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**MMA’s 2018 Convention**

*What a lineup!* Experts will discuss the future of transportation, community planning, ranked-choice voting, the Maine economy – all that and more, Oct. 3-4 in Augusta. Page 40

**Supreme Court Ruling**

*A long-awaited opinion* from the U.S. Supreme Court finds that states can require sales tax collections from online retailers. Page 33

**Marijuana Legalization**

**MMA Legal Services** Attorney Rebecca McMahon provides a comprehensive update on adult use and medical marijuana laws. Page 30

President Linda Cohen thanks and recognizes municipal leaders for the dedication that you show to communities throughout Maine. Page 5

The 2018 Town Meeting season concluded recently. Turn here to read about election results and statewide trends. Page 35

**2018 Gubernatorial candidates** Shawn Moody, Janet Mills, Terry Hayes and Alan Caron recently met with the MMA Executive Committee.
WHEN YOUR IRON FITS YOUR CHECKLIST, YOU KNOW YOU’VE FOUND YOUR DEALER.

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EVER have people ask you why you do what you do? If there is one thing I hear consistently from the public, it’s “how do you keep doing what you do? I could never do that!” They’re not asking from idle curiosity; they’ve tuned in to a council meeting, read an article in a local paper or (yikes!) read the comments behind the articles in the paper. You know, those comments posted by mostly anonymous people? I told myself I would never read them, but I can’t help myself.

Are civility and respect for the position, when you disagree with the person in that position, things of the past? Do you sit in council or select board meetings and wonder why anyone who is trying to persuade the board to see things their way would lash out and insult the members?

How did we get here? What happened to disagreeing agreeably? Are those days gone when you could vehemently argue your respective positions then shake hands and walk away – maybe not friends, but still friendly?

None of us, whether elected or appointed, do what we do for the glory. And while pay and benefits for municipal positions are better than in many other fields, I don’t think employees hang in there for that reason either. We who serve the public, day in and day out, have heard a calling, somewhere and at some time in our lives, that beckoned us to help others. No matter how hard the work or how low the respect is at times, at the end of the day we can look in the mirror and be glad we are making a difference in the quality of the lives of our residents and visitors. We are! Some days are just tougher than most.

It may sound cliché to say “take the high road” or “kill them with kindness,” but those responses will serve us better than getting down in the mud with someone who really has no idea how hard our job is and who probably isn’t going to change anyway. At the end of the day, when we look back on how we interacted with the public, we are less likely to regret being civil and respectful, and we can move forward knowing that tomorrow we will do something that makes someone’s life better, even if they never even know it.

Hang in there, and thank you for doing what you do to make our communities wonderful places in which to live and visit.
Please take time to complete or update your municipality’s portion of MMA’s new and searchable, statewide Municipal Salary Survey. This is a valuable tool for elected officials, managers and appointed staff.

https://salarysurvey.memun.org

The (extended) deadline to do so: Aug. 16.

Updating the survey is so easy. Just look your 2017 data, and update only the areas that changed. Remember: your email address serves as your username.

For more information, including the option to “copy prior year data,” contact Carol Weigelt at MMA.

207-623-8428 or email: salarysurvey@memun.org
Talking local: Candidates meet with MMA Executive Committee

Gubernatorial candidates Alan Caron, Terry Hayes, Janet Mills and Shawn Moody were interviewed earlier this summer. Here’s an account of those historic meetings.

By Eric Conrad, Editor

On June 28, all four candidates for Governor met separately with the 12-member Maine Municipal Association Executive Committee to discuss municipal issues. The interviews were held at the MMA building in Augusta. Each lasted about one hour.

Even though their campaigns are just ramping up in some ways, it’s safe to say the meeting was, and will remain, “unique” for the candidates, as the conversations intensely focused on issues paramount to local government: school funding, municipal revenue sharing, unfunded state mandates and tax reform, to name a few.

What follows are the questions as they were posed and the candidates’ answers. In some cases, answers were edited in the interest of brevity. The sequence of answers in this article rotates to be fair to all four candidates.

Q: Before we get into municipal specific questions, we want to give you an opportunity to tell us why you decided to run for governor and what your goals would be for your four years in office.

Shawn Moody: Well, it’s the variety of reasons, no one lightning bolt. I think the Governor has worked hard, his administration... in terms of paying off hospital debt and a little money in the Rainy Day Fund. So I agree with the Governor’s fiscal policies for the most part. I really believe that Mainers, hard-working Mainers, honest people, they’re the ones that are paying the taxes. They really want government to work as hard spending their money wisely as they do earning it and paying it. And I don’t think they’re unreasonable in expecting that to happen...

