Danforth - Playground - \$36,000

Detroit - Fire station - \$250,000

Dresden - Removal of architectural barriers - \$62,000

Eastport - Fire station - \$250,000

Mars Hill - Fire station - \$250,000

Moscow - Transfer station renovations - \$50,000

TOTAL Public Facility Program - \$1,823,000

2004 CDBG Public Infrastructure

Baileyville - Construct lagoon cell - \$400,000

Bowdoinham - Water storage tank - \$400,000

Clinton - Replace water/sewer lines - \$301,000

Fort Fairfield - Install pre-treatment of septic - \$185,000

Fort Kent - Upgrade water supply lines - \$400,000

Gardiner - Water/sewer/storm replacements - \$400,000

Machias - Sewer system rehabilitation - \$400,000

Patten - Water/sewer system hookups - \$113,000

St. Agatha - Sewer system improvements - \$400,000

South Portland - Support of LMI housing - \$400,000

Washburn - Wastewater improvements - \$400,000

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West Bath - Water system improvements - \$300,000

TOTAL Public Infrastructure - \$4,099,000

## Governor Baldacci Announces Completion of West Branch Project

January 5, 2004

Contact: Lee Umphrey, 287-2531

Jim Crocker, 287-3156

### Governor Baldacci Announces Completion of West Branch Project

Augusta -- Governor John E. Baldacci announced Monday with Alan Hutchinson, Executive Director of the Forest Society of Maine, the completion of the West Branch Campaign. As honorary West Branch Campaign co-chair, the Governor expressed his pleasure with the achievement of the conservation of 329,000 acres of the North Woods.

"The completion of the West Branch Project is a historic achievement," stated Governor Baldacci. "This accomplishment is the result of the partnership between the Forest Society of Maine, local community, State of Maine and our Congressional delegation. This forestland will be cherished by Maine's people, and in fact all Americans, for centuries." Governor Baldacci noted, "today we are a step closer toward achieving our shared goal of bestowing a Maine Woods Legacy that is ecologically healthy and economically vibrant, a vision shared by conservationists, business owners, and civic leaders both from the Moosehead region and throughout the State."

The Governor noted that the success of this four-year project guarantees the use of the land for recreation, sustainable forestry and ecological preservation. The Forest Legacy program of the U.S. Forest Service contributed \$19.7 million toward the \$31.8 million project.

"Maine's reputation as a leader in land conservation is enhanced by the completion of the West Branch Project," said the Governor. "I applaud the efforts of the Forest Society of Maine in completing this project, the largest such project ever undertaken in Maine. Their dedication to sustainable forestry and recreational opportunity is a fine example of how, working together, Maine people can preserve our heritage for the benefit of all."

## Governor Creates Advisory Council on the Sustainability of Maine's Forest Products Industry

January 9, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci yesterday signed an Executive Order creating the Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine. The Advisory Council will submit recommendations to improve the competitiveness of Maine's forest products industry to the Governor by August 31, 2004.

"The Advisory Council will collect information from businesses, landowners, Indian tribal governments and government agencies to formulate strategies that will improve timber supply, capital investments, transportation, research and technology, and the workforce infrastructure while promoting sustainable forest management. This industry remains vital to the economic and cultural vibrancy of Maine, and bringing some of the best minds in the State together to address these issues will lead to future policies that will enhance the long-term sustainability of the forest products industry in Maine," stated Governor Baldacci.

The text of the Executive Order follows.

WHEREAS, Maine's economic health, traditional landscape and the welfare of its workers and communities is tied to the viability of the forest products industry; and

WHEREAS, the forest products industry is a mature industry facing intense competition from abroad; and

WHEREAS, the economic and public policy forces influencing continued investment are creating conditions that threaten the sustainability of Maine's forest products industry; and

WHEREAS, the circumstances confronting the Maine forest products industry, and the economic and social communities closely tied to it, require a collaborative process to develop policy recommendations intended to support and enhance the long-term sustainability of the forest products industry in Maine;

NOW, THEREFORE, I, John E. Baldacci, Governor of the State of Maine, do hereby establish the Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine (hereinafter "Advisory Council").

### Purpose

The purpose of the Advisory Council is to develop recommendations to improve the competitiveness of Maine's forest products industry nationally and internationally. In conducting its work, the Advisory Council should:

Examine the state's tax policy and regulatory framework to identify factors that impede capital investment in new equipment and technology, including financing programs, environmental regulations and tax policies.

Consider strategies to improve the quality, productivity and accessibility of Maine's timber supply, including the capacity to assess the character and extent of Maine's forest resources; efficient and cost effective transportation; and protection from new exotic pests.

Identify the major vulnerabilities facing the industry, together with the obstacles to continued growth.

Examine opportunities to brand Maine's forest products through promotion of sustainable forest management, such as green certification. This effort should include recommendations to expand the market for Maine's certified forest products, nationally and internationally, in order to demonstrate Maine's leadership role in sustainable forest management.

Identify strategies to increase the use of research and technology, focusing on the competitive advantages of Maine tree species to expand the development of forest products, including: commercialization of new technologies like wood composites; increased development of value-added wood products; and investigating the use of new by-product technologies.

Identify strategies to support the workforce infrastructure needed to maintain a vibrant forest products industry. This should include an examination of issues relating to the recruitment and retention of loggers, as well as other labor force needs.

Examine ways to develop creative partnerships between managed forests and outdoor recreation/tourism.

Examine ways to reduce energy costs, including utilizing existing energy resources, and investigating options for self-generation of power.

In conducting its work, the Advisory Council shall utilize information from businesses and business organizations, landowners, Indian tribal governments, and government agencies.

#### Membership

The Governor shall appoint eleven members to the Advisory Council, who will serve at the pleasure of the Governor. Four members shall represent the business community; one member shall be from organized labor; one member shall be an owner of forest land, or a designee; one member shall be an industrial energy rate expert; one member shall be the Commissioner of Conservation, or his designee; one member shall be the Commissioner of Environmental Protection, or her designee; one member shall be the Commissioner of Economic and Community Development, or his designee; and one member shall be the Chief Executive Officer of the Finance Authority of Maine, or his designee. The Commissioner of Economic & Community Development shall chair the Advisory Council. Members shall serve without compensation.

The Speaker of the House and President of the Senate may each appoint one member from his or her respective body, which shall serve at the pleasure of the Speaker or the President, as applicable.

#### Staff

The Departments of Economic and Community Development and Conservation shall provide all necessary staff, from existing resources.

#### Timeline for Recommendations

The Advisory Council shall submit its recommendations to the Governor no later than August 31, 2004, after which the Advisory Council will dissolve.

#### Meetings

The Advisory Council shall meet as often as necessary to complete the assigned duties. One meeting shall be scheduled to provide the Maine Forest Service's "Future Forest Project" an opportunity to present its work to the Advisory Council. All meetings shall be open to the public and held in locations determined by the Advisory Council.

#### Effective Date

The effective date of this Executive Order is January 8, 2004.

Members of the Governor's Advisory Council on the Sustainability of the Forest Products Industry of Maine

#### Business Representatives

Jennifer Miller (Sappi)

Deborah Feck (Domtar)

Rossaire Pelletier (Fraser)

Michael Craft (International Paper)

#### Forest Owners

John Cashwell

#### Organized Labor

Paul Randall

#### Industrial Energy Rate Expert

Tony Buxton (IECG)

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Commissioner of Environmental Protection

Dawn Gallagher

Commissioner of Conservation

Pat McGowan

Commissioner of Economic and Community Development (Chair)

Jack Cashman

CEO Finance Authority of Maine

Charlie Spies

Maine State Senator

TBD

Maine Representative

TBD

## Dirigo Health Appoints Executive Director

January 9, 2004

Contact: Lee Umphrey, 287-2531 Trish Riley, 624-7442

AUGUSTA -- Governor John E. Baldacci and Dr. Robert McAfee, Chair of the Board of Directors of the Dirigo Health Agency, today announced the appointment of Thomas J. Dunne as the first Executive Director for the agency.

"Thomas Dunne brings a wealth of experience and leadership to Dirigo, and will guide this agency through implementation of the landmark legislation passed last year," said Governor Baldacci. "I am pleased to have Mr. Dunne's expertise to head this important effort to bring affordable, quality health care to every man, woman and child in Maine."

Dr. McAfee stated, "The Board of Directors conducted an extensive national search to find the best possible candidate to take on the challenges of building the Dirigo Health Agency and launching our health plan in July. We are confident that we have found the perfect person for the job in Tom Dunne."

Mr. Dunne, a resident of Cape Elizabeth, holds an MBA from the Amos Tuck School of Business at Dartmouth. Formerly a Partner at Accenture, one of the nation's leading management consulting firms, he has nearly 20 years experience in the health and financial services industries including working on start-up businesses. Previously he owned and operated a small business.

Mr. Dunne has been working with the Governor's Office of Health Policy and Finance for several months. Working with that Office and the Dirigo Health Board of Directors, Mr. Dunne will be responsible for establishing the business plan and implementing the sales and marketing of the Dirigo Health product. In addition, in his position, he will be responsible for hiring needed staff in the Dirigo Agency and launching the Maine Quality Forum.

In addition to Executive Director Thomas J. Dunne, the Dirigo Health Agency has also recently hired a Director of Sales and Marketing. Karynlee Harrington of Gray, Maine, formerly Vice President of Sales and Customer Support for Maine and New Hampshire at CIGNA, has begun crafting appropriate outreach and marketing strategies and working with small businesses to assure the product meets the demands of the marketplace.

The Governor's Office of Health Policy and Finance retains overall responsibility for the Dirigo Health Reform Act and serves as a liaison to the new Dirigo Health Agency. Trish Riley, Director of that Office said, "Tom Dunne and Karynlee Harrington bring extraordinary business background and experience that will help us assure a solid, affordable, quality health plan at a price Maine businesses can afford. We are delighted that the Board has chosen two such able individuals with the skill and energy to build the infrastructure we need to deliver the Dirigo Health product efficiently and effectively."



Dr. McAfee concluded, "The challenge of implementing Dirigo Health in July is significant but the Board is confident in its capacity to do so with the leadership of Tom Dunne and the team he is already beginning to pull together. We look forward to great success."

Out of a bipartisan collaborative process, Dirigo Health was passed by the legislature last year and was signed into law on June 18, 2003. Dirigo Health is a voluntary program addressing Maine's concerns about cost, quality and access to health care. It will help lower the spiraling costs of health care for everyone by creating a state health and budget plan; by strengthening oversight of insurance premiums and requiring approval for rate increases in the small group market; and by better allocating dollars spent on new buildings and equipment.

## Maine Rx Plus Launches this Weekend

January 13, 2004

Contact: Lee Umphrey, 287-2531

Trish Riley, 624-7442

AUGUSTA -- Governor John E. Baldacci, joined by state legislators, the Attorney General and advocates, announced today a comprehensive plan to lower prescription drug prices for many Maine citizens. Said the Governor, "In partnership with over 100 Maine pharmacies, we are launching Maine Rx Plus to provide significant discounts to all Maine residents with incomes at or below 350% of the Federal poverty level. Maine will remain a leader in bringing lower cost drugs to our citizens."

The original Maine Rx program was halted by the Federal government. A Supreme Court decision granted Maine permission to continue the program. "Many people have worked long and hard to make Maine Rx Plus a reality," stated the Governor, "We have reconfigured the program to meet Federal concerns, to integrate it with Drugs for the Elderly and to make it ready to coordinate with the new Medicare drug benefit when that program starts."

The Governor recognized the legislature for working together on this important issue. Senate Majority Leader Sharon Anglin Treat, Senate sponsor of Maine Rx Plus, said, "The implementation of Maine Rx Plus comes just in time for many Maine people on tight budgets who have put off ordering their high cost prescription drugs in anticipation of the plan taking effect. Despite legal challenges over the past three years by the pharmaceutical industry and recent confusion about how the new Medicare Drug Program will work, the wait is over for over 275,000 Maine people who will now be eligible for benefits under the Maine Rx Plus prescription drug program. Maine Rx Plus will also be very effective because it serves as a wrap around program working in tandem with other health and drug benefit programs."

House Speaker Patrick Colwell added, "Maine Rx Plus will negotiate lower cost prescriptions for Maine seniors and working families by using our buying power as a state. The Medicare bill Congress recently passed takes the opposite approach by forbidding the federal government from negotiating prices. The Maine Rx program takes the right path. It will provide much needed relief for countless seniors and working families, and it does so in a fiscally responsible way."

Senate President Beverly Daggett commented, "The rising costs of prescription drugs have ballooned into a national epidemic. I am proud to say that Maine has become a leader in developing unique and innovative legislation that aims at making the costs of prescription drugs affordable and accessible for all Mainers."

"Until the Federal Government allows the bulk reimportation of prescription drugs," said Representative David Lemoine, a member of the National Legislative Association on Prescription Drugs, "Maine's Rx Plus model is by geography and price the nearest thing to Canada."

Senator Art Mayo stated, "After this time lapse, I am glad we are rolling out this program and making it available for citizens in need."

In the phased enrollment, Maine Rx Plus cards will be sent automatically to 73,000 Maine residents who had participated in the now defunct Healthy Maine program which was halted by the Federal government in December 2002. Others whose income is \$31,440 or less a year for an individual can attain a card by calling 866-Rx Maine (866-796 2463). Cardholders will be eligible for 10-25% discounts off brand names and 60% off generic for a wide range of drugs that are also listed as preferred drugs in the MaineCare program. Discounts will be available effective this Saturday, January 17, 2004.

Baldacci praised the participating pharmacies noting that they are making discounts possible. "With this program, Maine pharmacies have agreed to work with us to help about 275,000 Maine citizens attain needed drugs at steep discounts. We deeply appreciate the commitment of Maine pharmacies to this important program." In addition to pharmacy discounts, Maine Rx Plus will use its volume to negotiate rebates and additional savings for consumers later in the year.

Said the Governor, "Maine Rx Plus is a program by Maine, for Maine that will start now to help all citizens whose incomes are below \$31,440 for an individual, \$42,420 for a couple and about \$64,400 for a family of four, regardless of age. Working together we will launch this Saturday the first in the nation Maine Rx Plus program as an investment in our people. Our efforts to bring affordable drugs to our citizens will not cease," concluded the Governor.

## Governor Declares State of Emergency

January 14, 2004

Contact: Lee Umphrey, 287-2531

AUGUSTA -- Governor John E. Baldacci today issued a Proclamation to declare a State of Emergency. The text of the Proclamation follows.

WHEREAS, the northeastern United States, including Maine, is experiencing arctic cold temperatures and dangerous wind chills;

WHEREAS, this cold weather is expected to continue for several days;

WHEREAS, fuel oil delivery in Maine is in great demand because of the cold and because supplies have lagged behind demand;

WHEREAS, federal rules determine the number of hours the driver of a fuel oil delivery vehicle may operate;

WHEREAS, many drivers in the state are approaching their federal limit on hours of operation, and may have to cease deliveries;

WHEREAS, these conditions threaten public health and safety and endanger public property if fuel oil cannot be delivered to Maine homes and businesses;

WHEREAS, the declaration of a State of Emergency will facilitate the granting of a waiver from the Federal Department of Transportation to allow fuel oil delivery drivers to operate additional hours;

NOW THEREFORE, I, John Elias Baldacci, Governor of the State of Maine, by virtue of the authority vested in me by the Constitution and laws of Maine, find that these conditions constitute a civil emergency under 37-B M.R.S.A. section 742, and for the purpose of facilitating a waiver to Federal Department of Transportation Rules do hereby declare that a State of Emergency exists as of January 14, 2004.

## National Semiconductor Invests \$58 Million in Maine Facility, Adding 100 Manufacturing Jobs

January 16, 2004

Contact: Lee Umphrey, 287-2531

Anne Gauthier, National Semiconductor, 541-8638

SOUTH PORTLAND - Governor John E. Baldacci and Paul Edmonds, Vice President and Managing Director of National Semiconductor Corporation's South Portland facility, today announced that National Semiconductor (NYSE:NSM) is investing \$58 million in its South Portland manufacturing plant to accommodate surging demand for its analog products. The facility has started adding a 100 manufacturing jobs, which will bring the total number of employees in South Portland to 650.

"National Semiconductor has been an important business partner in Maine," stated Governor Baldacci. "They have steadily increased operations over the years and worked tirelessly with the City and the State to improve the area business climate. This additional expansion of manufacturing jobs and investment in the facility will ripple throughout the region. I am particularly pleased that there will be new opportunities for workers in this part of the state."

Paul Edmonds stated, "We are very pleased to be expanding our operations in South Portland. Business, particularly our analog business, has been improving steadily, and we have reached a point where additional equipment and capital investment are required to meet increasing demand. We are proud of our site's ability to stay competitive in the global manufacturing market due to our high level of automation and very productive manufacturing work force."

Governor Baldacci recognized the continued work of the Maine Department of Economic and Community Development (DECD, <http://www.econdevmaine.com/>) in devising a package of incentives that continues to attract investment from National Semiconductor and other companies in Maine.

"Since 1995, the company has invested over \$1 billion in the 575,000 square-foot site," stated the Governor. "Capital investment incentives played a role in the enhancement of operations at this South Portland facility and have improved the ability of the company to compete globally."

"The Baldacci Administration recognizes that National is a significant contributor to this community," commented Jack Cashman, Commissioner of DECD. "Since 1998, they have invested over \$2 million in community outreach efforts - including 33 cash grants to Maine teachers using the Internet in their classrooms, extensive technology training for teachers, and \$150,000 grant to the University of Southern Maine's for new advanced manufacturing center. More capital equipment investment means more jobs and payroll dollars in the State, and enhances the ties between the company and Maine communities."

Located next to the Portland International Jetport in South Portland since 1987, National Semiconductor's manufacturing facility focuses on design, advanced process wafer fab manufacturing, and testing. National specializes in analog technology that sharpens color and brightness, improves

sound quality as well as enhances battery life and portability. The factory operates seven days a week, 24 hours a day and employs equipment and manufacturing technicians, engineers, and support personnel. The factory is certified to ISO 9001, ISO 14001, and OHSAS 18001 and is a member of the Maine Department of Environmental Protection's STEP-UP program.

#### About National Semiconductor

National Semiconductor is the premier analog company. Combining real-world analog and state-of-the-art digital technology, the company is focused on analog-based semiconductor products, which include stand-alone devices and subsystems in the areas of power management, display drivers, audio, amplifiers, imaging and data conversion. The company targets key markets such as wireless, displays, PCs, networks and a broad range of portable applications. With headquarters in Santa Clara, California, National reported sales of \$1.67 billion for fiscal 2003, which ended May 25, 2003. Additional company and product information is available on the World Wide Web at [www.national.com](http://www.national.com).

## Governor Receives DHS-BDS Merger Report

January 16, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA - Governor John E. Baldacci received today the final report from the Advisory Council for the Reorganization and Unification of the Department of Human Services (DHS) and the Department of Behavioral and Developmental Services (BDS). On May 13, 2003, Governor Baldacci signed an Executive Order establishing the Advisory Council. The Council was asked to make recommendations as to how the merger can result in improved service, increased efficiency and improved external relations.

The Governor thanked Chair Valerie Landry, the members of the Council, Katherine Monahan Ainsworth of his staff and Acting Commissioners Peter Walsh and Sabra Burdick for their participation. He recognized the Health and Human Services Committee for their diligence in addressing these issues, and especially Representative Julie O'Brien and Representative Tom Kane for their work and attendance at today's meeting.

Noted the Governor, "I appreciate that you came to your conclusions after soliciting the input of a broad spectrum of stakeholders. This report is the important next step in a process that was started a year ago."

Governor Baldacci outlined a number of steps preceding the release of the report. "In the past year, we have taken steps to reform the delivery of human services. In taking a hold of the financial aspects of operations, we hired PricewaterhouseCoopers. Jack Nicholas was hired as Chief Financial Operator, and he has done an amazing job in identifying potential reforms. The Department of Administrative and Financial Services, under the direction of Commissioner Rebecca Wyke, has been working closely with DHS and BDS during this entire process."

"The merger of these two departments is an absolutely necessary step," continued the Governor. "For far too long, the safety net of human service programs has been fragmented, frustrating families who rely on the assistance these departments provide, and frustrating caseworkers and department staff. We need a unified department which will be fiscally accountable and which will provide services more efficiently."

A number of action steps will now follow the release of the report. Legislation will include specific authorization to consolidate administrative functions such as fiscal operations, licensing, training, contracting, human resources and information technology. Language will also be forthcoming to direct the new leadership to develop plans for the issues that require additional analysis and effort such as regional operations, centralized intake and case management.

A new leadership team will be assembled. Development of a senior management team to facilitate the merger and the many reforms recommended will be a necessary step. This includes the nomination of a new commissioner.

An implementation team must be established, which will include internal and external stakeholders and constituencies. The implementation team and the new leadership team will be charged with the development of an implementation plan with specific timelines. They will draft legislation for the next session to further the implementation of the merger.

Minutes of all Council and Subcommittee meetings, as well as this final report are available on the Governor's web site

at <http://www.maine.gov/governor/news/events/dhsbds/dhsbdsunificationcouncil.htm>



## State of the State Address

January 20, 2004

Madam President, Mr. Speaker, Madam Chief Justice, members of the Legislature, distinguished guests, my fellow Maine citizens:

Twelve months ago, I had the privilege of taking the oath of office. It's been quite a year!

We put state finances back on track. We set a spending cap for state government. We maintained our strong bond rating. And we maintained income tax indexing to reduce state taxes for Maine people by \$26 million over this biennium.

I took office with a plan to create economic opportunity for all Maine people. That plan included:

- Balancing the budget without raising state taxes
- A Jobs Bond approved by the voters in June
- Creating more opportunity for quality education
- Preserving our natural resources
- And providing accessible, affordable health care.

With your help and leadership—and with bipartisan support—we moved this economic plan forward.

Even though we're of different parties, and come from different parts of the state, we set differences aside to do our best for Maine people.

We have implemented our plan through Research and Development bonds, Pine Tree Zones, the Community College System, and Dirigo Health. I'll lay out the specifics of those actions in a moment.

But first, because of our efforts in working together we have some good economic news. Economist Charles Colgan forecasts that Maine could add 5000 jobs by the end of the year. That's an increase of 1.5 percent.

And the business community reports higher confidence. Charlie Colgan predicts we're poised for economic growth. "It's time for some guarded optimism," he says.

And for good reason. As we look around, there are positive signs—especially when you compare Maine with other states.

Unemployment is well below the national average. Per capita income is rising faster than any other New England state. That's why many states are looking to Maine for answers.

My primary goal—the goal we all share—is to make Maine a leader in providing opportunity for our fellow citizens.

Economic opportunity is a key to all we want to accomplish. Maine people need the best chance we can give them to have a good paying job with benefits or to build a business.

To do that, we need to keep our fiscal house in order. The Fiscal Year 2004 supplemental budget now before the Legislature addresses fiscal problems that have come to light since the beginning of the biennium.

We must continue to use our Downeast ingenuity to craft the best possible budget for all Maine people.

We've had hard choices to make together—and we've made them.

Education makes up 45% of our state budget.

We spend 30% of our budget on mental health and human services.

And after other commitments, that leaves just 12% of our budget for all the rest of state government—that's public safety, economic development, environmental protection, and all the rest.

Our spending reflects the value we place on education and social services. But our tax burden is among the highest.

We must find ways to deliver these services while reducing general taxes. All parts of the state budget must contribute to the solution.

I appreciate how difficult these choices are—but they must be made.

While solving budget challenges, we'll continue to move ahead with our economic plan. As we've worked together in the past, let us work together now to improve opportunities for our fellow citizens.

Maine people are showing us every day how to create opportunity and face challenges together. The residents of Canton know how to move ahead, even in difficult times.

We all remember the heavy rains of early December. Rivers and streams rose all over the state. On a bleak Thursday, the Androscoggin River flooded the entire Canton downtown.

Forty homes and a nursing home were evacuated. I saw from the air houses and public buildings surrounded by water and ice, homes and farms cut-off from help.

I visited the town on Friday, and found families in disarray. But they were doing everything they could to help themselves and each other.

On Saturday, a large relief effort began. Seven state agencies, community housing programs, and volunteers met with residents to begin the recovery. State and local agencies put together funds to help.

Just as we've had a plan to strengthen our economy, the people of Canton have a plan for strengthening their town. Their comprehensive plan lays out a vision for a future without flood risk. That vision guides their recovery from the December flood.

Tonight, I want to recognize a person who represents the vision and community-spirit of all the people of Canton—Fire Chief Wayne Dube. Chief Dube worked tirelessly to save his town from this disaster.

Chief, would you please stand and accept our thanks for the example you set for all of us.

Here in Augusta, just like in Canton, we did important work together last year to help our State. We implemented a plan that leads in providing economic opportunity for all Maine citizens.

Last June and November, Maine voters approved nearly \$150 million in bonds. Maine people chose to invest in the infrastructure and Research & Development we need for good paying jobs and benefits.

We know that R & D pays off. The University of Maine System used \$10 million in bond money to leverage over \$40 million in research grants and contracts. Paid research by faculty and students has launched several companies.

Like Target Technology Center of Orono. The Center has spun-off six start-ups, including Stillwater Scientific Instruments. This company is developing a device to speed up the analysis of chemical compounds.

We're doing this, and more, from a \$10 million public investment.

Our June economic development bond authorized \$2 million for further investment in applied technology centers. Tonight, I'm pleased to announce that those grants have been awarded.

The recipients are The Center for Environmental Enterprise in South Portland, The Composite Technology Center in Greenville, The River Valley Technology Center in Rumford, and the Thomas M. Teague Biotechnology Center in Fairfield. Congratulations to all of them.

The June economic bond also provided \$2 million for Farms for the Future. Thirty-seven farms have received grants to grow their businesses.

The Gulf of Maine Aquarium received \$3 million in bond money. Construction of their research laboratory is on schedule. The lab will open in January of 2005 and result in 90 research jobs.

The \$6 million bond for the Municipal Investment Trust Fund helped fund needed infrastructure. From Caribou to Eastport and from Norway to Saco, parking facilities, community service centers, business parks, and riverfront improvements are being built.

This month, applications are being accepted for Pine Tree Zones. These Zones will be established in March with reduced tax burdens. This will attract business investment to areas in Aroostook County, the Androscoggin Valley, the Penobscot Valley, and Washington County.

I'm pleased that Barry McCrum, president of the Aroostook Partnership for Progress, is here. In just one year, the partnership has raised almost \$1 million from the private sector.

Tonight, I'm announcing an initiative inside the Aroostook County Pine Tree Zone to reduce electric costs for new and expanding businesses. If we can make this work in Aroostook County, we can make this work statewide.

I'd like Mr. McCrum to stand and accept our thanks for his hard work.

Investing in people is a key part of my economic plan. I've created a Workforce cabinet, chaired by Labor Commissioner Laura Fortman. Soon this group will announce strategies to help Maine workers get and keep good paying jobs.

During the fall, Commissioner Fortman held public meetings around the state to hear from laid off workers. We need a proactive approach to workers and communities vulnerable to downsizing and closures. Developing that strategy is part of the Workforce cabinet's charge.

Our country lost manufacturing jobs throughout the 1990s and into today. Overseas competition, a slow economy, and increased productivity have been the reasons.

We've had an even tougher time in Maine, especially in the paper industry. Our job losses are greater than in other areas of the United States because Maine plants are not as modern. That's why we have to do all we can to attract investment to modernize and expand.

And investment is coming our way. Just last week National Semiconductor announced it will spend \$58 million on its South Portland facility. And they've started adding 100 manufacturing jobs.

We need to diversify to precision and niche manufacturing. Financial services and biotech and biomedical research are other 21st century sectors to develop. Next month, I'll be announcing Maine's first Science Advisor to head the Office of Innovation.

This person will play a critical role in developing biotech and bio-med businesses. I have two goals for the position—to maximize federal funds coming to Maine, and to reap immediate returns in job growth.

The \$20 million research bond passed in June has leveraged \$160 million in outside funds. This money will build world-class bio-med labs in Maine over the next years.

We must continue to attract the kind of investment we need. I've talked about the importance of holding the line on taxes. But it's not good enough just to hold the line.

Tonight, I ask you to repeal—finally—the personal property tax on business equipment and machinery. The tax is a burden for businesses and discourages investment, particularly in manufacturing. Getting rid of it is part of our plan to reduce taxes on working families and businesses throughout the state.

We also cannot abandon Maine's traditional and new natural resource-based industries. In November, 700 people from across Maine joined me at a Blaine House conference about fishing, aquaculture, farming, forestry, and tourism.

We learned that the difficulties these industries face are not unique to each sector. The conference shaped some 80 ideas about ways to strengthen these businesses.

A report will be presented soon. But we've already begun to take action.

Our North Wood Legacy Project coordinates economic development with resource conservation. We're promoting value-added wood products, a continuous supply of wood fiber, and "green certification" of Maine forest products. At the same time, we're protecting our cultural and natural heritage.

We have a goal of 10 million acres of green-certified timberland by 2007. Maine is the leader in forest certification. We've already seen results. In the just the last 7 months, timberland owners have pledged over 1 million acres for certification.

Time, Inc., the world's largest purchaser of certified magazine stock, increased its Maine purchases by 11% in 2003, while paper purchases dropped worldwide. This produced a 33% increase in market share for Maine mills.

In December, we closed the deal on our West Branch conservation project. Three hundred and twenty-nine thousand acres of land are being protected through a \$33 million investment.

Through our Dairy Initiative the Department of Agriculture is providing \$2 million in financial relief to dairy farmers. This was scheduled to end in 2003, but we've extended the program. We'll continue to offset declining milk prices and work with the Legislature on a longer-term solution.

I'm also announcing a Department program to work with farmers to grow local agriculture. Our best opportunity for saving farms and starting new ones is for Maine families and businesses to buy locally grown food.

Rising land values and coastal development are putting pressure on fishing villages and harbors. I'm asking the Working Waterfront Coalition to provide an agenda of access, land-use, and tax policies to keep Maine's commercial waterfronts in business.

Tourism leverages the natural wonders of our state. It accounts for 15% of our gross state product. We need to see tourism as one industry, not just separate businesses.

I'm asking the University of Maine and Community Colleges to consult with to develop degree programs in hospitality and tourism. And I'm asking the University of Maine to develop a center of tourism research.

In the audience is Charles Robertson, president of American Cruise Lines. Last year, his company began using Bangor as a home port. Their ships provide luxury cruises on Penobscot Bay.

This morning I met with Mr. Robertson about his plans for expansion in Maine. His interest is an example of what Maine has to offer. We must capitalize on more tourism opportunities for all regions of our state.

I'd like to ask Mr. Robertson to stand to accept our greetings.

International trade and Canadian relations are also important to Maine's economic future. My trade mission to Ireland last fall convinced me there are more markets in Europe for Maine goods. We estimate a record \$7.5 million in sales in just the first 6 months after the Ireland trip.

One example is Bob Zieglaar of the Telford Group, who joined me in Ireland and is here tonight. The Telford Group is a private Maine-based aviation services company with 125 employees. It has facilities at the Bangor, Rockland, and Loring airports.

In Ireland, Telford secured a contract with an Irish aircraft manufacturer to provide service. The first Irish-built aircraft arrives next week in Loring for an overhaul. This and other contracts will bring millions of dollars and highly-paid technical jobs to Maine.

I ask Mr. Zieglaar to please stand in recognition of his success.

Closer ties with Canada will promote our common interests in transportation, tourism, and trade. We will complete the Northeast Canadian Free Trade Zone initiative we began last year. And I look forward to our Quebec trade mission next month and a summit with New Brunswick in May.

Any statewide economic development plan must include opportunity for all people.

In November we began a dialog with Maine's Native Americans. This will continue. Tribal government and state government must work together. Only together will we succeed in attracting good jobs, protecting the environment, and preserving our way of life. I want to thank the five tribes for meeting with us, especially the work of Rep. Fred Moore and Rep. Donna Loring.

And I also want to recognize Chief Barry Dana of the Penobscot Indian Nation. Thank you for being with us tonight.

The Creative Economy is another important focus for Maine.

Creative economy workers include computer chip designers, like those at National Semiconductor. They're engineers, like those at Wright-Pierce in Topsham. They're architects, like those at WBRC Architects in Bangor.

And they're artists, craftspeople, and curators like those at the Maine College of Art in Portland and the Farnsworth Museum in Rockland.

In May, we'll hold a Blaine House Conference on the Creative Economy at the Bates Mill Complex in Lewiston. We'll develop strategies to help innovative workers grow Maine's economy. Adding to the arts and culture of Maine will also aid in revitalizing our downtowns.

Last year you joined me in creating the Maine Community College System. Our goal was to create affordable higher education for high school seniors and adults who haven't traditionally gone on to college. By the early results, we're meeting our goal.

There are now over 1300 more Community College students than the year before—an 18% increase.

There's been a 26% jump in students going directly from high school to a community college.

About 1000 dislocated workers are enrolled and getting a new start.

And in two years there's been a 22% increase in community college students going on to the University to earn a bachelor's degree.

That's an impressive start! Behind these numbers are individual stories of determination and courage. Let me tell you about two of them.

Colleen McGarry was raised in Perry by a foster family. At 18, facing financial obstacles, she enrolled in Washington County Community College with the help of a \$1000 scholarship. Her high school performance didn't reflect her abilities. During her first semester of college, Colleen earned a GPA of 4.0. She now has her sights set on a bachelor's degree.

Simon Roy from Sherman Mills worked 22 years at Great Northern Paper. After being laid-off, Simon, and 300 former co-workers, entered community colleges to pursue new careers. Simon travels 160 miles each day to attend Northern Maine Community College. Simon, too, is a stellar student, earning a 3.8 GPA.

Colleen and Simon are here with us tonight. Thank you for hard work. Please stand and accept our congratulations.

Tonight I am announcing a new goal. We will raise Maine's high-school-to-college rate from 55% to 70% by the end of this decade. This will take Maine from the middle of the pack to among the bests in the nation in college attainment.

To help us toward this goal, I'm announcing a pilot project called the Early College program. The Community College System and 25 Maine high schools will target students who aren't going on to college.

During their senior year, they'll receive two free classes at a community college. We'll help them through the admissions and financial aid process. And we'll offer \$2000 scholarships, about half the tuition for a two-year degree. We'll serve about 200 students in the program, with 100 receiving scholarships.

Bernard Osher has been a tremendous contributor to our community college initiative. Community College President John Fitzsimmons and I are talking with The Osher Foundation about taking this pilot program statewide.

Success in college is supported by success in K-12 education. To have the opportunity for 21st century jobs, students need 21st century tools to learn.

We've committed to this by providing laptop computers to all 7th and 8th grade students and their teachers. Hamden Academy science teacher David Haggan describes laptops as moving students "light years ahead" in learning. Research on the program backs him up.

I want us to do more. I am going to present a plan to extend the laptop program into all Maine high schools. And we will begin with next year's 9th graders.

We will also extend the use of those laptops to their parents. The Departments of Labor and Education will create worker training programs that adults can access at home on computers.

Maine is poised to develop an entire generation with one of the most marketable skills in the world. In the process, we're becoming the envy of every other state in the nation.

Our education technology partnership with Apple Computer is leading to another opportunity. Apple is working with us to establish their northeastern repair center with our Community Colleges and others. This will provide more opportunity for skilled worker development.

We must take more steps to connect all levels of public education. I've charged Commissioner of Education Sue Gendron—working with Chancellor Westphal and President Fitzsimmons—to create a seamless system of pre-K through post-secondary education.

Excellent education and an excellent environment are two hallmarks of our state. How we treat our environment is connected to so many other opportunities in Maine.

Energy consumption matters both to our environment and our economy. Last year I established the Office of Energy Independence and Security. Director Beth Nagusky reports we've made a lot of progress in just a year.

We've increased the state's purchase of renewable power from Maine facilities to 40% of our electric consumption. We've made a 3-year electricity purchase that will save over \$1 million.

We're using a renewable fuel—made in the USA—to heat the Blaine House and other government buildings. We'll expand the use of this fuel next year.

And I signed an Executive Order requiring all new and renovated state buildings to comply with "green" building standards.

Along with reducing energy consumption, we need to continue land preservation to keep our natural heritage.

I'll submit a bond request that lives up to my commitment to provide \$100 million for the Land For Maine's Future program to be implemented over 5 years. This program has protected special places in all of Maine's 16 counties—115 projects covering 192,000 acres.



And we need to do more. In the past five years, 25% of forestlands have changed hands. Public access and recreation opportunities are threatened. To promote tourism, attract young people, and support our traditional industries, we need more—not less—conservation.

Investing in Maine's landscape is similar to other infrastructure investments. As the transportation system provides an economic foundation, so, in Maine, do our natural resources.

A sustainable environment encourages sustainable jobs. For sustainable jobs we also need affordable health care for all. You in this room and many others across Maine have done a lot to move us toward this goal.

Because of a partnership with Spring Harbor Hospital, I am announcing tonight that we'll finally have treatment in Maine for children with mental illness and developmental disabilities. The new program will serve at least 50 Maine children and their families.

And, because of the efforts of many, we've finally achieved mental health parity in Maine.

Last week, we launched Maine Rx Plus to lower prescription drug prices. In partnership with over 100 Maine pharmacies, we'll be providing discounts to seniors and working families. That's about 275,000 people on tight budgets who can't afford the high cost of prescriptions.

We also need to continue health reform. We need affordable health care for the well-being of workers and businesses, for all our citizens.

We are a state of small businesses. About half of Maine workers hold a job in a business with 20 or fewer employees. Those businesses represent 90% of the businesses in Maine.

Over 300 small businesses and self-employed people have asked to be put on the list for Dirigo Health.

With resounding bipartisan support, we passed Dirigo Health last year. By this July, working with private insurers, Dirigo's new health plan will be available. It will have a price small businesses and Maine people can afford.

I want to recognize Dr. Bob McAfee who chairs the Dirigo Health Board. As a former President of the American Medical Association he's a national leader who volunteering his talents to make the Dirigo Health Plan a reality.

I'd like Dr. McAfee to stand and accept our thanks.

Through the Fund for a Healthy Maine, we've also had success in cutting the rate of youth smoking. We've cut the rate by half, and that leads the nation. Adult smoking is down by 20% over 6 years, and we've protected people from second-hand smoke in public places.

We need to do more. Maine leads the nation in diabetes, heart disease, and cancer deaths. We have to preserve our ability to invest in health for our citizens over time.

Last year I submitted a constitutional amendment to secure the Fund for a Healthy Maine. I remain committed to that bill. And I tell you the time to pass it is now!

We'll keep working to lower costs and promote healthy lifestyle—just as we'll keep working to improve government.

Thanks to 200 Maine people who volunteered their time, we now have a roadmap to merge the Departments of Human Services and Behavioral and Developmental Services. The organization they describe is cost-effective, accountable, and responsive.

I'll submit legislation this session to create the Department of Health and Human Services. This is not just a name change. It's a new way of doing business. We'll have better services and a Bureau of Children and Families. And we will have financial accountability.

I want to take this moment to introduce someone who's working hard for Maine's children. She shares my vision for early childhood education, literacy, arts in education, and nutrition.

Among many duties, she serves as Chair of the Children's Cabinet. The First Lady is tireless in her efforts on behalf of Maine's children and families. I want to thank Karen for her work.

I'd also like to recognize our son Jack, who is here tonight.

We need to make sure we're getting the best service for the least dollars at all levels of government. We can't reduce the tax burden on Maine citizens and businesses without better coordinated and consolidated services.

My Task Force on Efficiency in Education presented its report last week. I want to thank Jim Doughty of Husson College, David Silvernail of USM, and the other five members for their work.

Since the passage of the Sinclair Act in 1957, we've made great strides in improving public schools. Our 4th and 8th graders score in the top five in the country. We have one of the most favorable student-teacher ratios.

Yet, while student enrollments decline, the cost of education doesn't. We've had few changes in the structure of our schools since the Sinclair Act incentives ended. We must operate schools as efficiently to ensure quality education for every student.

I'll be submitting legislation based on the Task Force report. I'll propose Regional Cooperatives and Regional School Districts, with state funding to encourage collaboration.

We must provide essential programs and services to students all over Maine. And we must provide these services in a cost-effective way to relieve property taxes. We need a Sinclair Act for the 21st Century.

And we need property tax relief. I've been engaged in constructive talks with all levels of government and the business community about how to achieve this shared goal. We need to keep working together—Maine people deserve our answer to real property tax relief.

We'll also keep looking at state government to make sure it's serving citizens well. I've charged all departments to streamline their efforts, while maintaining services.

It is our intent to offer legislation to change the structure of the Worker's Compensation Board. Injured workers and their employers deserve a system that works.

Maine citizens also deserve the best possible communication of emergency information. In these times of orange alerts and arctic cold we need coordination among our first-line responders.

Tonight I'm announcing that the Department of Public Safety will move some of its operations to 500 Civic Center Drive in Augusta. We'll also move the Maine Emergency Management Agency to this location.

MEMA and the State Police will create an Intelligence Center. It will provide a single point to receive homeland security intelligence.

Sadly, we live in a time when our State is affected by homeland security. Many dedicated Mainers work within our borders to make our citizens safe.

Other courageous Maine people provide service to their state and country overseas. As of this month, over 1100 Maine Army and Air National Guard are deployed. Maine has the 3rd highest deployment rate in the nation.

I want to recognize the sacrifice of these fellow citizens of Maine. And not just the National Guard who are away, but the families and employers who wait for their return.

With us tonight is Sergeant Kevin Moncrieffe. Sergeant Montcrieffe has been to Kuwait, Bosnia, and Afghanistan, just returning in December. One deployment occurred 5 days after his marriage to his wife, Allison.

Sergeant Moncrieffe works for Verizon Communications in Ellsworth as a service technician. He's been there for 7 years. During all of the sergeant's overseas duty, his Verizon manager, Jim Jordon, has held onto his job for him.

Please join me in thanking Sergeant and Mrs. Moncrieffe, and Mr. Jordon, for their parts in protecting all of us.

All of us hope that the men and women serving in Iraq and Afghanistan will finish the job and come home soon. They've done their duty for us and now we need to do our part for them.

My administration has submitted legislation to create the Maine Military Family Relief Fund. The money would come from a check-off on our tax forms. The Fund will make grants to the families of National Guards and Reservists called to active duty.

Our Departments of Defense and Labor will hold regional briefings for employers of deployed Guardsmen and women. We'll give them information on their employees' missions, employers' legal requirements, and available interim workers.

Sergeant Moncrieffe, his wife, and his boss give us another example of what Maine people are good at—facing challenges and looking for opportunities together.

Here in the State House, at work and home, Maine people stood up to some tough challenges last year. With all of the actions we took, we've made Maine stronger.

Providing for the common good, making people feel secure in their communities and homes—this is the central job of government. It's why all of us are here serving our state and our people.

We need to keep investing in economic and homeland security. We need to bank on the right kind of economic development. We need to embrace opportunities, but with the right kind of safeguards.

I want to continue to work with all of you. Together we can ensure that the state of our State remains strong and secure.

Thank you.

## Governor Receives Education Task Force Report

January 21, 2004

Contact: Lee Umphrey, 287-2531

Patrick Colwell, Jr., 287-3531

AUGUSTA -- Governor John E. Baldacci received yesterday the final report of the Task Force on Increasing Efficiency and Equity in the Use of K-12 Education Resources. On February 5, 2003, Governor Baldacci signed an Executive Order establishing the Task Force. The Task Force was asked to review the present funding of school systems and to make recommendations to produce greater elementary and secondary excellence, efficiency and equity.

"I want to thank Jim Doughty of Husson College, David Silvernail of USM, and the other five members for their work," stated Governor Baldacci. "We have made great strides in improving our schools. Our 4th and 8th graders score in the top five in the country. We have one of the most favorable student-teacher ratios. Yet, while student enrollments decline, the cost of education doesn't. We've had few changes in the structure of our schools since the Sinclair Act incentives ended. We must operate schools as efficiently to ensure quality education for every student."