So I come from the private sector. I’m outside of the government if you will, although I’ve been involved at the local level in Comprehensive Plan Committee, committee, I coached local sports and have been active. But I really feel passionate about the state and I feel like the Governor is an executive of the executive branch and there’s distinct differences between the three branches of government. You’ve got the Judicial branch, which has certain obligations and duties, the legislative branch which I think we can all agree right now to some degree has been circumvented, and I’m not happy about that, we need to reform that process. I don’t think it was put in place to eliminate the Legislature on key issues, policy issues, tax issues, Constitutional issues. I see that as a real problem for Mainers. And you have the executive branch, and that’s what I’m experienced in with 40 years running an organization.

And what’s interesting is people say, “Well, you don’t really realize what it’s like in public service.” And I say, “Well, I’ve been serving the public my entire adult life, actually before since when I was 17 years old.” I have served the public. Maybe I get paid privately but that’s what we do, is take care of people, and that’s my strength.

So when I look at the recognition we’ve gotten over the years for some of the lean initiatives that we’ve had, organizational effectiveness that we’ve had, the Governor’s Award, best places to work. I am a student of human nature and organizational performance. Our organization, 34 percent of it is owned by our co-workers, they actually own stock in our company. And since 2005 our stock has increased in value in average of 20 percent a year. Now that’s going through 2008-09, what’s called the Great Recession. So we were able to build a culture that outperforms literally most any other businesses here in the state of Maine in terms of profitability, performance, and growth.

So I want to take what I’ve learned, my skills, the relationship that we’ve forged across a lot of communities here in the state of Maine and work for the people of Maine, work for the people that I... I love this state. So many young Mainers have left in search of opportunities when unemployment was six, eight, 10 percent. Well we’re full employment right now so we need to reach out to those Mainers that have left and reunit e them with our families and our small communities, revitalize them. They’re talented, they’ve got
assets, they’ve got children, and what better place to raise them than right here in the State of Maine?

I want to just take Maine to the next level. I have said this openly in public forums, I think the Governor has done the hardest thing, it’s to get out of the ground. Anybody who’s done construction knows. It’s tough to get out of the ground. But I think he’s poured a foundation and I think we can really build something special on it. And that’s my goal as Governor.

**Janet Mills:** Wow, thank you. Broad question. What prompted me to run was, seeing up close some of the problems of state government. I was in the private sector representing individuals in small businesses in western Maine, Skowhegan, for about 14 years. During six of those years I was also in the legislature with my Republican brother, Peter, who was in the Senate and the House. One term we served together in the House. I as a Democrat, he as a Republican. I also served in the Appropriations Committee for four years, during some of the toughest years of Maine’s economy in recent decades, and during the recession of 2008. I know something about the state budget and how things work there.

I’ve run an executive agency with a $42 million budget over the last ... well, total of eight years really. I know something about how to run an agency, and I have values and concerns about the people of Maine and what our future holds for us. I want to solve those problems. I want to tackle the opioid epidemic, for instance. There’s been too much bickering in the Legislature, and with the current governor, the current administration, over how to get things done. Too much hostage taking, too much polarization. I want to bring people together, and move our state forward very bluntly. I have a lot of ideas and I could sit here for hours and hours and talk about each one of them, but I want to hear from you as well, and find out what’s on your minds.

Where I want to move the state is, you talk about the “other Maine.” I want to get rid of those terms. I have a vision of a state that is undivided. A state that is prosperous north to south, west to east. My roots are not only in Farmington, but in Ashland, and Stonington and actually Gorham, where I spent 10 years of my youth. I’m very deeply familiar with all parts of the State of Maine. I want to bring us together. I want to erase the divide that exists now, the emotional socio-demographic divide that exists now, and move the rest of the state forward. That includes infrastructure improvements, broadband, cell phone coverage. Attacking the opioid epidemic, and moving the state forward.

**Terry Hayes:** When I think about it, we are all neighbors. We are all in this together. If we don’t get it right, it’s not any one group that gets punished or gets left out, it’s all of us. Our circumstances are diminished. I’m convinced that how we do things matters, and it matters as much as what we do. If we don’t do them together, they don’t last. We’re riding this pendulum that goes from here, to here and back again. We intersect instability and uncertainty that’s not necessary, and it’s not helpful.

I want to be the next Governor because I want to put Maine’s best interest first. I want to work with everybody who’s brave enough to play in the public policy pool with me. I respect them, even when we disagree. As a Clean Elections candidate, I commit that none of your tax dollars will be spent on negative ads in my campaign.

There are three top priorities that I have as I approach this from a policy perspective. They come from my study of the measures of growth over the years. That’s a benchmark publication that the Maine Economic Growth Council, as part of the Maine Development Foundation, publishes. I’m kind of a data nerd. I think public policy should sit on a foundation of data. Then we should use anecdotes to sell it instead of the reverse, trying to find that data that supports it once we pass it. That seems a little backwards, to me.

The three things are workforce... It’s absolutely at the top of the list. If we don’t solve our workforce challenges, we can’t afford to pay for anything else. That’s the goose that lays the golden egg that we all need. We’re doing some pretty phenomenal things right now, through the Maine Spark program, which is a broad collaboration. You’ll notice that I say “collaborate” a lot because, together, we do better than individually.

**Terry Hayes**

Workforce... it’s our pipeline. It’s what we do from early childhood all the way through our college/university system, and our trade schools, and everything in between. It’s what we’re doing to retrofit existing displaced workers.

At the top of the list is really welcoming folks from away. If they come here with the skills and they’re willing to participate in our economy, we need to welcome them with open arms. Frankly, we need to solicit them to come here...

There’s only so much we can do on the policy side from government’s perspective, at any level. There’s a bunch of this that has to come from the private sector. These are the folks that need the workers. I want to tag team with them to figure out what those ingredients are. Which ones belong over here? How can we champion those?

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**WATCH THE VIDEOS**

The candidate interviews were recorded and can be watched in their entirety at the MMA website (www.memun.org). The videos can be viewed by the public as well, because MMA knows how important it is to educate citizens about municipal issues – and our state leaders’ views of them. The videos will be shown at MMA’s 2018 Convention, which will be held Oct. 3-4, at the Augusta Civic Center.
economy and tomorrow’s economy. We have some assets that are considerably under-deployed. Three Ring Binder Project. We have under-invested in broadband expansion, in my opinion, in the last eight to 10 years, and we need to turn that around.

The third area is health care and health and wellness. We spend a disproportionate amount of our resources on health care in Maine, and we don’t generate better outcomes than other folks for that investment. We need to figure out what’s driving behind that, and how do we adjust it? If we need to expand Medicaid, we need to do it in a fiscally responsible way so that we can pay for it downstream. But, at the end of the day, remember the goose that lays the golden egg, our workers, our people, and their health and wellness determines the extent to which they can generate to that prosperity.

Those are the three priorities that I bring, and a willingness to focus… Those are my goals.

Alan Caron: I might just take half a minute to tell you a little about myself. I grew up just north of here in Waterboro in a family of mill workers and farmers. I’m a ninth grade high school dropout. I worked loading tractor-trailer trucks in the night shift, down here in Edward’s Mill, and eventually (went) on to home construction and somehow ended up with a Master’s degree in Public Administration from the Kennedy School at Harvard. Somehow jumped from no high school to that.

I have been involved in issues affecting the state for many years, from neighborhood organizing on Munjoy Hill to energy, environment, business development. I’ve helped small companies and large through the years. Everything all the way up to Bath Iron Works and its modernization. The removal of the Edwards Dam. Telecommunications policy. So I’ve been actively involved in Maine for a long time.

I have never run for office and never expected to. Something’s happened in the environment over the last year or so that has affected me deeply, and I feel compelled to run because I think we’re a state of enormous potential, and we can do more, and we deserve better. And so I have offered services to the people of Maine, and we’ll see how it all goes.

The last 15 years I’ve focused almost all of my attention on how we grow sustainable prosperity in Maine. That means, for me, a bottom-up, small business, innovation-driven economy. Some of you may know, I created a group called Grow Smart Maine many years ago. I brought the Brookings Institute to Maine to talk about charting Maine’s future. I went on to write two books coming out of that. One on… is “Charting Maine’s Future.” The book is a report that I wrote is something called “Reinventing Maine Government,” where I worked with some of the people here, and then also “Maine’s Next Economy,” which I wrote two years ago.

So I’m very much committed to growing the economy. I think we have so many needs in this state. It’s easy to go from group to group and say, “Yeah, I’ll do what you want. I’ll find the money for that. We’ll do that” – and I think we can do all that we have to do, but I think we won’t do it unless we do two things.

One is grow the economy, so there are more revenues coming in. The other is ensure that we build a more modern government, particularly at the state level. When I worked on “Reinventing Maine Government,” we compared Maine spending to rural states across the country. We always say, “We’re so big and cold, that’s why we spend a lot.” The numbers were sobering. It wasn’t a great picture. As a percentage of our income, we spend more on government than almost any rural state that we looked at. More than the national average. That’s a pain index. That percent of our income. That’s a pain index. But we don’t get better results.

Now the good news for municipalities is that municipalities are presumed to be the problem. We’ve got so many of them. We’ve all heard it. When you actually look at the data, Maine municipalities are actually pretty frugal, pretty efficient. In part because there’s a lot of volunteer activity, and for other reasons. So municipalities are not the problem. The problem is down the street here (State House), where there remain lots of inefficiencies, and I think it’s a matter of modernizing systems and what I found, and what Brookings found, is there are too many layers of administration and not enough dollars that go out onto the places they have to go.

So I want you to have all of that background. And as far as municipalities, I served for five years, my local planning board, including as chair. My wife served for five years as a Town Councilor in Freeport. She now has a COG (Portland Area Council of Government) with 26 town members, so I can’t escape municipal government no matter where I go. So I’m a big believer in municipal government. I was before I ran for Governor, and I will be through the end of my term.