The report submitted to the Governor will form the basis for legislation. "I'll propose Regional Cooperatives and Regional School Districts, with state funding to encourage collaboration," said the Governor. "We must provide essential programs and services to students all over Maine. And we must provide these services in a cost-effective way to relieve property taxes."

The full report can be accessed by clicking on this

link: [http://www.maine.gov/governor/baldacci/issues/education/edufinalreport\\_1-20-04.pdf](http://www.maine.gov/governor/baldacci/issues/education/edufinalreport_1-20-04.pdf)

## Governor Reinforces Economic Development Strategy for Maine

January 21, 2004

Contact: Lee Umphrey, 287-2531

Jack Cashman, 624-9800

AUGUSTA -- Following the State of the State Address last night, Governor John E. Baldacci today reiterated that increasing economic opportunity for the people of Maine remains his top priority. The Governor listed a number of initiatives designed to boost the Maine economy. This economic development strategy includes the creation of a fair and stable business environment, investment in the people of Maine, focus on key sectors of the Maine economy, and building our infrastructure.

"Economic opportunity is a key to all we want to accomplish," commented the Governor. "All Maine citizens should have access to good paying jobs with benefits or to be able to build or expand a business. Every department of my administration is charged with assisting in this economic development strategy."

The Governor's economic strategy for Maine can be accessed by clicking on this link: <http://www.econdevmaine.com/GOVeconomicStrategyJan212004.htm>

## Governor Announces Brochure to Help Mainers Compare Hospital Prices

January 27, 2004

Contact: Lee Umphrey, 287-2531 Trish Riley, 624-7442

AUGUSTA - Governor John E. Baldacci today announced the posting to his web-site of a brochure designed to help Maine residents control health care costs by providing them with tools to compare hospital prices. "In passing the Dirigo Health Act, the state of Maine resolved to address health care cost, quality and access in a comprehensive way that provides health security for all Mainers and that strengthens our economy," stated Governor Baldacci. "As part of that effort, we will provide Mainers with every tool available to make effective decisions about the care they receive and the health care costs they face."

Earlier this month, the Centers for Medicare & Medicaid Services (CMS) at the U.S. Department of Health and Human Services announced that national health expenditures increased to \$1.6 trillion in 2002, a 9.3 percent increase from 2001. This rate of growth is 5.7 percentage points faster than the rate of growth of the overall economy. In 2002 health care constituted 14.9% of gross domestic product.

1999 health care spending in Maine was \$4.7 billion, or 14.5% of the gross state product (GSP), according to an estimate by former Governor King's Blue Ribbon Commission on Health Care. Applying the rates of growth that CMS reports nationally to 1999 spending, Governor Baldacci's office estimates that health care spending in Maine in 2002 was \$5.9 billion (16.9% of GSP).

"These increases simply aren't sustainable," said Governor Baldacci. "Health care is a big item in the budgets of working families, small businesses, large business, and state government alike. When health care costs are so high, fewer resources are available to invest in new business development, and this hurts our economy. When health care costs are lower, everybody benefits."

The brochure follows up on a Dirigo Health Act cost-control provision that requires hospitals and doctors to maintain a list of charges for the 15 inpatient and 20 outpatient services they perform most and to provide this list if patients ask. The brochure provides the statewide average charge for the 15 most commonly performed inpatient hospital procedures statewide in 2002. Bringing the list of statewide average charges with them when seeking health care can help people determine how their hospital's charges compare with those charged state-wide. The Governor's office will post similar lists for outpatient hospital services and for non-hospital physician services in the coming months.

The brochure is available at [www.maine.gov/governor/baldacci/healthpolicy/](http://www.maine.gov/governor/baldacci/healthpolicy/)

Trish Riley, Director of the Governor's Office of Health Policy and Finance explained that price-posting is only a first step in getting consumers more engaged in helping control health care costs. "Price comparison gives you a sense of high-cost and low-cost providers but not necessarily what you pay. Insurance companies negotiate discounts. Only those without insurance pay full price."

## Governor Announces New Brochure on Dirigo Health

February 13, 2004

Contact: Lee Umphrey, 287-2531 Trish Riley, 624-7442

AUGUSTA - Governor Baldacci made available a new brochure on the Dirigo Health Reform Act. The brochure provides an overview of the reform act and includes specific details on its three main facets: cost, quality and access.

"I'm pleased to offer this brochure as a way for the people of Maine to become more acquainted with the work that we and the Legislature are doing to improve Maine's health care system," said Governor Baldacci. "The goal of Dirigo Health is to create a sustainable, affordable and comprehensive health care system available to every man, woman and child in the state."

To ensure that all Maine people have access to coverage and quality care, Dirigo Health combines cost containment and quality improvement initiatives with a new plan to offer affordable and quality health coverage to small businesses and individuals.

"With this brochure, we want the people of Maine to know that help is on the way in Dirigo Health," said Trish Riley, the plan's chief architect and director of the Governor's Office of Health Policy and Finance. "Whether you enroll in the Dirigo Health coverage program as a small business or have coverage elsewhere, Dirigo Health will benefit you by getting a handle on health care costs and ensuring Maine people can get the care when and where it is needed."

The Dirigo Health Board of Directors is finalizing the benefit details for the coverage program and will be seeking bids from insurance carriers in March to administer the program. Additionally, several committees are working to start-up the Maine Quality Forum, develop a State Health Plan to better coordinate and rationalize health care in Maine, and to study Maine's hospitals. In related work, Maine's largest public purchasers are meeting to investigate ways to make better use of public dollars spent on health care.

The brochure is available online in PDF format at [www.healthpolicy.maine.gov](http://www.healthpolicy.maine.gov) and also by contacting the Governor's Office of Health Policy and Finance: (207) 624-7442 and [GOHPF@maine.gov](mailto:GOHPF@maine.gov)



## Governor and Quebec Premier Sign Bilateral Agreement

February 13, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

QUEBEC CITY – Governor John E. Baldacci and Quebec Premier Jean Charest gave a boost to enhanced political and economic relations between Maine and Quebec during a meeting at which a bilateral security agreement was signed. These closer relations should pave the way to bilateral cooperation in new fields such as regional economic development, academic relations and security. The Governor is on a mission to Québec along with a delegation of about 20 business representatives. On Thursday and Friday, the group from Maine held a number of networking meetings with counterparts in the Quebec regions of the Beauce, Bas-Saint-Laurent and Quebec/Chaudière-Appalaches.

“In addition to their shared border, Quebec and Maine share very similar problems with respect to managing resources and economic development,” said Premier Charest. “Governor Baldacci and I agree on the need to collaborate in complementary sectors and regions.”

In the words of Governor Baldacci, “This new partnership with Quebec is one of the key elements of the Northeast Atlantic Region (NEAR) initiative that I launched following my election in November 2002. This mission is an illustration of the numerous opportunities for cooperation between Maine and Quebec.”

The bilateral agreement signed by the two heads of government will enable exchanges of information between the Ministère de la Sécurité publique (Québec Department of Public Security) and the Maine Department of Public Safety, in order to facilitate the application of laws and enhance internal security. The agreement flows from the shared desire by the United States and Canada to cooperate more closely on security matters.

The Governor spoke to an audience of about a hundred people this morning at the Château Frontenac, during a breakfast organized by the Chambre de Commerce de Québec (Québec City Chamber of Commerce). A partnership between Université Laval and the University of Maine, in Orono, aimed at creating a trans-border academic program in the field of rural economics, was highlighted during the event.

At noon, Governor Baldacci and his delegation took part in a work session with Quebec’s Minister of Employment, Solidarity and Family Welfare, Claude Béchar, and a group of 30 business and education representatives from the Bas-Saint-Laurent region. The meeting will be followed at a later date by a visit to the Rimouski area by representatives of the Maine Maritime Academy, which is interested in developing links with the Institut maritime du Québec (Quebec Maritime Institute) and other components of Technopole maritime du Québec (Québec Maritime Technopole).

Following a visit this morning to the Parc technologique du Québec métropolitain (Greater Québec City Technology Park), the Maine delegation split into two groups after lunch in order to take part in industrial tours organized by Pôle Québec Chaudière-Appalaches, in the forestry and biotechnology

sectors. The Governor of Maine and the Maine Department of Economic and Community Development are highly interested in the "Québec" way of organizing technological development and facilitating links between research and businesses.

Yesterday, the Maine delegation participated in a program of meetings and visits in the Beauce region, organized by the Ministère du Développement économique et régional (Quebec Department of Economic and Regional Development) and the Beauce and Lévis/Chaudière-Appalaches economic councils. About 40 regional representatives attended these meetings, which were an opportunity for people responsible for economic development in neighbouring areas of Quebec and Maine to establish high-level contacts. Since 2001, Quebec and Maine have been united by the Chaudière-Kennebec International Corridor, which covers a trans-border area with a rich shared history and heritage.

Premier Charest has invited Governor Baldacci to take part in the preparations for Québec City's 400th-anniversary celebrations, in 2008. The Governor will have an opportunity to discuss this idea in greater detail tomorrow morning, during a meeting at city hall with the Mayor of Quebec City, Jean-Paul L'Allier.

## Governor Unveils Bond Package

February 18, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA - Governor John E. Baldacci released today the details of his bond proposal. "The bond package crafted will support economic growth, create jobs, protect Maine's natural environment, continue critical land conservation efforts and improve the state's transportation infrastructure," said Governor Baldacci.

"These initiatives are designed to improve the health and welfare of all Maine citizens," stated the Governor. "Crucial pieces of the package include investments in transportation and natural resource-based industries. Lead paint removal and remediation and upgrades to public drinking water systems and wastewater treatment projects are provided under the package. Highway and bridge improvements support regional economic engines, such as the Waldo Hancock Bridge replacement. Additionally, \$60 million over three years is provided for Land for Maine's Future Program to continue land conservation efforts."

Governor Baldacci continued, "A major component of the nearly \$120 million proposal will be spread over three years, limiting the first year authorization to under \$80 million. The package will match or raise another \$115 million in federal, local or private funds. This proposal also complies with the debt control formula Maine has used since 2000 that limits annual tax-supported debt service to no more than five percent. Capital investments supporting economic growth and maintaining public infrastructure are part of a balanced fiscal approach to Maine's future. My proposal is a fiscally responsible vehicle for strategic investments for Maine."

### Summary of Governor Baldacci's Bond Package

Economic Stimulus: \$20,000,000.

Capitalizes the Maine Technology Institute Applied Research Fund providing competitive grants for applied research in natural resource-based industries including forest bio-products, marine research, aquaculture, farming, and fishing. Re-capitalizes the Small Enterprise Growth Fund for equity investments in small Maine companies with potential for high growth and public benefit. Creates a New Century Community pilot program for communities with a designated Pine Tree Zone for capital improvements to cultural resources. Funds weatherization of low income single and multi-family homes. Funds family and elderly housing options for Native American tribes through the Four Directions Development Corporation. Maintains Maine's commitment to local public schools for repairs, improvements, and renovations. Funds critical improvements and expansion plans for the State Research Library for Business, Science, and Technology -- the Raymond H. Fogler Library at the University of Maine. This bond anticipates matching an additional \$10,000,000 in funds from federal and other sources.

Applied Research Fund \$ 5,000,000

Small Enterprise Growth Fund \$ 2,000,000

New Century Community – Pine Tree Zones \$ 1,000,000

Housing Weatherization \$ 2,000,000

Housing for Tribes \$ 2,000,000

School Renovation Fund \$ 6,000,000

State Research Library/UM \$ 2,000,000

Health and Environment: \$16,600,000

Funds lead paint remediation in low income homes. Upgrades public drinking water systems. Provides funding for hazardous site cleanup, landfill remediation, wastewater treatment, pollution abatement and septic facilities, urban stormwater assistance, and municipal brownfield remediation. This bond anticipates matching an additional \$20,000,000 in federal funding.

Lead Paint Removal/Remediation \$ 1,000,000

Public Drinking Water \$ 2,000,000

Environmental Improvements \$13,600,000

Land Conservation & Parks: \$65,000,000

Recapitalizes the Land for Maine's Future Program with \$60,000,000 over three years to continue Maine's land conservation efforts, leveraging a minimum of \$30,000,000 in required matching funds. Lead funding priorities include (1) conservation properties in the rapidly developing areas of southern and coastal Maine with an emphasis on public access to outdoor recreational opportunities; (2) protection via easement of traditional public access in the North Woods and support for sustainable forestry and strategically targeted fee acquisitions in areas of very high public value (3) farmland protection to support an economically viable agricultural sector; (4) public access to coastal and inland waters; and (5) highly significant wildlife habitat and ecological areas. Provides additional funds of \$5 million for capital improvements to State Parks, Historic Sites and other state-owned parks, including \$1M for Capitol Park in Augusta. This bond anticipates matching an additional \$30,250,000 in funds from federal and other sources.

Land for Maine's Future \$60,000,000

State-owned Park and Historic Site Improvements \$ 5,000,000

Transportation: \$18,250,000.

Provides state matching funds for the Waldo-Hancock bridge replacement, funds improvements to highways and bridges, airports and state-owned ferry vessels, rail corridors and marine infrastructure,

and bicycle and pedestrian facilities. This bond anticipates matching an additional \$55,250,000 in federal and other funding.

Port and Ferry Improvements \$ 2,150,000

Railroad Improvements \$ 1,700,000

Aviation Improvements \$ 250,000

Pedestrian & Bicycle Improvements \$ 650,000

Highways and Bridges (Highway Fund) \$13,500,000

#### SUMMARY

Total bond proposal: \$119,850,000

Less LMF authorized but not issued in FY05 \$(40,000,000)

\$ 79,850,000

Total General Fund (less LMF non-FY05) \$ 66,350,000

Total Highway Fund \$ 13,500,000

Total Match Generated \$115,500,000

#### Governor Baldacci's Bond Package - Detailed

Economic Stimulus: \$20,000,000.

Capitalizes the Maine Technology Institute Applied Research Fund providing competitive grants for applied research in natural resource-based industries including forest bio-products, marine research, aquaculture, farming, and fishing. Re-capitalizes the Small Enterprise Growth Fund for equity investments in small Maine companies with potential for high growth and public benefit. Creates a New Century Community pilot program for communities with a designated Pine Tree Zone for capital improvements to cultural resources. Funds weatherization of low income single and multi-family homes. Funds family and elderly housing options for Native American tribes through the Four Directions Development Corporation. Maintains Maine's commitment to local schools, repairs, improvements, and renovations. Funds critical improvements and expansion plans for the State Research Library for Business, Science, and Technology -- the Raymond H. Fogler Library at the University of Maine. This bond anticipates matching an additional \$10,000,000 in funds from federal and other sources.

Applied Research Fund \$ 5,000,000

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Housing for Tribes \$ 2,000,000

School Renovation Fund \$ 6,000,000

State Research Library/UM \$ 2,000,000

- \$5M for Maine Technology Institute Applied Research Fund competitive grants for applied research in natural resource-based industries including forest bio-products, marine research, aquaculture, farming, and fishing. Research funds will identify new products, improved management practices and initiate new technologies to increase yields and enhanced utilization the use of products. The Maine Technology Institute, in close cooperation with the Departments of Marine Resources, Conservation and Agriculture, will administer this competitive funding Maine. Fisheries, aquaculture, forest products and agriculture need better information for resource management, creation of new products and improved technology to remain competitive in today's markets. Leverages \$5M in required matching funds: state, federal, or private.
- \$2M for Small Enterprise Growth Fund for equity investments in small Maine companies with potential for high growth and public benefit. Leverages private equity investments. To date, over \$7 million has been invested by the Fund in promising Maine companies. The companies in which the SEGF has invested have created well over 1,000 jobs in the State, and companies that are still active in the portfolio employ four times as many individuals as they did at the time of the SEGF investment. Additionally, the \$7 million invested by the Fund complements over \$30 million of additional funds invested in these Maine companies and, in some cases, bringing national venture firms into the State.
- \$1M for a New Century Community pilot program for communities with a designated Pine Tree Zone for capital improvements to cultural resources.
- \$2M for weatherization of single and multi-family homes occupied by low income persons, saving homeowners \$1.83 for every \$1.00 invested by reducing energy consumption.
- \$2M for family and elderly housing options for Native American tribes through the Four Directions Development Corporation. Would help attract \$2M in federal funds.
- \$6M for repairs, improvements, renovations to public schools. Leverages \$3M in local funds.
- \$2M for critical storage and comprehensive plan for the State Research Library for Business, Science, and Technology -- the Raymond H. Fogler Library at the University of Maine.

Health and Environment: \$16,600,000

Funds lead paint remediation in low income homes. Upgrades public drinking water systems. Provides funding for hazardous site cleanup, landfill remediation, wastewater treatment, pollution abatement and septic facilities, urban stormwater assistance, and municipal brownfield remediation. This bond anticipates matching an additional \$20,000,000 in federal funding.

Lead Paint Removal/Remediation \$ 1,000,000

Public Drinking Water \$ 2,000,000

Environmental Improvements \$13,600,000

- \$1M for lead paint remediation in low income households.
- \$2M to upgrade public drinking water systems statewide through the Drinking Water State Revolving Loan Fund. Leverages \$10 million in federal funds.
- \$13.6M for environmental investments and improvements statewide, administered by the Department of Environmental Protection, including:
  - o \$1.7 to cleanup hazardous waste sites under the Uncontrolled Hazardous Substance Program.
  - o \$150,000 to reimburse part of municipal costs incurred under the Landfill Remediation Program.
  - o \$2.5M to provide for State Revolving Fund (SRF) low interest loans to municipalities and others for wastewater treatment. These funds protect water quality in receiving waters including rivers and marine waters. Likely projects for financing include Bangor, Auburn, Kennebunk, and Portland. Leverages \$12.5M in federal funds.
  - o \$1.5M for Small Community Grant Program. Roughly 70 grants to towns for pollution abatement or septic facilities will protect drinking water, shellfish areas, and other waters of the state.
  - o \$7M for State Pollution Grants Program, water pollution control facility construction grants, including \$1M for Indian Township, \$ 4M for Loring Development Authority /Limestone, \$500K for Machias, \$500K for Bingham, \$500K for Presque Isle, and \$500K for Gorham & South Windham. These grants assist municipal entities unable to fully finance water pollution control facilities with grants to enable construction of wastewater pollution facilities necessary to protect the water quality in rivers, streams and marine waters.
  - o \$500,000 for Municipal Stormwater Assistance Grants for 28 regulated communities to allow compliance with new federal urban stormwater regulations.
  - o \$250,000 for Municipal Brownfields Program. These funds would allow assessment of four to five contaminated "brownfield" sites for economic reuse to put the land back into economic use. Communities being reviewed include Howland, Parsonsfield, Bradley, and Caribou.

Land Conservation & Parks: \$65,000,000

Recapitalizes the Land for Maine's Future Program with \$60,000,000 over three years to continue Maine's land conservation efforts, leveraging a minimum of \$30,000,000 in required matching funds. Lead funding priorities include (1) conservation properties in the rapidly developing areas of southern and coastal Maine with an emphasis on public access to outdoor recreational opportunities; (2) protection via easement of traditional public access in the North Woods and support for sustainable

forestry and strategically targeted fee acquisitions in areas of very high public value (3) farmland protection to support an economically viable agricultural sector; (4) public access to coastal and inland waters; and (5) highly significant wildlife habitat and ecological areas. Provides additional funds of \$5 million for capital improvements to State Parks, Historic Sites and other state-owned parks, including \$1M for Capitol Park in Augusta. This bond anticipates matching an additional \$30,250,000 in funds from federal and other sources.

Land for Maine's Future \$60,000,000

State-owned Park and Historic Site Improvements \$ 5,000,000

- Recapitalizes the Land for Maine's Future Program with \$60,000,000 over three years to continue Maine's land conservation efforts, leveraging a minimum of \$30,000,000 in required matching funds. Lead funding priorities include (1) conservation properties in the rapidly developing areas of southern and coastal Maine with an emphasis on public access to outdoor recreational opportunities; (2) protection via easement of traditional public access in the North Woods and support for sustainable forestry and strategically targeted fee acquisitions in areas of very high public value (3) farmland protection to support an economically viable agricultural sector; (4) public access to coastal and inland waters; and (5) highly significant wildlife habitat and ecological areas.
- Provides additional funds of \$5 million for capital improvements to State Parks, Historic Sites and other state-owned parks, including \$1M for Capitol Park in Augusta. Improvements to State Parks and Historic Sites include (1) Safety and environment - replacing outdated toilet and shower facilities, repairing bridge trestles, dams, and roadways (2) Lead paint and asbestos mitigation - removal or containment of lead paint and asbestos at several facilities where public or staff are currently at risk of exposure; (3) Historic site repairs and renovations - Re-pointing and repair of brick, stone, and cut granite masonry and stabilization of shoreline to protect threatened historic structures and artifacts. These improvements leverage \$250,000 in federal funds.

Transportation: \$18, 250,000

Provides state matching funds for the Waldo-Hancock bridge replacement, funds improvements to highways and bridges, airports and state-owned ferry vessels, rail corridors and marine infrastructure, and bicycle and pedestrian facilities. This bond anticipates matching an additional \$55,250,000 in federal and other funding.

Port and Ferry Improvements \$ 2,150,000

Railroad Improvements \$ 1,700,000

Aviation Improvements \$ 250,000

Pedestrian & Bicycle Improvements \$ 650,000

Highways and Bridges (Highway Fund) \$13,500,000



- \$2.15M for port and ferry improvements, including \$1M toward replacement of the Governor Curtis ferry vessel, \$500K for continued support of the Small Harbor Improvement Program, and \$400K for ongoing improvements to the Mack Point cargo facility, and \$250K for ferry system security equipment. Leverages \$1.75M in federal funds and \$0.9M in local funds.
- \$1.7M for railroad improvements through the Industrial Rail Access Program. Leverages \$1.7M in matching private or local funds.
- \$250K for airport improvement projects statewide.
- \$650K for bicycle and pedestrian improvements statewide. Leverages \$2.15M in federal and local funds.
- \$13.5M for highway and bridge improvements, including state match for the Waldo Hancock Bridge replacement, leveraging \$48M in federal highway dollars and \$0.75M in local dollars.

SUMMARY

Total bond proposal: \$119,850,000

Less LMF authorized but not issued in FY05 \$ (40,000,000)

\$ 79,850,000

Total General Fund (less LMF non-FY05) \$ 66,350,000

Total Highway Fund \$ 13,500,000

Total Match Generated \$115,500,000

(from the total \$119.85 million proposal)

## State Announces Pilot Program to Sustain Rural Pharmacies

February 23, 2004

Contact: Trish Riley, 624-7442

Senator Dennis Damon, 667-9629

Rep. Hannah Pingree, 691-5071

Bill MacDonald, legislative aid to Senator Damon, 287-4874

Governor Baldacci, Senator Damon, and Rep. Pingree Announce Support for Island Pharmacy and Other Rural Pharmacies

Augusta - Governor John E. Baldacci, Senator Dennis S. Damon (D-Hancock County), and Representative Hannah Pingree (D-North Haven) today announced that the State will work with the Island Pharmacy and other rural pharmacies in Maine to develop a purchasing alliance for independent pharmacies and a pilot program supporting sole community rural pharmacies to assure that they continue to provide their important services to Maine's rural population. The Island Pharmacy also has committed to maintaining services with the State prescription programs.

The Island Pharmacy and a small number of other similar, rural pharmacies have a high percentage of customers who participate in one of the State's prescription programs, including Maine Rx Plus, Drugs for the Elderly, and MaineCare. The rural, independent pharmacies tend to have a lower volume of business than larger pharmacies, and therefore have higher costs, but serve an important role in providing comprehensive health services to their clients and customers.

"Island Pharmacy provides vital medications and services to a rural isolated population," noted Governor John Baldacci. "The majority of their customers are enrolled in MaineCare, Drugs for the Elderly and the Maine Rx Plus Program. I commend Kevin Clancy of Island Pharmacy, Senator Dennis Damon, Representative Hannah Pingree, and representatives of my Office of Health Policy and Finance and the Department of Human Services for ensuring that citizens of Stonington and surrounding towns retain access to these state programs through Island Pharmacy. Furthermore, the creation of the Maine Independent Pharmacy Purchasing Alliance will assist all independent pharmacies gain volume discounts and create bulk purchasing options. Maine will remain a leader in bringing lower cost drugs to our citizens."

"I am very pleased that we been able to work with Kevin Clancy at the Island Pharmacy to assure that the residents of Stonington and Deer Isle continue to receive the great health services provided by this important community pharmacy," said Senator Damon. "Pharmacists, primary care physicians, and other health care providers in our rural communities provide extremely important comprehensive care and attention to our residents, yet they face unique challenges that statewide policies sometimes do not properly recognize. The State of Maine already devotes resources to assuring that we have primary care physicians in rural communities and these prescription programs will assure the same sustainability to

the Island Pharmacy and the other 72 independent pharmacies serving rural communities in Maine. I am very grateful to Kevin Clancy for his dedication and perseverance in working with us to assure that his customers and our constituents continue to get the good health services that they deserve."

"I heard from many concerned constituents on the island about the impact of the pharmacy closing and about the wonderful, community business Kevin Clancy runs," said Rep. Pingree. "It was a pleasure to work on this issue and to me shows the power of grassroots politics - we are listening in Augusta."

Customers of the Island Pharmacy should contact the pharmacy at 367-6333 with any prescription or continuity of service questions. Residents may contact the Governor's Office at 287-3531, Senator Damon at 287-1515, or Representative Pingree at 287-1430 with any questions about State prescription programs.

## Governor Announces Community Development Block Grants

February 23, 2004

Contact: Lee Umphrey, 287-2531

Jack Cashman, 624-9800

AUGUSTA – Governor John E. Baldacci today announced the Department of Economic and Community Development has awarded more than \$1 million in Community Development Block Grants (CDBG). The monies fund Downtown Revitalization and Community Enterprise programs.

“Community Development Block Grants allow Maine municipalities to complete projects enhancing their economic vitality,” said Gov. Baldacci. “The State works closely with local communities to promote infrastructure improvements and targeted development throughout the State.”

The nine successful applicants represent communities in seven of Maine’s sixteen counties. The Town of Guilford will receive a total of \$400,000 from the Downtown Revitalization Program. Eastport will receive \$50,000 from the Community Enterprise program, Downtown Manager category funds. The towns of Paris and Rockland each will receive \$100,000 from the Community Enterprise program Micro-Loan category. The communities of Dover-Foxcroft, Ellsworth, Norway, Waterville and Wilton will receive \$100,000 each in the Community Enterprise program Façade category.

The successful applicants for these programs will be using the funds to enhance the vitality of their respective downtown districts. This will be accomplished through a variety of activities including improvements to streets, sidewalks, lighting, façade improvements, small business loans/grants, downtown promotion and housing.

Funding for the Community Development Block Grant program originates with the U.S. Department of Housing and Urban Development (HUD) and is administered by the Office of Community Development. This year, HUD allocated about \$17 million for the Maine program. Communities receiving grants leverage funds to complement the awards. Jack Cashman, Commissioner of the Department of Economic and Community Development, stated, “Community Development Block Grants are designed to support projects in municipalities that benefit low to moderate income persons, are integrated in a long range community strategy, provide for further public and private investment, enhance deteriorated residential and business districts, and promote partnerships and leveraging of funds with local, state, federal and private sources.”

## Governor Nominates Jack Nicholas to Lead DHS and Unveils Merger Legislation

February 26, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA -- Governor John E. Baldacci today nominated John (Jack) R. Nicholas to be Commissioner of the Department of Human Services (DHS) and introduced legislation to merge this department with Behavioral and Developmental Services.

"This is not just a name change, it's a new way of doing business," stated Governor Baldacci. "Better services will result, a new Bureau of Children and Families will be created, and financial accountability will be firmly established."

Mr. Nicholas currently serves as acting commissioner of the department. In his capacity as Commissioner, Mr. Nicholas will also oversee the implementation of the merger of DHS with Behavior and Developmental Services, a major structural and financial reorganization which will lead to better service and financial accountability for health and human service functions of the State of Maine.

"Jack brings a strong financial background to this post," stated Governor Baldacci. "He has a proven record of managing complicated budget situations and promoting compassion and responsiveness at all levels of the department. His leadership will be paramount as we achieve the goals of this administration and of the merger. These crucial steps to promote a family friendly, responsive department that is financially sound."

Mr. Nicholas was named Acting Commissioner for the Department of Human Services effective February 14, 2004. He has been working in the Department since November 2003 as the Deputy Commissioner of Finance. Prior to his service in the department, Jack served eleven years as the State Budget Officer. He has received a number of awards recognizing his service. The State of Maine Employee Recognition Program named him Manager of the Year for the Department of Administrative and Financial Services. Most recently, Nicholas was honored as a lifetime member of the National Association of State Budget Officers.

Nicholas is an alumnus of the College of William and Mary. He met the requirements for a degree in accounting from the University of Maine, Augusta, and received a master's degree in business from Thomas College.

Once confirmed, Nicholas will coordinate with the implementation team to oversee the merger of DHS and BDS, a major structural and financial reorganization which will lead to better service and financial accountability for health and human service functions of the State of Maine. Along with the appointment of Jack, a top priority will be to fill the positions of Deputy Commissioner of Programs and Deputy Commissioner of Finance. This team will work with the implementation team and in consultation

with the Health and Human Services Committee in ensuring that together we create a new culture of quality, performance and responsiveness.

The new Department of Health and Human Services assumes the duties of the current departments. The bill establishes a Health and Human Services Advisory Board consisting of nine member appointed by the Governor. This legislation provides transition language to enable the affected departments to plan for an orderly transition to the new Department of Health and Human Services.

“My goal is to create a system of human services that is cost effective, of the highest quality and responsive to the needs of consumers,” said Governor Baldacci. “Reducing layers of bureaucracy and increasing service access and quality for individuals, families and communities will result from this legislation, and I urge legislators to work with me to pass this important proposal.”

## Governor Announces Pine Tree Zone Designations

February 26, 2004

Contact: Lee Umphrey, (207) 287-2531 Jack Cashman, (207) 624-9800

Economic Development Program Aimed at Creating Jobs, Expanding Opportunities

LEWISTON – Governor John E. Baldacci, flanked by economic development officials and civic leaders, today announced the location of the final four Pine Tree Zone designations. The Pine Tree Zone program was introduced by the Governor in early 2003 and enacted by a two-thirds majority vote of the Legislature last year. Pine Tree Zones use a combination of tax incentives to spur economic development in targeted areas of the state where unemployment is relatively high, and wages are relatively low.

“Increasing economic opportunity for the people of Maine is our highest priority,” said Gov. Baldacci. “Today is important because we finalize another key component of our economic development strategy. The Pine Tree Zones will help encourage businesses to locate in economically distressed areas of the state, where we need to create good jobs. It will also help Maine compete against other states for business attraction.”

The Governor announced the final four additional Pine Tree Zone locations. They are in the Midcoast, Kennebec Valley, Penobscot-Piscataquis and Southern Maine Regions. The four zones previously established by the Legislature include Androscoggin Valley Region, Aroostook County, Penobscot Valley Region and Washington County-Downeast Region.

In addition to existing incentive programs, such as business equipment tax reimbursement, job training, and financing programs the state will offer, effective January 1, 2004, to qualified new and expanding businesses:

- 80% ETIF (Employment Tax Increment Financing) reimbursement of payroll taxes from new jobs created for up to ten years;
- A 100% refund of corporate income tax and insurance premium tax for years one through five, and 50% for years six through ten;
- A local option TIF (Tax Increment Financing) to help pay project costs over multiple years that will not be counted against a municipality's existing TIF area and value caps; and
- (Effective July 1, 2005) A 100% sales and use tax exemption for zone-related construction materials and equipment purchases.

All Pine Tree Development Zone benefits can be “layered” over other available benefits. For example, Aroostook County is home to a federally-designated, Rural Empowerment Zone, entitling companies to federal tax credits up to \$3,000 per employee. The federal tax credits can be taken in addition to the

state tax credits for businesses located both in the Empowerment Zone and the Pine Tree Zone; and the City of Lewiston has property federally-designated as a Community Enterprise Zone.

Eligible businesses include firms engaged in manufacturing, financial services, and the seven state targeted technology sectors: biotechnology, aquaculture and marine technology, composite materials technology, environmental technology, advanced technologies for forestry and agriculture, information technology and precision manufacturing technology.

With today's announcement, the preliminary zone designations have been determined and the state will begin to accept applications from businesses seeking certification and benefits. Final designations will be announced this summer after municipalities have an opportunity to hold a town council or town meeting in order to confirm their inclusion as part of a designated zone.

Department of Economic and Community Development Commissioner Jack Cashman emphasized that the zones will help Maine compete for out-of-state business, provide expanding businesses in Maine with new opportunities and help Maine transition to a modern economy.

"We chose this location in Lewiston for this important announcement today because it represents the transition happening in our economy from traditional mill jobs to the jobs of the future. The Pine Tree Zone program will assist areas like the Bates Mill and others throughout the state in attracting more new businesses and creating more new jobs," said Cashman.

Other speakers at the event included Bob Thompson, executive director of the Androscoggin Valley Council of Governments and Chip Morrison, executive director of the Androscoggin Valley Chamber of Commerce.



## Governor Announces Spending Reform and Property Tax Relief Package

March 3, 2004

Contact: Lee Umphrey, 287-2531 Martha Freeman, 287-6077

AUGUSTA – Joined by legislators, businesspeople and local officials at a State House press conference, Governor John E. Baldacci today released the details of his comprehensive plan to enact spending reform and property tax relief.

The Governor outlined his proposal:

- My priority is to grow Maine's economy. I want our state to lead in better paying jobs with benefits. And we should not raise Maine's tax burden.
- My spending reform and property tax relief package provides:
  - Immediate, guaranteed property tax relief
  - Longer-term property tax relief
  - And investment for economic competitiveness
- It limits property taxes for individuals, municipalities, and counties. Our goal with this package is for all Maine people to see, on average, a 15% reduction from what their property taxes would have been.
- My proposal:

Doubles the property tax relief for Maine people who need it the most by creating a Homestead Tax Cap Program. I'm adding \$25 million to help low and middle income Mainers with high property tax burdens. Our goal is over 200,000 households eligible for relief when their property taxes equal 4% of their income.

I'm adding \$25 million to the state's share of education funding. In FY 05 the state will send back to the towns over \$750 million for education.

I'm making a commitment in law to raise state education spending to 55% over 5 years.

And this package caps property taxes towns need to raise for education.

It controls special education and transportation costs. By 2010 we'll save the state \$229 million and local property taxpayers an additional \$237 million.

⌘ Education spending is 36% of the state budget. It's 61% of municipal budgets. Getting control of education costs is key to property tax relief.

This package also caps growth in municipal and county spending at the state cap already in law, about a 4.5% spending limit. And I'm creating a Task Force to reform county costs—such as jails and law enforcement—for property tax relief.

⌘ Local property taxes fund 80% of county budgets. Controlling county costs will create more property tax relief.

We must repeal the personal property tax on business equipment to create investment for good jobs with benefits. We'll use state savings from this to create economic development and a cushion for affected towns.

And I'm asking schools to cooperate and share management. We estimate \$30 million in savings over 5 years. More cooperation will be voluntary only, with state incentives.

⌘ But we have to face facts. There's one administrator for every 200 students in Maine. Over the 8 years leading up to 2010, we'll lose 20,000 students.

- This package is responsible spending reform and property tax relief.
- It provides even more reform and relief than Question 1B:
- It adds \$25 million in education funding in the next fiscal year
- It guarantees more property tax relief, now and in the future
- It caps spending at all levels of government
- It saves almost one half billion state and local dollars
- This plan, and others, say loud and clear—Maine needs to lower its property tax burden. And we must grow our economy. I thank business leaders, town officials, service centers, educators, and legislators for working with me toward this goal. I hope we'll end up seeing eye to eye.
- By holding the line on taxing and spending, we'll grow good jobs and give property tax relief to Maine people.

## Governor Outlines Supplemental FY 2005 Budget

March 5, 2004

Contact: Lee Umphrey, 287-2531, Becky Wyke, 624-7800

AUGUSTA – Governor John E. Baldacci today outlined his FY 2005 Supplemental Budget. “Our State has been making steady process in expanding economic opportunity for all Maine citizens,” stated Governor Baldacci. “Maine incomes are up and a number of economic initiatives are in place to ensure the people of this state can succeed. However, our state must close a \$138 million gap for FY 2005. This presents a significant challenge for us all, and will require across the board sacrifices.”

Beginning with the priorities of enhancing economic opportunity and competitiveness, the Governor stated that raising taxes to meet the shortfall is not a consideration. Additionally, maintaining present eligibility and integrity of MaineCare is of primary importance. The structural integrity of our safety net health care system must be preserved.

“This budget recognizes a \$70 million shortfall in Federal matching funds to MaineCare. Through redesigning of aspects of MaineCare and other changes that maximize Federal funds and slow the growth in spending, my budget ensures that impacted programs are accountable and affordable. People depending on MaineCare will be assured that they receive the right care at the right time, at the right place and for the right price.”

The Governor’s budget will dovetail with the tax package released earlier this week, increasing General Purpose education funding and instituting property tax relief.

Specifically, the Governor’s budget proposes:

### MaineCare Basic - \$22 Million – Redesign Benefit for Adults

- Balance special needs of MaineCare population and products in commercial market to develop hybrid benefit for enrollees.
- Comply with Federal and court mandates.
- Non-categorical waiver will have additional cuts (no retroactive eligibility; no transportation; limits on in- and out-patient care and high cost case management).

### Hospitals - \$6.7 Million Additional Revenue to General Fund

- Minimize loss of Federal funds to Maine’s hospitals, expand Critical Access Hospitals consistent with Federal law and eliminate payment equity program through a 2.03% tax with reimbursement changes to mitigate the effect of the tax.
- Standardize physician reimbursement regardless of setting.

- Net loss to hospitals (state and Federal) \$7.3 million – offset, in part, by new Federal Medicare funds for critical access hospitals.

Mental Health Services - \$11 Million Savings - \$2.9 Million Re-Invested

- Work with stakeholders to initiate the following:
  - o Provide additional funding for rental assistance (\$2.5 million), peer support (\$200,000) and social clubs (\$200,000).
  - o Review all state licensing and contracting requirements to reduce provider burden.
- Assure most appropriate services through single point of entry, standardized assessment of medical necessity and level of care, and conducting prior authorization and utilization review, similar to other health services.
- Make payments to providers more equitable and set a median for some children's and adult mental health providers, mental health out-services.
- Limit out-patient to 12 visits; seriously emotionally disturbed children and adults with serious mental illness may exceed limits with prior authorization.
- Redesign adult mental health crisis system and replace grant funding with fee for service reimbursement (except in crisis services).

Services for Persons with Mental Retardation - \$4.4 Million

With a workgroup of stakeholders, the Department will assure most appropriate services through standardized assessments and rates, high cost case management and targeted rate reductions to achieve payment equity across providers.

Long Term and Chronic Care - \$12 Million

- Redesign Home-Based Care program.
- Develop independent assessment and expand use of consumer/family managed services.
- Transfer eligible assisted housing clients to MaineCare.
- Reduce fee increases to medical and remedial PNMI's.
- Reduce payments to nursing facilities.
- Generate revenue through estate recovery.

Pharmacy - \$14.4 million

- Voluntary mail order.

- Limit number of brand name prescription drugs covered in supervised settings.
- Additional prior approvals.
- Institute drug monitoring program.
- Establish formulary for the Drugs for the Elderly benefit.
- Efficiencies through contracting with one pharmacy provider and creating a PDL at AMHI and BMHI.

Other

- Work with Corrections to increase savings from Rx & other purchases and equalize rates with MaineCare.
- Assure most appropriate level of care for children in foster care and in and out of state facilities.
- Redesign Medical Eye Care benefit.
- Contract for laundry services at BMHI.
- Savings from mental health parity.
- Revenues from fees, TANF.

The Governor is committed to working with the Legislature and others in an open process to determine the best course of action. His budget will be shortly transmitted to the Appropriations Committee for public hearings.

## Governor Announces Process for Liquid Natural Gas Proposals

March 12, 2004

Contact: Lee Umphrey, 287-2531

Jack Cashman, 624-9800

AUGUSTA – Governor John E. Baldacci outlined today the next phase in promoting a Liquid Natural Gas facility in the state that engages interested communities.

“I’ve spent the last few days reflecting on the outcome of the Harpswell town vote on Liquid Natural Gas development,” said the Governor. “While I continue to support the potential of LNG facilities to bring good paying jobs and clean energy to Maine, I have been reminded of the need to use economic development as a tool to bring communities together, rather than to allow it create divisions between neighbors. I continue to hope that those Maine communities with exceptional economic potential will step to the plate to bring prosperity to the state as a whole. Yet we are all wiser with respect to the need for a vision of our communities as a necessary step in leadership toward economic growth.”

The Governor’s cabinet agencies and senior advisors are resources to towns interested in attracting an LNG facility. The Department of Economic and Community Development (DECD) is available to assist any interested communities and to provide best available information on siting, permitting, negotiating, and other issues.

“LNG presents opportunities for jobs and a strong property tax base in a number of locations up and down the coast,” continued the Governor. “LNG may bring break-through opportunities for certain towns in Washington County. I’ve asked Jack Cashman, my Commissioner of Economic & Community Development, to respond to requests of any community that might seek out this development opportunity. I’ve also asked my entire cabinet to play a role as a resource to communities exploring this development potential --- to present frankly their expertise on safety, energy, fisheries, economics, land use, and more – but to defer heavily to local governments as key decision-makers regarding affirmative support of any particular proposal.”

Governor Baldacci reminded Maine people that LNG offers a clean industry and clean fuel and will help keep the region’s energy prices competitive for small businesses and families. Every aspect of a project will be reviewed by the Maine Department of Environmental Protection, the Maine Department of Marine Resources, and the Maine Emergency Management Agency. The departments will review all issues regarding public safety and will ensure that the environment, our marine resources and commercial interests in the region are safeguarded.

## Governor Welcomes Celebrants of Franco-American Day

March 18, 2004

Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA -- Governor John E. Baldacci today welcomed Franco-Americans to the Hall of Flags in the State House for the third annual Franco-American Day. He presented the organizers with a proclamation to commemorate the day. Below are his remarks.

### Version Française

En honneur du “Rendez-Vous de la Francophonie” (La Journée Franco-Américaine), je profite de cette occasion pour saluer la communauté Franco-Américaine du Maine. Depuis quatre siècles la culture française – la langue, l’histoire, les gens – enrichit notre état.

La variété des groupes ethniques qui fait l’ensemble du Maine, y compris les Franco-Américains, nous rappelle des maintes contributions de tous nos citoyens, ainsi que l’importance de l’individu dans notre société. Rapellons-nous que toutes personnes sont dûes le respect et la dignité que chaque personne est accordée par nos lois et notre constitution. Les idées de liberté, égalité et fraternité sont des valeurs universelles, sur lesquelles repose la justice pour tout le monde.

Je félicite le Député Rosaire Paradis, et son épouse Judey Ayotte Paradis, pour tout ce qu’ils ont fait pour organiser cette fête joyeuse.

Merci, et bonne journée.

### English Version

In honor of the third Franco-American Day, I take this opportunity to salute the Franco-American community of Maine. For four hundred years French culture – the language, the history and the people – has enriched our state.

The various ethnic groups which make-up the State of Maine, including Franco-Americans, remind us of the many contributions all of our citizens have made, as well as the importance of the individual in our society. Let us not forget that all people are due the respect and dignity accorded each individual under our laws and constitution. The notions of liberty, equality and fraternity are universal values on which justice for all rests.

I congratulate Representative Ross Paradis, and his wife, Judy Ayotte Paradis, for their hard work in organizing today’s celebration.

Thank you, and good day to all.