Municipal Advisory Council

Q: So when all is said and done, the constituents of Maine belong to all of us. There’s no division there; it’s all the same people. Our feeling is that we would like to work with the Governor’s Office in representing all of those constituents. We feel that we can be a resource to the Governor’s Office and the Governor’s Office can be a resource to us.

In prior years, not recently but in prior administrations, we had a Municipal Advisory Council that was made up of local officials who met with the governor on regular basis to talk about municipal issues, state issues, and to work together. If you’re elected would you be interested in reconstituting that advisory council and what do you feel is the appropriate relationship between state and local government?

Mills: Sounds like a softball. The answer is yes. But also, I want to have a board of advisers that includes county government officials and towns. Towns and cities of various sizes. You pick, but I know that the needs to the larger service centers are different than the needs of the rural towns. Just like the needs of different school districts vary from district to district, region to region. The needs of different counties differ from one to the other. The efforts of regionalization are much stronger, for instance, in Cumberland County, than they are in some other counties. I would want advice from all those entities.
Not just token meetings once every six months, but maybe regular luncheons, where we get the views and feedback. I know, because I’ve watched other governors and other public officials become isolated, not so much in an ivory tower, we’re too small of a state for towers, but isolated by being in Augusta so much, by being in the state’s capital. Isolated from the people’s point of views, and that includes people in local government, and school boards, and county government as well.

I’ve never been a town official, but I respect the work of town officials and people who put their faces forward and their names forward on planning boards and zoning boards. Those kinds of things, too. My brother, Paul, has been the moderator at literally hundreds of town meetings. My father before him moderated, and my grandfather moderated hundreds of town meetings all across Franklin County and western Maine. I have attended many town meetings, and part of the, well we’ll say, robust discussions at town meetings on how to spend the snowmobile fees, and the domestic violence budgets, and the road funds, and all those kinds of things – I’m familiar from a distance with town government. Not as intimately as you, obviously.

Hayes: I was unaware of the Municipal Advisory Council until you mentioned it. I did my homework, but I don’t remember it being in the literature that I read, so I’m thinking... I’ll have to look it up.

Given that, at my core, I really believe that I don’t know everything I need to know, there are people all around me who bring pieces to the puzzle that we’re going to need in order to move us where we want to be. I will find a way to solicit your input and the resources that you have.

I value the relationship. I was struck when I read the beginning of the publication (MMA’s 2018 Municipal Issues Paper) that it said, at the top of the list, is (a goal) to re-establish a collaboration between municipal government and state government. I would say I’m all in on that one. If this is a vehicle that we can use to do that, I’m more than willing to look at the history and see how we could revive it, so we are continually reminded that we’re all in this together.

Caron: As I said, I think we’re all in this together. I don’t know how we can solve the problems of Maine working independently. The idea that the state can function without any apparent regard for what is happening at the town level, I think is a misdirection we’ve taken. I want to reverse it. So yes, I would be in favor of reinstating that council, but I’m in favor of exploring even more ways in which we maintain a constant dialogue.

One of the problems I see at state level at both the Legislature and the Governor, but more the Governor recently, is you get insulated into thinking all you should be concerned about is state government, and all you have to take care of is whatever the state’s doing. It’s all about getting more money for the state. And the consequence is, as you pointed out so well in your documents, towns get less. You’re being cut back. Other things are being cut back. We’re not meeting our obligations.

So I am for a full-functioning, collaborative relationship between state government and local government, and sort of trying to get beyond this us and them stuff that has infected state government.

Moody: That’s a great question. I noticed when you said, in the introduction, that you wanted to forge, not force, a relationship. It was forge. I think anybody that’s ever really experienced me and my leadership style, who I am as a person. I’m very collaborative, open-minded, willing to listen, getting feedback. Feedback is a gift. So the straightforward answer to your question is yes, I think that would provide benefits.

This is the way I look at things. We established performance reviews in 1992 in our company. Now you know my background, a high school grad, right? So that was 25 years ago, we recognized the value of performance, getting an individual to the next level. But what most people don’t understand and think about is it’s a twofold process. Not only do you want to evaluate that person to help them reach their potential, but what’s critical is you need the feedback from them as to what we can do better. So it’s not, “We’re going to coach you,” it’s a two-way dialogue.

I’m a collaborator, feedback is a gift in my world however form it takes. And that’s the other thing. People come across a little crass... I grew up in a hard environment, but I learned at a very young age: focus on the message, not the delivery. A lot of people get hung up on the delivery, but what’s the message? Is the message valid, is it something that we need to listen to? I’m probably a little better on delivery, but anyway the message is what’s important – and that we have that working dialogue to keep the conversation flowing for co-benefit.

Revenue sharing

Q: From our perspective, the foundation of state municipal partnership is the Revenue Sharing Program. Created in 1972, it recognized the partnership between state and local government, understanding that municipal services provided at the direction and for the benefit of the state cannot solely be funded by Maine property taxpayers. It uses a formula that combines population and full value tax rate which has the greatest benefits to communities that have high tax rates, and particularly service in the communities. Conversely, when it’s underfunded, it disproportionately impacts those same communities.