## Governor Names FAME CEO

March 23, 2004

Contact: Lee Umphrey, 287-2531

John Witherspoon, 265-4581

AUGUSTA – Governor John E. Baldacci announced today that he has nominated John C. Witherspoon to be Chief Executive Officer of the Finance Authority of Maine (FAME). Mr. Witherspoon will lead an agency critical to the goals of increasing economic and educational opportunities for the people of Maine.

“John Witherspoon brings more than twenty-five years of financial expertise to this agency,” stated Governor Baldacci. “His broad range of experience in budgeting, marketing, strategic planning, and accessing capital markets, coupled with strong leadership and problem solving skills, will strengthen FAME and the ability of individuals and families to prosper and seek new opportunities across the state.”

FAME, an independent state agency established in 1983, provides financial resources and information to Maine citizens wishing to start or expand business and higher education opportunities. Providing a wide array of business financing programs, FAME ensures that Maine firms have access to capital. In 1990, FAME's mission was significantly expanded to include administering the State's higher education finance programs. FAME assists students and families meet the costs of higher education through a variety of loan, grant and scholarship programs.

The Governor noted Mr. Witherspoon's reputation and his proven ability to work with multiple stakeholders. “John's proactive approach to complicated issues will greatly benefit those who use FAME's services. He will lead the agency's innovative and flexible programs and continue to build closer ties with members of the education and business communities.” John Witherspoon most recently served as President and CEO of United Kingfield Bank, where he managed the conversion from a mutual bank to a stock company and negotiated purchases and sales of banks and bank branch offices. Under his leadership, he increased staff and assets ten-fold. He has been a school board member for S.A.D. 58 since 1998 and is currently a member of the University of Maine at Farmington's Board of Visitor's.

For more information on FAME: <http://www.famemaine.com/>



## Governor Announces Dirigo Health-CareWorks Plan

March 25, 2004

Contact: Lee Umphrey, 287-2531 Trish Riley, 624-7442

AUGUSTA – The Governor today joined Chairman Dr. Robert McAfee and the Board of Directors of the Dirigo Health Agency to announce the issuance of the RFP for the Dirigo insurance product, called CareWorks. Prior to the Governor's announcement, the Board voted unanimously to approve the product.

The Dirigo Health Reform Act is a market-based solution to address rising health care costs, improve quality of care, and provide access to coverage for Maine's uninsured. Through CareWorks, this public-private partnership will invest in public health and disease prevention to assure Maine people have affordable quality care through a reliable and accessible health care system.

The Governor's remarks follow:

The Dirigo Health Reform Act passed nine months ago by the Legislature – with overwhelming bipartisan support. With passage of this act, a commitment was made by both Democrats and Republicans to institute a real plan to control the growth of health care costs, improve quality of care, and ensure access to coverage for every man, woman and child in the state.

We are facing difficult budget decisions. Our current MaineCare budget is a symptom of Maine's high health care costs. Dirigo invests in Maine and is insurance against rising health care costs.

Today, after months of analysis by the Dirigo Board, gathering input, adapting to an evolving marketplace, we are one step closer to meeting the Dirigo promise – to create a sustainable health care system in Maine.

Dirigo Health-CareWorks Plan is an innovative and exciting product. It is "tailor fit" for Maine's small businesses, independent entrepreneurs and individuals. CareWorks is an affordable solution for the uninsured and those struggling to maintain coverage. CareWorks will offer small businesses an affordable and quality plan and discounts to individuals and families to help them afford it.

We will soon seek an insurance carrier to partner with and offer CareWorks. I look forward to that process.

### CareWorks Summary

The product design and price meet the promise we made:

#### Affordable

- an affordable price – monthly costs as low as \$260 for a single adult and \$780 for a family of 4

- discounts up to 40% of monthly payments for those under 300% FPL - \$28,000/single adult and \$56,500/family of four
- discounts on deductibles and out of pocket maximums for those under 300% FPL.

#### Employer Sensitive

- it is difficult for employers to offer health coverage, that's why CareWorks is a voluntary plan
- required to pay 60% of employee only costs - while employers must offer family coverage, they need only pay 60% of the employee only costs
- provides employers with more choice in insurance market

#### Investment in Prevention

- preventive services like physicals, blood testing, flu shots, mammograms, well-baby care are covered at 100% - no out of pocket costs
- Healthy Maine Rewards Program – members receive \$100 cash reward for meeting health goals like smoking cessation
- fitness club discounts

#### Comprehensive Coverage

- hospital and physician visits
- Prescription Drug coverage

For further information, or to comment on CareWorks, a temporary phone number has been activated: 207-624-9838. Additionally, questions and comments may be directed to the agency via the website: [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov).

## Governor Orders Task Force to Create Seamless Pre-Kindergarten through Sixteenth Grade Educational Systems

March 26, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci signed today an Executive Order establishing The Task Force to Create a Seamless Pre-Kindergarten through Sixteenth Grade Education System.

The Governor stated: “A primary goal of my administration has been to ensure all Maine people have access to affordable quality education. As I noted in my State of the State Address, this is key to economic growth. Last year we made great strides toward achieving this goal, among which was the creation of the Community College System and the establishment of a Coordinating Advisory Committee of the Community College System and University of Maine System. A goal was set in January of this year to take further action to connect all levels of public education.

There is more we need to do.

To compliment what we have achieved so far, we must give added focus to the goal of structuring our entire education system best to ensure our youth and adults have the greatest opportunities to succeed. Today I am ordering a task force be established which recommend options to further maximize our investments in education and enhance the ability of the system to meet the needs of our students. The focus of the Task Force will be to develop seamless Pre-Kindergarten through Sixteenth grade education systems.”

The Text of the Executive Order follows:

March 26, 2004

### AN ORDER ESTABLISHING THE TASK FORCE TO CREATE SEAMLESS PRE-KINDERGARTEN THROUGH SIXTEENTH GRADE EDUCATIONAL SYSTEMS

WHEREAS, the State of Maine must make more investments in economic growth and job creation; and

WHEREAS, the State has established a goal of building a knowledge-based economy and raising incomes to the national average by 2010; and

WHEREAS, affordable, quality education is key to economic growth; and

WHEREAS, efficiency in the delivery of Pre-Kindergarten through Sixteenth grade education is necessary to maximize investments in education and service to students; and

WHEREAS, Maine seeks to increase the percentage of Maine's adults with four year college degrees to 30% of adults and to raise its high school-to-college rate from 55% to 70%; and

WHEREAS, every individual can learn, regardless of income, gender, race, ethnicity, geographic isolation or disability and deserves an equal opportunity to high quality public education; and

WHEREAS, the Community College System and the University of Maine System established a Coordinating Advisory Committee in 2003 to increase collaboration; and

WHEREAS, the Governor set a goal in January 2004 of taking more steps to connect all levels of public education and the Commissioner of Education, Chancellor of the University of Maine System and President of the Community College System have been meeting in furtherance of that goal; and

WHEREAS, greater collaboration between education professionals at all levels will lead to an integrated and enhanced learning experience for students, as well as improved employment stability, self-reliance, and civic engagement for citizens of the State:

NOW, THEREFORE, I, John E. Baldacci, Governor of the State of Maine, do hereby establish The Task Force to Create a Seamless Pre-Kindergarten through Sixteenth Grade Educational System as follows

#### Duties

The Task Force is charged with recommending to the Governor a strategy that develops seamless Pre-Kindergarten through Sixteenth grade educational systems in the State of Maine. To that end, the Task Force shall:

- a. Examine options for planning, efficiencies and spending reform across Pre-Kindergarten through Sixteenth grade educational systems in Maine;
- b. Examine all components of Pre-Kindergarten through Sixteenth grade educational systems in Maine to remove barriers to student movement between the sectors, including strategies for sharing academic performance data across sectors;
- c. Examine pre-kindergarten to public school transition issues, educational aspirations of Maine students and needs of students who are first in their families to seek post-secondary education;
- d. Examine finance models for systems with universal access; and e. Identify strategies that promote college readiness and college success for all.

#### Procedure

The Task Force shall be led by the Commissioner of Education and be composed of the Chancellor of the University of Maine System, the President of the Community College System and eighteen (18) other members, appointed by, and serving at the pleasure of, the Governor. The Task Force shall meet at times and places called by the Commissioner with assistance from the Governor's Office and state agencies as necessary and appropriate to carry out its activities from existing resources. The members of the Committee shall serve without compensation.

#### Final Report

The Task Force shall submit a final report to the Governor by January 15, 2005. The final report must include recommendations for creating seamless Pre-Kindergarten through Sixteenth grade educational systems. Upon submission of the final report, the Task Force and the authority of this Executive Order shall dissolve.

**Effective Date**

The effective date of this Executive Order is March 26, 2004.

## Governor Signs Golf Course Bill

March 30, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today signed LD 656, An Act to Allow Beverage Sales from Mobile Service Bars on Golf Courses.

“After closely considering the bill and listening to the arguments for and against, I have concluded that this bill allows Maine’s resort and tourism industry to compete on a level playing field with resorts in neighboring states. It is important that we support Maine small businesses with tools that allow them to be competitive and to create new jobs. The current law is costing individual Maine resorts hundreds of thousands of dollars in out-of-state convention business.

At the same time, I am asking Commissioner of Public Safety Michael Cantara to closely monitor the implementation of the bill when it takes effect this summer. I want his frank analysis on whether golf course owners are rising to the challenge they have invited – a challenge to be strictly responsible for firm enforcement of Maine’s alcohol laws. I am asking golf course owners to work hard to make this law a success -- I will be especially looking for extraordinary efforts in two regards. First, those golf courses located on either side of busy highways need to prove that public safety will be strictly protected. Second, all golf course owners need to prove that there will be zero tolerance of drinking by minors.

While the burden of enforcement should fall on golf course owners, every individual golfer can do his or her part to keep golf in Maine focused on sportsmanship and safety. Personal responsibility and moderation is what Maine is all about.”

The new law, as drafted by the Legislature, sunsets or is automatically repealed on January 1, 2006. Thus a request for legislation to extend the law would be expected in the 2005 legislative session. Golf courses report that 47 other states have comparable laws.

Stated the Governor, “I’ve further tasked Commissioner Cantara to review the laws of other states so that if this law is extended into 2006, that it will be extended to incorporate best enforcement and licensing practices developed in other states. The Commissioner will work with golf course owners to review these laws and develop an enforcement partnership primarily driven by concerns for safety.”

## Governor Nominates Douglas Beaulieu and Sara Gagne Holmes to Loring Development Authority

March 30, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci has nominated Douglas Beaulieu of Madawaska and Sara Gagne Holmes of Augusta to serve on the Loring Development Authority.

“The Loring Development Authority is crucial to the economic development of Northern Maine,” Governor Baldacci commented. “The LDA has taken the land that was once the Loring Air Force Base and transformed it into new growth and opportunity in Aroostook County. I know that with Douglas’ administrative and management skills and Sara’s legal expertise, they will be wonderful additions to this committee and will enhance LDA’s pursuit of economic opportunity. The Loring Development Authority is committed to bringing business to this distressed area of Maine where jobs are desperately needed; they demonstrate to businesses that Maine is a great place to operate.”

Mr. Beaulieu is currently the County Administrator for Aroostook County. In this position, he is responsible for overseeing all facets of the county’s administration and management including budget development, contract negotiations, and operations of various departments within Aroostook County. A graduate of the University of Maine Fort Kent and the University of New Haven, Mr. Beaulieu has been affiliated with many professional and civic organizations including the Northern Maine Development Commission, the Aroostook Municipal Association, and the Local Area Workforce Investment Board.

Ms. Gagne Holmes is currently an associate in the Preti, Flaherty, Beliveau, Pachios, and Haley, LLC law firm where she focuses on health care law and administrative law. Prior to this, Ms. Gagne Holmes served the Maine Supreme Court as a law clerk where she researched and drafted opinions as well as memos for oral arguments. Before graduating from the University of Maine School of Law, Ms. Gagne Holmes owned and operated a small business in Augusta, Maine.

As members of the Loring Development Authority, which was created in 1993 by the legislature, Mr. Beaulieu and Ms. Gagne Holmes will aid in acquiring, managing, and developing the remaining vacant land that was once the site of the Loring Air Force base. In the decade that LDA has existed, the thirteen member board has developed over half of the nearly 8,700 acres of land by attracting businesses and industries to this area and creating over 1,000 new job opportunities. There remains approximately 1.2 million square feet of building space that is still unoccupied.

## Governor Nominates Robert "Buddy" Murray for Bangor District Court Judgeship

March 30, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci has nominated Robert “Buddy” Murray to the Bangor District Court. The Governor noted Buddy’s exceptional record of success as the current Commissioner of Professional and Financial Regulation. Murray has most recently spearheaded legislation to restructure the Maine Workers’ Compensation Board, brokering an agreement supported by both the Maine AFL-CIO and the Maine State Chamber of Commerce.

“Buddy Murray's distinguished career as lawyer, legislator and Commissioner of Professional and Financial Regulation makes him well equipped to serve as Bangor District judge,” stated Baldacci. “As Commissioner, Buddy played a major role in the start-up of our administration, particularly with his efforts in reforming the Workers Comp Commission. Buddy is a conscientious, hard working individual who has always has the best interest of people in mind. His successful career has prepared him well and I am pleased to appoint him District Court judge.”

Prior to serving as Commissioner of Professional and Financial Regulation, Murray was a partner in the Bangor law firm of Rudman and Winchell. Murray served in Legislature, first as a House member from 1982 to 1986, and then as a Senator from 1996 to 2000. He was taught business law at Husson College and the University College of Bangor. Currently, Murray serves on the Board of Governors of the Penobscot County Bar Association, as well as on the Board of Directors of Bangor Region Chamber of Commerce and the Good Samaritan Agency.

Murray earned his Bachelor’s degree from Boston College and a Juris Doctor from the University of Maine School of Law.

The District Court system was created by the legislature in 1961. There are 33 judges serving in 13 districts and 31 locations throughout the state. District Court hears civil and criminal matters.



## Governor Nominates Members of the Board of Trustees for the University of Maine System

March 30, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci has nominated six members to the Board of Trustees for the University of Maine System.

“These six people have a wide range of talents in both the education and business fields,” Governor Baldacci stated. “Each is an accomplished individual that has spent years devoted to civic participation and workforce development within their communities. With their innovative ideas, they can further promote the University of Maine System and highlight why Maine is a great place for students to learn and to make a career. These appointees will further enhance the critical links between the University and economic development throughout the state.”

Paul Mitchell of Waterville is currently the Executive Director of the Waterville Urban Renewal Authority. In this position, Mr. Mitchell is involved in the acquisition, relocation, and reconstruction of area properties. Mitchell earned his bachelor's degree from the University of Maine, Orono and a masters from Columbia University. He has been involved in a number of civic activities including the Waterville City Council Board, the Waterville Planning Board, the High Hopes Clubhouse, and he is a trustee for the Kennebec Valley Community College Foundation.

Jean Flahive of Eastport has most recently served as a consultant for Washington Community College and a visiting lecturer at the Universidad Technologica de Tabasco in Mexico. Ms. Flahive is involved in the Maine Writers and Publishers Alliance and the Downeast Heritage Center. Ms. Flahive attended the University of New Hampshire where she received her bachelor's degree in Political Science and Pepperdine University where she received her master's degree in Public Administration.

Victoria Murphy of Portland is the Director of Pan Atlantic Consultants where she advises both public and private sector organizations on US and international business issues. Murphy was a member of the Women's Leadership Campaign Fund, the Board of Directors for Maryland Public Television Stations, and the Vice-Chair of the J. William Fulbright Foreign Scholarship Board.

Barry McCrum of Mars Hill is currently the owner and President of McCrum and Company, a management, consulting, and public affairs advisory company formed utilizing Mr. McCrum's twenty years of experience in telecommunications. He has been a member of the Board of Trustees for the Maine Public Broadcasting System, the Washington County Investment Board, the Northern Maine Empowerment Zone Council, and a member of the Maine State Schools and Libraries Project. McCrum is a University of Maine, Orono graduate.

Charles L. Johnson III of Hallowell is the President of Kennebec Tool and Die. Prior to this, Mr. Johnson taught sixth grade students at various school districts in Maine. Johnson, a Lafayette College graduate,

has been a member of the Maine Initiatives Board of Advisors, the Colby Leadership Institute, the Augusta Development Commission, and was named the Maine SBA Small Business Person of the Year in 2003.

Margaret Weston of Yarmouth is the President of Weston Associates, a consulting firm that works with companies at various stages of growth in the areas of business strategy and product and market development. Weston, a University of Southern Maine graduate, has been involved in various civic organizations including the Greater Portland Regional Chamber of Commerce, the Institute for Civic Leadership, and the Commission on Higher Education Governance.

The newly appointed members of the Board of Trustees join the ten other members to assume responsibility for the overall operation, maintenance, and supervision of the University of Maine System. The Board is the entity that approves the establishment and elimination of academic programs, confers tenure on faculty members, and sets tuition rates and operating budgets.

## Governor Nominates Land for Maine's Future Board Members

April 1, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci has nominated Jeffrey Thaler and Carole Dyer to the Land for Maine's Future Board.

"These are talented individuals who will further enhance the goals of Land for Maine's Future," Governor Baldacci stated. "LMF exemplifies the 'way life should be'. Conservation of Maine's resources will continue to provide recreational facilities for years to come to both Maine's citizens and visitors."

Jeffrey Thaler of Yarmouth is currently an attorney and partner at the Bernstein, Shur, Sawyer, and Nelson law firm in Portland. A Yale Law graduate, Thaler has participated in a wide range of civic and professional activities. He currently serves as the Panel Chair for the Maine Medical Malpractice Screening Panel and the Maine Superior Court Arbitration and Early Neutral Rosters. Mr. Thaler is replacing Linda Pagels.

Carole Dyer of Bowdoinham has served for over twenty years as the chair of the Maine Chapter for Ruffed Grouse Society. She is a member of the Board of Directors of Friends of Becoming and Outdoor Woman, a member of the Maine Bird Dog club, and is a registered Maine guide. With legislative approval, this will be Ms. Dyer's second term on the Board.

As members of this Board, Mr. Thaler and Ms. Dyer will aid in permanently protecting those lands in Maine that have exceptional natural or recreational value. The Land for Maine's Future Board seeks to conserve those areas for future enjoyment. In the fifteen years LMF has existed, nearly 200,000 acres of land have been conserved, including shorefront, rail-trails, valuable wildlife habitats, islands, forests and farms.

The confirmation hearing will be held April 7, 2004 at 1:00 p.m. in room 206 of the Cross Building in Augusta.

## Governor Nominates Maine Outdoor Heritage Fund Board Members

April 1, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci has nominated Richard Anderson, Charles Beck, and Sally Stockwell, to the Maine Outdoor Heritage Fund Board.

“The nominees for the Board exhibit innovation and talents that will help assure the future success of the Outdoor Heritage Fund,” Governor Baldacci said. “The Maine Outdoor Heritage Fund Board makes grants to entities resulting in the conservation of many important areas in Maine. This fund helps to cement that future generations will be able to enjoy many of the aesthetic pleasures that Maine has to offer.”

Richard Anderson, of Freeport, was most recently a partner in the Barton, Ginfold, Eaton, and Anderson group which specializing in governmental relations, communications and environmental permitting. From 1981-1987, Mr. Anderson served as Commissioner for the Department of Conservation for the State of Maine. Mr. Anderson is replacing Horace Hildreth, Jr.

Charles Beck, of Presque Isle, served twenty years in the U.S. Air Force, having been stationed in Southeast Asia, Germany, and eleven years was spent at the Loring Air Force Base in Maine. Mr. Beck currently manages a local supermarket. Mr. Beck is replacing Richard Fortier.

Sally Stockwell is currently the Director of Conservation for the Maine Audubon Society where she oversees such projects as wetlands at risk, the northern Maine forest, and species at risk. Prior to this, Dr. Stockwell was the Wildlife Program Manager for the Maine Audubon Society where she spent time researching wildlife and influencing public policy on wildlife issues of concern. Dr. Stockwell is being re-appointed to the Board.

As members of this board, Anderson, Beck, and Stockwell, will join four other members to make plans regarding the conservation of wildlife and open spaces in Maine through the awarding of grants from the Fund. The Board chooses projects in four categories that promote recreation as well as conservation of Maine's special places, endangered species, and important fish and wildlife habitat.

The confirmation ceremony will be held April 8, 2004 at 1:00 p.m. in room 437 of the State House.

## Governor Nominates Maine State Housing Authority Members

April 1, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci has nominated Carol Kontos and Elizabeth Horning to the Maine State Housing Authority.

“Carol and Elizabeth are bringing their talents and skills to aid in the attainment of MSHA’s mission statement,” Governor Baldacci commented. “With the rising costs of housing becoming one of the most pressing issues facing the people of Maine today, MSHA is an important resource for Maine people and prospective Maine residents, helping to ensure that affordable and adequate housing can be achieved.”

Carol Kontos of Windham is currently an Associate Professor of English at the University of Maine, Augusta. Ms. Kontos served in the Maine State Senate from 1999-2001 where she was the Senate Chair of the Joint Standing Committee on Business and Economic Development. Ms. Kontos is replacing James Cassidy.

Elizabeth Horning of Richmond is currently an employee at the Isaac Umberhine Public Library. Ms. Horning has been actively involved in volunteerism and community service organizations including the Enterprise Grange, the Year Round Recreation Committee of Richmond, and the Richmond Vision Committee. Her home town honored her with a Community Citizen award in 2001. Ms. Horning is being re-appointed to the MSHA.

As members of the Maine State Housing Authority, Kontos and Horning will assist Maine people to obtain affordable and descent housing. The MSHA provides resources to renters, home owners and prospective buyers, including people with special needs.

The confirmation hearing will be held April 7, 2004 at 1:00 p.m. in room 208 of the Cross Building in Augusta.

## Governor Updates DEP Efforts at Lincoln and Brewer Mills

April 2, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today elaborated on the actions of the Department of Environmental Protection regarding the Eastern Fine Paper and Lincoln Pulp and Paper mills in Brewer and Lincoln, respectively.

“The situations in Brewer and Lincoln are emergencies precipitated by the Bankruptcy trustee actions on March 12,” commented Governor Baldacci. “The DEP continues to mitigate serious imminent environmental hazards at the mills. This is necessary to prevent a likely release of hazardous chemicals in close vicinity to residential neighborhoods and the Penobscot River. Once it became clear that the Governor’s emergency contingency funds would be depleted, officials of the DEP and Attorney General’s office were consulted on the potential use of bond funds and the decision was made to utilize environmental bonds to continue to abate and mitigate uncontrolled hazardous substance threats. Legislative leadership and other appropriate legislators were apprised. Failure to have acted would have set the state up for a huge and costly cleanup.”

The Governor continued, “Further mitigation can be avoided if the mills are purchased. My priority is to get the 750 employees back to work.”

On March 12, the Governor issued an Emergency Proclamation to protect the public and environment from imminent risks associated with uncontrolled substances abandoned by the lenders and owners of the mills. The Governor’s action came in response to an order by the U.S. Bankruptcy to permit the Chapter 7 trustee to abandon the facilities. The mills continue to be kept in warm stasis mode while the hazardous substances are safely preserved. Preventing environmental damage will allow the sites to be more marketable to remaining prospective buyers.

## Governor Submits Legislation to Assist Returning Troops

April 8, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Along with bipartisan sponsors from both the House and the Senate, Governor John E. Baldacci has submitted a bill which will help returning service men and women as they transition back to their jobs at home.

The bill, LR 2878, will give state agencies and state boards the option to waive or defer all or portions of continuing education requirements for returning members of the reserves or armed forces. The bill applies to people who were licensed or registered in a profession or occupation in Maine before being called to active duty. The bill does not require that any licensing authority provide waivers, but rather provides them the authority to do so. Any board or agency that makes use of this bill must report their decisions to the Legislature's Committee on Business Research & Economic Development.

"As more and more Maine people return from Iraq, Afghanistan and other conflicts, I'm committed to help them transition back to jobs, families, and communities," said the Governor. "The issue was brought to my attention by returning men and women who were facing potentially unreasonable requirements to catch up on continuing education. This bill will provide professional boards the flexibility to accommodate the extraordinary circumstances of members of the National Guard and others."

"With Maine having the 3rd highest deployment rate in the nation it is particularly critical that we ensure these dedicated citizen soldiers not be penalized for their brave service to our country. Many state agencies are working actively on transition efforts to aid these citizen soldiers and their families as they adjust to being back home. This bill further demonstrates our total commitment and gratitude to our brave citizens fighting the war on terror and keeping this great country safe. I'd like to thank the Department of Professional & Financial Regulation for quickly identifying the need for flexibility in professional licensing statutes."

## Governor Signs Landmark Workers' Compensation Legislation

April 8, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today signed into law historic reform of the Workers' Compensation Board. The new law, LD 1909, An Act to Promote Decision Making within the Workers' Compensation Board, take effect immediately.

Noted the Governor, "Three weeks ago, when I unveiled this bill, we all recognized that it was a landmark day. The bill was brought to the Legislature with the endorsement of both the AFL and the Chamber. Today as I sign the bill, with nearly unanimous support of the Legislature, we have proven that historic restructuring is possible if we all work together."

The Governor was joined by Commissioner Buddy Murray, legislators, the presidents of the Maine AFL-CIO and Maine State Chamber of Commerce, and the chair of the restructured board, Paul Dionne. Governor Baldacci noted that for some time, the board has been paralyzed, unable to tackle even day-to-day administrative tasks.

"This is the first major change in the structure of the Workers' Compensation Board since the 1992 reforms. The 1992 reforms were contentious – today's reforms are marked by consensus and bipartisan agreement.

Together this session we are tackling tough issues --- spending reform, taxes, health care and education spending. If we can restructure workers compensation with unanimous support, we can pull together and enact other necessary reforms. We need to secure the integrity, accountability and affordability of all state programs now and in the future.

Workers Compensation reform is critically important to both businesses and Maine's workers. Workers' comp premiums are one of many costs to business that we are working to bring down. At the same time the workers deserve safe working places, fair benefits, and our full support when they face unfortunate and sometimes tragic injuries."

The bill received unanimous bipartisan support of the Joint Standing Committee on Labor, unanimous support of the Maine Senate, and overwhelming support in the Maine House of Representatives. The Governor thanked Senator Beth Edmonds and Representative Bill Smith, co-chairs of the Labor Committee, for their hard work on this bill, along with Republican leads Senator Blais and Representative Treadwell.



## Governor Signs Order Affirming Access to State Services

April 9, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today signed An Order Concerning Access to State Services By All Entitled Maine Residents. The order follows discussions between community advocates, the Governor, administration officials, and various state departments with a public safety focus.

“This order affirms that state services are available to all people in Maine without regard to personal characteristics,” stated Governor Baldacci. “State employees have performed under the guiding principle that the respect for the rights and dignity of all Maine residents must govern all aspects of their work. This Order and resulting principles serve to solidify this trust and confidence.”

Also speaking at the Blaine House signing were Commissioner Michael Cantara of the Department of Public Safety, Commissioner Laura Fortman of the Department of Labor, and Col. Craig Poulin, Chief of the State Police.

The text of the order and principles of the Department of Public Safety and of the Department of Labor follows:

### AN ORDER CONCERNING ACCESS TO STATE SERVICES BY ALL ENTITLED MAINE RESIDENTS

WHEREAS, it is the policy of the State of Maine to promote utilization of its services by all of its residents who are eligible to receive them; and

WHEREAS, individuals should know that they may seek the assistance of State agencies regardless of personal or private attributes, without negative consequences to their personal lives; and

WHEREAS, the race, color, gender, ethnicity, religion, sexual orientation, age or socio-economic status of a person in need of services should never negatively influence the work performed by State employees; and

WHEREAS, all who are eligible to receive a state government service must not be inhibited from seeking that service because of fear, or anxiety; and

WHEREAS, all of Maine can be proud of the work that State employees perform on a daily basis; and

WHEREAS, obtaining pertinent information essential to the performance of a wide variety of governmental functions may in some cases be difficult or impossible if some expectation of confidentiality is not preserved, and preserving confidentiality in turn requires that governments regulate the use of such information by their employees; and

WHEREAS, in furtherance of this policy, confidential information in the possession of State agencies should be disclosed only as provided herein, or as otherwise required by law.

NOW, THEREFORE, I, John E. Baldacci, under the power vested in me as Governor of the State of Maine, mindful that there can be no room for prejudice, bias, racial or ethnic profiling in public service, do hereby issue an order concerning access to State services by all qualifying Maine residents as follows:

As used herein, "confidential information" means any information obtained and maintained by a State agency relating to an individual's sexual orientation, status as a victim of domestic violence, status as a victim of sexual assault, status as a crime witness, status as a person with a disability, receipt of public assistance, or immigration status, and shall include all information contained in any individual's income tax records.

#### Disclosure of Confidential Information

a. In the case of confidential information other than information relating to immigration status, no State employee shall disclose confidential information, unless:

- i. such disclosure has been authorized in writing by the individual to whom such information pertains, or if such individual is a minor or is otherwise not legally competent, by such individual's parent or legal representative; or
- ii. such disclosure is required by law; or
- iii. such disclosure is to another State employee, or other authorized agent of the State, and is otherwise authorized by law; or
- iv. such disclosure is necessary to fulfill the purpose or achieve the mission of any State agency and is otherwise authorized by law.

b. In the case of confidential information relating to immigration status, no State employee shall disclose confidential information unless:

- i. the individual to whom such information pertains is suspected by such employee or such employee's agency of engaging in illegal activity, other than mere status as an undocumented alien; or
- ii. the dissemination of such information is necessary to apprehend a person suspected of engaging in illegal activity, other than mere status as an undocumented alien; or
- iii. such disclosure is necessary in furtherance of an investigation of potential terrorist activity; or
- iv. such disclosure is required by law.

c. Any State employee with a question relating to the disclosure of confidential information under this section shall consult with the counsel of such employee's agency.

#### State Employees

- a. A State employee, other than law enforcement officers, shall not inquire about a person's immigration status unless:
- i. such person's immigration status is necessary for the determination of program, service or benefit eligibility or the provision of State services; or
  - ii. such employee is required by federal or state law or by court order or court rule to inquire about such person's immigration status; or
  - iii. if otherwise necessary for the purposes of safeguarding public health.

State Agencies with Law Enforcement, Investigative or Prosecutorial Authority

- a. All State law enforcement officers shall continue to cooperate with federal authorities in investigating and apprehending aliens suspected of criminal activity.
- b. All State agencies with law enforcement, investigative or prosecutorial authority shall not inquire about a person's immigration status unless investigating or prosecuting illegal activity other than mere status as an undocumented alien.
- c. It shall be the policy of all State agencies with law enforcement, investigative or prosecutorial authority not to inquire about the immigration status of crime victims, witnesses, or others who call or approach these agencies seeking assistance.

Prevailing Legal Authority

Nothing in this Executive Order is intended to supercede any lawful requirements, State or Federal, regarding the conduct of State employees.

Guiding Principle

Respect for the rights and dignity of all Maine residents, regardless of background or status, must govern all aspects of the work undertaken by the employees of the State of Maine.

No Liability

Nothing in this Executive Order is intended, nor shall it be deemed to create or form the basis for liability on the part of the State, or its employees or agents. The exclusive remedy for violation of this Executive Order shall be through the State's disciplinary procedures for employees.

Effective Date

The effective date of this Executive Order is April 9, 2004.

MAINE DEPARTMENT OF PUBLIC SAFETY PRINCIPLES

It is the policy of the Department of Public Safety to encourage the utilization of its services by all the residents of Maine who are entitled to them and in need of them.

In Maine, the public may seek and obtain the assistance of Department of Public Safety services regardless of personal or private attributes, without negative consequences to their personal lives. The race, color, gender, ethnicity, religion, sexual orientation, age or socio-economic status of the public we serve should never negatively influence the work performed by employees of the Department of Public Safety in protecting the lives, rights and property of all Maine residents. There can be no room for prejudice, bias, racial or ethnic profiling in our work. A person's immigration status is irrelevant to the Department's mission of protecting lives, rights, and property throughout Maine. All who need our services must be made to feel free to access them.

Inspired by Senator Margaret Chase Smith , the Department of Public Safety is committed to upholding the basic principles of Americanism for all who reside in Maine:

- The right to criticize.
- The right to hold unpopular beliefs.
- The right to protest.
- The right of independent thought.

Respect for all Maine residents, regardless of background or status, must govern all of the work undertaken by the employees of the Department of Public Safety.

### Department of Labor Principles

It is the policy of the Maine Department of Labor to offer its programs and services to all who may benefit from them regardless of disability, race, color, religion, national origin, gender, sexual orientation, age, political affiliation or belief, whistleblower, socioeconomic or worker's compensation status. One of the guiding principles of the Workforce Investment Act is Universal Access which means programs, services and facilities that are available to all. The Department of Labor has adopted this as a guiding principle in all of our programs. It is our goal and intent to actively encourage and invite participation in all of our programs and services from all eligible people, regardless of personal or private attributes.

## Governor Assesses Recent Budget Action

April 9, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci thanked the members of the Appropriations Committee for their work to develop a budget agreement. “I believe this budget maintains a balance of enacting necessary spending reforms, attracting the right investments and protecting our most vulnerable citizens,” stated the Governor.

The State is facing a significant budget shortfall as a result of the struggling national economy, the growing cost of healthcare, the loss of federal funds and spending that exceeds our ability to pay. Governor Baldacci commented, “I maintained a commitment to balancing the budget without any broad based-taxes and I appreciate the good faith negotiations made by committee members in reaching this agreement. This has been a difficult process, but we are closer to achieving the goals of growing the Maine economy and creating good paying jobs with benefits.”

The Governor noted that the supplemental budget approved by the Appropriations Committee last night has been developed over a number of weeks and assures needed services while constraining spending. The budget will reduce the structural gap in the next biennium by \$ 200 million. This budget also includes major healthcare reforms, improves tax equity and fairness through targeted initiatives and addresses immediate needs in general purpose aid to education, one of the major cost drivers in property taxes.

Stated the Governor, “The agreement maintains our commitment to eligibility of our safety net healthcare system, does nothing to raise Maine’s ranking in terms of tax burden and secures the integrity, accountability and affordability of programs now and in the future. Once the budget agreement is approved by the full legislature, I intend to focus my energy and attention to completing a tax agreement and bond package this session.”

## Island Explorer Partners Receive National Clean Air Award

April 14, 2004

Contact: Lee Umphrey, 287-2531

Susan Moreau, 624-3239

AUGUSTA – Governor John E. Baldacci announced today that Acadia National Park, the Maine Department of Transportation (MaineDOT), Friends of Acadia, Downeast Transportation Inc., Tom Crikelair Associates, MDI League of Towns, and L.L. Bean, Inc. were presented with the 2003 Clean Air Excellence Award for Transportation Efficiency Innovations by the U.S. Environmental Protection Agency (EPA). At a March 23rd award ceremony in Washington DC, the Island Explorer Shuttle Bus System was one of thirteen national recipients, including the Ford Motor Co. and the 3M Corporation, that were recognized for undertaking the risks of innovation, serving as pioneers in their fields, improving air quality, and implementing programs that are replicable and sustainable.

“The Island Explorer Shuttle Bus System is a tremendous success story that showcases our strengths—to protect the environment, to innovate, and to work together,” said Governor Baldacci. “I’m pleased that the federal government is recognizing Maine’s environmental stewardship and the accomplishments of this partnership. The bus system is an outstanding example of originality and collaboration between state, federal and private interests.” The Governor continued, “I fully anticipate this coordination will inspire further advancements through our cooperative spirit.”

The clean fuel public transportation system for Mount Desert Island (MDI) and Acadia National Park was developed in collaboration with federal, state, municipal, non-profit, and private partners. Since seasonal service began in 1999, the Island Explorer Shuttle Bus has carried 1,195,437 passengers, removed 424,000 vehicles from park and local roads, and reduced total pollutants by 33.7 tons.

Maine’s Director of Energy Independence, Beth Nagusky remarked, “The State of Maine has set a goal of reducing emissions and incorporating environmentally sustainable practices in the transportation sector. Clearly, the Island Explorer Bus system is a model for the nation. It’s gratifying that the EPA agrees.”

The Island Explorer system was designed to help sustain a strong tourist industry while relieving the parking and traffic congestion problems associated with three million annual visits to Acadia and the surrounding communities. It was also intended to improve air quality, to reduce overflow parking along the shoulders of the park’s and local roadways, to improve safety conditions, and to preserve the scenic beauty and natural resources of Acadia National Park and Mount Desert Island.

Maine Department of Transportation Commissioner David A. Cole called the award, “...a reason to celebrate. MaineDOT’s intention has been to play a critical role in protecting Maine’s National Park; and with our partners, we’ve done that. The Island Explorer transportation system focuses on protecting one of Maine’s natural treasures by reducing congestion and improving air quality.”

Cole added, "This year, we will work cooperatively with our partners to expand the Island Explorer transportation system, study alternative modes of transportation in the Route 1A/3 corridor (Bangor to MDI), and study alternative sites for a regional tourist center and transportation hub."

## Governor Announces Funding for Industrial Rail Access Projects

April 15, 2004

Contact: Lee Umphrey, 287-2531

Allan Bartlett - MaineDOT: 624-3563

AUGUSTA – Governor John E. Baldacci, joined by a number of legislators and grantee representatives, today announced funding for thirteen projects across the state to improve industrial access to Maine railroads. “This is a major investment in the future of Maine industries and the jobs they represent,” said Governor Baldacci in announcing the grants.

“We are steadily improving competitive options for freight in Maine, bringing down the costs to Maine businesses by nurturing competition,” the Governor added. “The grants we are announcing today are part of the strategy to rebuild our freight rail infrastructure, building a partnership between the state, railroads and manufacturers in Maine. Importantly, funding to support the program derive in part from past bond issues. These bonds are important funding mechanisms for infrastructure development across the State.”

The IRAP program is designed to support and enhance transportation in Maine, and to stimulate the economy by benefiting both railroads and shippers, explained MaineDOT Commissioner David Cole. “Projects selected for funding have the potential of creating up to 250 jobs and of taking over 40,000 annual truck trips off Maine highways.”

The \$3.9 million in state funds comes from past transportation bond issues and other available funds. Under the Maine Department of Transportation’s (MaineDOT) Industrial Rail Access Program (IRAP), applicants must agree to match the state funds on at least a 50-50 basis. The applications were reviewed and rated by MaineDOT with assistance from the Department of Economic and Community Development. The projects selected for funding were:

Dragon Products, Thomaston/Rockland, \$708,846

Town of Ft. Fairfield, Fort Fairfield, \$600,000

Boralex, Livermore Falls, \$150,000

Town of Anson, Anson, \$563,930

NEPW, Mechanic Falls, \$107,700

Grimmel Industries, Auburn, \$277,104

Morse Brothers, Auburn, \$193,504

Correct Bldg. Prod., Biddeford, \$102,194



ME. Wood Treaters, Mechanic Falls, \$ 55,500

Irving, T14-R6, \$191,752

Safe Handling, Auburn, \$600,000

Montreal ME & Atl., Searsport, \$137,473

Daaquam\*, Milford, \$250,000

Commissioner Cole also noted that the IRAP funding provided this year is roughly double the amount provided under previous IRAP grants in 1999 and 2000.

## Conservation Programs Earn Environmental Merit Awards

April 15, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

Land for Maine's Future and Beginning with Habitat help communities balance growth and natural resource protection

AUGUSTA – Governor John E. Baldacci today joined state and federal officials and representatives from environmental groups to announced that two innovative state programs, Beginning with Habitat and the Land for Maine's Future Program, are being honored by the Environmental Protection Agency with its 2004 Environmental Merit Awards. Beginning with Habitat has helped more than 100 communities in their planning efforts to balance the protection of natural resources with economic development. The Land for Maine's Future's Program has supported 115 land conservation projects totaling some 192,000 acres across the Maine.

"These two efforts are wonderful examples of people coming together from the State and in the local communities.", said Governor John Baldacci, "With the help provided by these programs people at the local level can take control of their own futures in a way that also helps all Maine citizens."

Beginning with Habitat has proved instrumental in helping towns as they wrestle with critical planning decisions. By providing information about the location and conservation of native plants and animals, the program gives communities the tools they need to plan pro-actively, rather than reacting to habitat issues when crises arise. These maps mark the first time state and federal natural resource information has been integrated into one source, making it more accessible for communities.

Maine Department of Conservation Deputy Commissioner Karin Tilberg stated, "These awards recognize the depth and breadth of positive contributions Beginning with Habitat and Land for Maine's Future make to the communities and natural resources of Maine."

Since 2001 Beginning with Habitat has assisted 101 towns from Eliot to Jonesport to Fort Kent in comprehensive planning. In 2003 alone, 57 municipalities, 6 land trusts, and 11 regional and statewide planning groups received presentations and maps from BwH. The Beginning with Habitat coalition includes the Maine Departments of Conservation and Inland Fisheries and Wildlife, the State Planning Office, the U.S. Fish and Wildlife Service, Maine Audubon Society, Maine Coast Heritage Trust, The Nature Conservancy and Maine's 13 Regional Planning Commissions.

"To become a recipient of the EPA Environmental Award is quite an achievement and milestone," said Department of Inland Fisheries and Wildlife Commissioner Danny Martin. "Ken Elowe, Director of the Bureau Resource Management and Mark Stadler, Director of our Wildlife Division and other personnel at IF&W are to be commended. Tim Glidden, Executive Director of the Land for Maine's Future Program

also deserves credit for his leadership. I'm honored by this recognition and proud to lead the Department of IF&W and to serve on the LMF Board."

Since 1987, LMF has supported 115 projects statewide, establishing and guaranteeing public access to thousands of acres and dozens of ponds, stream, lakes and rivers for hunting, fishing, hiking, snowmobiling, biking, camping and many other recreational pursuits. Moreover, it has helped protect mountain summits, working forests and farms, salt marshes, and coastal shoreline.

LMF Board Chairman, George Lapointe commented, "I'm gratified by the well-deserved recognition that LMF has received in this award. Mainers have always supported the Land for Maine's Future Program because they understand the connection between conserved land and their own well-being."

In January of 2004, the program committed its last dollar for land conservation. In February, the Governor introduced a bill to authorize bonding of \$60 million for the Land for Maine's Future Program, which if approved by the Legislature, will be voted on by the people of Maine in November. A coalition of some 260 businesses, associations and organizations has come together to support this initiative.

"Communities across the state are craving the support and resources that allow them to plan for their futures," said Tom Rumpf, Acting Director, The Nature Conservancy. "Beginning with Habitat and the Land for Maine's Future Program are two state programs which are proving more and more useful to communities as they make these critical decisions."

## Governor Signs Dairy Bill

April 16, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci, joined by legislators and Department of Agriculture Commissioner Robert Spear, today signed LD 1945, legislation designed by the Governor to stabilize the dairy industry in the state. The bill followed enactment earlier this year of emergency legislation that released over \$2 million in temporary relief to dairy farmers. The Governor stated at that time that a longer term relief package was needed.

“I am pleased with the level of commitment demonstrated from the Legislature and Department of Agriculture to bring this support system to the dairy industry,” stated Governor Baldacci. “We have now enacted two very important recommendations of the Dairy Task Force. This is a part of an overall strategy to preserve the long-term viability of the dairy industry in Maine.”

The bill LD 1945 creates two new programs. A tiered support program sets three target prices based on the total amount of milk produced and the estimated “short-term break-even” cost of production for that tier. When the target price is below the New England base price, the tiered program pays the farmer the difference between the base prices and the target price multiplied by the month’s production of milk by that farmer. A second program, the Maine MILC (Milk Income Loss Contract) supplements federal payments made to dairy farms whose milk production exceeds a federal MILC limit. Sixty farms are impacted. Estimated costs for the two programs next year is \$1 million.

## Governor Offers Preliminary Comments on the U.S. Commission of Ocean Policy Report

April 21, 2004

Contact: Lee Umphrey, 287-2531

David Keeley, 287-1491

AUGUSTA – Governor John Baldacci today acknowledged the receipt of the preliminary report of the US Commission on Ocean Policy, marking the beginning of a 30-day period during which his Administration will comment on the document. After receiving input from the Nation's Governors and interested stakeholders, the final report will be delivered to President Bush and members of Congress, and may result in changes in the ways our ocean and coastal resources are managed.

"The Gulf of Maine is one of the world's most productive ecosystems and is, in many ways, a premier feature of our state," said Baldacci. "Its importance as an economic engine for the region cannot be overstated, and it needs to be managed in a sustainable way."

According to a recent analysis by Charles Colgan of the Muskie Institute at the University of Southern Maine, in the year 2000, the ocean-related economy in Maine included 43,000 jobs and produced 1.5 billion dollars in Gross State Product. When viewed as a region, the numbers are even higher. Employment in the ocean-related economy of the Gulf of Maine states of Maine, New Hampshire and Massachusetts, amounted to 137,000 people and \$5.2 billion in gross state product in 2000.

"This is the first comprehensive review of ocean and coastal programs in more than 30 years," said Governor Baldacci, "and I was pleased to see that the Commission is recommending further investment in programs that are already up and running in Maine."

Specifically, the Commission calls for sustained funding for regional ocean observing – systems of offshore devices and satellites that transmit data about ocean currents, water temperature and wave heights to fishermen, shippers and marine safety personnel. Maine has been a leader in this field through the Gulf of Maine Ocean Observing System.

The Commission's report recommends a doubling of funding for marine research. "Bringing funding levels for marine research closer to where they should be will help us achieve our goal of being a national leader in cold water marine research, said David Keeley, State Planner.

Sixteen "critical actions" have been recommended by the Commission, ranging from federal agency reorganization, reform of fisheries management programs, revamped pollution control programs and creation of new funding sources from off shore oil and gas fees. "While my staff is still reading the fine print, I do support many of the ideas contained in the report", commented the Governor.

The US Commission on Ocean Policy is a 16-member panel, appointed by President Bush, as called for in the Oceans Act of 2000. The group's charge was to establish finding and develop recommendations for a

new and comprehensive ocean policies. During the course of their work, Commission members met in New England in and heard testimony from Maine's coastal and ocean users, academics and government officials.

Baldacci announced that the State Planning Office will be coordinating the state's response to the 413 page report. Administration officials will also be participating in a meeting on May 20-21, 2004 hosted by the Ocean Conservancy and Marine Law Institute at the University of Maine School of Law along with representatives from Massachusetts and New Hampshire to review the region's outlook on the new recommendations. A copy of the Commission's report can be downloaded at <http://www.oceancommission.gov/>

## Governor Pays Tribute to Maine's 133rd

April 21, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci today announced the names of the injured and fallen soldiers from yesterday's attack on a convoy of the 133rd, and expressed his deep appreciation to all the members of the Armed Forces and National Guard units serving overseas.

The injured soldiers are Specialist Dwight Emery Nickles of Union, Specialist Craig Ardry of Pittsfield, and Specialist Sok San Pao of Portland. All are recovering. Specialist Christopher D. Gelineau of Portland died of his wounds.

"First and foremost, these brave soldiers are heroes," said Governor Baldacci. "We are proud of the way they and the rest of the 133rd have served our State and our Nation. All of Maine joins with the families of the injured and fallen soldiers in expressing our great sadness. We offer our prayers to the families of those involved in yesterday's convoy attack. "

"Specialist Gelineau paid the highest price for the freedoms we cherish in this country. He showed great strength of character, not only in his work in Iraq, but throughout his life. He was committed to his family, his state and his nation. "

The Governor called the families of all four Guard members. A flag will be flown at half-staff to commemorate the loss of Specialist Gelineau on the day of his funeral.

"All the brave men and women who have answered the noble call of serving their state and nation are in our thoughts," commented the Governor. "This is a difficult time for these families. The State government is here to assist in whatever fashion we can. This tragic event reminds us of the constant sacrifices made by the men and women of the National Guard and Armed Forces, and the families who miss them."

## Governor Breaks Ground on Innovative Affordable Housing Project

April 23, 2004

Contact: Lee Umphrey, 287-2531

Dan Simpson, Maine State Housing Authority, 626-4600

PORTLAND – Maine's newest tool for developing affordable housing, the housing Tax Increment Financing (TIF) district, will play a key role in converting the former Maine Youth Center property into new uses, Governor John E. Baldacci said today at the groundbreaking of a 300 unit affordable housing project at the Maine Youth Center site.

"There exists a great need for affordable housing in this area of the State. This is the first time we are using the concept of a TIF housing district to foster the development of affordable housing, and it has proved to be a significant innovative tool," Governor Baldacci said. "It is appropriate that we will be using the TIF here first in a development that is making much needed housing available to the region and giving new life to vacant state buildings. The TIF provided the necessary subsidy to ensure completion of this project."

The Governor, joined by South Portland city officials, Maine State Housing Authority (MSHA) Director Michael Finnegan, members of the Legislature and others, praised the city of South Portland, developer Richard Berman, and the MSHA for working together to get the TIF in place in time for the development to go forward. Baldacci noted the housing will have a positive influence on the regional economy, providing jobs during the construction phase and providing affordable housing for workers once completed.

A housing TIF enables a municipality to provide targeted financial assistance to an affordable housing development and related public improvements by dedicating some or all of the new property tax revenue generated within the TIF district to the development. The TIF also allows the municipality to capture the additional property tax revenue without any decreases in state revenue sharing and education subsidies, or increases in county taxes, which would occur without a TIF. MSHA reviews and approves applications to create TIF districts, based on consistency with the state law.

South Portland estimates that the TIF for the Youth Center property will generate \$15 million in additional revenue over the next 25 years, and anticipates using this revenue to support development of affordable housing in the district and related public infrastructure improvements.

MSHA Director Michael Finnegan said the development will pay "multiple dividends" to the region, which has some of the highest housing costs and tightest rental markets in the state. Benefits in addition to affordable housing include community revitalization, historic preservation, and "smart growth" design that preserves open space and discourages sprawl.



## Governor Confirms Fallen Maine Reservist

April 27, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci today announced that Lawrence A. Roukey, a Reservist from Westbrook, has died in Iraq. No further details are available at this time. The Governor spoke to Larry Roukey's wife today and expressed his condolences. Flags will be ordered to be flown at half-staff on the day of the funeral.

"Losing such a brave Maine citizen is a great tragedy. I have spoken with Mrs. Roukey and assured her that my administration will offer whatever support possible. We join the Roukey family in their grief. I offer my respect and gratitude to all families who have loved ones serving overseas."

## Governor Announces State Initiative to Assist Medicare Beneficiaries Access Prescription Discount Cards

April 28, 2004

Contact: Trish Riley, 624-7442 Jude Walsh, 287-1815

AUGUSTA – Governor John Baldacci today announced a statewide initiative to assist Medicare beneficiaries access the new Medicare Drug Discount Card and coordinate with similar programs in place in Maine.

According to Governor Baldacci, Medicare beneficiaries have begun receiving information from the Social Security Administration about how to sign-up for the discount card program that begins this June. MaineCare members are not eligible for the card but those who also participate in Drugs for the Elderly and Maine Rx Plus are eligible.

“We want to help Maine’s Medicare beneficiaries effectively coordinate benefits and are particularly concerned for those on Drugs for the Elderly (DEL) -- a program designed to provide benefits for Mainers with no other source of coverage or who have exhausted other coverage,” said the Governor.

To qualify for the Medicare Drug Discount Card, Medicare members must select from among 39 different companies called card sponsors. Each sponsor will offer its own list of covered drugs and discounts, which will be subject to change. Medicare members select the sponsor they prefer, pay \$30 for their card and qualify for discounts.

Medicare members with incomes at or below \$12,569 single, or \$16,862 couple, qualify for a transitional benefit in which the Federal government pays the \$30 enrollment fee and provides a \$600 benefit for prescription purchases. Those receiving transitional assistance pay nominal co-pays (ranging from 5-10%) of the cost of the drug, based on income.

To coordinate the Drugs for the Elderly (DEL) and the Medicare Transitional Assistance Benefit, the Maine Department of Human Services will select one of the 39 card sponsors as a partner. A request for proposals was released Friday to all sponsors. The DEL Medicare Preferred Discount Drug Sponsor will work with DHS to assure DEL members first use their \$600 Medicare benefit. The state’s Drugs for the Elderly program will begin paying once the person uses up the \$600 Medicare benefit.

DEL members will soon receive a letter from DHS urging them to hold off selecting a card sponsor for their Medicare Drug Discount Card until a Preferred Sponsor is available later in May.

“By authorizing DHS to enroll you in a Preferred Sponsor,” stated the Governor, “the program will coordinate benefits on your behalf. Medicare beneficiaries need not select a sponsor immediately since the Medicare Drug Discount does not begin until June.”

DEL members may choose a different card sponsor and track their own expenses to assure DEL does not pay costs that could have been covered by Medicare. Any DEL member who does not want to be

automatically enrolled with DEL's Preferred Sponsor will receive a form to return to DHS to notify the Department of that choice. All others will be automatically enrolled and expenses automatically tracked.

Governor Baldacci praised the Department of Human Services for moving quickly to simplify and streamline program coordination immediately upon learning of the Federal government plans. "DHS, working with consumer organizations, Legal Services for the Elderly and the area agencies on aging, is prepared to help address questions and concerns about the new Medicare Drug Discount Program and its coordination with DEL and Maine Rx Plus," said Baldacci.

The Medicare Drug Discount Program will be available for 18 months, when the comprehensive Medicare Drug program begins.

Medicare beneficiaries can receive more info from Medicare toll free 1-800-633-4227; Maine Department of Human Services toll free 1-866-RxMaine (796-2463) or by calling their area agency on aging, 1-877-353-3771.

## Governor Gives Sine Die Remarks to Legislature

April 30, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci this morning delivered his end of session remarks separately to members of the House and Senate. The Governor thanked the 121st Legislature for tackling the difficult tasks of balancing the budget without raising taxes and passing a number of initiatives to improve the lives of the people of Maine.

The text of the Governor's speech follows:

Good morning.

Together we began this session facing difficult tasks during a difficult time including a significant budget shortfall, a flat economy, and the closing of Great Northern.

In spite of our many challenges, I firmly believe this has been the most productive Legislature in decades. I congratulate you on the work we've accomplished together for the people of Maine. While we did not finish all of our work, the leadership of Speaker of the House Patrick Colwell, President of the Senate Beverly Daggett and Senate Minority Leader Paul Davis and Republican Leader Joseph Bruno and the work of many in this legislature were instrumental in achieving our primary responsibilities:

- Set forth an economic plan for the 21st century, ensuring Maine people have access to good paying jobs with benefits,
- Balanced the budget without raising taxes,
- Preserved and protect Maine's environment,
- And provided affordable and accessible healthcare.

We have accomplished numerous initiatives, including:

- Balanced a \$1.2 billion budget shortfall without raising taxes, and yesterday I signed into law a supplemental budget that restructures Medicaid while protecting Maine's most vulnerable.
- Implemented a state budget cap and established a Budget Stabilization Fund that will better help state government to weather economic downturns in the future.
- Passed an economic development bond and increased our R & D investment.
- Established tax free Pine Tree Zones to attract new business investment.
- Fully funded the BETR program while reducing the tax burden on Maine citizens.
- Realigned the workers comp system for the first time in over a decade.

- Created the Community College System.
- Reformed education through the establishment of the EPS model.
- Consolidated the two major departments in state government, DHS and BDS, to create a system of human services that is cost effective, high quality and easily navigated.
- Established mental health parity to ensure that mental health and physical health have the same coverage.
- We will lead the country in providing affordable and accessible health care through the creation of Dirigo Health which will start this summer.

We are also growing our economy through preservation and protection of our natural resources.

- Provided support to Maine's small dairy farmers through the new Dairy Stabilization Program.
- Established a ban on liquidation harvesting.
- Amended Maine's renewable portfolio standard.
- Strengthened our ATV laws.

And, among many other accomplishments, we have:

- Enhanced Maine's sentencing laws.
- Passed strict gambling regulations.
- Passed a minimum wage.
- Provided collective bargaining rights to certain forest products workers.
- Preserved the inheritance rights of domestic partners.

We may not have accomplished everything we wanted to, but you can and should be proud of this record.

I wish the best to all the members and as we reflect upon our achievements I look forward to finishing the important business of tax relief and bonds later this summer.

Thank you.

## Governor Baldacci Orders Flag Flown at Half Staff

May 6, 2004

Contact: Susan Thomas or Chief Warrant Officer Three Carolyn Kroot at 626-4271

Augusta -- Governor John E. Baldacci has directed that the United States flag and the State of Maine flag be flown at half staff from sunrise to sunset Friday, May 7, 2004 in remembrance and honor of Sgt. Lawrence A. Roukey of Westbrook, who lost his life while serving in Iraq. Sgt. Roukey's service will be held in Portland at 11:00 a.m. on Friday.

## Governor Signs Racino Legislation and Executive Order

May 6, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

BANGOR – Governor John E. Baldacci this morning signed LD 1820, “An Act To Establish the Gambling Control Board To License and Regulate Slot Machines at Commercial Harness Racing Tracks.” After signing the bill, the Governor signed an Executive Order, “An Order Creating the Governor’s Gambling Control Advisory Council.”

“The purpose of this order is to move forward on this legislation immediately,” said the Governor. “This will enhance the people’s will and to start a racino operation in Maine that has strong regulation and oversight.”

The Governor named the Gambling Control Advisory Council.

- Jean Deighan, of Bangor, is the President of Deighan Associates, Inc., an investment advisory firm.
- George McHale, of Orrington, a well-known media personality, currently serves as the chair of the Harness Racing Commission.
- Peter Danton, of Saco, served seven terms in the Maine State Senate and was Chief of Staff to Governor Joseph Brennan.
- Larry Hall, of Dedham, served for twenty years for the Maine State Police and established a security service business.
- Mike Peters, of Dixfield, is a small businessman.

The text of the Executive Order follows:

An Order Creating the Governor’s Gambling Control Advisory Council

WHEREAS, An Act to Establish the Gambling Control Board To License and Regulate Slot Machines at Commercial Harness Racing Tracks (the “Governor’s Gambling Control Legislation”) was enacted by the Legislature and signed into law by Governor John E. Baldacci on May 6, 2004; and

WHEREAS, the Gambling and Control Board created by the Governor’s Gambling Control Legislation (the “Board”) is charged with, among other things, the responsibility to:

- a) Adopt rules necessary to administer and enforce Maine’s slot machine gambling industry;
- b) Exercise authority over the licensing of all persons participating in the operation, distribution and maintenance of slot machines and slot machine facilities and over the registration of slot machines;
- c) Develop a standard uniform location agreement;

- d) Prepare and submit to the Department of Public Safety a budget for the administration of the Board;
- e) Research, select, install and operate a central site monitoring system; and
- f) Hire an executive director and other staff to serve the Board.

WHEREAS, the Governor's Gambling Control Legislation does not become effective until July 29, 2004;

WHEREAS, the Governor's nominees to the Board must be confirmed by the Senate, which confirmation may not take place until the next meeting of the Senate;

WHEREAS, considering the foregoing, it is in the interest of the people of Maine that steps be taken to study and develop recommended rules, procedures and standards necessary for the implementation of the Governor's Gambling Control Legislation in order that the Board will be ready to assume its responsibilities when the Board is fully constituted:

NOW, THEREFORE, I, John E. Baldacci, under the power vested in me as Governor of the State of Maine, do hereby issue an order creating the Governor's Gambling Control Advisory Council ("Council") as follows:

#### Purpose

The Council is created to begin developing recommended rules and procedures and making such other recommendations as it believes may be helpful to the Board, once the Board is fully constituted.

#### Membership and Term of Office

The Council consists of five (5) members appointed by the Governor, who shall serve at the pleasure of the Governor. From the five (5) members, the Governor shall select a Chair of the Council who shall serve as Chair at the pleasure of the Governor.

#### Duties

The Council shall:

- a) Draft recommended rules to administer and enforce the Governor's Gambling Control Legislation, which may include, but need not be limited to:
  - i. Rules to prevent undesirable conduct relating to the ownership, distribution and operation of slot machines and slot machine facilities;
  - ii. Rules governing methods and forms of application that an applicant must follow and complete prior to consideration of the applicant's application by the board;
  - iii. Rules governing methods, procedures and forms for delivery of information concerning an applicant's immediate family, character, associates, criminal record, business activities and financial affairs;
  - iv. Rules prescribing the method of collection of payments of taxes, fees and penalties;



v. Rules governing the location and hours of operation of slot machines, types of slot machines permitted, methods of operation of slot machines and distribution and servicing of slot machines and associated equipment;

vi. Rules setting forth procedures, forms and methods of management controls of licensees;

vii. Rules setting forth minimum procedures for the exercise of effective control over the internal fiscal affairs of slot machine operators, slot machine distributors, gambling services vendors and non-gambling services vendors;

viii. Rules governing gambling-related advertising; and

ix. Rules governing the distribution and consumption of alcoholic beverages and tobacco products on the premises of gambling facilities.

b) Develop a standard uniform location agreement;

c) Research and recommend a central site monitoring system;

d) Interview and make recommendations on staff for the Board; and

e) Make such other recommendations as the Council believes the Board may find helpful, once the Board is constituted.

#### Staffing

The Council shall be staffed by the Department of Public Safety from existing resources. The Council shall receive legal support from the Office of the Governor and the Attorney General's Office, as resources permit.

#### Effective Date

The effective date of this Executive Order is May 6, 2004. The Council shall become inactive and dissolve upon the appointment of the Board.

## Governor Announces Steering Committee to Bolster Maine's Natural Resource-Based Economy

May 7, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA - Governor John E. Baldacci today announced the creation of a steering committee that will coordinate statewide efforts to strengthen Maine's natural resource-based industry, including agriculture, aquaculture, fishing, and tourism and outdoor recreation.

Business leaders, academicians, industry trade association representatives, and government officials advised the Governor to create such a committee during the Blaine House Conference on Maine's Natural Resource-based Industry last fall. The conference participants recommended the committee as one way to track the health of Maine's natural resource-based industries and to oversee the steps being taken to improve them.

The Steering Committee will monitor progress toward implementing 75 recommended strategies that came out the conference. Over 700 participants were actively engaged in shaping proposals designed to enhance each industry sector and to strengthen the links among them.

Governor Baldacci also has tasked the steering committee with creating benchmarks to assess the vitality of Maine's natural resource-based industries; developing a natural resource vision and policy for the state; conducting forums to refine policy proposals; and planning a follow-up Blaine House Conference for the fall of 2005.

"Maine's rural economies depend on our state's natural resource industry," Governor Baldacci said; "yet, the challenges these industries face today are acute. Only strong, collaborative efforts among Maine's private, public, and nonprofit sectors – combined with imagination and boldness – will be sufficient to brighten the prospects of these industries."

The Governor created the Steering Committee to foster the collaboration and innovation needed to implement the strategies that will bolster the industry. He appointed Professor Richard Barringer from the Muskie School of Public Service at the University of Southern Maine and Richard Davies, a Baldacci policy advisor, to chair the Steering Committee. The committee consists of industry representatives from each of the five sectors of Maine's natural resource industry and six members of the scholarly community. The commissioners of each of the state's natural resource departments, the Chancellor of the University of Maine System, and the President of the Maine Community College System will also serve as ex officio members.

The Steering Committee's first meeting will be held on May 10, 2004, from 8:30 a.m. to 2:00 p.m. at Maple Hill Farm and Conference Center in Hallowell. The Governor will join the committee at 1:00 p.m.

A report detailing the recommendations from the November 17, 2003, Blaine House Conference on Maine's Natural Resource-based Industries is available on the Governor's Web site at: <http://www.maine.gov/governor/baldacci/news/events/natresconference1003.html>

Steering Committee Members:

Co-chair, Richard Barringer, Muskie School of Public Service, University of Southern Maine

Co-chair, Richard Davies, Senior Policy Advisor, Governor's Office

Edward Bradley, Jr., Maritime Attorney, Portland, ME

Elizabeth Butler, Attorney, Pierce Atwood, Portland, ME

Jack Cashman, Commissioner, Maine Department of Economic and Community Development

David Cole, Commissioner, Maine Department of Transportation

John Fitzsimmons, President, Maine Community College System

Martha Freeman, Director, Maine State Planning Office

Dawn Gallagher, Commissioner, Maine Department of Environmental Protection

Lloyd Irland, President, The Irland Group

George Lapointe, Commissioner, Maine Department of Marine Resources

R. Dan Martin, Commissioner, Maine Department of Inland Fisheries and Wildlife

Patrick McGowan, Commissioner, Maine Department of Conservation

Marilyn Meyerhans, Owner, Lakeside Orchards, Manchester, ME

Matt Polstein, Owner, New England Outdoor Center, Millinocket, ME

Stewart Smith, Professor of Sustainable Agriculture Policy, University of Maine

Robert Spear, Commissioner, Maine Department of Agriculture

Peter Triandafloou, Natural Resources Vice President, Huber Resources Corp.

David Vail, Adams-Catlin Professor of Economics, Bowdoin College

Joseph Westphal, Chancellor, University of Maine System

James Wilson, Professor of Marine Sciences, University of Maine

## Governor Opens Creative Economy Conference

May 7, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

LEWISTON – Governor John E. Baldacci this morning kicked off the Blaine House Conference on Maine's Creative Economy. The Governor welcomed the participants and expressed his enthusiasm for the promotion of this vibrant sector of the Maine economy.

The Governor's remarks follow:

Welcome to Lewiston!

It is my honor to open today's conference. The momentum leading up to today's conference is overwhelming -- months of planning and organizing, months of outreach sessions and forums across the state, months of research.

I have five words for you: YOU AINT SEEN NOTHING YET.

Today is just the beginning.

Today we will open the door even wider to an exciting vision of the future of Maine.

Today we will open the door even wider to everyone in this state who wants to invest in the creation of good paying jobs and vibrant communities.

Today we will open the door even wider to the concept that every Maine person can reach his or her full potential if we embrace the arts, embrace creativity, embrace diversity, embrace entrepreneurship, embrace innovation.

Today we will open the door even wider to the conclusion that we must provide world class education to our youth, and world class training to our workers.

Today we will open the door even wider to dialog on policies and actions that will grow Maine's economy for years to come.

We are here today in Lewiston. Lewiston-Auburn is in the middle of a renaissance, a renaissance that today we call the Creative Economy. Lewiston-Auburn has invested in its downtown, invested in its riverfront, and embraced its Franco heritage. Lewiston-Auburn is bursting with festivals – the dance festival, the Great Falls festival, L-A Arts, and new cultural centers.

Thank you, Lewiston, for actively embracing diversity and growth. As a result of the decisions made by the leaders and the people of Lewiston-Auburn, we are seeing new jobs and new opportunities.

In so many ways the Creative Economy is really about social capital. Robert Putnam describes social capital as networks between private, public, and nonprofit sectors. Social capital comes from recognizing that the arts and education are integrally linked to jobs and economic growth. Social capital is community leadership, networks, and trust. Social capital is about welcoming new jobs, welcoming change, inviting new immigrants, inviting new opportunities. Today Lewiston-Auburn proves the premise that investing in social capital is the same as investing in jobs.

I come from Bangor. Bangor is also in the middle of a renaissance driven by the vision of the Creative Economy. Bangor has invested in its downtown. With new partnerships with the University of Maine, Bangor has brought new life and new jobs to the City. New museums and the National Folk Festival have created a synergy that is resulting in jobs – new restaurants, new tourists, people moving to Bangor with their companies because Bangor has made investments in the future. Architecture firms, software firms, investment firms can locate anywhere they want to. They are coming to Bangor because of quality of life, live music, museums, safe streets, and access to world-class natural resources. The Creative Economy is the cohesive force of excitement and creativity that is behind Bangor's growth.

I know that communities all across Maine are poised for a renaissance. There are people here from Rumford, Greenville, and Dover Foxcroft that are bringing growth to their communities. Aroostook County is growing because of investments by the Libra Foundation and Maine Winter Sports – bringing world-class tourism and recreation and athletics to northern Maine. We are making news and we are turning around indicators on personal income growth and immigration. People are bringing their families to our safe communities and our lakes. And when they come, they bring with them their prosperity, their capital, and their companies.

The Creative Economy captures everything that is magical about economic growth. The creative economy is what exists when we recognize that every individual in our community is an economic engine. Every individual has the potential to be an entrepreneur – or artist – or musician – every individual has the right to fully explore his or her potential as a productive member of a vibrant community.

Entrepreneurship is not just a concept -- it takes investment. We need to nurture and celebrate small business start-ups. Our universities and community colleges are building a curriculum that supports the free market and critical economic sectors including the arts and tourism. We are working with the private sector to align research and development and education in key sectors to create spin-off business – high growth job opportunities built on the foundation of Maine's world class universities and colleges.

In the last several years there have been efforts from Washington, D.C. to dismantle funding of the arts. These attacks have been countered by evidence showing that the arts significantly contribute to our communities – socially, culturally and economically. Research shows that investing in the arts in our schools raises SAT scores. The arts add to our social capital and engage people to become more active and involved in their communities – through libraries, rotaries and other community pursuits. Social

capital enhances economic capital, with individual and communities alike stimulated to improve their towns and their state. Maine is a better place to live because of the arts.

Today's conference will be exciting. And I hope each of you will stay engaged as we move from this conference to an action agenda over the next few months.

## Dirigo Health Agency Releases Request for Proposal, Seeks Carrier to Offer Dirigo Health Plan

May 7, 2004

Contact: Lee Umphrey, 287-2531

Trish Riley, 624-7442

AUGUSTA – Governor John Baldacci announced the Dirigo Health Agency's release of a Request for Proposal (RFP) seeking bids from insurance companies to carry the Dirigo Health Plan. The Dirigo Health Plan is designed to be a public and private partnership; combining the pooling and purchasing power of the state with the administrative efficiency and expertise of a private insurance company.

"This is a major step in the implementation of Dirigo Health and brings us one step closer to offering an affordable and quality health plan to Maine's small businesses, the self-employed and individuals," said Governor Baldacci. "The Dirigo Health Agency and Board of Directors, with support from my Office of Health Policy and Finance and the Department of Human Services, have done an incredible amount of good and hard work to present a thorough and detailed RFP."

The RFP includes full details on the enrollment costs, benefits and discount structures approved by the Dirigo Health Board of Directors on March 25, 2004. It asks carriers to meet these guidelines. These specific details are included to make it easier for carriers to respond.

The timeline laid out in the RFP allows carriers five weeks to respond with a deadline of June 11, 2004. There will be a bidder's conference on May 17, starting at 1:00PM at the Augusta Armory. This will give carriers a chance to ask specific questions about the RFP and the Health Plan before the response date.

"We've spoken with numerous carriers, both in state and out of state, over the last few months about the RFP and Dirigo Health," said Tom Dunne, Executive Director of the Dirigo Health Agency. "We are encouraged by their interest and look forward to a competitive bidding process."

The Dirigo Health Plan will look and feel like other insurance products on the market by covering hospital, physician and specialist visits and prescription medications. However, it will include several unique and attractive offerings: discounts on monthly costs, deductibles and out of pocket maximum costs to achieve broad affordability; coverage of preventive services at 100%; and, the HealthyME Rewards Program which rewards members with \$100 who meet health improvement goals.

Many financial and health care experts have aided in the development of the Health Plan and the RFP, they include: Mercer Consulting, the actuarial firm Watson Wyatt, Mathematica Policy Research, and the USM Muskie School of Public Service.

"The Dirigo Health Plan is one piece of the greater Dirigo Health Reform initiative," explained Trish Riley, Director of the Governor's Office of Health Policy and Finance and chief architect of Dirigo Health.

"Controlling health care costs, improving quality and covering the uninsured are what Dirigo Health is

about. It's about creating a sustainable health care system here in Maine. Once insurers submit their bids and one carrier is chosen, we can begin this summer to provide affordable coverage to small businesses, the self-employed and Maine's uninsured."

The Dirigo Health Reform Act was passed with 2/3rd majorities in both bodies of the legislature and was signed into law by the Governor on June 18, 2003.

The RFP is available for download at [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov) as a .ZIP file.



## Governor Proclaims May 8 - 16 as Tourism Week

May 8, 2004

Contact: Lee Umphrey, 287-2531

Dann Lewis, 624-7483

AUGUSTA – In recognition of travel and tourism's tremendous economic, social, and cultural impact in Maine, Governor John E. Baldacci has issued a proclamation designating the week of May 8 – 16, 2004 as Tourism Week. This year marks the 21st annual celebration of National Tourism Week, which is sponsored nationally by the Travel Industry Association of America (TIA).

"I am pleased that indicators for the industry are up and that reports coming in show advance bookings for the summer are ahead of last year," said Governor Baldacci. "As we focus on the impact of travel and tourism in our area, we thank our visitors for their patronage, honor the employees who serve them, and show our pride for our industry. "

A primary growth opportunity for the U.S. economy is the \$552 billion travel and tourism industry. There are 16 million direct and induced travel-generated jobs in the U.S., which translates to one of every nine people in the U.S. civilian labor force. In a rapidly changing world, the tourism industry is evolving and becoming increasingly diversified and sophisticated. From entry-level employees to top-level executives, tourism-related jobs in the U.S. can be found in technology, transportation, hospitality, meeting services, attractions and theme parks, sightseeing, entertainment, special interest travel, recreation, outdoor and nature-based travel, as well as travel marketing and promotions.

In Maine, the economic impact of tourism exceeds \$13.5 billion annually, provides an in-state payroll of over \$3.5 billion, and generates over \$550 million in state and local taxes, according to Dann H. Lewis, director of the Maine Office of Tourism. Dollars spent by travelers produce a ripple effect, which is felt through every aspect of our community and beyond.

"The dollars spent by visitors have strengthened Maine's economy by creating jobs, supporting local businesses from gas stations to retail stores, and creating greater tax revenues to support our communities," remarked Lewis. "As a result, it's easy to see how 'Tourism Works for Maine' and why the industry's slogan is 'Tourism Works for America'."

Maine is a leading destination for international visitors from the U.K. and Germany to America. According to TIA, preliminary 2003 data shows that international visitors to the U.S. spent \$80.6 billion here creating a balance of trade surplus of \$3.9 billion. Overall traveler spending by domestic and international visitors was forecasted to increase 4.4 percent in 2004 to \$568 billion, up from \$552 billion in 2003.

## Governor Announces REALIZE! Maine - A Statewide Initiative to Address Migration Challenges

May 10, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today announced REALIZE!Maine, a statewide initiative dedicated to understanding the challenges of migration, realizing opportunities before us and creating sustainable solutions to make Maine a viable, preferred option for young adults. The Governor raised his concerns about the changes in Maine's demographics in his inaugural address, and pledged his commitment to pull together Maine's young adults to learn more about the conditions leading to migration of this population. REALIZE!Maine is a direct result of his pledge.

"This initiative brings young people together to generate ideas, realize opportunities and achieve sustainable solutions for more vibrant communities, better quality of life and a stronger economy for Maine," said Governor Baldacci.

REALIZE!Maine includes many opportunities to engage citizens most affected by migration — young adults age 20-34 from a variety of backgrounds — in a dynamic conversation about the future of Maine.

Over the past six months, fifty plus individuals from a broad spectrum of sectors and organizations have worked on the REALIZE!Maine initiative. And numerous organizations are providing financial and in-kind support for REALIZE!Maine.

The planning team has conducted targeted surveys of over 1,221 young Mainers, including those who have left the state and completed extensive research regarding migration trends. To gather additional information, insights and possible solutions, the planning team has identified what other communities, states and countries are doing to address issues of migration.

To further identify decision-making points, considerations, barriers, incentives and possible solutions to migration, a diverse group of young adults will come together virtually on [www.realizemaine.org/talkaboutit](http://www.realizemaine.org/talkaboutit) and in person at the REALIZE!Maine Summit. The Summit, scheduled for Saturday June 19th at the University of Maine's flagship campus in Orono, is an invitation-only, one-day event that addresses an issue of ongoing importance. The on-line opportunities are available on the REALIZE!Maine website prior to and during the Summit. The web site already contains more than 30 real life stories from young adults who have realized their potential in Maine.

Regional meetings that will follow the Summit will continue to focus on solutions and strategies that young workers and families can put into action with the help of regional partners.

To learn how to become more involved, visit [www.realizemaine.org](http://www.realizemaine.org).

## Governor Signs Tax Relief and Spending Reform Legislation

May 12, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci, joined by key legislators, State Board of Education officials, Commissioner Sue Gendron, Commissioner Rebecca Wyke and community advocates, today signed LD 1924, “An Act to Reduce the Cost of Local Government through Increased State Education Funding and Provide Property Tax Relief.”

“Today I’m signing a key spending reform and property tax relief package I submitted to the Legislature in March,” stated Governor Baldacci. “This important legislation received the unanimous support of both the Taxation and Education Committees and passed the Senate and House.”

“LD 1924 addresses education funding and property tax relief,” continued the Governor. “This bill, now law, provides clear direction for a responsible, reasonable and affordable solution to these problems. We need solutions that keep us focused on improving the Maine economy and preserving and creating good paying jobs with benefits.”

The Governor explained, “LD 1924 addresses the important issues of education funding and property tax relief in 5 ways:

It ramps up the state’s share of education funding to 55% over 5 years.

It ramps down the local share of education funding, resulting in a 15% reduction in local spending for education by 2010.

It caps the property taxes that need to be raised for education.

- In fiscal year 2006, as the state share begins to increase, no town will need to raise more than \$9 per \$1000 valuation for education.
- By 2010, when the state share hits 55%, no town will need to raise more than \$8 per \$1000 valuation for education.

The performance of towns in lowering property taxes based on extra state education funding will be measured and reported on every year by a Municipal Budget Analysis Committee, appointed by the Governor.

Finally, LD 1924 places controls on special education and transportation costs. By 2010, this change alone will save the state \$229 million and local property taxpayers \$237 million.

This is not an end in itself, but it answers those who advocate for Question 1 and the Palesky proposal. This law, unlike the other proposals, guarantees property tax relief. This is what the people of Maine want and deserve.

Question 1 would require an immediate \$245 million annual increase in education spending that we don't need and can't afford, with no provision for property tax relief. That extra \$245 million in spending would lead to increased taxes and cuts in programs for children, the elderly, health care, and the environment. It would put our economy on the wrong track.

I want to thank all of those in our administration, especially Martha Freeman, Director of State Planning, along with the education community, the Legislature, and other Maine people who helped LD 1924 become law. It's a good, responsible policy that provides tax relief for Maine."

## Governor Announces Support for Dirigo Health Reform

May 13, 2004

Contact: Lee Umphrey, 287-2531

Trish Riley, 624-7442

AUGUSTA – Governor John E. Baldacci today announced a major grant supporting the implementation of Dirigo Health Reform from the Augusta-based Maine Health Access Foundation (MeHAF). The Foundation awarded more than \$887,133 to the Governor's Office of Health Policy and Finance (GOHPF) to fund key implementation activities within Dirigo Health. The Governor was joined in the announcement at the State House by Trish Riley, Director of GOHPF, Dr. Robert McAfee, Chairman of the Dirigo Board, and Dr. Wendy Wolf, Executive Director of MeHAF.

"The Foundation's grant will help Dirigo during this critical start up phase," noted Governor Baldacci. "It keeps Maine moving towards its goal of universal access to quality health care for every Maine citizen. As we create a system with access to coverage, lower costs and improved quality of care, investments like these testify to how much outside organizations recognize the importance of our work."

Trish Riley, Director of GOHPF, said, "MeHAF has been a strategic partner in health reform, having supported last year's Health Action Team and the development of Dirigo Health. We appreciate their continued support. This major award will help us better engage Maine people in the steps we must take as a state to create a sustainable health care system. Cost containment and promoting quality are central to Dirigo Health and crucial for all health care and premium payers in the state. Additionally, the grant will help us successfully market and promote the Dirigo Health Plan throughout the state."

"We're particularly happy to make this grant award to the Office of Health Policy & Finance," said Dr. Wendy Wolf, MeHAF's Executive Director. "Since 2002, the Foundation has awarded more than \$10 million in grants to nearly eighty organizations from all over Maine, including state agencies, clinics and hospitals, and community action groups. We target our funding to promote strategic solutions for Maine's medically uninsured and underserved. This award to GOHPF in support of the innovative Dirigo Health Reform Act continues that theme. Since Dirigo and MeHAF share a common vision of bringing universal access to care to all Mainers, we're pleased to support this health reform initiative."

The MeHAF grant, awarded to GOHPF, is for projects to be developed through December 31, 2004. Funds will support three key activities:

State Health Plan. Funds will support the ongoing development of a comprehensive state health plan designed to direct and plan for a system ensuring access to affordable and quality care for all Maine people when and where it is needed. Specifically, the funds will support research, fact finding and public input activities to help ensure an informed State Health Plan. The State Health Plan will include a Capital Investment Fund to drive the Certificate of Need program and a global health expenditures budget.

GOHPF is responsible for the State Health Plan with input from the Advisory Council on Health Systems Development.

Commission to Study Maine's Hospitals. Funds will support the Commission's work, including the hiring of external consultants, research and analysis and public discussion of the Commission's findings. The Commission is engaging in an intensive review of Maine's hospitals; including finances, hospital networks, community roles, reimbursement, and capital needs. It will present a final report in November 2004 and may include specific proposals for legislative action.

Marketing the Dirigo Health Plan. GOHPF and the Dirigo Health Agency are developing a strategic marketing campaign to promote the Dirigo Health Plan prior to and during the initial enrollment stages later this summer. MeHAF funds will supplement existing resources committed to marketing the Dirigo Health Plan. The campaign will educate Maine people on the Dirigo Health Reform Act, including its cost, quality and public health goals. Marketing activities will include TV, radio and print advertising, direct mail and outreach activities such as community forums. The Dirigo Health Plan will be available to Maine's small businesses, the self-employed and individuals.

For more information on Dirigo Health, please visit the Governor's Office of Health Policy and Finance: <http://www.maine.gov/governor/baldacci/healthpolicy/index.html>

## Governor Announces DEL Medicare Preferred Discount Drug Sponsor

May 19, 2004

Contact: Trish Riley, 624-7442 Jude Walsh, 287-1815

Augusta – Governor John E. Baldacci announced today that the state has selected a preferred drug card sponsor to coordinate benefits for people in the Drugs for the Elderly and Disabled Program (DEL) who will be eligible for the \$600 benefit under the Medicare drug discount card program. Over the past several weeks, a panel within the Department of Human Services received and reviewed seven proposals and has chosen McKesson Health Solutions as the successful bidder.

"We want to make sure that older Mainers get the most from both their DEL and Medicare benefit," Governor Baldacci said. "We believe this proposal will meet this goal."

DEL program members already receive as much as an 80% discount on a number prescription drugs. DHS officials estimate that of the 43,000 members currently in DEL, approximately 5,800 of them will be eligible for an additional \$600 benefit when the Medicare drug discount card program begins in June. DHS contacted those DEL members in April and offered to make the selection of a Medicare drug card sponsor for them so as to better coordinate both benefits.

"We are very pleased to have our Rx Savings Access card selected by the State of Maine as part of its Low Cost Drugs for the Elderly and Disabled program," said Brian Tyler, president of McKesson Specialty Pharmaceuticals. "And we are looking forward to working with Maine's Department of Human Services as we provide DEL participants with important savings on all of their covered brand name and generic prescription drugs."

DEL members who are eligible for the \$600 benefit were mailed letters earlier this week indicating that McKesson had been chosen as the drug card sponsor. McKesson will work with DHS to assure DEL members first use their \$600 Medicare benefit. The DEL program will begin paying for drug costs once the \$600 benefit has been exhausted.

DEL members still have the option of choosing a different drug card sponsor and tracking their own expenses. The letters sent this week included a form for DEL members to notify DHS if they do not want to be enrolled with McKesson. All others will be automatically enrolled.

The Social Security Administration has begun providing information about how to sign-up for the drug discount card program. Medicare members who are also in DEL or Maine Rx Plus are eligible, although most are not eligible for the \$600 benefit and will need to select a drug card sponsor if they choose to enroll in the Medicare drug discount card program.

Medicare members have as many as 39 different companies from which to choose. Each sponsor offers its own list of covered drugs and discounts, which will be subject to change. Medicare members select the sponsor they prefer, pay \$30 for their card and qualify for discounts.

Governor Baldacci reminded seniors about Maine's network of trained health insurance counselors who can give them advice in selecting a Medicare card provider. "The program is complex and everyone's situation is going to be different," the Governor added. "That is why it is crucial for people to know that we have a network out there to assist them."

Medicare beneficiaries can receive this assistance by calling their Area Agency on Aging at the statewide toll-free number (877) 353-3771. Information is also available from the federal Medicare program by calling toll-free (800) 633-4227 and from the Maine Department of Human Services, toll-free (866)-RxMaine (796-2463).



## Governor Issues Response to U.S. Commission on Ocean Policy

May 20, 2004

Contact: Lee Umphrey, 287-2531

Kathleen Leyden, 287-3144

AUGUSTA – Governor John E. Baldacci commented today on the Preliminary Report of the US Commission on Ocean Policy, stating the report makes a compelling case for immediate action to protect the health and productivity of the ocean.

The U.S. Commission on Ocean Policy was created by President George W. Bush in the fall of 2001 to address the nation's most pressing problems related to use and management of coastal resources. The report contains hundreds of ideas for improving ocean waters and coastal habitats. Topics such as coastal water quality, fisheries, human health, monitoring and research are included in the report. The views of the nation's 50 governors were solicited by the Commission so that hundreds of recommendations for improved management of the ocean and coast can be finalized for presentation to President Bush and Congress later this year.

In a written statement to Admiral James D. Watkins, Chair of the Commission, Baldacci stressed that the Commission is headed in the right direction in its focus on sustainability, stewardship, and the use of good science for decision-making. "This report is a call to action," said Baldacci. "Increased coastal conservation and investment in coastal communities represents a two-fold strategy important for Maine's quality of life, its economy and that of the country as a whole."

"I am particularly pleased that Commission calls for doubling the US budget for coastal and ocean research," commented the Governor. "Maine institutions can attract those funds to help us understand our coastal waters, better manage our fisheries, and build our marine-related economy."

In 2000, Maine's ocean-related economy included 43,000 jobs and contributed 1.5 billion to our Gross State Product.

Baldacci offered additional, more detailed comments on the report in a 17-page appendix, which, along with his letter, is posted on the Governor's web site –

<http://www.maine.gov/governor/baldacci/communications/oceanpolicy.htm>

Baldacci delivered the opening remarks at a conference -- Our Ocean Future -- in Portland. The event, which continues through Friday, will explore the implications of the Commission's report for the Gulf of Maine region. For more information about the event at the University of Maine School of Law, go to: [http://mainelaw.maine.edu/oclj/conference\\_overview.htm](http://mainelaw.maine.edu/oclj/conference_overview.htm). Our Ocean Future is sponsored by the University of Maine School of Law, The Ocean Conservancy, the Maine Coastal Program, Maine Sea Grant and the Gulf of Maine Council on the Marine Environment.

## 2004 Archive of Governor Baldacci's Press Releases

For more information about the US Commission on Ocean Policy, go to [www.oceancommission.gov](http://www.oceancommission.gov) The Commission is accepting comments through June 4, 2004.

## Governor Names Task Force to Create Seamless Pre-Kindergarten through Sixteenth Grade Education Systems

May 26, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today named the members of The Task Force to Create a Seamless Pre-Kindergarten through Sixteenth Grade Education System. The Task Force will be chaired by Commissioner of Education Susan Gendron and will submit a final report to the Governor by January 15, 2005. The first meeting will be June 25 at 9:00 am in the Cabinet Room of the State House.