Municipal leaders across Maine are interested in your vision of what the fiscal relationship would be between your leadership and state and local government. Specifically, do you believe that the revenue sharing program is a vital element to an inter-governmental working relationship and would you please share how your proposed state budget would impact Maine property taxpayers by providing a specific recommendation that we would make on the revenue sharing program?

Hayes: I’m a fan of the concept and the way that it is written in statute, and I’m not a fan of the way it has been administered or implemented.

My understanding is that there have been, and I was trying to think of the totals, because I read through the charts, that this has been more of a challenge in the last decade than it was previously. Not that there weren’t other times that money was redirected,
but it’s been happening habitually. We’ve under-funded our commitment. At the state level, we haven’t given you folks the capacity to supplement your property tax revenues with any other tools, including no revenue coming from the new legalized cannabis program. My intent would be to see what it’s going to take to fully fund it and to meet that commitment. I think it’s an obligation.

From my years on the school board, especially, I should tell you that the first time I ever testified in Augusta, I was a school board member. I went up to testify in front of Appropriations (Committee). I waited until last. I like to go last. I like to listen to what everybody else has to say, and then figure out what needs to be repeated to have an impact.

All the suits went ahead of me. All the professionals, the superintendents, and everything. I was last. They were all, the Legislature, patting themselves on the back, because they didn’t raise taxes. Of course they didn’t. They were going to make me do it and I needed to tell them that. “Don’t go home thinking your taxes aren’t going up, because they are. You’re just not going to do it. You’re going to make me do it, and you’re going to say, ‘We didn’t raise taxes.’ Your decision has that impact.”

I see the relationship as integral. I do not like, “We have a commitment. We’re not going to meet it. By the way, we’re not going to tell you until your budgets are already well under way.” Systemically, we have to respect the fact that we are in this together. My hope is that we would be able to fully fund it, and, if not, you’d know about it ahead of time and be part of, “How do we scale back up if we can’t do it in one fell swoop?...” I would look for your input on that.

Caron: I want to reverse the trend in reducing revenue sharing. I can’t promise to you that we would do that in the first budget, but I want to move us in the direction of getting where we once were. That, as I understand it, is a goal of yours and that makes sense. And that’s part of moving beyond this us and them business.

I have to better understand what we can do and how quickly we can do it. But I can commit to you that we will move in that direction and it’s appropriate. Now, I think the state has an interest in making sure that all funds are spent as efficiently as possible.

Moody: That’s a very critical question... I mean, it’s the core of this discussion around here. David Cole, you folks know, he’s recently retired from Gorham, he’s a wonderful guy and he was a great town manager there for us. And I can remember a few years ago, sitting in his office at length, describing kind of “hope for the best, plan on the worst” scenarios that you were getting dealt with from Augusta. ... The reductions were significant. And I think Dave did a good job of being frugal and kind of airing on the conservative side of what was going to flow out of Augusta what wasn’t going to
flow out of Augusta.

I don’t know if I have an answer, direct specific answer to that question. I think the funding formula, it’s like what we’re doing right now in the university system – just follow me here. We went from seven-siloed campuses that were autonomous, not working in unison and collaboratively – I’ve been on the board four years now – we’ve got those campuses working very well collaboratively. We’ve maintained their mission differentiation. Farmington is known for education, for example. We want to bolster those programs so that they can keep that status. But most importantly, it had a funding formula that was outdated, been in place and people asked, “Well, why is it that way?” “Well, it’s the way it’s always been.”

So working with Ryan Low, who’s done a terrific job, we now have a unified budget plan which is really interesting. And what it has done is taken peer institutions… So, if you take a campus like Farmington, for example, it takes the student population, the demographics, the local area and we pick out five peer institutions, similar college campuses across the country, and then we measure, take the metrics of per-student cost, facilities cost per student, all of these metrics now are measured...

I don’t know if it’s the appropriate time to bring this up, but one thing I want to say, and I really, really want you to be open-minded about this, all through your documents the talk is about the municipal and state relationship. Now, I know for a fact that between probably 50 and 70 percent of your municipal budgets are schools, yet schools are not mentioned in this document unless in relationship to funding. My mom had a saying, she said, “Your mind works best like an umbrella, when it’s open.” OK? My view as your next governor is going to be: Look at this holistically, that the town and the schools are one. I know the city manager, the town manager’s phone rings when you have a mill rate increase. Superintendent’s phone doesn’t ring, the town manager phone rings, right? Because people don’t know, they just assume that it’s the town (taxes) went up. What the heck?

So I would like everybody here, and I don’t know if it’s an appropriate time, to really think about the duplication that we have right now currently in our school systems and local government. Again, depending on the scale and size of the community, we’ve got facilities management department on the school side, we’ve got a public works on the municipal side. And often times the person plowing on the school parking lot is getting two bucks more an hour than the person that’s plowing on the road. How is that fair? It’s not fair.