The Governor stated: “Our goal is to connect all levels of education. As I noted in my State of the State Address, this is key to economic growth. Last year we made great strides toward achieving this goal, including the creation of the Community College System and the establishment of a Coordinating Advisory Committee of the Community College System and University of Maine System. A goal was set in January of this year to take further action to connect all levels of public education.

To compliment what we have achieved so far, we must give added focus to the goal of structuring our entire education system to ensure our youth and adults have the greatest opportunities to succeed. This task force will make recommendations to further maximize our investments in education and enhance the ability of the system to meet the needs of our students. The focus of the Task Force will be to develop seamless Pre-Kindergarten through Sixteenth grade education systems.”

The Task Force members are:

Chair, Susan Gendron, Commissioner, Department of Education

Joseph Westphal, Chancellor, University of Maine System

John Fitzsimmons, President, Maine Community College System

Leonard H. Tyler, President, Maine Maritime Academy

James Carignan, Member, State Board of Education

Henry Bourgeois, President, Compact for Higher Education

Cathy Newell, Executive Director, Maine Adult Education Association

James D. Mullen, Board of Trustees, University of Maine System

Sue Huseman, Interim President, University of Maine – Machias

Evelyn Silver, Associate Vice President, University of Maine

Thomas Clayton, Retired Vice President, University of Maine, Presque Isle

Joanna Jones, Board of Trustees, Maine Community College System

Joyce Hedlund, President, Eastern Maine Community College

William Cassidy, President, Washington County Community College

Jean Mattimore, Executive Director, Center for Career Development

Sandra Featherman, President, University of New England

Pam Fisher, Director, Great Maine Schools Project

Dr. Donald C. Cannan, Director, Lewiston Regional Technical Center

Mark Gray, Executive Director, Maine Education Association

James Carson, President, Teamsters Union Local 340

Carl Leinonen, Executive Director, or designee, Maine State Employees Association

The Hon. John Martin, Faculty, University of Maine

The Hon. Neria Douglass, Education Committee

The Hon. Betty Lou Mitchell, Education Committee

The Hon. Rosita Gagne-Friel, Education Committee

The Hon. Gerald Davis, Education Committee

Task Force Resource:

Martha Freeman, Director, State Planning Office

The Executive Order creating the Task Force follows:

12 FY 04/05 March 26, 2004

**AN ORDER ESTABLISHING THE TASK FORCE TO CREATE SEAMLESS PRE-KINDERGARTEN THROUGH SIXTEENTH GRADE EDUCATIONAL SYSTEMS**

WHEREAS, the State of Maine must make more investments in economic growth and job creation; and

WHEREAS, the State has established a goal of building a knowledge-based economy and raising incomes to the national average by 2010; and

WHEREAS, affordable, quality education is key to economic growth; and

WHEREAS, efficiency in the delivery of Pre-Kindergarten through Sixteenth grade education is necessary to maximize investments in education and service to students; and

WHEREAS, Maine seeks to increase the percentage of Maine's adults with four year college degrees to 30% of adults and to raise its high school-to-college rate from 55% to 70%; and

WHEREAS, every individual can learn, regardless of income, gender, race, ethnicity, geographic isolation or disability and deserves an equal opportunity to high quality public education; and

WHEREAS, the Community College System and the University of Maine System established a Coordinating Advisory Committee in 2003 to increase collaboration; and

WHEREAS, the Governor set a goal in January 2004 of taking more steps to connect all levels of public education and the Commissioner of Education, Chancellor of the University of Maine System and President of the Community College System have been meeting in furtherance of that goal; and

WHEREAS, greater collaboration between education professionals at all levels will lead to an integrated and enhanced learning experience for students, as well as improved employment stability, self-reliance, and civic engagement for citizens of the State:

NOW, THEREFORE, I, John E. Baldacci, Governor of the State of Maine, do hereby establish The Task Force to Create a Seamless Pre-Kindergarten through Sixteenth Grade Educational System as follows

#### Duties

The Task Force is charged with recommending to the Governor a strategy that develops seamless Pre-Kindergarten through Sixteenth grade educational systems in the State of Maine. To that end, the Task Force shall:

- a. Examine options for planning, efficiencies and spending reform across Pre-Kindergarten through Sixteenth grade educational systems in Maine;
- b. Examine all components of Pre-Kindergarten through Sixteenth grade educational systems in Maine to remove barriers to student movement between the sectors, including strategies for sharing academic performance data across sectors;
- c. Examine pre-kindergarten to public school transition issues, educational aspirations of Maine students and needs of students who are first in their families to seek post-secondary education;
- d. Examine finance models for systems with universal access; and
- e. Identify strategies that promote college readiness and college success for all.

#### Procedure

The Task Force shall be led by the Commissioner of Education and be composed of the Chancellor of the University of Maine System, the President of the Community College System and eighteen (18) other

members, appointed by, and serving at the pleasure of, the Governor. The Task Force shall meet at times and places called by the Commissioner with assistance from the Governor's Office and state agencies as necessary and appropriate to carry out its activities from existing resources. The members of the Committee shall serve without compensation.

**Final Report**

The Task Force shall submit a final report to the Governor by January 15, 2005. The final report must include recommendations for creating seamless Pre-Kindergarten through Sixteenth grade educational systems. Upon submission of the final report, the Task Force and the authority of this Executive Order shall dissolve.

**Effective Date**

The effective date of this Executive Order is March 26, 2004.

## Governor Taking Serious Action to Avert Global Warming

May 27, 2004

Contact: Lee Umphrey, 287-2531

Beth Nagusky, 287-4315

Dawn Gallagher, 287-2812

AUGUSTA -- Governor John E. Baldacci and his Administration acknowledge the release of the new movie, "The Day After Tomorrow," and the critical discussion of global warming that it will provoke. Commissioner Dawn Gallagher of the Department of Environmental Protection will participate in a panel discussion following a special showing of the movie in Falmouth on Friday morning.

"The movie raises the consciousness of the public to the dangers of global warming," said Governor Baldacci. "Global warming remains a serious threat to our environment and to our children's future. My Administration is taking various steps to avert the disastrous consequences of global warming and climate change shown in the movie. Maine State Government is a leader when it comes to reducing the greenhouse gas emissions that greatly contribute to climate change, and I will continue to promote sustainable energy policies statewide."

In 2001, the New England Governors and Eastern Canadian Premiers signed a landmark agreement to reduce greenhouse gas emissions to 1990 levels by 2010, to 10% below 1990 levels by 2020, and ultimately to levels that are considered safe. In 2003, Maine became the first state to enact these goals into statute. Maine State Government has begun to track its greenhouse gas emissions from electricity, transportation, and heat.

According to Beth A. Nagusky, Director of Energy Independence and Security, between fiscal year 2003 and fiscal year 2004 State Government reduced its greenhouse gas emissions by over 4 percent. "State Government is reducing its greenhouse gas emissions by conserving energy, using energy more efficiently, and switching to renewable power and fuels where possible. We take the threat of global warming very seriously, and we know that we need to go on a low-hydrocarbon energy diet to avert the risks," said Ms. Nagusky.

Maine State Government now buys 40% of its electricity from renewable power, and plans to increase this to 50% in coming years. The State is using a 20 percent biodiesel blend to heat some buildings and as a transportation fuel, and has installed VendingMisers in all its vending machines, reducing their electricity usage by 46 percent. Governor Baldacci has signed an Executive Order to improve the fuel economy of the State's vehicle fleet and reduce the miles driven by State employees through greater use of new technologies, and the GO MAINE car and vanpool program. The State has 34 hybrid vehicles in its fleet. The State has completed an energy audit of all large state office buildings, and is designing a plan to reduce energy usage in these buildings by 25 percent.

Maine's Department of Environmental Protection has convened a group of stakeholders to devise a Climate Change Action Plan to meet the greenhouse gas reduction goals established by the NEGC/ECP and Maine law. Dawn Gallagher, Commissioner of the DEP, said that "the stakeholders are working in good faith to come up with cost-effective solutions to reduce greenhouse gas emissions in every sector of the Maine economy, including: energy and solid waste, agriculture and forestry, transportation and land use, and buildings and facilities. We expect to complete this work in the fall."

The vast majority of the world's scientists have come to the conclusion that the earth is warming and that most of the warming over the past several decades is caused primarily by the burning of fossil fuels. Warmer temperatures, along with rising sea levels and increases in extreme weather events and diseases, could cost future generations billions. A study commissioned by the Pentagon has concluded that climate change would pose a more serious threat to the United States than terrorism.

According to Governor Baldacci, "If the world's scientists prove correct, global warming could be disastrous for Maine, particularly for our ski, forestry, and agricultural industries, and for coastal property owners. The good news is that it won't happen overnight, as depicted in the movie. But, we need to take the threat seriously and act today to ensure our children never have to confront the events shown in 'The Day After Tomorrow.'"



## Governor Directs Flags to be Flown at Half Staff on Memorial Day

May 27, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA - In observance of Memorial Day, Governor John E. Baldacci has directed that the United States flag and the State of Maine flag be flown at half staff from sunrise to noon Monday, May 31, 2004. At noon, flags are to be raised to full staff.

## Governor to Greet Lincoln Mill Workers on Tuesday

May 28, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci will join mill owner Keith Van Scotter to greet employees at the new Lincoln Paper and Tissue gates as they return to work on Tuesday morning, June 1, 2004 at 6:30 a.m.

On completion of the sale of Eastern Pulp and Paper, the Governor stated, "Preserving and creating jobs is my priority. I am pleased that after months of hard work, and through the efforts of many Administration and local officials, the new owners, and others, the sale of Eastern Pulp and Paper is complete, and 360 employees can get back to work. These are good paying jobs with benefits."

"The opening of Lincoln Paper and Tissue benefits the entire region," said the Governor. "There was an outstanding level of support and cooperation behind saving these mill jobs."

Governor Baldacci praised Department of Economic and Community Development Commissioner Jack Cashman and Department of Environmental Protection Commissioner Dawn Gallagher and their staffs. He also noted the Congressional Delegation, FAME Board, local officials and labor for their crucial support behind efforts to save the mill jobs.

The three mills that have reopened during the Baldacci Administration in Lincoln, Old Town and Millinocket have retained 1300 jobs with a total payroll of \$3 million dollars. Every single mill job has a multiplier effect that creates six other jobs. Taking into account this multiplier effect, the 1300 jobs impact 8400 additional jobs with a total payroll of \$60 to \$70 million. The three mills will buy in excess of 1.6 million tons of wood.

## Governor's Memorial Day Message

May 31, 2004

Lee Umphrey, 287-2531

Joy Leach, 287-2531

Governor's Memorial Day Message as delivered today:

This weekend, we celebrate the dedication of the national World War II Memorial in Washington, DC, and the dedication of a new Vietnam Memorial in Bangor. We honor the men and women of our era who have done so much to make this country great and to protect our freedom and liberty.

These were among the greatest tests of our nation.

Today as we gather to remember the service of the brave men and women of our Armed Services past, we also carry with us thoughts and prayers for the American men and women are now involved in conflicts overseas.

We owe so much to these American heroes.

On a number of occasions in the past year and a half I've been at departure ceremonies and homecomings. It hits home at these events the great love and respect these soldiers have for their country and for their communities. They are making great sacrifices by being away from their homes. They and their families deserve all the support we can give them.

All of us feel the separation of our citizen-soldiers. Today, 724 members of our Maine Army and Air National Guard have been activated. These men and women leave their families and their jobs to serve their country; they leave their jobs. I want to thank the families, friends, employers and coworkers of our soldiers. They are sacrificing, too.

This year the Maine Legislature and I sought to honor those who have served and those who continue to serve – to do our part to ensure that they and their families are secure in the knowledge that all the people of Maine recognize their contributions to our freedom. These initiatives include:

- Creating the Maine Military Family Relief Fund, the monies for which come from a tax check-off. The Fund will make grants to the families of National Guards and Reservists called to active duty.
- Providing gender equity for widowers by extending the same property tax exemptions currently offered to widows and mothers of veterans to the widowers and fathers of veterans. This is important as more and more women are engaged in conflicts as members of our military, Guard and Reserves.
- Renewing the Veterans' Emergency Assistance Program, a valued emergency program for veterans caught in unique and unfortunate financial circumstances by granting funds to help them get back on their feet.

-- Providing professional and occupational licensing authorities in State Government the ability to waive continuing education requirements for returning service personnel, so that those who serve their country are not punished in their career aspirations because they were unable to renew licenses while serving overseas.

-- Improving the health of veterans through the Task Force on Veterans' Health Services, created as part of the Dirigo Health Reform Act. The Task Force will recommend ways to improve health care accesses and quality for veterans. In an effort to inform veterans of the range of benefits to which they may be entitled, the Task Force has recommended that Maine's Department of Human Services revise the MaineCare application to add a question about military service. DHS has agreed to adopt this recommendation, and will begin collecting the information this fall.

About 33,000 of Maine's 148,000 veterans were treated last year at either Togus or the VA's outpatient clinics in Caribou, Bangor, Calais, Rumford, and Saco. Earlier this month, the Secretary of Veterans Affairs Anthony Principi announced that the VA plans to open a new outpatient clinic in Cumberland County and five new part-time telemedicine clinics in Lincoln, Dover-Foxcroft, Houlton, Farmington, and South Paris. Such clinics can help veterans who are a significant distance from Togus -- especially those living in rural areas.

These contributions to active duty and former Guardsmen, Reservists, and Armed Forces personnel are the very least we can do to show our support.

Some of our citizens sadly have made the ultimate sacrifice. The United States and Maine have paid a heavy price through the loss of our sons and daughters, as they protect us, our allies and our interests both home and abroad. In the past 2 months, three of our Maine citizen-soldiers have been killed in conflicts overseas.

Freedom is something that needs to be celebrated here -- in our schools, at community events, and in our homes.

For those who have served and who are here today, we thank you. To those still overseas, our message is that we pray for you and we hope for your safe return home as soon as possible.

May God continue to bless the United States, Maine and the men and women who defend our great country.

## Governor Directs Flags to be Flown at Half Staff for Specialist Beaulieu

June 1, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – In remembrance and honor of Specialist Beau Beaulieu, whose funeral will be held this Thursday, Governor John E. Baldacci has directed that the United States flag and the State of Maine flag be flown at half staff from sunrise to sunset Thursday, June 3, 2004. Specialist Beaulieu was killed in Iraq in a mortar attack on May 24, 2004.

## Governor Announces Improved Rail Service

June 2, 2004

Contact: Lee Umphrey, 287-2531 Patricia Douglas, NNEPRA, 207-780-1000 x105

PORTLAND -- Governor John Baldacci announced today, cooperatively with David Fink, President of Guilford Transportation, an agreement to permit Amtrak to operate Downeaster trains from Boston to Portland at speeds of up to 79 miles per hour beginning on August 1, 2004. According to Baldacci, "Today's agreements are just a few steps of many we will collectively be making in the next months and years to strengthen the viability of passenger rail service in Maine."

A \$6 million program for track improvements will support faster and additional Downeaster trains between Portland and Boston. Specifically, the Maine DOT will invest up to \$1.5M in the first phase of the construction project to upgrade infrastructure in Kennebunk, Maine and other track work. The enhancements are expected to reduce overall travel time between Portland to Boston by 5-10 minutes beginning on August 1, 2004.

An additional \$4.5M investment next spring will allow more speed and capacity, leading to the addition of a fifth daily round trip between Portland and Boston by October 2005 and ultimate total trip time of 2 ½ hours. The additional train will provide earlier morning Boston arrivals and additional afternoon rush hour service from Boston for business travelers and commuters. In addition, Maine-bound visitors would arrive earlier and depart later in the day allowing more opportunities to participate in activities and attend events.

"We appreciate the leadership of Governor Baldacci and the support of Guilford Rail, the Maine Department of Transportation and Amtrak as we take this next step toward continued the growth and development of a thriving passenger rail system in Maine. The full focus of our efforts will now be on delivering the best service we can to the passengers who enjoy and depend upon the Downeaster," said John Englert, Executive Director of the Northern New England Passenger Rail Authority Board.

Governor Baldacci also announced a pilot project for summer 2004 to operate excursion trains from Portland, Brunswick and Rockland along Guilford's lines and the Maine DOT's Rockland Branch. The excursion trains will be operated by the Maine Eastern Railroad and will likely serve festivals and special events in Rockland. Schedules and details regarding the excursion service are still being developed.

## Governor Announces Working Group for Brewer Mill

June 4, 2004

Contact: Lee Umphrey, 287-2531 Jack Cashman, 624-9800

AUGUSTA – Governor John E. Baldacci announced the formation of an informal working group of state, community, and labor groups to refocus on options for the Brewer paper mill site formerly owned by Eastern Fine Paper. “We’ll continue to work together to reach out to buyers who might restart the paper mill, yet at this point we have no immediate options to bring paper production back to the Brewer mill. Working together with the City and unions will ensure a long term redevelopment effort to attract good-paying jobs and commercial or industrial opportunities to this Pine Tree Zone site,” said Baldacci. “At the same time, with the full support of the City, the Maine DEP and the US EPA will continue their efforts to remove of some remaining environmental risks.”

The Eastern Fine site has been designated as a Pine Tree Zone. Governor Baldacci’s Pine Tree Zone program provides powerful tax incentives to spur economic development. Eligible businesses include firms engaged in manufacturing, financial services, and Maine’s seven targeted technology sectors: biotechnology, aquaculture and marine technology, composite materials technology, environmental technology, advanced technologies for forestry and agriculture, information technology and precision manufacturing technology.

The working group will be convened in the next two weeks and will include representatives from the Governors office, DECD, the City of Brewer, international representative for PACE International Union and Eastern Maine Development Corporation.

## REALIZE! Maine Initiative Research Published

June 4, 2004

Contact: Joy Leach, 287-2531 Daryl Fort, 287-3531

AUGUSTA – As part of the Governor's REALIZE!Maine initiative, two research papers and a survey have been conducted in order to understand more completely the changes in the state's population – particularly changes in the population of young adults age 20-34.

Specifically, Maine's Changing Population: A Summary of Structural Changes, Mobility & Regional Variations examines demographic trends. Maine Youth Migration Profiles 1995-2000 uses the 2000 US Census Data to look at the characteristics of individuals aged 20-34 who moved from, to or within Maine during the period of 1995-2000. And Pan Atlantic Consultants/Strategic Marketing Services conducted a survey to gain insights into the reasons why Maine youth decide to stay or leave the state.

The Governor raised his concerns about the changes in Maine's demographics in his inaugural address, and pledged his commitment to pull together Maine's young adults to learn more about the conditions leading to migration of this population. REALIZE!Maine is a direct result of his pledge.

"I am pleased that this initiative is bringing young people together to generate ideas, realize opportunities and achieve sustainable solutions for more vibrant communities, better quality of life and a stronger economy for Maine," said Governor Baldacci. "The release of this data will help build ideas and strategies to increase opportunities for all Maine's young people."

Much has been made over the last several years about the loss of Maine's young adult population. Census data showed that between 1990-2000 Maine lost a significant percent of its population age 20-34. While Maine is not the only state dealing with the issues of youth migration, it ranks near the national average (29th) for the period of 1995-2000, Maine's population is older and growing slower than the national average. The research papers and survey presented on [www.realizemaine.org](http://www.realizemaine.org) seek to understand the complex issues behind these demographic changes.

The research reveals that while young Mainers age 20-34 have indeed declined as a percent of state population, this is largely due to a net increase in older residents and a low birthrate. Other contributors include the fact that young adults are the most mobile segment of a very mobile population – and in particular, the exodus of many of Maine's high school graduates who pursue degrees outside the state – and special circumstances like the closing of Loring Air Force Base.

Research also indicates regional disparities in youth population and youth patterns. Most of those young people who moved within Maine stay within their general north or south region. The trend is much movement of young adults in a local area and towards a more urban setting. Survey results may provide additional insight into these regional trends. Particularly those results that indicate the primary reason individuals decide to remain in Maine is to remain close to their family. And that parents and family



members tend to strongly influence those deciding to stay in Maine, but the survey indicates they play a lesser role with those leaving.

To learn how to become more involved, visit [www.realizemaine.org](http://www.realizemaine.org)

## Governor's Statement on the Passing of Former President Ronald Reagan

June 7, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

"The people of Maine join the nation in mourning Former President Ronald Reagan. We appreciate his dedication to family and country, and his leadership that hastened the end of the Cold War. He showed grace throughout his political career and in his later years battling Alzheimer's."

In accordance with U.S. and Maine State Law, U.S. and Maine State flags are directed to be flown at half-staff for 30 days following the death of a U.S. President.

## Governor Wary of EPA New Source Rules

June 8, 2004

Contact: Lee Umphrey, 287-2531

David Littell, 287-2811

AUGUSTA - In reaction to the Northeast States for Coordinated Air Use Management (NESCAUM) study of EPA's new Equipment Replacement Rule (ERP) under the federal New Source Review (NSR) program, Governor John E. Baldacci questioned the Administration's ERP rule and was concerned that the best interest of Maine was not being protected.

"The report dramatically confirms our initial suspicions—that Maine would suffer," said the Governor. "The increased pollution coming into our state because of the changes EPA has proposed would hurt us economically, would cause environmental damage and, most disturbingly, pose a real threat to public health."

The New Source Review program places requirements on industrial facilities to meet pollution control measures and protect the public health as outlined in the Clean Air Act. The current Administration, in the name of regulatory control, has sought through the 2003 ERP rule to exempt older facilities from upgrading air pollution controls in many circumstances. Modernizing or expanding facilities would be largely exempt from meeting the same stringent requirements placed on new facilities.

The Governor continued, "We clearly support reducing unnecessary regulatory burdens and we recognize that New Source Review could be improved in that regard. But to propose changes that adversely impact the health and well-being of an entire region is irresponsible."

Maine Department of Environmental Protection Commissioner Dawn Gallagher, upon reviewing NESCAUM's final report, commented, "If these changes are implemented, Maine would bear the brunt of increased emissions from plants that should have been shut down years ago. It's simple geography. With all that pollution blowing into the state, Maine would be hard put to meet federal clean air standards. That would place us in a position of having to require even greater controls on in-state industry. Maine business should not have to pay because others can skirt around their clean air responsibilities."

Governor Baldacci noted that although the EPA claims that the changes will not result in increased emissions, they do so without concrete analysis and with no guarantee to the people of Maine. "We are talking about changes applicable to more than 18,000 facilities. That's millions more tons of pollution that could be headed our way, even if the increases at individual plants were minimal. It's an irresponsible scenario. The proposed changes would permanently exempt old plants from requirements that new facilities must meet. That gives polluting sources a clear and unfair competitive edge. Facilities that create public health and environmental problems come out winners. That's flat out wrong."

## Governor Comments on Question 1 Vote

June 9, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci commented today on the vote to adopt Question 1, noting that he will proceed with its implementation.

“Yesterday the people of Maine voted to adopt Question 1, the ‘School Finance Act of 2003,’” stated the Governor. “The people have spoken and I have heard them clearly.”

“State resources will pay 55% of the cost of K-12 education. In addition, as required in Question 1, we in Augusta will develop a plan to create incentives to reduce government spending at the state and local level, and thereby decrease Maine’s overall tax burden. Investing in education and reducing Maine’s tax burden is the two-part prescription for a better economy and more Maine jobs.

Question 1 is not without its challenges, however. While Question 1 sets a target for education funding, State government does not now have sufficient revenues to implement the initiative. Accordingly, we will be challenged to find an equitable way to appropriate the necessary funds, while protecting vital services and avoiding an even greater burden on Maine taxpayers.

I am encouraged that the proponents of Question 1 have recognized these challenges and have agreed to pursue a phased-in approach to the new financial burden on State resources and a direct link to property tax relief. As we move forward I am ready to work with Maine communities, teachers, advocates and businesses to develop an implementation plan that honors the people’s will and protects Maine’s economy.”

## Maine Pauses to Remember President Reagan

June 10, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci will lead the State of Maine in a remembrance ceremony for former President Ronald Reagan on Friday at 11:00 am at the Blaine House. The ceremony provides an opportunity for state employees and citizens of Maine to pay tribute to the former leader.

The brief ceremony, which is open to the public, will include participation by the Maine State Select Honor Guard, Maine Army National Guard, as well as students from St. Mary's School and Cony High School. The Governor will read a Proclamation honoring former President Reagan and will lead those gathered in a moment of silence.

State services will continue to be provided to the citizens of Maine, and state agencies will remain open. State employees will be able to have flexible time between the hours of 11:00 am and 1:00 pm. The Governor directed state agencies and supervisors to maximize flexibility around employees' lunch schedules, subject to operational need, to allow for employee attendance at this service, or to observe the televised funeral in Washington.

## Ronald Reagan Remembrance Day Proclamation

June 11, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA - Governor John E. Baldacci led a remembrance ceremony today at the Blaine House to honor former President Reagan.

The text of the Proclamation read at the event follows.

WHEREAS, former President Ronald Reagan, who passed away on Saturday, June 5, 2004, remains a symbol of America's spirit and optimism; and

WHEREAS, Ronald Reagan inspired the nation through exemplary service to his country, providing strong leadership and character in times of great need; and

WHEREAS, with a deep and abiding faith in this country, Ronald Reagan exemplified true patriotism; and

WHEREAS, Ronald and Nancy Reagan showed grace and strength in fighting Alzheimer's disease together; and

WHEREAS, Ronald Reagan won the admiration and respect of the people while he lived, and his memory will live on in our hearts forever; and

WHEREAS, the State of Maine commemorates the life and legacy of President Ronald Reagan,

NOW, THEREFORE, I, JOHN E. BALDACCI, Governor of the State of Maine, do hereby proclaim June 11, 2004 as

Ronald Reagan Remembrance Day

throughout the State of Maine, and urge all citizens to recognize this observance.

## Dirigo Health Plan Receives Bid from Anthem

June 11, 2004

Contact: Lee Umphrey, 287-2531

Trish Riley, 624-7442

AUGUSTA – Governor John E. Baldacci announced today that Anthem Blue Cross and Blue Shield of Maine has submitted a bid seeking to partner with the Dirigo Health Agency and administer the Dirigo Health Plan. The Dirigo Health Plan is designed as a public/private partnership to infuse the small group and individual insurance markets with a competitive, affordable, and high quality health coverage plan.

“This is a big day for Maine as we are a step closer to providing affordable health care through Dirigo. We are very pleased that Anthem has submitted a bid,” said Governor Baldacci. “Anthem is a highly successful company, has a very large presence in Maine and clearly wants to play a role as a good corporate citizen in the state. We think it’s a good business decision to help move the Dirigo Health Plan forward. We look forward to reviewing the proposal and deeply appreciate the thought and effort Anthem has put into their bid.”

On May 7, 2004, under the direction of the Dirigo Health Board of Directors, the Dirigo Health Agency issued a Request for Proposal (RFP) seeking bids from insurance carriers to administer the Dirigo Health Plan. The RFP included specific guidance for the costs and benefits and timeline for rolling out the Dirigo Health Plan. Several health care and insurance experts and consultants were part of this process, including: the actuarial firm, Watson Wyatt; Mathematica Policy Research, LLC; Mercer Consulting; and, USM’s Muskie School of Public Policy.

“A lot of good, quality work has been put into the RFP by a lot of people,” said Tom Dunne, Executive Director of the Dirigo Health Agency. “We are very pleased to receive the bid from Anthem. Anthem is the big player in the small group and individual insurance markets in Maine and we look forward to reviewing their bid.”

As designed, the Dirigo Health Plan will cover comprehensive medical services, including prescription drugs and hospital, physician and specialist visits. It will offer unique benefits to promote wellness such as covering preventive services at 100% and offering \$100 rewards for members who set and achieve health improvement goals under the guidance of their primary care physician. To ensure broad affordability, discounts will be given to members with household incomes less than 300% of the federal poverty level - \$28,000/year for a household of one and \$56,500 for a household of four. Discounts will apply to monthly costs, deductibles and out of pocket maximum costs. The intent is to begin enrollment later this summer. In its first year, the Dirigo Health Plan will be available to businesses with 50 or fewer eligible employees, the self-employed and individuals.

“Getting the bid is the first, important step and we are very pleased Anthem has submitted a proposal,” said Trish Riley, Director of the Governor’s Office of Health Policy and Finance and chief architect of the

Dirigo Health Reform Act. "The review process will begin immediately. We know we can work with Anthem and are cautiously optimistic that our expectations will be met in their bid."

Today was the deadline for submitting a bid. Contents of the bid, the review process, and any negotiations between the bidder and the State will remain confidential as required by State procurement regulations. Representatives from the Dirigo Health Agency, the Department of Human Services and the Governor's Office of Health Policy and Finance will review the bid. A decision is expected by early July. The Dirigo Health Board of Directors will meet on June 23, 2004, to review the on-going progress.

The Dirigo Health Plan is one component of the Dirigo Health Reform Act. The Reform Act is a comprehensive reform of the State's health care system and includes measures to control the growth of health care costs, improve the quality of care statewide, and ensure access to quality and affordable coverage. The Reform Act sets a goal of achieving universal access to quality coverage by 2009. For more information, visit [www.healthpolicy.maine.gov](http://www.healthpolicy.maine.gov).



## Governor Announces Virtual Youth Summit to Coincide with June 19th Event

June 11, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today announced Maine's first-ever virtual Summit to take place simultaneously with REALIZE!™ Maine's kick-off event, the Summit on Youth Migration in Orono, Saturday June 19th.

The "in person" Summit will happen at University of Maine's Wells Commons in Orono. Attendance is limited to 300 people by facility capacity. The "virtual Summit" is a real-time, on-line event that will parallel the work done on the Orono campus but participation is not limited and individuals can join in from their home computers.

The virtual Summit for REALIZE!™ Maine will convene at 10 a.m. at [www.realizemaine.org](http://www.realizemaine.org). Each hour between 10 am and 2 pm will be devoted to one of the Summit's focus questions. Participants can log on and help identify the solutions or changes to issues in three areas. In the final hour, all potential solutions will be examined and on-line participants will be asked to set priorities based on what are realistic starting points. Each hour will be hosted by a guest moderator.

Participants at 10 a.m. will examine what conditions are needed for young adults to prepare for and find meaningful employment or start a business, and make a comfortable living.

At 11 am, the focus will shift to consideration of what can be done to encourage young adults to remain in Maine while still advancing their career paths, skills, or growing their business.

During the Noon hour, everyone is invited to discuss what conditions are needed for young adults to realize their goals for a high quality of life while also becoming involved in the community life of Maine.

The format is no-cost and is designed to maximize participation to hear from all current and former Maine citizens. Pre-registration is not required but interested citizens should visit the site and set up their user names before June 19. This will allow them quicker access to the conversations on that day.

For more information, contact [Patrick.Colwell.Jr@maine.gov](mailto:Patrick.Colwell.Jr@maine.gov). Join in the conversation on June 19th at [www.realizemaine.org](http://www.realizemaine.org) from 10am to 2pm to have your voice heard!

## Governor Unveils New Anti-Tobacco Ads Produced by Maine Teens

June 14, 2004

Contact: Lee Umphrey, 287-2531

Dora Anne Mills, MD, MPH, 287-2736

PORTLAND -- Governor John E. Baldacci today joined high school students from Portland, Freeport, and Lincoln to unveil three anti-tobacco television ads produced by the youth. The ads begin airing statewide today.

"These ads will strongly resonate with Maine youth, because kids know better than anyone what type of messages will work best with their peers," the Governor said at the 11:00 AM announcement, held in the State of Maine Room at Portland City Hall.

The new ads come three years after a first series of youth-driven ads were initially aired in Maine. Those ads were developed by youth in Calais, Hampden, Brunswick, and Old Orchard Beach. Like their predecessors, the Portland, Freeport, and Lincoln youth created, developed, wrote, and acted in their own ads. Final editing was done professionally in Portland.

"We know from past communication surveys that those first ads were extremely effective in reaching Maine youth," said John Nicholas, Commissioner of the Maine Department of Human Services. "As effective as those first ads were, however, we expect to have an even greater impact this time, because we have tied an action component to the new ads."

All three ads conclude by directing viewers to <http://maineresistance.org/> a new website for Maine youth interested in learning more about tobacco or wanting to get involved in local or statewide anti tobacco efforts. Youth smokers can also go to the site to receive information on how to quit.

"We want to not only educate, but also motivate our kids. By combining the power of the ads with the tools of the Internet, we can effectively do both," said Dr. Dora Anne Mill, Bureau of Health Director, Maine Department of Human Services.

The new youth-driven ads, sponsored by the Bureau of Health's Partnership For A Tobacco-Free Maine, also differ from the first series in that they include footage of the youth actually brainstorming their ideas.

"We wanted to capture the youth's enthusiasm in developing their ads and this was a way to do it," said Mills. "The viewer literally watches the ads come to life."

"I think the ads show we are really into this," said Mike Drake, a graduating senior at Deering High who was part of the Portland group that produced one of the ads "This was a fun effort, but we were also very serious at the same time."

"The time, effort and creativity these students put into this ad campaign has made for powerful ad-making," added Governor Baldacci. "Their work will help us continue the tremendous strides we have already made in cutting Maine youth smoking rates in half."

## REALIZE! Maine Summit Convenes

June 19, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

ORONO -- Governor John E. Baldacci today convened the REALIZE! Maine Summit on Youth Migration, a key initiative to ensure Maine is a viable, preferred option for young adults. The Governor welcomed the in-person and virtual participation of the young people involved.

"Gathered here are hundreds of potential solutions to unlocking the door to Maine's next renewal," stated Governor Baldacci. "Those solutions are represented by each of you here and joining through the Internet."

Governor Baldacci provided his vision for growing opportunity in the State for all citizens, especially young adults. Many of his education, health care and economic development strategies are already moving Maine forward, and he stressed that engaging young people through REALIZE! Maine will lead to further innovation.

"Beginning anew with your efforts here today we will focus on solutions and on building opportunities," said the Governor. "The best is yet to come! For all the steps we've taken in the right direction, we're here today to lengthen our stride.

Today, together we can turn on the economic and cultural engine that is each individual and power Maine to its next plateau.

We're here today to roll up our sleeves, work hard, be creative and have fun. Today we can add value to a quality of life that is second to none and our most important natural resource - the people of Maine."

The Governor raised his concerns about the changes in Maine's demographics in his inaugural address, and pledged his commitment to pull together Maine's young adults to learn more about the conditions leading to migration of this population. REALIZE! Maine is a direct result of his pledge to understanding the challenges of migration, realizing opportunities before us and creating sustainable solutions to out-migration.

Recommendations from workshop discussions will be posted to the bulletin board. The website [www.realizemaine.org](http://www.realizemaine.org) will remain active following the summit, enabling interested individuals to comment and add to discussions.

## Governor Launches Maine Energy Information Website

June 23, 2004

Contact: Lee Umphrey, 287-2531

Beth Nagusky, 287-4315

AUGUSTA -- Governor John E. Baldacci today launched the State's new energy information website. The new website is a project of Maine's nine member Energy Resources Council and InforME, the e-Government web site portal for the State of Maine.

[www.Maineenergyinfo.com](http://www.Maineenergyinfo.com) provides Maine people with a convenient resource for all their questions about energy, including how to save energy and money through conservation and efficiency, and how to shop for energy products.

"I know that Maine people are currently concerned about high gas and oil prices, about our dependence on politically unstable nations for oil, and about global warming," said Governor Baldacci. "This website will not only give Maine people the facts they need to make wise energy choices, but also tips on how to conserve energy in their own homes and vehicles."

Maine State Government is becoming a leader nationally for its sustainable energy practices. Governor Baldacci has signed an Executive Order that incorporates "green" building standards into all new and renovated state buildings and institutions of higher learning, as well as an Executive Order to improve state vehicle fleet fuel economy, and reduce vehicle miles traveled by state employees. The State will soon implement preferential parking at some state office buildings for vanpools, carpools, and hybrid vehicles, and will expand the vanpool program by 100% over the next three years. The State now purchases 40% of its electricity from renewable power, and is using a biodiesel blend to heat some state buildings and as a transportation fuel.

According to Beth Nagusky, Director of Energy Independence and Security, and chair of the Energy Resources Council, the nine member Council has been working to develop this comprehensive website for over a year. "We saw the need for a 'one stop shopping' resource where people could find answers to the questions we are frequently asked. This will also be a great source of tips on how to save money on fuel oil, gasoline, and electricity through energy conservation and efficiency. Saving energy saves money, and makes the air we all breathe a lot healthier," said Nagusky. The Office of Energy Independence and Security has received some foundation support to help produce and run radio ads promoting energy conservation.

Maine.gov is the State of Maine's web portal. InforME is managed by New England Interactive, Inc., a wholly owned subsidiary of the NIC, the world's largest eGovernment solutions provider dedicated to positively transforming the relationships among citizens, businesses, and government.

## Soldier with Maine Ties Falls in Iraq

June 25, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today announced that Captain Christopher Scott Cash, a native of Old Orchard Beach, has died in Iraq. Captain Cash, of the North Carolina Army National Guard's 30th Heavy Separate Brigade, 120th Infantry, was married with two sons. The Governor spoke to Cash's mother this morning and expressed his condolences.

"Chris Cash loved his country and was dedicated to preserving the freedoms of our nation," stated the Governor. "All of Maine joins with Captain Cash's loved ones in their grief. I offer my respect and gratitude to all those serving overseas and their families."

## Governor Urges Action on Bond Proposal

June 25, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today announced that he has delivered his bond proposal to legislative leaders. The package includes critical investments in transportation and environmental infrastructure, the Land for Maine's Future Program and economic growth.

The Governor outlined his \$ 55 million package in a letter delivered to House and Senate leaders. The text of the letter follows.

June 25, 2004

Honorable Patrick Colwell

Honorable Joseph Bruno

Honorable Beverly C. Daggett

Honorable Paul T. Davis, Sr.

Dear Colleagues:

As we have each discussed personally, I believe that we have the opportunity to build a bipartisan agreement on a targeted bond package.

Attached I provide my proposal for three bond questions focused on essential investments that should not wait for nine or twelve months for action. I urge you to convene members of the Joint Standing Committee on Appropriations to meet to review this proposal. The Administration will be available to present the compelling reasons for each element of this proposal.

My proposal focuses on investments in infrastructure that support Maine's economic recovery. Sustained investment in transportation and environmental infrastructure will create construction jobs, and support expansion plans of Maine businesses by providing roads and sewer capacity. These same environmental investments protect public health and enhance our cherished natural resources – opening clam flats, restoring rivers, and restoring hazardous sites.

My proposal also focuses on the Land for Maine's Future Program. Without action, we can not continue momentum to assure public access and secure key parcels during a period of rapidly shifting land ownership.

My proposal seeks to maximize matching funds – especially high ratio federal matching funds for sewer and drinking water programs. Maine risks permanent loss of currently available federal drinking water funds.

Finally, I believe that this legislature and this administration have a shared responsibility to restore funds to projects in communities statewide – funds which were redirected to support critical needs at the Waldo-Hancock Bridge and at the mills in Brewer and Lincoln.

Thank you for your shared leadership.

Sincerely,

John E. Baldacci

Governor

Governor's proposal: June 25, 2004

**LAND FOR MAINE'S FUTURE PROGRAM \$30.00M**

Recapitalizes the Land for Maine's Future Program with \$30,000,000 to continue Maine's land conservation efforts, leveraging a minimum of \$15,000,000 in required matching funds. Lead funding priorities include (1) conservation properties in the rapidly developing areas of southern and coastal Maine with an emphasis on public access to outdoor recreational opportunities; (2) protection via easement of traditional public access in the North Woods and support for sustainable forestry and strategically targeted fee acquisitions in areas of very high public value (3) farmland protection to support an economically viable agricultural sector; (4) public access to coastal and inland waters; and (5) highly significant wildlife habitat and ecological areas.

**TRANSPORTATION & THE ECONOMY: \$11.75M**

Waldo-Hancock Bridge statewide offset -- statewide highway/bridge projects, leveraging roughly \$40M in federal highway funds. \$10M GF

Port & Ferry Improvements \$1.75M

- \$250K Ferry system federally required security equipment (needed to prevent fare increase)
- \$1M Governor Curtis ferry vessel replacement (Vinalhaven-Rockland)
- \$500K Commercial coastal access (SHIP program)

**ENVIRONMENT & THE ECONOMY: \$13.125M**

Lincoln/Brewer mills environmental response: restore funds to 17 communities  
\$1.175M

Drinking Water (DHS) \$2.0M



- To upgrade public drinking water systems statewide through the Drinking Water State Revolving Loan Fund. Leverages \$10M in federal funds. Water districts to be funded include Calais, Waldoboro, Eagle Lake, Warren, Lisbon, Ellsworth, Port Clyde, Frye Island, Gardiner, Mars Hill, Winterport, Bowdoinham, Camden, Canton, Strong, Castine, Passamaquoddy, Bath, Hartland, Mechanic Falls, more.

Wastewater Treatment (SRF) \$2.5M

- Low interest loans to municipalities and others for wastewater treatment. Likely projects for financing include improvements in Bangor, Auburn, Kennebunk, and Portland. Leverages \$12.4M in federal funds.

Water Pollution Control facilities \$4.6M

Hazardous site cleanup \$1.5M

Irrigation water source cost-sharing with farmers \$0.5M

Downeast Institute (Beals/Washington County) \$0.85M

- Expired lease, pending unfunded purchase & sale agreement

TOTAL \$54.875M (GF)

## Maine Launches Innovative New State Web Site at [www.maine.gov](http://www.maine.gov)

July 2, 2004

Contact: Lee Umphrey, 287-2531

Carrie Gott, Maine.gov, 621-2600

Citizens benefit from enhancements to local government and eDemocracy

AUGUSTA – Already ranked 2nd in the nation for best government Web site in 2003 by the Center for Digital Government, Maine.gov ([www.maine.gov](http://www.maine.gov)) has launched new services and better delivery mechanisms to provide ease and convenience to businesses and citizens when interacting with their state and local government.

"Maine continues to be a leader in delivering eGovernment services to citizens, businesses and visitors to the state," said Governor John E. Baldacci. "I'm proud our state is a national leader when it comes to electronic service delivery."

The Maine.gov Web site offers more than 300 online services to citizens and businesses, including the new Rapid Renewal driver license and state ID renewal and replacement service, the Public Criminal History record search, the Business Answers online business start up assistant, and a Sportsmen Suite of more than fifty hunting and fishing license services, to name just a few.

Maine.gov serves up more than 500 agency web pages filled with the information citizens need, and allows for personalization for repeat visitors to set home page links and create automatic reminders to be sent via email or Web browser.

"The availability of online services is transforming the relationship citizens enjoy with government," Secretary of State Dan A. Gwadosky commented. "It's providing unprecedented access and convenience, and opening up new avenues for participation in civic life. E-Government holds great promise for enhancing customer service and strengthening democracy."

"This is the 4th upgrade to the state's Web site in 4 years," explains Dick Thompson, Chief Information Officer. "Customer service is at the heart of what we do."

To keep up with the changing needs and expectations of citizens, and in response to specific user feedback, Maine.gov has been updated with a fresh look and layout, as well as the addition of two new categories: the local government portal and the eDemocracy portal.

- Local government content and services from more than 500 municipalities available through a single Web page. From the Maine.gov local portal page, citizens have access to local officials, brief descriptions of the cities or towns and local points of contact among other services.

- eDemocracy content and services from across a variety of government resources available through a single Web page. From the Maine.gov eDemocracy page, citizens and residents have easy and convenient access to democratic services such as election calendars and notifications, voter registration change of address forms and absentee ballot applications, democracy learning tools for students and educators and interactive communication tools for citizens to interact with elected officials, and a whole lot more.

### About Maine.gov

Maine.gov is the official Web site of the state of Maine ([www.maine.gov](http://www.maine.gov)) and a service of the Information Resource of Maine (InforME). InforME is a collaborative effort between the state of Maine and New England Interactive, LLC. that helps Maine government entities Web-enable their information services. Maine.gov was built and is marketed, operated, and maintained by New England Interactive, LLC a wholly owned subsidiary of eGovernment firm NIC (Nasdaq:EGOV - News).

## Fiscal Year Ends with State Well Placed for Growth

July 2, 2004

Contact: Lee Umphrey, 287-2531 Rebecca Wyke, 624-7800

AUGUSTA – Governor John E. Baldacci today announced that preliminary end-of-year revenues indicate a surplus for the fiscal year that ended June 30, 2004. Preliminary figures point to a \$45 million surplus, though final numbers will not be available until the year end close out procedures are completed. Final figures are expected to be available in two to three weeks.

"I am pleased that the State's fiscal house is in order and that other economic indicators are favorable for future growth," stated Governor Baldacci. "This year we balanced the budget without raising taxes, protected those most vulnerable in our state, and made crucial investments in economic development and the education and health care of our citizens. I look forward to continuing on a path of positive growth to be shared by all citizens across Maine."

In addition to preliminary end-of-year figures other recent indicators bode well for advancing Maine's economic and job prospects:

- Seasonally adjusted unemployment for May 2004 was 4.1%, compared to the U.S. rate of 5.6%;
- Per capita personal income growth in 2003 was higher than the U.S. as a whole;
- Personal income growth in 2003 was 3.7%, compared to 3.4% in the U.S. and 2.5% in New England.

"Jobs are being added across the state, and opportunities for economic expansion will continue to be cultivated with implementation of Dirigo Health and the Pine Tree Zone program," noted the Governor.

Commissioner Jack Cashman of the Department of Economic and Community Development commented, "The evidence is clear Governor Baldacci's Economic Development plan is working. We are ahead of the national average on job growth. Personal income growth is above the New England average. And Maine's unemployment rate ranks below the national average. This is all good news. In terms of the future, we expect the numbers to get even better."

### FISCAL YEAR 2004 CLOSEOUT

- NOTE: All information is not yet available and some adjustments will be made over the next couple of weeks.
- Net Unappropriated Surplus of the General Fund at the end of FY '04 = \$51.5M +/-
- Unappropriated Surplus derived from:
  - ♣ Surplus Revenues = \$45M +/-; and
  - ♣ Unbudgeted Lapsed Balances and other adjustments = \$6.5M +/-.

• Budget Stabilization Language (PL 2003, Chapter 451, Part X) enacted in the 1st Regular Session provides for the following distribution of the unappropriated surplus at the fiscal year end:

• 16% General Fund Operating Capital Reserve = \$8.2M

♣ Used exclusively to ease cash flow.

♣ Reserve may grow to \$50M by law.

♣ Prior balance was \$5.3M.

• 32% Budget Stabilization Fund = \$16.4M

♣ Replaced the Rainy Day Fund.

♣ Fund may grow to 10% of the total General Fund revenues received in the prior fiscal year.

♣ Prior balance was \$10.6M.

• 32% Unfunded Actuarial Liability of the Retirement System = \$16.4M

♣ Reamortized the UAL for 2 years (FY '04 and '05) to save approximately \$113M over the biennium (\$102M in GF and \$11M in other funds).

• 20% Remaining distributed as follows:

♣ Replenish the Governor's Emergency Contingent Account

• Restored to \$350,000 by law.

♣ FAME Loan Insurance Reserve Fund = \$1,000,000

• Used as backing to insure existing loans.

• Fund may grow to \$35M.

♣ One-time funding priorities in FY '04:

\$564,287 FAME

\$850,000 University of Maine

\$350,000 Maine Community College System

\$2,000,000 Economic Improvement Fund

\$57,538 Maine State Library

\$123,837 Maine Public Broadcasting

\$400,000 Dept of Conservation Shore & Harbor Management Fund

Total = \$4,345,662

♣ Unappropriated Surplus of the General Fund available in FY '05 = \$4.5M

Overview of Maine Economy

July 2004

Employment

Unemployment rate (May 2004) 4.1%

Wage & salary employment (first 5 months calendar 2004) up .7%

Personal Income

Wage & salary growth (last quarter calendar 2003 & first quarter calendar 2004) averaged 5.5%

Overall personal income growth (same period) averaged 5.6%

Strong wage and salary growth in first quarter of 2004 mostly due to bonus income.

State Level Tax Burden

U.S. Census estimate 7.4% in FY '03, down from 8.6% in FY '00.

Ranking moved from 8th to 13th in the nation.

Revenue Forecast

Maine economy appears to be on a slow but steady growth path and is tracking the national economy well. Barring unforeseen events, it is anticipated that the Consensus Economic Forecasting Commission will make some slight positive adjustments to the forecast when they meet this fall.

National Picture

The national expansion appears to be self-sustaining, resulting in the increase of interest rates by the Fed. Oil prices are starting to drop, but there remains uncertainty in this market. Recovery is anticipated to be slow and there is little left that the federal government can do to further stimulate the economy. Barring unforeseen events, the economy shows no signs of slipping back into recession.

Major Revenue Lines

Sales & Use Tax

June: on budget

Year-to-date: +\$11.5M

Individual Income Tax

June: on budget

Year-to-date: + \$25.3M

Corporate Income Tax

June: +\$3.1M

Year-to-date: +\$8M

Cigarette and Tobacco Tax

June: +\$1.3M

Year-to-date: -\$1.9M

Insurance Premium Tax

June: +\$4.2M

Year-to-date: +\$2.6M

Estate Tax:

June: +\$2M

Year-to-date: on budget

## Governor Signs Executive Order on Homeland Security

July 8, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today signed an Executive Order to Establish a Homeland Security Advisory Council and to Define State Agency Roles in Homeland Security. The order officially recognizes the working relationship already in place among various state agencies.

“This Executive Order formalizes an existing system,” stated Governor Baldacci. “The Advisory Council established ensures that I receive timely and sound advice on homeland security matters, that state agency activities with regard to homeland security are well coordinated, and that federal homeland security funds are well spent. The Council serves as a critical entity to coordinate homeland security operational preparedness, response, recovery and mitigation. We have in place a system that works.”

The text of the Executive Order follows:

### AN ORDER TO ESTABLISH A HOMELAND SECURITY ADVISORY COUNCIL AND TO DEFINE STATE AGENCY ROLES IN HOMELAND SECURITY

WHEREAS, the events of September 11, 2001 and subsequent acts of terrorism around the world have brought new emphasis to the necessity of emergency preparedness and enhanced homeland security efforts at every level; and

WHEREAS, it is critical that the homeland security programs in state agencies be carried out in a coordinated manner so as to maximize the effectiveness of state efforts and federal support; and

WHEREAS, a number of agencies in Maine State Government play a role in emergency preparedness and response, including terrorism preparedness and response; and

WHEREAS, the Maine Emergency Management Agency (“MEMA”) is designated by statute as having responsibility within Maine State Government for coordinating emergency preparedness, response, recovery and mitigation activities; and

NOW, THEREFORE, I, John Elias Baldacci, under the power vested in me as the Governor of the State of Maine, do hereby:

A. Establish the Homeland Security Advisory Council (the “Council”).

#### Composition of the Council

The Council shall be composed of:

a) The Director of the Maine Emergency Management Agency



- b) The Commissioner of Defense, Veterans and Emergency Management
- c) The Commissioner of Public Safety
- d) The Director of the Bureau of Health
- e) The Chief of the Maine State Police
- f) A representative of the Governor

The chair of the Council shall be the Director of MEMA.

#### Duties of the Council

The Council shall:

- a) Advise the Governor with regard to the vulnerability of the State of Maine to terrorist activity;
- b) Advise the Governor with regard to the adequacy of the plans to enhance homeland security;
- c) Ensure the homeland security activities of state agencies are coordinated;
- d) Advise the Governor with regard to the implementation of state programs using federal funds and administration of federal grants for homeland security, in order to ensure coordination among agencies and the most effective use of grant funds;
- e) Advise the Governor with regard to the appropriate level of Homeland Security Threat Advisory in the State of Maine, based upon intelligence gathered in the state and from federal sources;
- f) Advise the Governor with regard to the appropriate response to any terrorist threat; and
- g) Periodically advise the Emergency Response Team of pertinent information that could assist in their response to an event.

#### Procedures

The Council shall:

- a) Meet at times and places as determined by the Chair or the Governor and with assistance from state agencies as necessary and appropriate for the Council's execution of its responsibilities described herein;
- b) Meet, either physically or via telecommunication, as determined by the Chair, immediately upon notification that the Federal Homeland Security Threat Advisory Level will be changed, in order to develop a recommendation to the Governor of the appropriate Threat Advisory Level and action steps for Maine; and

c) Meet at the call of the Chair or the Governor at any time the Governor requires the advice of the Council.

Meetings of the Council are not "public proceedings" for purposes of Title 1, M.R.S.A., Chapter 13, but may be open to the public at the discretion of the Chair. Documents collected or produced by the Council are not public records.

#### Resources and Support

A. The Maine Emergency Management Agency will provide staff and administrative support to the Council from existing resources.

B. Direct that state response to any suspected terrorist event will be coordinated through the State Emergency Operations Center, in accordance with the State Emergency Operations Plan.

C. Designate the Maine Emergency Management Agency as the coordinating agency within state government for homeland security operational preparedness, response, recovery and mitigation.

As the coordinating agency, MEMA shall:

Develop and maintain the State Emergency Operations Plan, which will incorporate by reference any internal operational plans developed by other state agencies for emergency response;

Coordinate the State Emergency Operations Center;

Coordinate with other state agencies in the development of their emergency response plans;

Coordinate the review and approval of all grant applications developed by local and state agencies for homeland security funds; and

Administer homeland security grant funds.

#### Effective Date

The effective date of this Executive Order is July 8, 2004.

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## Governor Signs Executive Order on Implementing Question 1

July 16, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today signed an Executive Order to Advise the Governor on Implementing the School Finance and Tax Reform Act of 2003. The order establishes an implementation team to review the technical provisions of Question 1 and to provide recommendations for legislation required to implement the Act.

“My duty is to develop a plan to fulfill this mandate of providing property tax relief while continuing to meet other statutory obligations,” said Governor Baldacci. “We must ensure that legislation based on the provisions of Question 1 will be incorporated correctly into other requirements such as producing a balanced budget. This remains an inclusive process, with my implementation team seeking consultation with a wide group of affected parties.”

The text of the Executive Order follows:

### AN ORDER TO ADVISE THE GOVERNOR ON IMPLEMENTING THE SCHOOL FINANCE AND TAX REFORM ACT OF 2003

WHEREAS, the electors of the state of Maine presented to the First Regular Session of the 121st Legislature an initiated bill entitled “School Finance and Tax Reform Act of 2003” (hereinafter “the Act”) under the provisions of Article IV, Part Third, Section 18 of the Constitution of Maine; and

WHEREAS, the Act was submitted to the voters on June 8, 2004 and received a majority of the votes cast; and

WHEREAS, a stated goal in the Act is “to provide substantial property tax relief statewide in a manner that is sustained over time;” and

WHEREAS, pursuant to Article IV, Part Third, Section 19 of the Constitution of Maine, the Act will become operative 45 days after the convening of the next regular legislative session; and

WHEREAS, section 4 of the Act requires the next regular legislative session to address state tax revenue, a Fund for the Efficient Delivery of Educational Services, a Fund for the Efficient Delivery of Local and Regional Services, and tax burden management; and

WHEREAS, the Governor has the constitutional duty to execute related laws concerning school finance under the Maine Revised Statutes Annotated, Title 20-A, chapter 606-B and to submit a balanced budget to the Legislature in January 2005; and

WHEREAS, in fulfilling his duties, including those implicated by the Act, the Governor requires technical analysis and advice from affected parties;

NOW, THEREFORE, I, John E. Baldacci, Governor of the State of Maine do hereby direct the following to undertake the duties described herein: the Director of the State Planning Office or the director's designee; the Commissioner of Education or the commissioner's designee; the State Budget Officer or the State Budget Officer's designee; and the Director of the Bureau of Revenue Services within the Department of Administrative and Financial Services or the director's designee (hereinafter "the Implementation Team").

#### Technical analysis

The Implementation Team shall broadly analyze the provisions of the Act, relevant constitutional provisions, related statutes, state budget implications, and tax implications. The team shall develop options for implementing the Act.

#### Consultations

In doing the analysis and developing options the Implementation Team shall consult with parties affected by the Act to seek information or advice, as appropriate. Affected parties include, but are not limited to:

Members of the general public

Taxpayers' groups

Business leaders

Educators

Municipal officials and employees

Academic economists

Legislators recommended by Democratic and Republican leadership

The Office of the Attorney General

#### Assistance

The State Planning Office, the Department of Education, and the Department of Administrative and Financial Services shall provide assistance to the Implementation Team. Members of the Implementation Team shall serve without pay, except as otherwise provided by law. Assistance shall come from existing resources. The Implementation Team shall receive legal support from the Office of the Governor.

#### Report

The Implementation Team shall report to the Governor by November 10, 2004. The report must include a written analysis of the provisions and implications described in section 1. The report must include options, and recommendations for any accompanying legislation, for implementing the Act.

**Effective date**

The effective date of this Executive Order is July 16, 2004. The Implementation Team shall become inactive and dissolve upon the effective date of the Act.

## Governor Baldacci and Commissioner Spear Promote "Local Agriculture" Task Force

July 19, 2004

Contact: Commissioner Robert W. Spear, 287-3419

AUGUSTA – Agriculture Commissioner Robert W. Spear announced the formation of a Task Force on Local Agriculture Development, which will continue his Department's follow through on the recommendations from Governor John E. Baldacci's Blaine House Conference on Maine's Natural Resource Based Industries.

The Conference looked at forestry, fishing and tourism as well as agriculture. The Conference shaped 75 proposals to strengthen these businesses. The Steering Committee created by Governor Baldacci will focus first on three initiatives – building capacity for tourism, a "Maine brand" marketing campaign, and local agriculture. Individual state agencies are working to implement the rest of the 75 proposals.

"My vision is for farming in Maine to remain a key component of our rural economies and communities," Baldacci said. "We have a special opportunity to grow a local agriculture where Maine farmers supply nutritious food to local consumers."

The agriculture section of the report from the Blaine House Conference focused on four areas – water, land, production farming and local agriculture.

"We have good programs in place for the first three," Spear said. "We established the Task Force to help me with recommendations on the fourth – local agriculture. It offers unique opportunities for existing farmers and good potential for new farmers."

The Task Force consists of 13 people, most of them farmers. It will hold five or six half-day meetings and deliver its report to the Commissioner by mid-December.

The starting point will be a review of the existing research done in Maine on the topic. The first chore will be to come up with a definition of "local agriculture." It means different things to different people.

"We need to agree on a working definition to guide us," Spear said. "The main charge will be to develop recommendations for policies and programs needed to support, sustain and bolster local agriculture."

The First Lady, Karen Baldacci will serve as the honorary chair of the Task Force. The chair will be Charles Spies, former head of the Finance Authority of Maine. Rounding out the Task Force are Joe Bouchard, potato farmer from the Valley; Dick Brzozowski, extension educator Cumberland County; Dana Edwards, Graves Supermarkets; Clint Harris, diversified farmer in Dayton; Arnold Luce, Luce's Meats in Anson; Wendy Pieh, Springtide Farms and former state representative; Ramona Snell, Snell Family Farm; Lisa Turner, Laughing Stock Farm, Freeport and president of the Maine Organic Farmers and Gardeners Association; Adrian Wadsworth, dairy farmer from Turner and affiliated with Farm Fresh Connection;

Peter Wallingford, apple grower from Androscoggin County; and John Weston, vegetable farmer from Fryeburg.

## Governor Orders Flags at Half Staff for Rex Sprague

July 22, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci today announced that flags are to be flown at half-staff tomorrow, Friday, July 23, 2004 in honor of Rex G. Sprague III, who died in Iraq last month. Sprague grew up in Brewer. He was working in Iraq for a private contractor. Before he died of gunshot wounds, he was able to save the lives of the three passengers in the vehicle he was driving. Tomorrow there will be a memorial service held for Sprague.



## State Health Plan Released

July 26, 2004

Contact: Joy Leach, 287-2531

Trish Riley, 624-7442

AUGUSTA – The Governor's Office of Health Policy and Finance today released the one-year State Health Plan designed to move Maine to become the healthiest state in the nation. A requirement of the Dirigo Health Reform Act, the Plan sets out specific goals to bring down costs, improve quality and increase access to health care for all Maine citizens.

"Maine will spend roughly \$7 billion on health care this year," noted Governor Baldacci. "While there is much that is great about our health system, we need to re-direct some of that spending to invest in our health, not just in treating illness. Making Maine the healthiest state is a very big goal -- but we begin the work today with this health plan."

The Plan builds on work currently underway throughout Maine's communities and health care providers and embraces the recommendations of existing efforts, including but not limited to: the Maine Diabetes Control Program; HealthyMaine 2010; the Office of Substance Abuse's State Prevention Plan; Maine's Comprehensive Cancer Control Plan; Maine's Cardiovascular Health Plan; and Maine's Asthma Plan.

The State Health Plan is administered by the Governor's Office of Health Policy and Finance. Trish Riley, Director of the Office, said, "The Plan is a roadmap for our State to improve health and health care delivery and asks all of us – consumers, providers and payers – to play a role."

The plan was developed with guidance from the 11-member Advisory Council on Health Systems Development. The Council's Chair, Brian Rines of Gardiner, noted that the plan reflected considerable public input but is a transitional one-year document. Said Rines, "In the year ahead we will launch a community based dialogue – 'Tough Choices' -- asking Mainers to help us design the health system for Maine's future."

Key goals and features of this year's plan include:

Reduce the number of uninsured Maine people by 31,000;

Set priorities and target spending amounts for new investments in health care facilities and equipment;

Reduce the inappropriate use of hospital emergency departments by persons with mental illness and develop appropriate community options and prevention strategies;

Develop specific strategies to reduce the amount of chronic illnesses – notably heart disease, cancer, diabetes, lung disease and asthma;

Work to assure all Maine people, regardless of geography, receive best practices in medical care;

Streamline and simplify billing practices by Maine's public purchasers and initiate payment methods that reward good performance;

Conduct a statewide community dialogue titled "Tough Choices" to engage private citizens in a discussion of their priorities in order to achieve a sustainable health care system.

The State Health Plan can be viewed at [www.healthpolicy.maine.gov](http://www.healthpolicy.maine.gov)

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#### Summary of Maine's State Health Plan

GOAL: To help Mainers become the healthiest people in the US by strategically improving the allocation and coordination of our health care resources.

#### KEY FINDINGS

##### Cost

- Total health care spending is estimated to increase from \$5 billion, 15.5% of the gross state product (GSP), in 1998 to over \$7 billion, nearly 18% of GSP, in 2004.
- Between 1996 and 2002, the cost of a family policy for Maine businesses and employees increased by 77%, while median household income increased by only 6%; increases for small businesses have been even steeper.

##### Access

- The high cost of health care and health insurance results in decreased access.
- Maine has the highest rate of uninsured citizens in New England: about 136,000 (17%) of non-elderly Maine residents spent part of 2002 uninsured; on any given day, roughly 1 in 8 non-elderly Mainers were uninsured.
- Over 11 percent of Maine's population reports not visiting a physician because of cost. Forty-two percent of families with uninsured children report delaying needed care for their children due to costs.

##### Quality

- A number of studies have shown that Maine has high quality hospitals.
- However, a quality health system is one that improves the health of the population.
- Despite our high level of spending, Maine has high rates of preventable diseases such as heart disease, diabetes and asthma.
- These diseases lower the quality of life for the people who suffer from them.

- These diseases also put unnecessary strain on our healthcare system: it costs far more to treat these diseases than it does to prevent them.

KEY OBJECTIVES INCLUDE:

Reducing the number of uninsured Maine people by 31,000;

Setting priorities and target spending amounts for new investments in health care facilities and equipment;

Reducing the inappropriate use of hospital emergency departments by persons with mental illness and develop appropriate community options and prevention strategies;

Developing specific strategies to reduce the amount of chronic illnesses – notably heart disease, cancer, diabetes, lung disease and asthma;

Working to assure all Maine people, regardless of geography, receive best practices in medical care;

Streamlining and simplifying billing practices by Maine's public purchasers and initiate payment methods that reward good performance;

Conducting a statewide community dialogue titled "Tough Choices" to engage private citizens in a discussion of their priorities in order to achieve a sustainable health care system.

This State Health Plan is a One-Year Transitional plan. The Tough Choices campaign and work-plan included in the State Health Plan will result in the first biennial State Health Plan to be issued on July 1, 2005.

## Governor's Office Issues Emergency Rules to Establish Capital Investment Fund After Significant Public Input

July 27, 2004

Contact: Joy Leach, 287-2531

Trish Riley, 624-7442

AUGUSTA – The Governor's Office of Health Policy and Finance has issued emergency rules to establish the Capital Investment Fund (CIF). A major component of the Dirigo Health Reform Act, the CIF plans for expenditures on costly health care facilities, equipment and new services. The rule applies to projects proposed by hospitals and non-hospital health care facilities requiring Certificate of Need (CON) approval. Coupling the CIF and new criteria governing the CON program put forth in the just-released State Health Plan will help ensure future investments strategically meet health care needs and are not too costly for payers.

The CIF has been adopted on an emergency basis following significant public input and analysis of health care costs. During the public comment period for the proposed rule from June 29 to July 9, 2004, business leaders, consumers, and a major hospital system urged an expedited implementation of the rule. And, the Governor's Office determined that health care costs in Maine are growing faster than Maine's income can afford them. Between 1996 and 2002, for instance, the cost of a family policy for Maine businesses and employees increased by 77%, while median household income increased by only 6%; increases for small businesses have been even steeper.

In addition, while Maine's age of plant (or facility) in its hospitals is "younger" than the Northeast and similar to the United States, there is high growth in capital expenditures. In fact, in the 8 weeks following the lifting of the one-year CON moratorium on May 5th that was established by Governor Baldacci, Letters of Intent seeking CON approval and the costs of those projects were submitted at an unprecedented rate – 67% above the usual volume; or, \$214 million over 8 weeks compared to an average annual approval of \$63 million a year between 1996 and 2002.

"We determined to implement the Capital Investment Fund immediately in part based on our concerns that in 8 weeks the Department of Health and Human Services had over \$214 million in requests for CON approval," said Trish Riley, Director of the Governor's Office of Health Policy and Finance. "The Capital Investment Fund is required to ensure that we invest thoughtfully. It will not stifle innovation or availability of needed services and technology; rather, when coupled with the new criteria for the CON program, it will ensure thoughtful investments that we can afford and that meet the needs of Maine people."

The criteria setting up the Capital Investment Fund are based on actual spending over the last 5 years adjusted for variations in wages and case mix and adjusted to compare rates of growth in in-patient and out-patient costs to New England. The Fund is also adjusted by a factor to reflect the growth in health care costs compared to the growth in Maine's income. The Capital Investment Fund is divided into

funding for large and small projects and for hospital and non-hospital projects. The costs of large projects can be allocated over a number of years; thereby assuring that one project will not take all the money in a single year.

“The decision to go to emergency rulemaking was based on an analysis of the sudden growth in applications and their costs and in response to a public hearing in which business leaders, consumers, and a major hospital system sought emergency action. The rules are major and substantive and require legislative approval,” said Riley. “We do not take lightly the decision to go to emergency rulemaking before legislative action. However, we believed the emergency was so great and the need for discipline so obvious that it required our action today. We will continue our regular rulemaking process and present provisionally adopted CIF rules to the Legislature in January for their action.”

While Certificate of Need review is triggered by the cost of the initial investment – \$2.4 million for capital expenditures; \$1.2 million for new technologies and equipment; or, the offering of new services totaling more than \$110,000 – the Capital Investment Fund relates to the third-year operating costs of the project, not the initial investment.

Projects currently under review by the Department of Health and Human Services will continue to be reviewed under the current system and will not be subject to the Capital Investment Fund. Those include Mercy Hospital’s Phase 1 proposal for a replacement hospital; MaineGeneral’s proposal for ER renovations; Eastern Maine Medical’s proposal for a cogeneration plant; Calais Hospital’s proposal for a replacement hospital and several others. However, these projects still are subject to Certificate of Need review and approval prior to proceeding.

Please visit [www.healthpolicy.maine.gov](http://www.healthpolicy.maine.gov) to read the Rule.

## Governor Remembers Jeffrey Butland

August 2, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci today expressed his sorrow at the passing of Jeffrey Butland, Regional Administrator of the Small Business Administration and former President of the Maine Senate. The Governor spoke to Butland's wife this morning to express his sympathies and share memories.

"I served with Jeffrey in the state legislature and continued to work with him to move Maine forward throughout the years," said Governor Baldacci. "He was devoted to improving the state's economy and the welfare of all the people of Maine. Jeffrey will be greatly missed, and his family is in our thoughts and prayers."

Jeffrey Butland served in the State Legislature from 1988 to 1998 – serving as Senate President from 1995 to 1996. He was sworn-in as the New England Regional Administrator of the U.S. Small Business Administration in 2002.

## Flags to be Flown at Half-Staff In Honor of Jeffrey Butland

August 3, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA -- Governor John E. Baldacci today announced that at the request of Maine Senate Minority Leader Paul Davis, flags are to be flown at half-staff Friday, August 6, 2004 in remembrance of Jeffrey Butland, New England Regional Administrator of the U.S. Small Business Administration and former President of the Maine Senate.

"Jeff was an outstanding public servant on the local, state and national levels," said Governor Baldacci. "While directing the New England Regional U.S. Small Business Association, Jeff always made Maine businesses his top priority. As a Mainer, Jeff understood our state's small business needs and most importantly, working hand in hand with the Maine director Mary McAleney, knew how best to leverage federal resources and service for Maine people. His dedication and advocacy on behalf of Maine families and businesses will be remembered for many years to come."

Governor Baldacci will be attending the funeral for Jeffrey Butland on Friday.

## Governor Announces Trade Mission to Germany and Italy

August 4, 2004

Contact: Lee Umphrey, 287-2531

Carolina Quiroz-Boutaugh, 990-3161

AUGUSTA – Governor John Baldacci today announced his second international trade mission, continuing his goal of connecting Maine businesses to opportunities across state and national borders. From November 13th-20th, the Governor and the Maine International Trade Center will lead a group of Maine companies to Düsseldorf, Germany and Milan, Italy.

“With a combined Gross Domestic Product of \$3.62 trillion, the German and Italian markets are key destinations for Maine’s growing exports,” observed Governor Baldacci. “This mission is another important step in expanding opportunities for trade and investment with Europe.”

“Matchmaking meetings for Maine companies will be held throughout the countries,” explained Richard Coyle, President of the Maine International Trade Center. In 2003 Maine exported a record \$2.2 billion of goods and Germany and Italy are growing export markets. The strong Euro and weak US dollar are particular advantages right now for exporters trying to break into or expand in Europe.

The Maine delegation will begin the mission in Düsseldorf, Germany, the capital of the German medical products and biotech industries. As the largest economy in Europe, electronic components, industrial chemicals, and automotive parts and services are some of the most promising areas for exports. Germany has also been a growing market for the U.S. seafood and telecommunications industries.

After a few days of matchmaking and networking, the group will move south to Milan – both the fashion and industrial hub of the Italian economy. “Italy became a top ten export destination for Maine’s exports in 2003,” indicated Coyle. “We have seen trade growth with Italy in Maine’s paper and pulp, seafood and electric machinery industry sectors in particular.”

The Trade Center expects to have a strong representation from the Maine international business community and surpass the 2003 mission sales estimates of \$7 million.



## Governor Significantly Increases State's Biodiesel Purchase

August 5, 2004

Contact: Lee Umphrey, 287-2531

Beth Nagusky, 287-4315

AUGUSTA – Governor John E. Baldacci today announced the expanded use of biodiesel to heat state office buildings this winter. In Augusta, the Blaine House, State Planning Office and the Department of Motor Vehicles have been heated since last fall with a B20 blend of biodiesel. This year, the State House, Cross State Office Building, State Museum and a number of other buildings will also be heated with a biodiesel blend.

“In just over a year after the creation of the Office of Energy Independence and Security, Maine State Government has becoming a leader nationally for its sustainable energy practices,” stated Governor Baldacci. “Expanding the use of biodiesel is a win for energy independence and a win for the environment. The purchase of renewable fuels increases energy efficiency, improves air and water quality, and reduces the risk of global warming.”

According to Jean Arbour, Procurement and Contract Manager of the Division of Purchases, Department of Administrative and Financial Services, the price differential between petro-fuel and biodiesel has come down, allowing the State to increase its biodiesel purchase within budgetary constraints. This winter’s purchase of nearly 360,000 gallons of a 10 percent biodiesel blend (B10) is a six and one-half fold increase over last year’s purchase of 27,000 gallons of a B20 blend.

Beth Nagusky, Director of the Office of Energy Independence and Security, said that her office continues to explore the economic viability of siting a waste vegetable oil reprocessing facility in Maine to convert used restaurant oil into biodiesel. “We are hoping that the increase in the State’s purchase and the growing demand for this clean, renewable fuel in Maine will help to make such a project economic,” said Ms. Nagusky. Maine restaurants produce over 1 million gallons of waste vegetable oil per year. Restaurants pay to have this oil collected and shipped out of State for processing. “Ultimately, Maine’s farmers might be able to grow crops that can be used as bio-fuels, further reducing our dependence on imported oil.”

For more information on state government energy programs, policies and regulations, or to learn more about how individuals can save energy and money through conservation and efficiency, please visit [www.maineenergyinfo.com](http://www.maineenergyinfo.com).

## Anonymous Donor Provides \$500,000 to Maine Department of Inland Fisheries and Wildlife

August 13, 2004

Contact: Lee Umphrey, 287-2531

Marc Michaud, 287-5248

AUGUSTA – Governor John E. Baldacci today announced one of the largest and most significant donations to the Maine Department of Inland Fisheries and Wildlife from a private individual. The \$500,000 gift, from a woman who prefers to be identified simply as "a proud citizen of Maine", will greatly impact the Department's mission.

"I am pleased to learn of this most generous and charitable gift," stated Governor Baldacci. "This citizen, who takes great pride in Maine's quality of life, recognizes the connection between the treasures of our natural resources and work of the Department of Inland Fisheries and Wildlife in protecting and preserving these resources."

The idea for the benefactor's donation stems from reading a column written by Representative Matt Dunlap in the Northwoods Sporting Journal on the endemic shortage of funds plaguing the agency. As House Chair of the Joint Standing Committee on Inland Fisheries and Wildlife, Representative Dunlap was well aware of the financial woes of the Department and the need to secure funding so that the valuable work of the agency could be maximized. Upon reading the column, the benefactor contacted Representative Dunlap. She became determined to lead by example by making a donation to the Department.

Her support of the Department's mission, the Warden Service, our fisheries program, and the emphasis on good landowner relations were relayed as part of the decision for making the contribution. The benefactor described herself as a person at home in the woods, who hunts, and enjoys boating. She recognizes the difficult issues facing the Department. She wants the Department to continue to provide our search and rescue efforts but realizes that the funds may not always be there.

As far as her wish in distributing the money, the benefactor indicated that \$300,000 ought to be placed in the escrow account of the lifetime licenses so that the contribution continues to provide additional funds. The remaining \$200,000 ought to go where the Department feels is the greatest need. "I wish to provide the Department with some breathing room," she said. When asked what she would like to see as a result of her contribution, she hoped that others would do likewise. "The future is now," she echoed.

Commissioner Martin was particularly pleased with the donation and said, "The money could not have come at a better time. We were in need of some operation and maintenance funds for our newly upgraded hatcheries and the \$200,000 will be placed in a dedicated account towards that end. I'm

grateful and thankful for the generosity of this special lady and promise to see to it that the funds are well utilized. I also thank Representative Dunlap for helping to make this possible."

## Ad Campaign to Raise Awareness of Dirigo Health Reform

August 16, 2004

Contact: Joy Leach, 287-2531

Trish Riley, 624-7442

AUGUSTA – The Governor's Office of Health Policy and Finance and the Dirigo Health Agency announced today a new web site and ad campaign designed to raise awareness of Dirigo Health Reform and educate Maine citizens about healthcare in Maine. The long term goals of Dirigo Health Reform, enacted last year by a 2/3 majority in the Legislature, are to assure that health care is affordable and available to all Mainers and that Maine enjoys the best health and health care system possible. To achieve those goals requires significant public discussion that the campaign begins. Information about health care in Maine, and Dirigo Health in particular, is now available at a new web site, ([www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov)).

"The primary goal of this campaign is to encourage Maine people to understand our current health care situation and to engage in discussions with their families, their neighbors, their health care providers and their elected officials to make sure we do all we can to lower costs and help all Maine citizens achieve the best health at the best price," said Governor John Baldacci. "We have tough choices ahead and are urging people to work to solve the issues at hand. We need to work together."

The campaign calls out important statistics that should concern us all. Among those featured are:

- Health care spending (as a percentage of income) has grown from 14.9% to 24.8% in the last six years. As a state, we pay a greater percentage of our income than 45 other states.
- More than 130,000 Maine people are currently locked out of access to health insurance, most of whom are working.
- Health care costs have skyrocketed from \$3.7 billion to \$7.7 billion in the last decade. This growth in costs is driving premiums up forcing working people to go without insurance.
- Maine's uninsured create \$275 million in bad debt and charity care. These costs are passed on to health insurance consumers in the form of a hidden tax that result in higher premiums.
- We're paying more, yet Maine leads many states in chronic disease rates.

"We feel it is critical that the people of Maine understand that Dirigo Health is more than innovative, affordable health coverage for small businesses and self employed; it is a sustainable, long-term approach that looks at the whole problem," said Trish Riley, Director of the Governor's Office of Health Policy and Finance. "In addition to improving access for the uninsured, Dirigo Health works to reduce health care costs and ensure that health care quality is worthy of our state's goal to become the healthiest state in the country. The ad campaign helps raise public awareness; in the fall we will

formalize our discussions with Maine citizens in a series of regional meetings and later with our Tough Choices campaign. We will ask all Mainers to work together to help craft the health care system for our future.”

Beginning August 16th, the statewide campaign consists of radio and television ads focusing on the three main elements of Dirigo Health:

- Creating greater access to health insurance
- Containing spiraling health costs
- Enhancing the quality of our health care

The ads were created by Ethos Marketing and Design in Portland. Funding for the campaign is achieved in part through a grant from the Augusta-based Maine Health Access Foundation (MeHAF). MeHAF, created in 2000, is the state's largest health care foundation. Its mission is to promote affordable and timely access to comprehensive, quality health care and to improve the health of every Maine resident. In particular, MeHAF targets strategies that serve the uninsured and medically underserved.

## Governor Announces DirigoChoice Agreement

August 23, 2004

Contact: Lee Umphrey, 287-2531

Trish Riley, 624-7442

AUGUSTA –Governor John E. Baldacci today announced that negotiations between the State and Anthem Blue Cross and Blue Shield of Maine have reached an agreement. Anthem will be administering the Dirigo Health Plan, called DirigoChoice. This is a major step in the process established by the Dirigo Health Reform Act. The long term goals of Dirigo Health Reform, enacted last year by a 2/3 majority in the Legislature, are to assure that health care is affordable and available to all Mainers and that Maine enjoys the best health and health care system possible.

“Nearly a year ago, after gaining broad bipartisan support, the Dirigo Health Reform Act became law,” said Governor John Baldacci. “Today we mark a huge step towards our goal of universal access for all Maine people. I want to thank Anthem for coming to the table and helping us reach this significant agreement. There is much work to be done, but Anthem’s work reflects its commitment to Maine and its roots in Blue Cross and Blue Shield.”

The Governor’s remarks follow:

Covering the uninsured is important for all of us. Many hard working families – 130,000 people - are currently unable to access affordable insurance. Those who are uninsured delay checkups and care, often waiting until a health situation becomes serious. And they frequently seek care from hospital emergency rooms.

Such delivery of care is expensive: Bad Debt and Charity Care costs are up to \$275 million, which we all pay for through higher premiums. Bad Debt and Charity represent 20% of premiums paid in the state. We know that by covering the uninsured, that financial burden we all carry will be reduced.

Last week we learned that Maine’s jobs outlook is strong. We continue to add jobs to our economic growth and are consistently below US unemployment rates. But we know that high health care costs stunt growth in jobs and the economy.

Employers are finding it increasingly difficult to offer insurance for their employees. Providing coverage can cost \$3000 a year per employee.

Economists believe high and rising health care costs are preventing a stronger economy and higher paying jobs.

DirigoChoice will help Maine’s small businesses offer coverage to their employees and discounts will ensure it is affordable for employees. The uninsured and working families will be able to access the care they need.

Marketing DirigoChoice will begin October 1st. Businesses will be able to get rate quotes and start enrolling. And, coverage will start January 1st.

I also want to thank the Dirigo Health Agency. Nine months ago they took this idea and have worked tirelessly to create a program that is affordable and high quality.

Lastly, the negotiating teams that have given their summers to arrive at these two contracts needs special thanks. Trish Riley, Ellen Schneider, Tom Dunne, Karyn Harrington, the folks at the Department of Health and Human Services, our Attorney General's office, and the Anthem team led by Sharon Roberts. They represent a real commitment to the people of Maine.

"The successful conclusion of our negotiations with Anthem is a critical step towards creating a sustainable health care system here in Maine," said Trish Riley, Director of the Governor's Office of Health Policy and Finance.

The contract documents will be finalized for signature later this week by the parties. The agreements include provisions to:

Maintain Innovative Benefit Design:

- Coverage of preventive care services at 100%, including smoking cessation;
- Mental health parity as it applies for all enrollees;
- No pre-existing condition exclusions;
- Wellness incentives for employees, employers and providers;
- A comprehensive benefit design;
- Eligibility for DirigoChoice for small business, the self-employed and individuals;
- A Health Risk Assessment (HRA) program with an HRA Incentive to be paid to members when they select a primary care physician, with the remainder to be paid at the completion of the HRA physician visit. Providers will be reimbursed for completing the HRAs with members. This works to encourage review of an individuals' health status and the establishment of a patient-physician relationship for each enrollee.
- Providers will be paid at Anthem's negotiated, commercial rates

Provide an Affordable New Product in the Marketplace

- Anthem BCBS's proposed 2005 community rates -- \$310/month for a single individual are lower than our original 2004 estimates (\$282/month) when medical inflation is factored in (medical trend is estimated to be 13-14% for 2004). (These rates still must be reviewed and approved by the Superintendent of Insurance and the MaineCare rates by CMS.)

- The Financial Discount Program will help employees and individuals afford health insurance, based on their family income; payments and deductibles will vary based on ability to pay
- DirigoChoice community rates will be consistent with Anthem BCBS's entire small group PPO block of business, regardless of Dirigo's experience, taking advantage of this large block of existing business for rating stability

### Timeline

- Marketing for DirigoChoice will begin on October 1, 2004 (after the Superintendent of Insurance has approved the rates and products) with coverage to begin in January, 2005.
- DirigoChoice will be offered through Anthem BCBS's extensive network of producers throughout the State.

### DirigoChoice Rates

- DirigoChoice rates will be adjusted quarterly, as is standard business practice in Maine.
- The Experience Modification Program (EMP) protects Anthem BCBS from unexpected losses due to the high-risk nature of the uninsured population that DirigoChoice aims to cover and works to help stabilize rates for DirigoChoice. It also serves to encourage Anthem BCBS to sell to previously uninsured businesses.
- In the second year of the contract, if 60% or more of the year one business was uninsured prior to enrollment in DirigoChoice, the EMP rate will be higher; if less than 60% of the business comes from those who were previously uninsured, the rate will be lower.
- o This program was critical in giving Anthem BCBS the ability to price DirigoChoice competitively.
- The amount of reporting to be provided to DHA and DHHS has been enhanced without increasing costs
- The Dirigo Health Agency administers membership agreements, the incentive program and administrative enrollment changes
- The eligibility for the Financial Discount program will be administered by DHHS

### Creates Important Enhancements to DirigoChoice

In addition to the extensive internal investment that Anthem BCBS has made in developing the DirigoChoice product, the company has also agreed to make the following important investments in Dirigo at its own expense:

- Incentives to Enroll Uninsured Small Businesses: Anthem BCBS has agreed to pay \$500,000 in bonuses to producers who bring in previously uninsured business over a two-year period.



- Small businesses and members alike will have immediate and free access to many wellness services and benefits, such as discounts to health clubs, bicycle helmets and extensive health information on Anthem BCBS's website.

- Workplace Wellness Program for Small Businesses that Enroll in DirigoChoice – The Dirigo Health Agency will create a program of health promotion, education and consulting services for Dirigo - enrolled small businesses - services that are currently cost-prohibitive to most small businesses today. Anthem BCBS has agreed to provide worksite wellness materials for this program.

#### Who Qualifies for Dirigo's Financial Discount Program?

Individuals and families with incomes below these levels qualify for discounts and reduced deductibles and out of pocket maximum costs. The schedule of discounts, deductibles and out of pocket maximum costs will be available soon.

#### Family Size Annual Household Income

8 \$94,710

7 \$85,170

6 \$75,630

5 \$66,090

4 \$56,550

3 \$47,010

2 \$37,470

Individual \$27,930

For more information about Dirigo Health, visit [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov).

## Governor Receives Creative Economy Recommendations

September 1, 2004

Contact: Joy Leach, 287-2531

Sara Nics, 287-6746

AUGUSTA – In an event at the State House today, Governor John E. Baldacci received the report of the Blaine House Conference on Maine's Creative Economy. The Governor, joined by the co-chairs of the conference steering committee, discussed the next steps in promoting Maine's Creative Economy statewide.

The Governor's remarks follow:

The Creative Economy is a critical piece of my agenda to bring the jobs of the twenty-first century to Maine families and Maine communities. If we understand and nurture the Creative Economy, we will be tapping into the full potential of Maine's citizens and Maine's economy.

This spring I convened the Blaine House Conference on Maine's Creative Economy at the Bates Mill in Lewiston. Today I am pleased to receive the resulting report and recommendations. A number of recommendations have already been implemented, and regional initiatives are underway.

I want to thank everyone in this room for providing leadership, momentum and enthusiasm around sustainable growth of Maine's economy. I want to especially thank Maine's arts community. The Creative Economy recognizes that the creative influences that inspire artists are the same influences that drive entrepreneurs and drive innovation. I also want to thank the Chairs of the Research and Economic Development Committee – Senator Lynn Bromley and Representative Nancy Sullivan – for their leadership.

The question before us now is where we go next. There is incredible momentum today that we must celebrate. We can continue that momentum through the establishment of a permanent Council to focus on Maine's creative economy. I am honored that John Rohman has agreed to play a pivotal role in the formation and coordination of the Council. I've also asked Martha Freeman and Jack Cashman to provide me with recommendations on the formation of this Council.

Let me give you a glimpse of what else is to come, using Richard Florida's summary of the Creative Economy – the Three Ts – Talent, Technology and Tolerance.

THE FIRST "T": TALENT: Talented creative economy workers are those who have access to training and continuing education opportunities. I'm encouraged by the success of Maine's Community College System, providing better connections between graduating seniors and higher education opportunities. Next session we will invest more money in educational opportunities, enhance arts education in Maine schools, and continue to strengthen our universities and community college system.

"Talent" is also integral to the arts. The Folk Festival in Bangor last weekend provided a wonderful example of talent and its impact on the economy. The Festival added millions of dollars to the Bangor area economy. We will deliver more investments next year, with the state contributing \$100,000 towards continuing the tremendous success of the Folk Festival in Bangor.

I have tasked cabinet members to explore financing tools for convention centers and culture facilities. They will be preparing a report which will review options to expand the Pine Tree Zone program to stimulate cultural and tourism investments. In the last two years we raised \$1.6 million for the New Centuries Community program. In the next session we will raise even more, and we will connect these funds to rural economic opportunities.