So we need to take a real open-minded approach to how we build efficiencies and remove duplication in our municipalities with the schools.

**Mills:** I’m not just going to sit here and tell you what I think you want to hear, and that is: Revenue sharing is great and I want to increase it. I would like do that, but to make a promise and tell you what I think you want to hear, and that is: Revenue sharing is great and I want to increase it. I would like to do that, but to make a promise based on a budget that has not been developed based on revenue projections that have not been published or made at this time, would be a bit irresponsible. I’m not going to tell you what’s in the first budget because that’s jumping the gun way ahead. But I do think that it’s been too easy to pick on revenue sharing. I’ll be honest, it was easy to pick it back 10-12 years ago as well, when there were budget crises.

We did seven budgets in four years when I was on Appropriations. Seven. I mean, I kiddingly call it the De-Appropriations Committee because it really wasn’t appropriating, it was reducing the budget. Those were tough times. Hopefully, we won’t go back to those times. Hopefully, the economy will stay fairly robust and we’ll be able to provide greater funding for service centers in particular. I think they get the short end of the stick in a lot of ways.

I also think that the reductions in the income tax, especially at the
higher levels in recent years, resulting in a roughly $400 million reduction at the state level, simply passed, shifted the burden on the property taxpayers. I feel strongly that property taxpayers, who support your local governments, need a break as well. That has to come from a partnership with the towns and the state. Reinventing the circuit breaker program and compensating for it appropriately. Revenue sharing is part of that mix as well.

**Workforce development**

**Q:** I have a question about workforce development. As you know, our unemployment rate is at an all-time low, 2.8 percent, and we have a rapidly aging population. Both public- and private-sector employers are looking for talented people to replace the retiring people, and it’s more and more challenging. If you look at our job bank at MMA, across the state, people are looking for snow plow drivers and police officers and IT managers and wastewater plant operators. And we really have been finding it a challenge to find people to fill those roles.

**Caron:** Let me just say that the highest priority for me related to growing the economy will be education from early childhood to higher education. I think there are a series of changes we need throughout that system. I am a big fan of classroom teachers, always will be. My fifth-grade teacher saved me. By the way, I used to write columns for the (Maine) Sunday Telegram and the local papers here in Augusta and Waterville. I wrote one about my fifth-grade teacher and how great she was and how she got me to think about stuff and talk in front of people. And darned if she didn’t write me a note from, I think she’s up in Vassalboro, in that area...

The 21st Century economy is going to require constant re-skills and retooling. The days when you could just get a high school education and be reasonably assured of a good life are fast dwindling. So I have proposed this plan and people say, “How in the world could we afford two years of higher education?” What we’re proposing, just so you know, is a loan program, a 10-year, standard, student loan. Every year that you stay and work in Maine, your payments will be deferred and 10 percent of your principal will go away. Stay and work in Maine for 10 years, it’s free. Guess what, though? We’ve got income, sales, excise, property taxes for 10 years. People put roots down and all the rest is gravy. I think that kind of big idea is essential to keeping young people here, to attracting young people from around the country, and to mid-career skill redevelopment.

The other thing I’d like to do is see all of the great programs out there that are trying to deal with skill training. More consolidation. More streamlining. More collaboration there. So, that’s a big idea. I’ll be talking about this everywhere and, again, as somebody who left school in the ninth grade and went to work with my hands, I have a great appreciation for the work that people can do if they have access to the training and skills they need. Right now, we have a money barrier that I want to remove.

**Moody:** Traveling the state, that is probably the No. 1 topic of conversation, whether it’s private or public.

I’m a little bit unique in the fact that my background is blue collar. I’m a tradesperson. I made my living with my hands. So I understand the blue-collar trades, like truck driver. I’ve driven truck, bulldozer, excavator, all these things. So I believe that we can reform our vocational and career tech ed programs to be the best in the country. We’ve got some good ones already but they need to be uniform across the state.

Why haven’t we reached that? We’ve got high aspirations – as we should – of young adults going on and furthering their educations. And we should always have those high standards. But the reality is 40 or 45 percent of our young adults are not going to college and we haven’t taught them the skills of the trade or given them a pathway to the job opportunities that exist currently here in the state, and now they’re drifting. There’s 10,000 to 15,000 of these young adults, mostly men, who are kind of off the radar right now. They’re not on assistance, they’re not employed, they’re not unemployed in terms of drawing benefits. But they’re out there and they’re not being productive in our society.

From an educational standpoint, nobody that’s running for governor gets anywhere near the resume I do, which is interesting because I just graduated from high school...