THE SECOND "T": TECHNOLOGY: The backbone of innovation in the 21st Century economy is technology. The 2003 jobs bond provided momentum for the Maine Technology Institute, small business incubators, research & development, and more. I will introduce a bond package in the next legislative session to sustain our focus on technology, and to sustain our investment in R&D. We are also working with the private sector to develop additional technology initiatives – Maine's rural economy will grow with improved internet access and improved cell phone coverage. And last year we created DECD's Office of Innovation to give guidance and advice as we chart the course of the future of technology in Maine.

THE THIRD "T": TOLERANCE: Richard Florida's recognition of "tolerance" as a building block of the 21st Century Economy merely recognizes the historic foundation of opportunity and growth in the United States. As Maine's economy becomes more and more global we can not afford to shut our doors to anyone. Portland's economic success in recent years is related to its vibrancy and diversity. Calais has recognized that its economic future involves a celebration of Native American heritage and culture. Lewiston is celebrating its Franco roots and building increasing economic ties with Quebec and France.

We must redouble our efforts to build trade networks with Canada and to embrace immigration, even as our border is made more secure. And importantly, it's time to welcome our gay and lesbian citizens with the full protection of the law. I will be submitting legislation next session to assure that all Maine people are free of discrimination so that all Maine people will invest equally in the economic renaissance we call the Creative Economy.

Again, I thank everyone here today. I am committed to working with you in the efforts to carry the energy and momentum from the Creative Economy Conference forward into the future, and to grow opportunities for all Maine people.

For more information about the Blaine House Conference on Maine's Creative Economy, visit: [http://www.maine.gov/governor/baldacci/news/events/creative\\_economy.htm](http://www.maine.gov/governor/baldacci/news/events/creative_economy.htm)

## New Director of Dirigo Health Agency Takes the Helm

September 7, 2004

Contact: Lee Umphrey, 287-2531 Trish Riley, 624-7442

AUGUSTA - Karynlee Harrington, Director of Sales and Marketing at the Dirigo Health Agency since December 2003, has taken the reigns at the agency. Ms. Harrington, a former VP of Sales and Customer Support for Cigna Healthcare of Maine and New Hampshire, was selected by the Dirigo Health Board of Directors at its meeting on August 23, 2004, after accepting the resignation of Tom Dunne, the Agency's first Executive Director.

"I am thrilled to take on this responsibility and tremendous opportunity," said Ms. Harrington. "I have worked in health insurance for my entire career and have seen first hand the difficulties faced by so many Maine people and businesses in affording even basic coverage. Dirigo Health and its health plan, DirigoChoice, are the first real and comprehensive steps we've taken to ensure all Maine people have access to coverage."

"I have been impressed by Karyn's energy and compassion and her focus on creating an insurance program that is affordable and high quality," said Governor Baldacci, who attended the Board meeting. "We will succeed in achieving universal access to coverage for all Maine people as long as we have people like Karyn working to achieve that goal."

"In succeeding Tom Dunne, Karynlee's experience, know-how and drive will continue to lead the Agency," said Dr. Bob McAfee, Chair of the Dirigo Health Board of Directors. "She will ensure the successful implementation of DirigoChoice."

"Since December, Karyn has been an absolutely integral mover in getting us and DirigoChoice to where we are today," said Trish Riley, chief architect for Dirigo Health Reform and Director of the Governor's Office of Health Policy and Finance which oversees the entire reform initiative. "Tom has put the Agency on sure footing, and Karyn will continue to move it towards success."

Last month the Governor announced that Anthem Blue Cross and Blue Shield of Maine will administer DirigoChoice, the new name for the Dirigo Health Plan. Coverage will start January 1, 2005.

Ms. Harrington has lived in Maine for over 20 years, having attended school in Cape Elizabeth. She earned a Bachelor of Science from the University of New Hampshire in Health Management and Policy. Ms. Harrington began her career in healthcare working for Healthsource Maine in sales and marketing which was eventually acquired by CIGNA HealthCare. She lives in Gray with her husband, who was born and raised in Cape Elizabeth, and the two have their own small business.

"We understand first hand the challenges of providing health care coverage to our own employees," said Ms. Harrington.

The Dirigo Health Agency was created by the Dirigo Health Reform Act and oversees DirigoChoice and the Maine Quality Forum. The Act was passed with 2/3rd majorities in both bodies of the legislature and was signed into law by the Governor in June 2003.

Dirigo Health is a comprehensive reform of the State's health care system and includes measures to control the growth of health care costs, improve the quality of care statewide, and ensure access to quality and affordable coverage. The Act sets a goal of achieving universal access to quality coverage by 2009. For more information, visit [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov).

## Flags at Half Staff for 9/11 Remembrance

September 10, 2004

In accordance with Federal Public law 107-89, designating September 11th each year as "Patriot Day", the Governor of the State of Maine directs that the flags of the United States and Maine be flown at half-staff from sunrise to sunset on Saturday, September 11, 2004.

## Dirigo Health has Successful First Year

September 13, 2004

Contact: Lee Umphrey, 287-2531

Trish Riley, 624-7442

AUGUSTA – Governor John E. Baldacci today joined Trish Riley, Director of the Governor's Office of Health Policy and Finance, legislators and the Dirigo Health Agency Board of Directors to commemorate the one-year anniversary of Dirigo Health becoming law and to discuss the progress being made to implement the Dirigo Health Act.

"In one short year we have achieved many significant accomplishments for Maine people to improve quality, bring down costs and expand access to coverage for every man, woman and child in our State," said Governor Baldacci. "Just last week, a Kaiser Family Foundation report indicated that after two years of Maine's small group rates growing significantly faster than the US average, premium rates increases have leveled off and are slightly lower than national average. And we are well on our way to launching our DirigoChoice product with our collaborator, Anthem Blue Cross & Blue Shield of Maine. Marketing will begin on October 1st and all systems are go for enrollment January 1st."

The Governor outlined the steps that have been undertaken since Dirigo became law, including:

- The State Health Plan has been published with the important goal of making Maine the healthiest State in the Nation.
- The Maine Quality Forum has been established, leading the way among the states in devoting resources and energy to assuring that quality is in the forefront of our health reform efforts. A new website will soon be posted for that important initiative.
- This January medical malpractice will be addressed in a study now underway in the Bureau of Insurance.
- Regulations are now in effect limiting how premium increases can be imposed in Maine's small group market. At least 78 cents of every premium dollar must be spent on medical claims.
- The Certificate of Need program has been strengthened and linked to health goals to assure that investments are more strategic and thoughtful.
- A commission is working to analyze Maine's hospitals. Working with the Maine Hospital Association we look forward to finding ways together to bring down the growing cost of health care in Maine.

Trish Riley noted that a new website [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov) has been established as the vehicle to track Dirigo's progress in meeting the cost, quality, and access goals of Dirigo Health Reform.

"Today, we have posted more detailed information about DirigoChoice and the discounts available to many of Maine's working families," said Ms. Riley. "We think this level of detail will help Maine people better understand the DirigoChoice product that will soon be offered by Anthem."

"Over 60 Maine citizens are now volunteering on 5 separate councils advising us about various aspects of Dirigo Health," said Dr. Robert McAfee, Chair of the Dirigo Health Board of Directors. "Many of them are here today and I want to thank them all for the hard work they are doing to make the promise of Dirigo Health a reality."

The Executive Summary of the First Year Progress Report on Dirigo Health follows below.

#### A First-Year Progress Report

September 13, 2003 to September 13, 2004

#### Executive Summary

On June 13, 2003, the Maine legislature overwhelmingly enacted the Dirigo Health Reform Act with 2/3 bipartisan majorities in each chamber. Originally proposed by Governor Baldacci on May 5th, the Legislature worked the bill for several weeks making significant improvements and achieving broad consensus among key stakeholders. Governor Baldacci signed the landmark legislation on June 18th. Dirigo Health became law 90 days later on September 13, 2003. Key accomplishments to date include:

The successful completion of negotiations with Anthem Blue Cross and Blue Shield of Maine as the partner in Dirigo Choice. In keeping with the goal of attracting small business enrollment, the plan is built on the prevailing market PPO offerings but includes three unique innovations: (1) Wellness and prevention coverage at 100%; (2) the Healthy ME Program to provide incentives to enrollees to take individual responsibility for their health and to enhance wellness; (3) Financial Discount Program to offer reduced payments and reduced deductible levels depending on income.

In October of this year, small businesses and the self-employed will be able to enroll. Coverage of benefits will begin on January 1, 2005. Individuals will be able to enroll in March 2005. The Dirigo Health Agency expects to enroll 31,000 people in the first year.

The Issuance of the Interim State Health Plan. The Dirigo Health Reform Act requires a biennial State Health Plan to set forth a comprehensive, coordinated approach to the development of health care facilities and health resources in the State based on statewide cost, quality and access goals and strategies to ensure access to affordable health care.

Following extensive input from the Advisory Council on Health System Development, a public hearing, and incorporation of written public comment, GOHPF issued a one-year, interim Plan in July 2004. The State Health Plan's goal is to strategically improve the allocation and coordination of Maine's health care resources to help Mainers become the healthiest people in the United States. The first biennial State Health Plan will be issued on July 1, 2005.



Issuance of the Capital Investment Fund Rule and Strengthening of Certificate of Need (CON) Program. To ensure wise and coordinated health care investments, the Dirigo Health Reform Act requires the Governor's Office to establish an annual limit, called the Capital Investment Fund, on the dollar amount of third year costs of capital expenditures and new technology investments approved under the CON program. Following input from the Advisory Council on Health System Development, two public hearings, and incorporation of written public comment, GOHPF issued an Emergency Rule on July 26, 2004 to establish the CIF, as a stop gap measure until the Legislature can act on the proposal next session.

Further, the Act requires the State Health Plan to establish criteria to be used in evaluating Certificate of Need applications within the context of the Capital Investment Fund. Those criteria are included in the interim State Health Plan.

Rate Regulation in the Small Group Market. As authorized by the Act, the Bureau of Insurance has implemented regulations limiting how premium increases can be imposed in Maine's small group market. At least 78 cents of every premium dollar must be spent on medical claims.

Posting of Average Prices. Providers are required to make available upon request their charges for their most common in-patient and out-patient procedures. This enables consumers, businesses and other payers to compare provider costs.

Maine Quality Forum. One of the first of its kind among the states, the Maine Quality Forum is established and working to improve the quality of care statewide. It will pursue many initiatives to improve quality, such as promoting evidence based medicine and best practices, assistance to payers on choosing a quality provider and offering tools for healthier living. The Forum is nearing completion of a consumer friendly website, which will be a primary portal for providing quality of care information to the people of Maine. The Forum is advised by a 17 member advisory council consisting of providers, insurers, consumers and business representatives.

A Collaborative Process. As with its enactment, successful implementation of the Dirigo Health Reform Act requires a collaborative approach. That is why 6 boards and commissions, consisting of diverse stakeholders from across the state, were created to either direct or advise certain initiatives. These are: the Dirigo Health Board of Directors, the Maine Quality Forum Advisory Council, the Commission to Study Maine's Hospitals, the Advisory Council on Health Systems Development, the Public Purchasers' Steering Group, and the Task Force on Veterans Health Services.

Dirigo Health Reform Website. The Dirigo Health Reform Act and all its initiatives can be found at [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov). This new website includes details on all of the cost, quality and access provisions of the Act. The website will be continually updated to provide the latest news and information.

## Maine's Website Recognized for eGovernment Excellence

September 16, 2004

Contact: Lee Umphrey, 287-2531

Carrie Gott, 621-2600

AUGUSTA – Governor John E. Baldacci and Secretary of State Dan A. Gwadosky announced that Maine's official web portal, [www.Maine.gov](http://www.Maine.gov), has won first place in the Center for Digital Government's annual Best of the Web Competition. Maine has been nationally recognized as the best state government web portal in the 2004 Best of the Web national competition for eGovernment excellence.

The 2004 Best of the Web competition was conducted by the Center for Digital Government, an international research and advisory institute on the use of information technology in government. Now in its ninth year, Best of the Web evaluates government Web sites based on their innovation, Web-based delivery of public services, efficiency, economy and functionality.

"Maine.gov provides an essential service to Maine citizens, businesses and visitors," said Governor John Baldacci. "The site makes state government more accessible and efficient. We seek to continually improve the portal, offering the best quality source of information to the public."

Maine has built one of the nation's most robust official Web portals through its innovative use of Internet technology. For the last five years, Maine's Web site has been ranked among the top four state eGovernment portals in the annual Best of the Web competition. The InforME oversight board provides direction and prioritization of Maine's portal directives.

"Quality and customer satisfaction are top priorities for the many online services delivered by the Department of the Secretary of State," said Secretary of State Dan A. Gwadosky, who also serves as Chairman of the InforME Board. "We are honored that Maine has won Best of the Web and pleased that the Center for Digital Government has recognized the hard work of people throughout state government to bring meaningful services to the citizens of Maine."

Launched in August 1999, Maine's eGovernment portal receives approximately 1 million page hits per month. Maine.gov features more than 300 interactive services that help constituents interact more efficiently with government, including Governor Baldacci's budget balancing tool, vehicles registration renewals, vanity plate availability checks, annual report filings, driver license and state ID renewal and replacement services, the public criminal history record search, the Business Answers online business start up assistant, and a sportsmen suite of more than fifty hunting and fishing license services, to name a few.

"The Internet has drastically changed the way people interact with their government," said Maine's Chief Information Officer Richard B. Thompson, Jr. "This is the 4th upgrade to the state's website in 4 years. Customer service is at the heart of what we do."

Local government content and services from more than 500 municipalities are available through the Maine.gov local portal section. Citizens have access to local officials, brief descriptions of the cities or towns and local points of contact among other services.

The new eDemocracy portal offers content and services from across a variety of government resources available through a single Web page. From the Maine.gov eDemocracy page, citizens and residents have easy and convenient access to democratic services such as election calendars and notifications, voter registration change of address forms and absentee ballot forms, democracy learning tools for students and educators and interactive communication tools for citizens to interact with elected officials, and a whole lot more.

“Maine’s commitment to its citizens, businesses and visitors through the delivery of services that are robust, accessible and easy to navigate are exemplified in the Maine.gov portal,” said Cathilea Robinett, Executive Director of the Center for Digital Government. “Maine’s success in winning this year’s Best of the Web rankings reflects the state’s true commitment to serving its citizens and businesses.”

Representatives from the Center for Digital Government, Government Technology magazine, State Technology, Inc., and state and local government officials from last year’s winning state, were on the judging panel for the 2003 Best of the Web contest.

### About Maine.gov

Maine.gov is the official Web site of the state of Maine ([www.maine.gov](http://www.maine.gov)) and a service of the Information Resource of Maine (InforME). InforME is a collaborative effort between the state of Maine and New England Interactive, LLC. that helps Maine government entities Web-enable their information services. Maine.gov was built and is marketed, operated, and maintained by New England Interactive, LLC a wholly owned subsidiary of eGovernment firm NIC (Nasdaq:EGOV – News).

## Governor Receives University of Maine Study of Palesky Tax Cap

September 21, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today commented on an independent study of the fiscal effects of the one-percent property tax cap conducted by the Margaret Chase Smith Center for Public Policy and the Department of Resource Economics and Policy of the University of Maine.

“The independent report released today clearly shows that the Palesky initiative would be a disaster to municipalities and the state,” said Governor Baldacci. “The tax cap approach as adopted would cut \$687 million from town revenues and would cut 63% of municipal services.”

The Governor noted that the tax cap proposal does not guarantee tax relief, but instead shifts the tax burden and vital services provided to the people of Maine would be jeopardized with Palesky’s passage. “This tax cap proposal is extreme. To make up for cuts in services, we would need to raise income taxes by at least 64%, or sales taxes by at least 80%. The Palesky initiative would be a disaster for Maine people.”

To view the full report, go to: [www.umaine.edu/mcsc/TaxCap.pdf](http://www.umaine.edu/mcsc/TaxCap.pdf).

## Governor Signs Executive Order Creating Task Force on Traditional Uses and Public Access to Lands in Maine

September 23, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci signed an Executive Order creating the Task Force on Traditional Uses and Public Access to Land in Maine. The task force is charged with submitting recommendations to the Governor about the best ways to address access to land for traditional uses in the face of dramatic changes in land ownership patterns in the past decade.

“Many of those who have enjoyed public access to lands are concerned about new restrictions and the impact of this loss on the economy,” said Governor Baldacci. “A balance must be struck to continue reasonable public use. I look forward to reviewing the strategies that will be recommended by the task force to ensure meaningful public access for traditional activities on lands historically available and accessible for use by Maine people and visitors to our state.”

The task force will be comprised of at least 21 members appointed by the Governor, which will include representatives from large and small landowners, small businesses, the recreation community, and others. In addition, the President of the Senate and the Speaker of the House may each appoint one member of his or her respective body, and the Attorney General is also invited to participate. The chair of the Task Force will be the Commissioner of the Department of Conservation.

The text of the Executive Order follows:

24 FY 04/05

September 22, 2004

AN ORDER CREATING THE TASK FORCE ON TRADITIONAL USES AND PUBLIC ACCESS TO LANDS IN MAINE

WHEREAS, Maine residents and visitors have long enjoyed a unique relationship with private landowners, especially owners of large tracts of forest land, who have granted access to their lands to members of the public for hunting, fishing, camping, hiking, snowshoeing, cross-country skiing and often snowmobiling; and

WHEREAS, in the past decade there have been dramatic changes in the ownership patterns of large tracts of forestlands, with at least 5.5 million acres of forest land changing title; and new types of owners, including investors, individuals and logging companies have replaced industrial paper companies as owners in many instances; and

WHEREAS, large forestland ownership patterns since the mid-1990's have become increasingly fragmented, and there is a growing interest on the part of new owners in selling leases and lakefront parcels for development; and

WHEREAS, while the management objectives of the broader array of recent owners often parallel Historic owners' willingness to continue traditional public access to their lands, an increasing number of owners have objectives that are not compatible with some or all of the historic uses; and

WHEREAS, this change has ramifications for the complex web of reliance that has often built up around access and uses granted to the public such as snowmobile trails, hunting, fishing, trapping, hiking, camping, skiing, and use of private roads for business and recreational purposes; and

WHEREAS, the Maine Legislature began looking at the impacts of this trend when it created the Committee to Study Issues Concerning Changes to the Traditional Uses of Maine Forests and Lands to focus on the tradition of leasing lots for family camps and commercial sporting camps, and the Committee to Study Access to Private and Public Lands in Maine to develop policies that best ensure public access to both public and private lands adequate to meet the growing demand for outdoor recreation in Maine, and the Legislature adopted some of the recommendations from these two committees; and

WHEREAS, continued changes in ownership patterns have resulted in increasing challenges to the residents, communities and businesses who have depended on traditional access to land that has been or may be restricted and, given the existing and potential economic impact of these changes, it is important and timely to update the work of these previous legislative studies through a task force on traditional uses and public access to large tracts of private lands in Maine;

NOW, THEREFORE, I, John E. Baldacci, Governor of Maine, do hereby establish the TASK FORCE ON TRADITIONAL USES AND PUBLIC ACCESS TO LANDS IN MAINE (hereinafter "Task Force").

#### Mission and Duties

The mission of the task force is to formulate recommendations about how best to address the issues relating to access to land for traditional uses in the face of significant recent challenges and changes. To that end, the Task Force shall:

Review the reports of the two legislative taskforces (the Committee to Study Issues Concerning Changes to the Traditional Uses of Maine Forests and Lands and the Committee to Study Access to Private and Public Lands in Maine) and consider the recommendations of these taskforces.

Determine the extent and potential impact of changes to traditional public access;

Consider the possible economic effect of these changes on businesses both in areas with significant levels of large forestland tracts and throughout Maine;

Consider what mechanisms might be used to ensure continued traditional public access on large tracts of land as these lands continue to change ownership; including, but not limited to: landowner incentives, tax policies, easements, and the enforcement of fish and wildlife laws on lands closed to traditional public access;

Identify mechanisms that can promote communication between new landowners and communities, businesses and residents when significant tracts of land changes ownership.

Submit recommendations to the Governor regarding strategies for assuring meaningful public access for traditional activities on lands historically available and accessible for use by Maine people and visitors to our state.

#### Organization of the Task Force

The Governor shall appoint twenty-one (21) members to the Task Force, who shall serve at the pleasure of the Governor. Membership composition shall be the following:

- Two (2) representatives of large land owners, one of whom acquired their lands in the past 10 years
- One (1) representative of small woodland owners
- One (1) representative of the non-motorized recreation community
- One (1) representative of the motorized recreation community
- One (1) representative of a statewide sporting organization
- One (1) representative of small, rural businesses
- One (1) representative of registered Maine Guides
- One (1) representative of owners of family camps or residences located on leased land
- One (1) representative of commercial sporting camp owners, or his/her designee
- One (1) representative of a statewide organization involved in land conservation
- One (1) representative of a local or regional organization interested in community economic development, or his/her designee
- One (1) person with experience in the tourism industry
- Four (4) persons at-large
- The Commissioner of the Department of Conservation, or his designee
- The Commissioner of the Department of Economic and Community Development, or his designee
- The Commissioner of the Department of Inland Fisheries and Wildlife, or his designee

- The director of the Lands for Maine's Future program, or his designee

The President of the Senate and Speaker of the House may each appoint one member from his or her respective body, which member shall serve at the pleasure of the President or the Speaker, as applicable.

The Attorney General, or his designee, is invited to participate.

The Commissioner of the Department of Conservation shall be the Chair of the Task Force, and shall preside at, set the agenda for, and schedule Task Force meetings.

Members shall serve without compensation, except as otherwise provided by law.

#### Meetings and Deadline for Recommendations

The Task Force shall meet as often as needed, and all their meetings shall be open to the public. The Task Force shall develop and submit to the Governor a mid-point report on or before February 15, 2005, and a final report and recommendations on or before September 1, 2005. The Task Force, and the authority of this Executive Order, will dissolve on September 1, 2005. Before finalizing their recommendations, the Task Force shall hold a public hearing to receive comments.

#### Staffing and Funding

The Departments of Conservation, Economic and Community Development, and Inland Fisheries and Wildlife and the State Planning Office shall provide staff support to the Task Force, drawing on existing resources. The Departments may utilize their existing authority to accept contributions and donations of money, services, and supplies to support the work of the Task Force.

#### Effective Date

The effective date of this Executive Order is September 22, 2004.

John E. Baldacci, Governor



## Governor Unveils Rural Rx and Reimportation for Maine Initiatives

September 30, 2004

Contact: Joy Leach, 287-2531

Trish Riley, 624-7442

AUGUSTA – Governor John E. Baldacci today announced two initiatives to ensure Maine citizens have access to affordable prescription drugs. The Governor was joined by legislators, advocates, members of the Penobscot Indian Nation and others to introduce the plans, which includes a Rural Rx Initiative and establishing bulk reimportation of prescription drugs for distribution through local pharmacies.

“Last year many of the same people here today joined me to introduce and successfully pass Dirigo Health, a comprehensive plan to get control of our health care costs while increasing access to health insurance for all Maine people,” said Governor Baldacci. “In tackling some of the most pressing health care issues of the day, it’s clear to me and to many Maine citizens that we continue to face a growing crisis — the high cost of prescription drugs. While I hope that the federal government will soon enact prescription drug reforms, Maine cannot wait any longer.”

The Governor will immediately work to implement a Rural Rx Initiative to enable the uninsured and underinsured to access more affordable prescription drugs. The state will collaborate with the 80 federal 340B program facilities in Maine (Federally Qualified Health Centers and hospitals that have federal authorization to purchase drugs at reduced rates similar to rates now charged to veterans) in operating the program. Once implemented, the Rural Rx Initiative will pass along an average savings of 25-50% to these vulnerable Mainers.

The Governor also will seek to bulk reimport prescription drugs from Canada. “The federal government has the authority to allow Maine to reimport drugs from Canada and I am today sending a letter to Secretary Thompson asking for approval to do so now,” said the Governor. “Taking advantage of lower prices, the reimported medications will be distributed to local Maine pharmacies through a warehouse operated by the Penobscot Indian Nation. Local Maine Pharmacies will be able to access these lower cost medications, and citizens will be able to obtain their prescription drugs from their trusted local pharmacists – safely and affordably.”

The Governor announced he will establish a Work Group to be comprised of representatives from Legislative Leadership, the Attorney General, the Board of Pharmacy, the Governor’s Office of Health Policy and Finance, Department of Health and Human Services, pharmacists, health insurers and consumers to administer this initiative and work with the Federal government for appropriate approvals.

Additionally, the Governor provided an update on the implementation of the Rx Pharmacy Incentive Program. Passed by the legislature this session, the Rx Pharmacy Incentive Program provides incentive

payments to rural pharmacies serving MaineCare, Drugs for the Elderly and Maine Rx Plus members. This program, which will be fully implemented this fall, will provide more than \$2.5 million annually to eligible pharmacies. The Governor hopes in the future to expand this program to pharmacies that are not in a rural area, but serve rural customers.

## DirigoChoice Enrollment to Start October 4, 2004

October 1, 2004

Contact: Lee Umphrey, 287-2531

Trish Riley, 624-7442

AUGUSTA – Governor John E. Baldacci today reminded Maine citizens that starting Monday, October 4, small businesses and sole proprietors (self-employed) will be able to obtain rate quotes to enroll in DirigoChoice health coverage. Coverage will begin January 1, 2005. Individuals not self-employed will be able to enroll in February 2005, for coverage starting April 2005.

Anthem Blue Cross and Blue Shield, in collaboration with the State, will use its extensive sales network to offer DirigoChoice. To obtain more information, or get a rate quote, small businesses and sole proprietors can call Anthem Blue Cross and Blue Shield starting on Monday at (800) 541-4251 (after 8:00 a.m.) or an Anthem BCBS appointed producer (insurance agent). A list of producers is available on-line at [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov).

DirigoChoice is a program established by the Dirigo Health Reform Act. The long term goals of Dirigo Health Reform, enacted last year by a 2/3 majority in the Legislature, are to assure that health care is affordable and available to all Mainers and that Maine enjoys the best health and health care system possible.

The Dirigo Health Reform Act and all its initiatives can be found at [www.dirigohealth.maine.gov](http://www.dirigohealth.maine.gov). This website includes details on all of the cost, quality and access provisions of the Act.

## Governor Urges Congress for Emergency LIHEAP Funds

October 4, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA - Governor John E. Baldacci today signed a letter to congressional appropriators in support of \$600 million of emergency funding for the Low Income Home Energy Assistance program (LIHEAP). The Governor, in supporting a bipartisan request from thirty-seven U.S. Senate members for the funding, noted that many families and businesses in Maine are facing difficult times as fuel prices rise. Nearly 46,000 applications for assistance were filed last year, and with heating oil prices already well over the price last winter, many more families are expected to request assistance.

The text of the letter follows:

October 4, 2004

Dear Chairman Stevens and Ranking Member Byrd, Chairman Young and Ranking Member Obey:

We are writing to lend our support for the bipartisan request made by 37 of your colleagues in the U.S. Senate for \$600 million of emergency funding for the Low Income Home Energy Assistance (LIHEAP) program. Unfortunately, rising oil and natural gas prices, along with predictions of colder than normal winter temperatures may force millions of low-income families and frail elderly citizens of our states to face difficult choices in the coming months. They will likely be forced to choose between eating, paying rent or mortgages, buying prescription drugs, or paying their heating bills. As Congress continues work on the regular federal fiscal year 2005 appropriations bills and supplemental funding requests, we urge that you consider taking action to provide our poorest families with additional energy relief.

While we are grateful that the Administration and Congress have increased LIHEAP funding in recent years, the number of households receiving assistance has dropped precipitously as energy costs have escalated despite significant state investments. Since 2002, energy prices have risen 50 percent, while federal funding has increased by only 7 percent.

Today, the LIHEAP program helps only about 5 million families, whereas it served approximately 7 million families when first created 22 years ago. According to the LIHEAP Clearinghouse, funded by the U.S. Department of Health and Human Services, less than one quarter of eligible households nationwide currently participate. And, of these families, two-thirds earn less than \$8,000 annually. A survey done by the National Energy Assistance Directors' Association, which represents state LIHEAP directors, reports that families served by the program spend three times as much of their income on energy costs as middle-income families.

We urge you to make emergency LIHEAP assistance a priority concern before adjournment. Thank you for giving this request your serious consideration.

## Governor Announces Public Health Steps for Flu Season

October 8, 2004

Contact: Lee Umphrey, 287-2531

Dr. Dora Anne Mills, 287-8016

AUGUSTA - Governor John E. Baldacci, joined by Dr. Dora Anne Mills, Director of the Maine Bureau of Health and Department of Health and Human Services Commissioner Jack Nicholas, announced today that he is delaying vaccinations available to state workers and asking Maine businesses to put a hold on any supplies of flu vaccine they have in order to assure Maine's high-risk children, elderly, and adults with chronic diseases can obtain vaccine. This announcement comes on the heels of the British Government shutting down the U.S. shipments of a major vaccine manufacturer, with a resulting halving of the U.S. flu vaccine supply.

"We have a long tradition in Maine of pulling together – neighbor helping neighbor. I have directed state agencies to divert available flu vaccine to the Maine Bureau of Health to be redistributed to programs that focus on high risk populations. We are also asking that Maine businesses assist us in helping Maine people who may be most vulnerable for flu. Although the situation is fluid, the Bureau of Health's preliminary assessment of flu vaccine supplies among health care providers is that we may need additional vaccine in order to assure our most vulnerable are able to receive the vaccine," announced Governor Baldacci.

"As a result, I am asking Maine businesses to put on hold their flu vaccine they may have purchased for public clinics and their employees. We are asking them to call our Maine Flu Vaccine Hot Line at 1-888-257-0990 to let us know how much flu vaccine they have available. We will then work with them to try to assure flu vaccine is directed to those most vulnerable – our high-risk children, our elderly, and other adults who have underlying chronic medical conditions."

Dora Anne Mills, MD, MPH, Director of the Maine Department of Health and Human Services' Bureau of Health noted that there are no identified influenza outbreaks in the country at this time, and the flu season does not usually hit Maine until late November or early December. "These steps today are precautionary. While flu still is probably a few weeks' away, we want to take some steps today to assure enough vaccine supply for those who need it most."

Dr. Mills went on to note important steps Maine people can take to get ready for flu season:

Those in high-risk groups need to call their health care provider and make an appointment for a vaccine or be put on a vaccine list.

We all need to practice keeping germs to ourselves by staying home if we are ill; covering our coughs and sneezes; and washing our hands frequently.

Check the web site: [MainePublicHealth.Gov](http://MainePublicHealth.Gov) or call the Maine Flu Vaccine Hot Line for more urgently-needed information on flu. That phone number is: 1-888-257-0990.

"We are also asking that health care providers with flu vaccine continue to vaccinate those in high-priority groups," continued Dr. Mills. "However, we are also asking that the previous high-priority groups of health care workers and caregivers of infants younger than 6 months stay on standby for flu vaccine. People in these two groups can call health care providers to be put on a list, but we are asking that they stand by for now, to assure those most vulnerable for severe disease are able to obtain vaccine first."

Those who are high priority at this time for vaccine include:

All children ages 6-23 months;

Adults 65 years and older;

Persons ages 2 - 64 years with underlying chronic medical conditions;

All women who will be pregnant during influenza season; and

Residents of nursing homes and long-term care facilities.

The Governor concluded: "Our hope is that with these precautionary steps we in Maine will all weather this upcoming flu season."

For more information: [www.mainepublichealth.gov](http://www.mainepublichealth.gov) and for businesses or urgent questions by the public: 1-888-257-0990.

## Governor Announces Efforts to Meet Flu Vaccine Needs

October 13, 2004

Contact: Joy Leach, 287-2531

Dr. Dora Anne Mills, 287-3270

AUGUSTA - Governor John Baldacci and Dr. Dora Anne Mills today announced a phased effort to focus limited flu vaccine on those who need it most: children ages 6-23 months, children 2 – 18 years with a chronic underlying medical condition, and residents of long-term care facilities. Joined by representatives from the medical, advocacy and business communities, the Governor noted evidence that citizens, hospitals, businesses and others in the community are working together to prioritize available doses, and reiterated the need for additional cooperation to make sure the most vulnerable Maine people receive the flu vaccine.

"Because of a nationwide severe shortage of flu vaccine, we all need to work together to assure access to flu vaccine for those at highest risk," announced Governor Baldacci. "Therefore, I am asking Maine health care providers, businesses, and others with flu vaccine to prioritize vaccinating high-risk children and appropriate residents of long-term care facilities. Others receiving vaccine should be those adults age 65 and over, other adults with chronic underlying medical conditions, and pregnant women."

The Bureau of Health currently has about 14,400 flu vaccine doses on hand out of 150,000 ordered from the Centers for Disease Control and Prevention. "We anticipate several thousand additional doses, but no windfall," explained Dr. Dora Anne Mills. "We are therefore trying to direct our current supplies to the estimated 40,000 high-risk Maine children and 8,000 residents of long-term care facilities."

"Those with flu vaccine who would like assistance in re-directing their supplies to those Mainers who are most vulnerable may call the Maine Flu Vaccine Hotline at 1-888-257-0990," continued Governor Baldacci. "I am pleased to announce that several businesses have already donated nearly 900 doses. These businesses, such as International Paper and Fairchild Semiconductor, who have joined us here today, are valued partners in our State, and have again demonstrated their commitment to the community." Medical Mutual Insurance Company and the University of Maine Cutler Health Center have also contributed flu vaccine.

This week the Bureau of Health is distributing materials on how children can be protected against the flu. "We are asking parents, teachers, and caregivers to practice and teach children measures to keep germs to ourselves. We are also asking parents of high-risk children to call their child's health care provider to receive a vaccine," explained Dr. Mills.

"If vaccine is unavailable, parents should ask the health care provider to place the child on a list, and parents should watch for upcoming clinics and check clinic schedules at [www.mainepublichealth.gov](http://www.mainepublichealth.gov)."

"This is part of a phased campaign to assure those in greatest need are able to access flu vaccine," commented Governor Baldacci. "Though this first phase is focused on high-risk children and residents of

long-term care facilities, we anticipate subsequent phases focusing on other high-risk Mainers such as elders, other adults with chronic diseases, pregnant women, and health care workers in high-risk settings.”

“I want to close by expressing my heart-felt thanks to Maine businesses and health care providers who have worked hard with us over the past few days in the development and support of this plan,” said Governor Baldacci. “This is typical of Maine people pulling together to get things done”, concluded the Governor.

For more information, please contact the Maine Flu Vaccine Hotline 1-888-257-0990 or visit [www.MainePublicHealth.gov](http://www.MainePublicHealth.gov).



## Governor Announces New Century Community Program Projects

October 21, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA - Governor John Baldacci, Speaker Patrick Colwell and Senator Margaret Rotundo and other members of the Appropriations Committee today announced New Century Community Program projects in Gardiner, Dexter and Lewiston. Grants totaling \$100,000 are primarily funding renovations in downtown areas of these communities, an important component of the Governor's Creative Economy initiatives.

"The revitalization of our downtowns is critical to Maine's economic development," stated Governor Baldacci. "I want to thank Senator Rotundo for her leadership in championing the New Century Community Program, and note that this initiative received bipartisan unanimous support from the Appropriations Committee in this last session. Investments in infrastructure, technology, high-speed internet access and historic building re-use bolster our Creative Economy, and build Maine's 21st Century Economy."

Senator Rotundo, a prime sponsor of the program, noted, "There are two things communities need to thrive – good jobs and a rich cultural life. These New Century grants will help attract jobs to these three communities by making them more attractive places to do business. There is an important synergy between the cultural arts and the economy. These grants will help serve as the building blocks for an economic renaissance for these communities and for the state of Maine."

The Gardiner projects, which total \$31,000, include repairing and upgrading Johnson Hall and purchasing a microfilm reader-printer for the Gardiner Public Library. Dexter is receiving \$18,000 to fund the construction of municipal archives, and to fund royalties and lighting projects for Wayside Theatre. Lewiston's \$51,000 will go toward purchasing audio-visual equipment for the Marsden Hartley Cultural Center, assisting in oral history of Bates Mill workers at Museum L-A, and organizing historic archives on Union Waterpower.

## Flags at Half-Staff in Portland Thursday, October 28, 2004

October 27, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

Governor John E. Baldacci has directed that the United States flag and the State of Maine flag be lowered to half staff from sunrise to sunset on Thursday, October 28, 2004, in the City of Portland in memory of and respect for Gene E. Burchill, Sr., who died at the age of 68 on October 24, 2004. Mr. Burchill served in the United States Marine Corps and dedicated his life to veterans, veteran organizations, and numerous charities. He served as Aide-de-Camp to Governors King and Baldacci and held the rank of Colonel.

## Governor Congratulates World Series Champions

October 28, 2004

Contact: Lee Umphrey, 287-2531 Joy Leach, 287-2531

AUGUSTA - Governor John Baldacci called Red Sox officials this morning to congratulate the owners, management, and players on a thrilling World Series Championship, the first for the team since 1918.

"The Red Sox's loyalty to their fans and their unity as a team has inspired the People of Maine," said Governor Baldacci. "We are proud to be a part of Red Sox Nation."

Governor Baldacci is issuing a Proclamation in honor of the Red Sox organization, proclaiming October 29 through November 5 as Red Sox Week throughout the State of Maine. On Wednesday, November 3, at 3:00 pm, members of the Red Sox organization will participate in a rally and parade in the City of Portland. The Governor will present the official Proclamation to the members of the Red Sox at the event.

The text of the Proclamation follows:

WHEREAS, the Boston Red Sox have for more than 100 years united generations of fans, and the faith of these fans has been sustained season after season; and

WHEREAS, the Red Sox – Maine and New England's team - have exhibited great talent, sportsmanship, spirit and mental and physical strength throughout the entire 2004 season; and

WHEREAS, the Red Sox set records throughout post-season play, sweeping the Anaheim Angels, coming back from a 0-3 deficit to win four games in a row to beat the Yankees, and sweeping the St. Louis Cardinals; and

WHEREAS, the Red Sox, in winning their first World Series since 1918, provided one of the most dramatic and exciting seasons in recent Major League Baseball history; and

WHEREAS, through heart, determination, belief in each other and respect for their fans, the 2004 Red Sox soundly Reversed the Curse; and

WHEREAS, the Portland Sea Dogs are the Class AA Eastern League Affiliate of the Red Sox, providing such talent as Kevin Millar and Kevin Youkilis; and

WHEREAS, the Red Sox on April 11, 2005 will raise the 2004 World Series Championship flag at the opening of the new season at home in Fenway Park, before the game against the New York Yankees; thereby completing the End of the Curse; and

WHEREAS, the Red Sox, though filled with great individual talent, are best defined as a TEAM - working as a team, playing as a team, and winning as a team,

NOW, THEREFORE, I, JOHN E. BALDACCI, Governor of the State of Maine, do hereby proclaim October 29th – November 5th, 2004 as

RED SOX WEEK

throughout the State of Maine, and urge all citizens to recognize the extraordinary season of the Red Sox and their World Series victory.

## Governor Outlines Grants to Encourage Local Government Efficiencies

November 5, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA - Governor John Baldacci announced today the next step in changing business as usual for government in Maine. In the FY 2005 budget, \$1 million was set aside in competitive grants to support communities in developing joint ventures to develop services. Collaborative efforts are expected to demonstrate significant savings in the cost of delivering local and regional government services, and provide high quality services in an efficient and sustainable way.

"My administration has established the program to award grants to explore joint delivery of services as one way to reduce spending and property taxes," said Governor John Baldacci. "The Fund for the Efficient Delivery of Local and Regional Services will encourage and support cooperation amongst intergovernmental organizations and municipalities, in part so that they will serve as models from which other Maine communities may learn and follow."

Three state officials and three municipal officials with successful track records in streamlining government will oversee the awarding of the grants. "I am honored that Mayor Dan Tremble of Bangor, Assistant City Manager Phil Nadeau of Lewiston, and Town Councilor Jeff Porter of Cumberland have agreed to serve on the review panel," commented the Governor. Martha Freeman, Director of State Planning, Jerome Gerard, State Tax Assessor, and Becky Wyke, Commissioner of Administrative and Financial Services will also serve on the review panel.

The Department of Administrative and Financial Services is organizing the grant submissions. For more information, visit <http://www.maine.gov/dafs/fund.htm>.

## State Government and Lung Association Launch Joint Campaign to Help Mainers Fight Flu

November 9, 2004

Joy Leach, 287-2531 Dr. Dora Anne Mills, 287-3270

AUGUSTA – Governor John Baldacci today was joined by Dr. Dora Anne Mills, Director of the Maine Bureau of Health, and Edward Miller, CEO of the American Lung Association of Maine (ALA-ME), to announce a new public information campaign on flu prevention. Simple steps like washing your hands, muffling coughs and sneezes and staying home sick are a person's best defense against the flu.

"We are launching this extensive public health and information campaign with one simple goal: Educating people on how to protect themselves against the flu this winter. The flu takes a significant toll in our state each year, and I applaud the efforts of this public-private partnership in coordinating this important campaign," said Governor John E. Baldacci at a State House press conference.

The campaign will include a television advertising campaign as well as posters and flyers for display in retail locations, schools and other public areas across the state. ALA-ME and the Bureau of Health will be recruiting organizations and corporations across Maine to aid in distributing the posters and flyers.

"When it comes to fighting the flu, there's no substitute for simple hygiene," said Dr. Dora Anne Mills. "Mainers who make the effort to wash their hands, muffle their coughs and sneezes and stay home from work or school if they do come down with the flu, will make a big difference this winter in stopping the spread of the virus."

The effort to educate Mainers on fighting the flu will start immediately and run through peak flu season, which starts sometime after the holidays and runs through January.

"The flu is a serious respiratory ailment – but a largely preventable one. That's why this is such a critical campaign," concluded Edward Miller. "These are common sense steps that everyone can take to protect themselves against the flu. We owe it to ourselves and those around us to do our part to lessen the impact of the flu here in Maine."

Dr. Mills also provided a brief update of the flu vaccine situation in Maine. The Centers for Disease Control and Prevention (CDC) today informed the State that they will send additional vaccine to Maine. The Bureau of Health originally requested 150,000 doses from the CDC and is now expected to receive that amount. The Governor and Dr. Mills noted that the Maine Congressional Delegation had been particularly helpful in working with the State to obtain the additional doses from the CDC.

Many private providers that ordered vaccine on their own from Chiron still lack doses. The Bureau of Health has developed a plan of distribution to more than 800 health care providers during November and December, with the primary objective of ensuring access to influenza vaccine to those Mainers at highest risk.

Information campaign materials are available for viewing or download at [www.mainepublichealth.gov](http://www.mainepublichealth.gov).

## Governor Announces "Operation Keep ME Warm"

November 10, 2004

Contact: Lee Umphrey, 287-2531

Beth Nagusky, 287-4315

AUGUSTA - Governor John E. Baldacci today announced an important initiative to help some of Maine's most vulnerable citizens prepare for the cold winter months. Operation Keep ME Warm is a first of its kind public-private partnership that matches volunteers with Mainers who have pre-qualified for weatherization assistance. Volunteers will install energy conservation measures in 3,000 homes in one week. The Maine Commission for Community Service is coordinating the volunteer effort. Members of Maine's National Guard have also been asked to participate.

Heating oil prices are averaging around \$2 per gallon in Maine, and eighty percent of Maine people heat with oil. Last year Maine was able to provide \$440 in heating fuel assistance to 46,000 Maine people. Heating fuel is 50% more expensive than it was last year, and Maine projects a 30% increase in requests for assistance. Maine would need to receive \$32 million in additional federal funding to provide the same benefits provided last year to the estimated number of heating assistance recipients. In early October, Governor Baldacci submitted a request for additional federal heating assistance funds.