So from a workforce development component, it’s what we’ve done, it’s what we believe. We call it “grow our own” and there’s nothing that makes me more proud than taking an 18-year-old apprentice, teaching them the skills of the trade – they don’t even know how to tie their boots when they come to work when we get them – and I’m serious. We teach them discipline, respect, responsibility. And in four or five years, they’ll be coming to my brother, Thad, and me, wanting to write a letter of recommendation to a bank or a credit union to buy their first home. We do this over and over. So it’s not the kids; the kids have the potential. It’s just that we have to create pathways to give them the skills to be successful. I will be 100 percent laser-focused on that. It’s critical to me.

Two things drive our economy: population and productivity. Our population is static. Some say it’s declining, but it’s static. So... what I would champion is to go out and find the former Mainers, there’s hundreds of thousands that have left here in search of opportunities during the tough times, bring them back here and reunite our families... Bring them back and revitalize our towns and our economy.

**Mills:** Well, I mean that’s a great question, and it’s one that we’ve been talking about on the campaign trail in the primary season for the last 11-12 months, because we get that question from the private sector all the time too. They’re having a hard time filling jobs. State government is facing that, too. I think I read in Portland that they’re offering a $10,000 signing bonus for new police officers... The rim counties and other places, you’re not offering those kinds of salaries, but they’re moving to those (more urban) areas where they can make more money. People are, and I know that fire departments are hurting for young, new energy, new people to take on those jobs in police as well.

I don’t have a simple solution. Nobody does. If they sit here and tell you they do, they’re probably making up something. It’s a broad question that...
deserves a broad answer. That is: One, we need to attract new people to the State of Maine, we need to encourage young people to stay here or be able to come back when they want to. That means improving for instance, the Maine quality centers at the community college level. Improving the training and academic curricula for those who want to work here, and matching those curricula with the workforce needs of the private and public sector. If you get a degree in public administration, maybe we should give you a loan forgiveness program, maybe we should give you some benefits in order to stay in Maine to induce you, incentivize you, to stay in Maine. Those kinds of things. We can be creative.

Secondly, research and development and infrastructure. Infrastructure is huge. I’m not talking simply about roads and bridges. (Look at) cell phone coverage in the state. At broadband, which I know you’re very much involved with. Those things, we need a statewide strategy for. Not just broadband, but cell phone coverage. I think it’s appalling when you drive from the state’s largest city to the state’s capital, or back.

You always drop a call at Mile 47, you know? North of Bangor, you can’t get cell phone coverage. Now I know there are not many people living in some of those wooded areas but still, people don’t want to move to a place where they can’t get good internet or they can’t get good cell phone coverage. That means attracting young families back to Maine, attracting new people to Maine...

Fundamentally, I want to be the biggest cheerleader the state’s ever seen. I want to tell the world what a great place we are, what great people have, what a great work ethic we have and what beautiful natural resources we offer. I think people will come here for that. Reducing the cost of living is important in the long run as well. Whatever the pay is for the town or public or private jobs, we need to look at the cost of living so people will be able to take home more in their pockets. Not just get an increase in pay and not see it. I appreciate the problem. I hear about it all the time.

Hayes: First, I want to share with you that I talk about us being the “wisest state in the nation,” because it sounds better. It’s all in the packaging. I mean that genuinely, because there are attributes that come with the wisdom we’ve acquired. It doesn’t deny the demographics, though.

When I say I want to make Maine the best state in the country to work because people will come... We have some natural assets already that there are a segment of the talent that exists across this country would find appealing, but they don’t know about us. Part of that is in, as I said, how we tell our story.

I’ve met with and talked with folks that are focused on this. Live and Work In Maine.com – that website, and so forth. They’re telling me: Terry, we need you to be our cheerleader... I’m ready to be that cheerleader for Maine and, as I said, to lead with our assets and not with our liabilities...

I’ve been asked specifically, “Do you favor general obligation bond funding to help reduce student debt?” I’ll tell you, it’s one of the pieces that might be in the recipe, but... there’s not a limitless pot of state money that we can use, so we have to be strategic about how we deploy it.

We might be looking at... is there a public value in subsidizing affordable quality day care, because we want young families? Who’s going to care for their kids? Does that include picking up and funding or encouraging more school systems to include four-year-old programs? That’s an investment in the future work force, but for right now, we’re really talking about, “How do we get folks here in the next 12 months” and the 12 months after that?

It starts with telling our story and focusing on: Why is IDEXX here? Why is WEX here? Why is Jackson Labs still investing in Maine? They know things. How come we’re not promoting that part? That’s why I say I see it as a collaboration. It is job No. 1. If we don’t do that, we can’t do anything else. We just can’t afford it.

The other part that I think is going to be the hardest is the folks that we entice to come here from away-away: international immigrants that come to...
Maine. There’s been media lately that explains how difficult we make that without even realizing it. How people who come here with skills and training from their countries of origin, how difficult it is for them to contribute in our economy. That’s on the policy side of things where we can make some changes that make it easier. That’s an example where I say, “Some of it happens here in the private sector, and some of it here.” I need to know more about that, and I want to work with folks that will help us figure out how to do that.