"This could be a long, cold winter for many Maine people," said Governor Baldacci. "Today I am sending a letter to 3,200 of Maine's senior citizens who are clients of the LIHEAP program, inviting them to participate in Operation Keep ME Warm. Operation Keep ME Warm will rely on volunteer groups to install a package of energy saving measures in 3,000 eligible Maine homes during the week of December 4th through 12th. The weatherization kits will reduce energy usage and energy bills, and will make these homes less drafty and more comfortable this winter."

The goal of Operation Keep ME Warm is to weatherize 3000 homes selected from a list of pre-qualified homeowners. Operation Keep ME Warm will rely on state resources, private donations, and volunteers from National Service Programs like AmeriCorps, Senior Corps and VISTA, to install weatherization kits in homes that elect to participate. The door, window, and pipe insulation and six compact fluorescent light bulbs that make up the \$50 weatherization kit will provide electricity and heating fuel cost savings of approximately \$78 per year for many years to come.

"I want to thank the businesses and volunteer organizations that have stepped up to assist with this project," the Governor said. "I also want to thank and congratulate the Maine Commission for Community Service, Maine State Housing Authority, Maine Emergency Management Agency and the other Energy Task Force agencies for organizing this project in record time." Home Depot has agreed to assemble and provide the weatherization kits at a discounted rate, and to provide personnel to train volunteers in how to install the energy saving measures. The Maine Oil Dealers Association is donating funds to reimburse volunteers for travel expenses. The University of Maine Hutchinson Center is



providing a toll free phone line, and MBNA is donating employee time to answer the phones. Members of the Maine National Guard will also offer assistance in the implementation of the program.

The State welcomes additional donations of goods and services to help with Operation Keep ME Warm. Church and civic groups who would like to "Adopt a Home" in their own communities and install these weatherization and energy saving measures should call 1-800-452-8735 (TTY 1-888-755-0023) or log on to [www.volunteermaine.org](http://www.volunteermaine.org) to find out how. Home Depot has agreed to provide the weatherization kits at the discounted price to these groups.

"We are preparing for what could turn out to be a very hard winter for thousands of Maine people. The combination of Yankee ingenuity and neighbors working together to keep their neighbors warm will be needed if high energy prices persist throughout the heating season," said Governor Baldacci. "We do, however, recognize that this is a short-term solution for a long-term problem. It continues to be a primary focus of my administration to look for and support long-term energy conservation and alternative energy solutions."

## Thanksgiving Day 2004 Proclamation

November 24, 2004

Proclamation by Governor John Baldacci

WHEREAS, the tradition of observing a day of thanks has occurred since ancient times when the Greeks, Romans, and Egyptians all hosted celebrations to give thanks for the year's bounty; and

WHEREAS, after a devastating first year in the new world, the Pilgrims' governor, William Bradford, issued the first Thanksgiving proclamation to recognize a day of reflection and celebration for their survival, to be shared between the Pilgrims and Native Americans; and

WHEREAS, the tradition of giving thanks continued through our nation's early history and culminated in 1863 – at the height of the bloodiest war in American history- when President Abraham Lincoln declared that the fourth Thursday in November should be set aside for personal remembrance as "A Day of Thanksgiving and praise to our beneficent Father;" and

WHEREAS, Thanksgiving has grown into one of our culture's most honored days, a time celebrated with families and friends when we can express gratitude for our many blessings; and

WHEREAS, we acknowledge in silence and prayer the many gifts we have,

NOW, THEREFORE, I, JOHN E. BALDACCI, Governor of the State of Maine, do hereby proclaim November 25th, 2004 as

### A DAY OF THANKSGIVING

throughout the State of Maine, and urge all citizens to reflect upon the many elemental offerings of life for which each of us, individually and collectively, can consider ourselves blessed.

## Governor Curtis Leads Maine Agricultural Delegation to Cuba

November 29, 2004

Contact: Lee Umphrey, 287-2531

Stephanie Cheney, Cedar Spring Agricultural Co., 829-6006

AUGUSTA – A delegation of agricultural growers and producers has been formally invited by the Cuban government's import agency, Alimport, to participate in the U.S.-Cuba Round Table talks and trade negotiations in Havana, Cuba, December 12-16, 2004. Governor John Baldacci has appointed former Maine Governor Kenneth Curtis to represent him and lead the delegation along with Maine Commissioner of Agriculture Robert W. Spear and Doyle Marchant, president of Cedar Spring Agricultural Co., based in North Yarmouth, Maine.

The invitation from Alimport CEO Pedro Alvarez Borrego is the result of a relationship developed over the past two years by Mr. Marchant, the organizer of the Maine delegation. Mr. Marchant has held a U.S. Treasury license to market agricultural goods since April 2002 and participated in the first-ever U.S. Cuban Agricultural Trade Show held in the fall of 2002.

Representatives from diverse agricultural sectors will negotiate export contracts with Cuba, now allowed under U.S. law. Commissioner Spear will also use the opportunity in Cuba to explore additional options and issues for other agricultural growers and producers in Maine. "It is important for Maine that we explore this new market and tap into the potential we believe exists for Maine's quality agricultural products, as well as establish a proactive long-term relationship with Cuba," Commissioner Spear said.

Mr. Marchant has worked with Mr. Alvarez and other Alimport officials for two years in other markets. Alimport expressed interest in certain Maine products which are in demand in Cuba. "We have now received a formal invitation to represent certain segments of Maine's agricultural community in this opportunity to expand trade relationships between Maine and Cuba," said Mr. Marchant. "We hope that this is only the beginning of a relationship between Maine's hardworking agricultural producers and this large and relatively untapped market."

According to the letter of invitation from Mr. Alvarez, Alimport has contracted for \$1 billion in U.S. agricultural products over the past three years and made timely cash payments of \$925 million to American providers.

Members of the delegation will include representatives from the potato, apple, dairy and maple syrup industries, as well as Maine academia. The delegation members include:

Apples: Jason, Cooper, Cooper Brothers, Turner

Dairy (embryos and livestock): Dennis Conant and Steve Keene, Conant Acres, Canton

Maple Syrup: Jeremy Steeves, Strawberry Hill Farms, Skowhegan

## 2004 Archive of Governor Baldacci's Press Releases

Potatoes: Seth Bradstreet III, President Maine Potato Board

Rodney Chamberland, Chamberland Farms Inc., St. Agatha

Don Todd, D.E. Todd Inc., Bangor

University of Maine Cooperative Extension: Mark Hutton, Highmoor Farm, Monmouth

## Governor Unveils Tax Reduction Proposal

November 30, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today released the principles of his tax reduction proposal. The legislation will be delivered to the 122nd Maine Legislature tomorrow, the day the Legislature convenes. The package recognizes that Maine is facing a challenging budget structural gap, and that there is a need to strengthen Maine's competitiveness, bring needed property tax relief to Maine's citizens and businesses, and provide the highest quality government services in an efficient, responsive way. In a Cabinet Room press conference, surrounded by bipartisan leadership of the House and Senate, the Governor outlined his core tax reduction principles:

**Reduces Property Tax Burden for all Maine Residents, Especially Those Who Need it the Most**

4-year phase-in of 55% state education funding:

- o Providing almost \$250 million (over previous biennium) more over 2 years
- o Guarantees 90 cents of every dollar of increased state education funding will be available for direct property tax relief for Maine citizens
- o Achieves 50% state share by FY07, and 55% state share by FY09
- o Shorter ramp achieved due to final calculations of Essential Programs and Services costs and willingness of Governor to fund in budget without tax increase
- o 100% of Special Education cost as defined by Essential Program and Services implemented in FY 06

No Maine resident will need to pay more than 6% of their income in property taxes through:

- o A refund program of up to \$1000 for income levels of \$50,000 (single) and \$75,000 (joint) for program year 2005, then phases-up to a \$2000 refund for program year 2009, \$3000 refund for program year 2011
- o A tax deferral loan program for any Maine resident with property taxes more than 6% of income, to be repaid (with interest) when property transfers
- o A single, simple application for both programs

**Improves Business Climate through Further Tax Reduction**

State, local, county, and school budget caps based on average personal income growth

Goal in statute of reducing Maine tax burden to national average over 10 years

Independent commission to monitor progress and report each year

Respects Local Decision-Making in Achieving Tax Reduction

Constitutional amendment to permit municipalities to value homestead land of Maine principal residences at current use

Municipal and school regionalization incentive grants from revenue sharing and education funding set-asides

## Governor Nominates Dale McCormick as Director of the Maine State Housing Authority

December 2, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA -- Governor John E. Baldacci has nominated Dale McCormick to be the Director of the Maine State Housing Authority (MSHA). McCormick has served four terms as Maine State Treasurer, the first woman to have held this high position in the state. Having held this position for eight years, McCormick has been responsible for managing the State's trusts and investments, borrowing, and revenue sharing.

Prior to serving as State Treasurer, Dale McCormick served in the State Senate for three terms, where she distinguished herself as a leader for health care and civil rights, among other issues. A carpenter by trade who operated her own business, she possesses vast practical and financial knowledge relevant to the position. She has written two books on carpentry and was the first woman in the nation to complete a carpentry apprenticeship with the carpenter's union. In addition, McCormick founded a non-profit organization, Women Unlimited, to assist women on welfare to move into good paying jobs with benefits.

"The combination of Dale's financial and housing experience makes her perfectly suited to lead the operations of MSHA," commented Governor Baldacci. "Her leadership will enhance Maine's ability to meet critical housing needs as our economy grows through implementation of my Administration's Creative Economy, REALIZE! Maine and other initiatives. Dale will assist in the continuation of the vitality of Maine."

The Governor expressed his deep appreciation to Michael Finnegan, who headed MSHA for more than four years. "Mike provided exceptional leadership to the organization and worked extensively in building collaborative partnerships to expand affordable housing, which plays a vital role in sustaining our economy," said the Governor. "He will be greatly missed by my Administration."

McCormick will be heading the agency, created by the Legislature 35 years ago, that is the State's focal point for assisting Maine people to obtain and maintain safe affordable housing. In addition, MSHA provides heating assistance and finances supportive housing services, home repairs and weatherization. McCormick must be confirmed by the Senate.

## Flags at Half-Staff for Pearl Harbor Remembrance Day

December 6, 2004

In memory of Americans who died as a result of the attack on Pearl Harbor, the President of United States and the Governor of the State of Maine request that federal and state flags be flown at half staff on Tuesday, December 7, 2004, National Pearl Harbor Day.



## Governor Kicks-Off Operation Keep ME Warm

December 4, 2004

Lee Umphrey, 287-2531

Beth Nagusky, 287-4315

AUGUSTA—Governor Baldacci today led hundreds of volunteers statewide for the kick off of Operation Keep ME Warm. This effort is a first of its kind private-public partnership to weatherize the homes of low income senior citizens on fuel assistance to prepare for what could be a long, cold winter. Corporate sponsors, state agencies and volunteer groups joined to donate resources and time to assist vulnerable seniors.

"I thank all the Maine volunteers and businesses that are coming together across the state to help their neighbors," said Governor Baldacci. "Yesterday's snow reminds us that the winter season is here and thousands of seniors face high heating oil prices. These kits will reduce energy usage and energy bills for Maine's most vulnerable citizens, and will make their homes less drafty and more comfortable this winter."

Teams of volunteers have begun to install door, window, and pipe insulation, energy efficient light bulbs and caulking, and talk with homeowners about energy conservation, winter safety, and public assistance programs available to them. The \$50 weatherization kits, provided to the State at a discount by Home Depot, will provide electricity and heating fuel cost savings of about \$78 per year for many years to come.

Home Depot has provided weatherization supplies to the program at a substantial discount. Kits include weather stripping, plastic, caulking, furnace filters, pipe insulation, wall switch gaskets and compact fluorescent light bulbs. The Maine Department of Transportation assembled and continue to deliver the kits locations statewide.

In addition, Pizza Hut and Dunkin Donuts will provide coupons to volunteer teams for food and drink, the Maine Oil Dealers will be reimbursing drivers for their automobile mileage, and Northern New England Passenger Rail Authority has provided lanyards and badges for all volunteers in order to be easily identified by homeowners. Georgia Pacific has also donated additional funding for the program.

Other partners include the Office of the Governor, Maine State Housing Authority, Maine Department of Transportation, Maine Emergency Management Agency, Maine Energy Resource Council, The Public Utilities Commission, Maine National Guard, American Red Cross (Maine Chapters), Community Action Agencies, and the Maine Commission for Community Service.

The Governor's team today weatherized the home of a widow in Farmingdale who will turn 90 years old this month. His team included: Beth Nagusky, Director of the Governor's Office of Energy Independence; Mike Finnegan, Director of Maine State Housing Authority; Art Cleaves, Director of Maine Emergency Management Agency; and Randall Curtis of the Maine Commission for Community Service.

Agencies coordinating the activities in each County include:

Aroostook: Aroostook Emergency Management Agency (EMA), Houlton Police Department and Fort Kent Highway Department

Androscoggin: Androscoggin EMA

Cumberland: Southern Maine American Red Cross

Island Communities: Island Institute

Franklin: Maine Citizen Corps

Hancock: Hancock County Technical Center

Kennebec: Kennebec EMA

Knox: Coastal Community Action Program

Lincoln/Sagadahoc: Coastal Economic Development Corp.

Oxford: Oxford EMA

Penobscot: Penobscot EMA

Piscataquis: Penquis Community Action Program

Somerset: Somerset EMA

Waldo: Waldo EMA

Washington: Neighbors Helping Neighbors

York: York EMA

Volunteer teams are still needed in all areas of the state. Those interested in volunteering can log on to [www.volunteermaine.org](http://www.volunteermaine.org) to find out more about the program and register a team. Citizens interested in finding out about fuel assistance and weatherization programs should call their county Community Action Program (CAP) agency.

“We recognize that Operation Keep ME Warm is a short-term solution for a long-term problem. It continues to be a primary focus of my administration to look for and support long-term energy conservation and alternative energy solutions,” said Governor Baldacci.

## Governor to Open Sentencing Institute 2004

December 8, 2004

Lee Umphrey, 287-2531 Denise Lord, 287-4386

AUGUSTA - The 2004 Sentencing Institute will be held on December 9 and 10 at the Augusta Civic Center. This year's Sentencing Institute will examine the impact of recently enacted legislation which calls for significant changes in sentencing practices and will explore diversion options to reduce the jail and prison population and to meet the needs of persons with mental illness.

"While Maine's crime rate declined between 1995 and 2002, its incarceration rate rose dramatically," said Governor Baldacci. "This trend places a severe strain on public resources and on our society. Through efforts of the Sentencing Commission and the Department of Corrections, the State is committed to ensuring that strategies are being employed to make our system work better for all communities, including implementing plans that look to regional solutions in the delivery of services."

Every few years, the three branches of government come together at the call of the Chief Justice of the Supreme Judicial Court, for 2 days to discuss recommendations for changes in the sentencing authority and policies of the State's criminal and juvenile courts in response to current law enforcement problems and the available alternatives for criminal and juvenile rehabilitation within the State's correctional system. Legislators, prosecutors, law enforcement and correctional personnel, representatives of advisory and advocacy groups and such representatives of the defense bar are invited to participate in this forum.

It is a time of change and challenge for the criminal justice system, both nationwide and in Maine. The issue of managing offenders in Maine's criminal justice system is at a critical juncture. The number of prisoners in Maine's jails and prisons has grown beyond expectations and shows little signs of slowing down. Additionally, a greater percentage of people entering the criminal justice system experience significant mental health disorders and prisons and jails have become the treatment option of last resort; a task they are not prepared to undertake.

The Sentencing Institute will begin at 9:00 a.m. on Thursday, December 9, 2004 with opening remarks from Maine's Chief Justice Leigh Saufley and Governor John Baldacci. Nearly 400 participants are expected to attend the two days. The first day will feature Dr. Ed Latessa who is nationally recognized for his research into effective correctional practices and reducing recidivism. Dr. Latessa has directed over 60 funded research projects, including studies of day reporting centers, juvenile justice programs, drug courts, intensive supervision programs, halfway houses, and drug programs. The second day will feature Dr. David Wertheimer of Kelly Point Partners in Seattle, Washington. Dr. Wertheimer has worked in the mental health field for over 20 years and has developed and implemented a variety of programs and projects. He has lectured and consults throughout the country on human services and criminal justice integration issues.

## Governor Nominates New MTI Director

December 9, 2004

Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci has announced his nomination of Betsy Biemann as the new director of the Maine Technology Institute (MTI), pending legislative confirmation in January. She will succeed Dr. Janet Yancey-Wrona, who currently leads the new Office of Innovation within the state Department of Economic & Community Development.

“The Maine Technology Institute is a key part of my strategy to make Maine a growth center for creative companies – new economy companies that will provide good paying jobs for young people and entrepreneurs,” said Governor Baldacci. “I am honored that someone of Betsy Biemann’s stature has agreed to lead the Institute as together we invest in the future of Maine’s economy.”

“MTI has a terrific track record investing in technology development in the state, from mass spectrometry to apple cider syrup,” said Biemann. “The Institute’s support for research and development plays a key role in Governor Baldacci’s economic development strategy, helping entrepreneurs bring their inventions to market, grow their companies, and create good jobs for Maine’s workers. I am thrilled by the prospect of working with the Governor, the Maine legislature, and MTI’s board, staff and partners as they continue to help make Maine a great place for creative people to grow successful companies.”

Biemann currently serves as an associate director at The Rockefeller Foundation, a philanthropy that invests over \$135 million dollars each year in research, technology development, policy analysis, cultural activities and community action in the U.S. and developing countries, with the aim of improving the lives of low-income people.

Since 2000, she has directed a program that has channeled over \$20 million in grants and investments to agencies helping workers get training and quality jobs. In her role, she works with national organizations as well as local private and governmental funders and nonprofit groups in communities as diverse as Boston, Fort Worth and Nashville. She also oversees the Working Communities program’s equity investments in community development venture capital funds and below-market loans to social enterprises.

She joined Rockefeller’s staff in 1996, helping the Foundation launch the International AIDS Vaccine Initiative, which has since raised \$250 million for research by companies and universities. Prior to that, she worked in the field of international development for ten years, principally in Africa and Latin America.

Said Janet Yancey-Wrona, director of the new Office of Innovation, “Betsy brings a lot of philanthropic and venture capital experience to MTI, not to mention her familiarity with employment and business

development that will be important for managing and creating MTI programs. Her well rounded expertise in these areas, critical to MTI's mission, will make her a vital asset to the organization and to Maine."

Biemann studied biology and American history at Harvard University and earned a master's degree in public policy from Princeton University. She has completed certificates from the National Venture Capital Association's Venture Capital Institute and Stanford Business School. She is married to Sean Callahan, a former media executive who teaches the history of photography at New School University, and has two children.

The Maine Technology Institute was created by the Legislature in 1999 to encourage, promote, stimulate and support research and development activity leading to the commercialization of new products and services in the state's technology-intensive industrial sectors. Programs are designed to enhance the competitive position of those sectors and increase the likelihood that one or more of the sectors will support clusters of industrial activity and create new jobs.

## Governor Receives Natural Resource-Based Industries Reports Outlining Accomplishments and Historical Trends

December 9, 2004

Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci received two reports today that emphasize the importance of Maine's traditional natural resource-based industries and the accomplishments achieved since last year's Blaine House Conference. Natural resource-based industries include agriculture, aquaculture, fishing, forestry, and tourism and outdoor recreation. Together, these industries account for one out of every ten dollars flowing through the economy. The Governor explained that the conference and reports reflect his administration's commitment to supporting and enhancing these traditional Maine industries.

"These industries not only make significant economic contributions," Governor Baldacci told a gathering of state government leaders and representatives of Maine's natural resource-based industries, "they are vitally important to preserving Maine's rural communities, Maine's cultural heritage, and the Maine landscape that we love. In the year since the conference, a lot has been accomplished. We have laid the groundwork for many key policy and program initiatives that will help sustain these industries in the 21st century."

A study of the status of these industries, Maine's Natural Resource-based Industries: Indicators of Health, examines the economic contributions of each of these industries and their environmental and community impacts and highlights indicators for twelve specific topics that policy leaders intend to track in coming years to assess industry trends.

The report was prepared by the Maine Development Foundation and the Maine State Planning Office under the guidance of a steering committee comprised of commissioners of the state's natural resource agencies and industry experts from outside government. Indicators were developed to track such issues as property values in working waterfront communities, net farm income, number of farmers' markets, acres of productive farmland, biomass of lobsters, capital investment in paper mills, cords of merchantable timber, and the number of overnight marketable trips taken by tourists. The report is available on-line at <http://www.state.me.us/spo/natural/gov/>

The second report provided to the Governor, the 1st Annual Progress Report and Scorecard, was produced by the Governor's Steering Committee on Natural Resource-based Industries, chaired by Richard Davies of the Governor's Office and Richard Barringer, a research professor at the Muskie School for Public Services at the University of Southern Maine. The status of each of the Blaine House Conference's 75 recommendations – ranging from addressing rising property taxes, to helping with marketing, public infrastructure, and small business support - are rated based on the amount of progress made so far. Progress has been made on fully seven-eighths of the recommendations; "good

progress” on one-fourth of them; and “some progress” on just over 60%. One-eighth of the recommendations have not yet been tackled.

Some key accomplishments include:

α The release of the Governor’s tax reduction proposal, which includes permitting municipalities to value the homestead land of principal residences at current use, will help lower property taxes on some farms and waterfront homes.

α State and federal government and industry organizations are working to develop management measures to gain access for those who presently have no access to the groundfish fishery.

α The Department of Conservation has contracted with Innovative Natural Resource Solutions, Inc. to assess the health of the forestry sector and the initial findings are promising. A report will be delivered to the Governor’s Advisory Council on the Sustainability of the Forest Products Industry by the end of this year.

α The Department of Agriculture worked with an industry-led task force to develop recommendations to grow Maine’s local agriculture sector.

α The Department of Economic and Community Development has contracted with Fermata, Inc., a nationally-recognized consulting firm, to enhance nature tourism opportunities in three demonstration areas: 1) Western Mountains, 2) Downeast/Calais, and 3) Greenville, Millinocket, The Forks, and southern Piscataquis County.

α The University of Maine System, the Maine Community College System, and Maine’s tourism industry propose jointly to develop a Center for Tourism Research and Outreach to provide needed research, teaching, training, and outreach for high quality tourism development throughout Maine. The Center will be located at the University of Maine.

The report, which is available on the Steering Committee’s Web site at <http://www.state.me.us/spo/natural/gov/> describes the priorities set and actions taken by both government and business.

## Governor Announces Job Creation at Loring

December 9, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John Baldacci today announced two contracts with the Army that will bring up to 240 new jobs to northern Maine. Contracts totaling \$39.3 million will bring those jobs to the Maine Military Authority, which operates an equipment rebuild center at the former Loring Air Force base in Limestone.

The contracts call for the refurbishment of HMMWV's (hum-v's), which will be rebuilt to essentially brand-new condition by the skilled mechanics at the Center. Some of these vehicles will be put to use in Iraq and Afghanistan.

"Maine operates the most cost-effective rebuild facility in the United States," the Governor said. "With the proven quality of the workforce, their capability to meet contract deadlines, and the innovative work processes which lead to cost savings, the site sold itself."

The jobs will be in place as early as January. They are skilled mechanic and manufacturing jobs, with excellent pay and benefits.

The Maine Military Authority began operations at the rebuild center in 1997 and currently employs 320 full-time workers, at an average salary of \$30,000 with full benefits. The Authority rebuilds HMMWV's, 5-ton trucks, bulldozers and a variety of other military vehicles, producing the equivalent of brand-new vehicles for less than one-third the cost, saving the Department of Defense \$166 million to date. The facility is ISO 9002 registered: performance measures are documented and reviewed annually.

"There is no limit to what can be accomplished here," Baldacci said. "We have a pilot project underway to rebuild school buses, achieving dramatic savings for municipalities over the cost of purchasing new buses. We're projecting being able to rebuild large trucks and other heavy equipment for towns and state agencies as well."

Baldacci hopes that the center can be a demonstration site for the private sector, to show the viability and unlimited potential of Maine manufacturing facilities. "We want to make Aroostook County a jumping off point for the world," the Governor said. "We're running an environmentally sound, enormously efficient manufacturing facility in Northern Maine, serving National Guard and active Army units all over the country and the world. There's no reason why other enterprises can't succeed here too."



## Governor Announces Red Sox Visit to Maine

December 9, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor Baldacci today received confirmation from the Red Sox that members of the organization and the World Series trophy will be visiting the State of Maine on December 17th and 18th.

“I am pleased that the Red Sox have saved the best for last, ensuring that fans across Maine will be able to view the trophy and share the experience and excitement with their families,” said Governor Baldacci. “The extensive tour in Maine shows that the owners recognize how important the fans are to the success of the team. The Impossible Dream has come true.”

The Governor commended the City of Portland, home of the Sea Dogs, for their work with the Red Sox organization to facilitate the visit. Viewing of the trophy will take place in Portland on Friday, December 17th, and the trophy will have viewings at stops in Presque Isle, Bangor and Augusta on Saturday, December 18th, including a public viewing at an open house at the Blaine House.

Further details regarding the visit will be made available when confirmed.

## Governor Appoints Intergovernmental Advisory Group

December 13, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor Baldacci today posted appointments of fifteen members of the Intergovernmental Advisory Group (IAG). The IAG is an outgrowth of the Joint Select Committee on Regionalization and Community Cooperation, which met during the 2004 legislative session. The committee designed the IAG to assist the executive and legislative branches in developing effective plans for regional cooperation among counties, councils of government, school districts, municipalities, water and sewer districts, and other government agencies.

“The exploration of the joint delivery of services is crucial to facilitating collaborations aimed at reducing spending and property taxes while maintaining high quality services,” said Governor Baldacci.

The fifteen members appointed are part of the seventeen-member panel, which is chaired by Representative Christopher Barstow (D-Gorham) and Senator Christine Savage (R-District 22). The group’s first meeting is Wednesday, December 15th at 9:00 am in Legislative Council Chambers. The list of members follows.

### Co-Chairs

Representative Christopher Barstow (D-Gorham)

Senator Christine Savage (R-District 22)

### State Government Representatives

Michael Cantara, Commissioner, Department of Public Safety

Kathy Fuller, Department of Transportation

Jody Harris, State Planning Office

### County Representatives

Anne Beebe-Center, Commissioner, Knox County

Todd Brackett, Sheriff, Lincoln County

Robert Devlin, County Administrator, Kennebec County

### Federally Funded Regional Council Representatives

Neal Allen, Executive Director, Greater Portland Council of Governments

## 2004 Archive of Governor Baldacci's Press Releases

Jonathan Daniels, President & CEO, Eastern Maine Development Corporation

Municipal Representatives

Dan Tremble, City Councilor, Bangor

Jonathan Duke, Selectman, Rockport

Barry Tibbetts, Town Manager, Kennebunk

School Representatives

Robert Hasson, Jr., Superintendent, SAD 51 (Cumberland-North Yarmouth)

Lucy Richard, Board Chair, SAD 1 (Presque Isle area)

Private Sector Representatives

F. Paul Frinsko, attorney, Bernstein Shur Sawyer & Nelson, Portland

Donnell Carroll, former State Representative and current Executive Director of Southern Maine EMS Council, South Portland

## Governor Announces Red Sox Visit Schedule

December 13, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor Baldacci today received further details from the Red Sox organization for their visit to Maine this weekend.

The schedule for Friday, December 17th is as follows:

10:00-2:00 Portland public viewing, Hadlock Field

2:30-3:00 Rolling Rally on Congress Street

3:00-4:00 Rally at Monument Square

The schedule for Saturday, December 18th is as follows:

8:00-9:30 Presque Isle, Aroostook Centre Mall

11:00-12:30 Bangor, Bangor Auditorium

2:00-3:00 Augusta, Blaine House

4:00-5:30 Lewiston, The Colisee

6:30-7:30 Bethel, Telstar Regional High School

7:30-10:00 The Phoenix at Sunday River

More information will be forthcoming in the coming days.

## Governor Announces Trade Agreement with Cuba

December 16, 2004

Contact: Lee Umphrey, 287-2531

Ned Porter, 287-7576

AUGUSTA – Governor Baldacci today announced an agreement of up to \$10 million worth of agricultural purchases of Maine goods by Cuba. The Joint Communiqué was signed in Cuba by Maine Department of Agriculture Commissioner Robert Spear and Alimport (Cuban import agency) CEO, Pedro Alvarez Borrego.

The Governor delivered the news of the agreement during a breakfast speech on the benefits of international connections hosted by the World Affairs Council of Maine. “I am pleased to announce that the most recent overseas mission is bringing swift results,” said the Governor. “The Joint Communiqué signed in Cuba is a willingness to negotiate and sign contracts for \$10 million of Maine dairy products, apples, potatoes and other agricultural goods. This agreement shows the importance of increasing our reach across state and national boundaries to enable Maine agricultural producers and other businesses to gain new markets.”

The Maine delegation, which included Commissioner Spear, former Governor Kenneth Curtis, Doyle Marchant, president of Cedar Spring Agricultural Company and agricultural growers and producers, participated in the U.S.-Cuba Round Table talks and trade negotiations in Havana, Cuba, December 12-16, 2004. The agreement between Maine and Cuba recognizes that the Maine agricultural companies named in the Communiqué will supply Cuba with products for a minimum period of four years commencing January 2005.

Commissioner Spear also presented a Proclamation at the Round Table. The text of the Proclamation and the Joint Communiqué follows:

WHEREAS, the Government of Cuba has recognized the importance of building bridges between two countries and sharing a desire to foster good will; and

WHEREAS, the Maine Legislature has recognized the importance of building strong relationships among the agricultural community of Maine and the government of Cuba and its people; and

WHEREAS, Alimport, Empresa Comercializadora de Alimentos, the trading organization of the Cuban government, and its CEO, Pedro Alvarez Borrego, have invited these representatives of the agricultural and food community from Maine to the Cuba-U.S Round Table Talks in Havana in December 2004; and

WHEREAS, Maine supports and encourages this delegation from Maine to Cuba to participate, join in dialogue and promote trade between these two entities,

NOW, THEREFORE, I, JOHN E. BALDACCI, Governor of the State of Maine, do hereby proclaim December 15th, 2004 as

MAINE-CUBA TRADE DAY

throughout the State of Maine, and urge all citizens to recognize the great opportunities international trade offers for expanding commerce, building lasting relationships, and providing a wider variety of goods that meet the needs of our people.

JOINT COMMUNIQUE BETWEEN THE STATE OF MAINE AND ALIMPORT-CUBA

"As Maine goes, so goes the Nation"

WHEREAS the State of Maine has recognized the importance of normalizing and improving relationships, and has supported both bilateral trade and an end to the U.S. embargo since 2001, and so publicly declared by legislation, the first State of the Union to do so.

WHEREAS this December 2004, the Honorable Governor John Baldacci reaffirmed by proclamation the aforementioned position and support. This proclamation was further endorsed by the attached letters in support of positive trading relations written by the Maine congressional delegation members listed below:

U.S. Congressman Tom Allen

U.S. Congressman Michael Michaud

U.S. Senator Susan Collins

U.S. Senator Olympia Snowe

WHEREAS Cuba has been recognized as an important market for Maine agricultural commodities, including by not limited to seed, table and processed potatoes; apples; dairy products; maple syrup; lumber; newsprint; and sardines and other fish products.

WHEREAS the State of Maine recognizes that Empresa Comercializadora de Alimentos (hereinafter "Alimport") is Cuba's registered corporation for U.S. imports.

WHEREAS the Maine Governor and Legislature recognized that further to a U.S. congressional lifting of certain trade restrictions on Cuba in 2001, Alimport has contracted over \$1 billion in U.S. agricultural supplies that have been paid for in a timely and lawful fashion.

WHEREAS the State of Maine recognizes that through its conduct and practices, Alimport has consistently expressed a desire to see a normalization of relations between Cuba and the United States.

WHEREAS Alimport recognizes that the State of Maine is a supplier of approved agricultural products.

WHEREAS the State of Maine is a leader in the development and supply of dairy products, apples, potatoes and other agricultural goods. Maine-based Conant farms is a high-quality dairy producer, and Cooper Farms is the single largest and major-quality apple producer in the New England area, and the Maine potato growers offer top quality and adequate potatoes for export.

THEREFORE, the State of Maine and Alimport have agreed that Maine-based suppliers, including but not limited to those mentioned in the preceding paragraph, will supply the goods mentioned herein for a term of four (4) years from January 2005, subject to the applicable terms and conditions of each transaction, as mutually agreed between Alimport and the said Maine-based suppliers.

Alimport hereby records its willingness to negotiate and sign contracts for up to U.S. \$10 million in legally authorized agricultural commodities from Maine and the wider New England area, subject to approval by the State of Maine, and in any case, subject to competitive quality, delivery, pricing and other applicable terms in the next 18 months.

The State of Maine and Alimport are convinced that their joint efforts in the pursuit of the aforementioned objectives will translate into expanded and diversified business opportunities in the benefit of the peoples of Maine and Cuba.

The undersigned recognize that their execution of this Joint Communique does not represent or is not construed as to give rise to a firm commitment to transact any of the businesses described herein.

FOR ALIMPORT

Mr. Pedro Alvarez Borrego Chairman & CEO

Alimport Cuba

FOR THE STATE OF MAINE Mr. Robert Spear Commissioner Department of Agriculture State of Maine

## Governor Launches Tax Reduction Web Tool

December 16, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor Baldacci has unveiled a new web page with an interactive tool to ensure that the people of Maine have access to the details and background of his tax reduction proposal. The web site <http://www.maine.gov/taxreduction> contains links to the full text of his proposal in legislative form, summary of the components, charts and a page answering common questions about the proposal.

"Providing immediate tax relief for Maine people is my priority," said the Governor. "This web site aims to provide all of the pertinent information so that all Maine citizens can be part of the thoughtful debate to determine the best and most responsible ways to lower our tax burden. The tax reduction tool is intended to further demonstrate the complexity of the task at hand for the Joint Select Committee on Property Tax Reform."

The Governor's tax reduction package recognizes that Maine is facing a challenging budget structural gap, and that there is a need to strengthen Maine's competitiveness, bring needed property tax relief to Maine's citizens and businesses, and provide the highest quality government services in an efficient, responsive way.



## Details of Red Sox Trophy Visit to the Blaine House

December 17, 2004

A public viewing and celebration of the World Series trophy will be held at the Blaine House tomorrow, Saturday, December 18, from 1:30 pm to 3:00 pm.

The public will enter through the main entrance on State Street. The line will begin at the front entrance and wrap around the Blaine House fence, along State Street to Capitol Street, and Chamberlain Street if necessary.

The Governor will greet the public as they enter the Blaine House to view the trophy and take photos, if they wish.

There is handicapped accessibility for the event, the access to which is at the small gate on Capitol Street.

## Court Invalidates AMHI Receivership, Notes Dirigo Health as Step Forward

December 17, 2004

Contact: Lee Umphrey, 287-2531

Charles Dow, 626-8577

AUGUSTA – The Maine Supreme Judicial Court today issued an important ruling in *Bates v. Department of Behavioral and Developmental Services* (the AMHI Consent Decree appeal) and found that the State of Maine had demonstrated significant improvements in addressing health care access and quality to all its citizens. Governor John Baldacci and Attorney General Steven Rowe welcomed the Supreme Court's decision.

The Court's order:

- Established a clear guideline for development of standards defining compliance with the 1990 AMHI Consent Decree;
- Invalidated an order on receivership by the lower court, thereby returning management of the state hospital to the executive branch;
- Vacated a finding of bad faith by the State; and
- Upheld the lower court's ruling mandating provision of services for all eligible adults with severe mental illness, regardless of whether or not they have been patients at AMHI.

The court cited the specific examples of Governor Baldacci's expansion of Maine's Medicaid program and the Dirigo Health law as evidence that the State has committed to continually improving health care for the mentally ill. "This significant expansion of resources for treatment of illnesses generally, and mental illness in particular, cannot be ignored in evaluating the good faith and seriousness of the State of Maine's commitment to provide and improve institutionalized and community-based treatment for individuals with mental illness," the court said.

Governor Baldacci said that he was pleased with the Attorney General's leadership on this case. "The Attorney General's Office has worked diligently on this case for over ten years with the highest degree of professionalism and integrity. This decision recognizes that the State was right on the key legal points."

"Governor Baldacci has shown a deep commitment to the mentally ill of Maine through his leadership in passing Dirigo Health," said Attorney General Rowe. "His administration and my office have already worked with the plaintiffs' lawyers to develop an agreed-upon set of performance standards for the mental health system. The court's guidance today should help us steer a course toward the end of this contentious period for State government."

Governor Baldacci and Attorney General Rowe praised Justice Nancy Mills' passion for the mentally ill and committed to continue working with Justice Mills and the Court Master to improve care for Maine's mentally ill people.

## Governor Confirms Maine Guard Casualties in Mosul

December 21, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today confirmed that two members of the 133rd Engineering Battalion of the Maine National Guard have been killed in an attack on a military base in Iraq. Officials at Fort Drum have confirmed the two Maine casualties following an attack at Forward Operating Base Marez near Mosul.

The identities of the fallen soldiers will not be released until their families have been notified.

In addition to the two casualties, there were ten injuries to members of the 133rd. No additional information on these members is available at this time.

“Our first responsibility is to the family members of our fallen heroes,” said Governor Baldacci. “We will provide support to their families. This is a very difficult time, especially during this holiday season. As before, Maine people pull together. This tragedy weighs heavy on us all.”

The Governor continued, “The 500 soldiers of the 133rd have served with distinction in Iraq since March. They are integral to the mission of the reconstruction of infrastructure in the country. Particularly this time of year, we recognize the great sacrifices of all the members of our military and National Guard.”

Further details will be made available upon confirmation. Flags will be ordered to be flown at half-staff on the days of the soldiers’ funerals.

## Governor Confirms Fallen Maine Soldiers

December 22, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today announced the names of the two members of the 133rd Engineering Battalion of the Maine National Guard who died in an attack at Base Marez in Iraq.

Sergeant Lynn Robert Poulin, Sr., 47, of Company A, 133rd Engineer Battalion (Belfast and Skowhegan Armories) served as a metal worker. He lived in Freedom, ME, and was married with two grown children.

Specialist Thomas John Dostie of HSC, 133rd Engineer Battalion (Gardiner and Portland Armories) served as a mechanic. He was 20 years old. His parents live in Somerville, ME.

The Governor has talked to family members of the fallen soldiers to express his condolences on behalf of the State.

"Sergeant Poulin and Specialist Dostie are heroes to their families, to the State and to the nation," said Governor Baldacci. "We recognize the great sacrifices of all the members of our military and National Guard, and are proud of their service. All of Maine joins with the families of the injured and fallen soldiers in expressing our great sadness. We offer our prayers to the families of those involved in the attack at Base Marez."

In addition, ten other members serving with the Maine Army National Guard, 133rd Engineer Battalion were injured in the attack. One member was a New York Guardsman serving with the 133rd. Seven were treated and returned to duty. Staff Sergeant Harold Freeman, Jr. and Sergeant Christopher Rushlau have been transported to Landstuhl Regional Medical Center, Germany, for additional treatment. Their medical conditions are unknown at this time but are not believed to be life threatening.

Flags will be flown at half-staff to commemorate the loss of Sergeant Poulin and Specialist Dostie on the days of their funerals.

## Injured Maine Soldiers from 133rd Identified

December 23, 2004

Contact: Lee Umphrey, 287-2531

Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci today announced the names of members of the 133rd Engineer Battalion of the Maine Army National Guard who were injured in the attack at Camp Marez earlier this week. Of the thirteen injured soldiers serving with the 133rd, six are from Maine and seven are from New York, attached with the 133rd.

Governor Baldacci called Staff Sergeant Harold Freeman, Jr. of Gorham and Sergeant Christopher Rushlau of Portland this morning. Both are in good spirits and remain at Landstuhl Regional Medical Center, Germany, where they are receiving additional treatment.

Prior to calling the two Maine soldiers recovering in Germany, Governor Baldacci talked to Lieutenant Colonel John J. Jansen, commander of the 133rd Engineer Battalion. The Governor conveyed the great sadness felt across the State following the loss of Sergeant Poulin and Specialist Dostie. He also expressed Maine's pride in the 133rd for the work they have performed under these extremely difficult circumstances.

In addition, the Governor contacted the families of the other four Maine soldiers of the 133rd who were injured in the attack on Camp Marez. The soldiers were treated and released to their unit following the attack. The members are:

Major John Nelson of Lincoln

Sergeant John Ouellette of St. Francis

Captain David Sivret of Calais

Sergeant Marc Haas of Brunswick

## Three Maine Soldiers Injured in IED Attack

December 27, 2004

Contact: Joy Leach, 287-2531

Major Pete Rogers, 626-4390

AUGUSTA – Governor John E. Baldacci and Adjutant General John W. Libby of the Maine National Guard confirmed that early Sunday morning the Joint Force Headquarters was notified that three members of the 133rd Engineer Battalion had been injured in Mosul, Iraq. The soldiers were in a convoy that was involved in an improvised explosive device (IED) attack. Two of the wounded soldiers were treated and returned to duty; the third is classified as “very serious” and has been evacuated to a treatment facility.

The families of the wounded soldiers have been notified. Further details are unavailable at this time.

“Our thoughts and prayers are with these brave soldiers and their families,” said Governor Baldacci. “We offer our highest respect and gratitude to all those serving overseas and their families.”

## Governor and First Lady Remember Jane Muskie

December 28, 2004

Contact: Joy Leach, 287-2531

AUGUSTA – Governor John E. Baldacci and First Lady Karen Baldacci today remembered Jane Muskie, the widow of former Governor of Maine, United States Senator and Secretary of State Edmund Muskie. Mrs. Muskie passed away Saturday.

In speaking about Jane Muskie's significant contributions to the State of Maine, the Governor and First Lady noted her ability to raise a family in the Blaine House (from 1955 to 1959) and throughout the remainder of Ed Muskie's long public career, all the while supporting her husband and treating everyone with the utmost warmth.

"The State of Maine is truly blessed to have had such a caring and devoted First Lady," said Governor Baldacci. "Jane Muskie was gracious, with an engaging personality and a smile that could light up a room. Karen and I are honored to have been the recipients of Jane's wisdom and friendship over the years. Her optimism inspired her family and all who knew her.

The First Lady and I extend our deepest sympathies to Jane's family. We appreciate the many and lasting contributions Jane Muskie made to her family, to the State of Maine, and to the nation."



## Governor Directs Flags to Be Flown at Half Staff to Remember and Honor Fallen Soldiers

December 28, 2004

Contact: Joy Leach, 287-2531

Thursday, December 30, 2004, and Friday, December, 31, 2004

AUGUSTA -- Governor John Baldacci has directed that the United States flag and the State of Maine flag be flown at half staff from sunrise to sunset Thursday, December 30, 2004, in remembrance and honor of Army Staff Sergeant Lynn Poulin, of Freedom, Maine, who lost his life while serving in Iraq. Staff Sergeant Lynn Poulin's service will be held at Notre Dame Church, 116 Silver Street, Waterville, Maine, at 11:00 a.m. on Thursday, December 30, 2004. There will be no visiting hours.

AUGUSTA -- Governor John Baldacci has directed that the United States flag and the State of Maine flag be flown at half staff from sunrise to sunset Friday, December 31, 2004, in remembrance and honor of Army Sergeant Thomas Dostie, of Somerville, Maine, who lost his life while serving in Iraq. Sergeant Thomas Dostie's service will be held at the Erskine Academy gymnasium, South China, Maine, at 11:00 a.m. Visiting hours will be held from 6:00 p.m. until 8:00 p.m. on Thursday, December 30, 2004, at Lawry Brothers Funeral Home, Gray Chapel, 207 Windsor Neck Road, Windsor, Maine.