High speed Internet

Q: In keeping with the workforce recruitment and development theme, the need for reliable, high-speed, broadband Internet is a key component in the economic vitality in the 21st Century. While some areas of the state benefit from ever-improving Internet capacity and speed, the infrastructure available in rural communities has not advanced much beyond the dial-up speed. Internet providers are not making the needed improvements because it’s not cost-effective. With expanded broadband service in place, rural Maine could become a destination for young people. Do you believe the expansion of broadband access to underserved areas of the state is vital to Maine’s economy and, if so, what will you do to ensure improved access?

Moody: The short answer to that is yes. We were at Brunswick Landing... and this is some of the technology that’s being developed. They had miniature rockets that are about four feet tall that were actually launching these miniature satellites that were going to start circling for broadband. So not only is it a challenge here in the state of Maine but there’s a lot of rural areas across our country that suffer from the same deficiency.

So I’m at a point right now where they’re saying that’s two to five years out. I don’t know if it would be responsible for us or prudent – we’d have to do our due diligence – to invest in a bond, to extend broadband through conventionally cables and then... Like they say, we want to be on the leading edge, not the bleeding edge. Finally, we get a 10-year bond when that technology becomes obsolete. So I think we need to really pay attention to emerging technologies, but yes, it should be a priority.

I think the priority should be: OK, providers aren’t willing to stretch a 40-mile cable and have eight customers. However, we have destination points... there are destination pockets in Maine that would have the capacity or should have the capacity. So it’s like service centers, if you will. And I just came back from CMP, met with those folks, and that power line that’s proposed to come out of Canada down to Massachusetts has got fiber optic cable embedded in that power line that rural Maine will have access to. It’s on the western side of the state. However, that will be addressed, some of the western part of our state’s fiber optic challenges. So that’s exciting.

I understand the value of data and bandwidth and it’s critical to Maine.

Mills: Well, I live in western Maine, a small town where broadband is inadequate. Internet service is inadequate in my view. It’s something I’ve been looking at for quite a while. We don’t have, as yet, a statewide broadband strategy. We need a broadband strategy. The needs and the efforts in different places differ because of the cost of expanding, for instance, fiber technology. I know that in Islesboro, they were lucky enough to float a $3.5 million bond to help support their broadband access. They’re doing that now, and it does not result in a major increase in the mill rate there. They’re lucky they can do that.

They negotiated the deal with CMP for pole attachment. They’re lucky they’ve been able to do that, but it took a lot of work. That’s just Islesboro. I know that Cranberry Isles has a whole different system, and it’s a hodgepodge of, excuse me, some fiber, some wifi. Then up in Baileyville, they’re getting expansion of internet service.

Two years ago, some of the legislators from Piscataquis County came to see me. They had failed to get a grant from ConnectME Authority, because the ConnectME Authority has really too little money... They came to see me. Sixteen towns got together in Piscataquis County. First of all, I thought that was miraculous. If they got together on anything, they deserve to have some support. I took some settlement funds from I think the standard money, and gave them $120,000 in planning money – which they could not get from ConnectME Authority. They moved on, and now, excuse me, now the Libra Foundation has offered up, I think $10 million to expand their broadband access. They’re going to add fiber to the home in every town. Monson and Abbot. How many homes are there in Monson and Abbot? There will be more, whatever there are now, there will be more because anytime you have broadband access, property values go up by at least five percent, which obviously in turn helps the revenues for the town...

Then have wifi to the homes for different hubs. It’s less expensive that way. That’s my thinking. But I am talking to people every day about broadband, and getting new ideas about how we can expand it. It’s extraordinarily expensive. The private sector does not want to do it because the return on investment right now, most of our state, is not a great one. You know, we have the most dispersed population of any state in the country. When I first heard that I thought, “Is that right? I mean Wyoming is pretty rural.” But they have cities, big cities. We have the most dispersed population. Then we have those crazy peninsulas, more than 3,000 miles of peninsulas.

If you were in the private sector thinking about running fiber down those peninsulas, it just isn’t profitable. There are other ways we’ve got to look at doing this, but I do want to do it. It’s extraordinarily important to the economy of the whole state, and to attracting businesses, attracting entrepreneurs, attracting young families, which we desperately need. As you said, we have an aging population. I don’t have a simple answer, but it is a goal, a major goal of mine. Not just for the benefit of the towns.

Hayes: It’s essential. More than for attracting people, it’s essential for people who are already there. I’ve met with some of the folks at organizations that are supporting rural farmers and learned more about how integral broadband is to their success. Not just for reaching their markets, but for running their equipment, depending upon what they’re doing. We need it for the people that are already there, as well as in order to supplement and attract additional folks to those areas.

The Department of Economic and Community Development produced a broadband report and recommendations, under the current administration, around how we would move...
forward and build out from the Three Ring Binder network or backbone that the feds paid for during the recovery from the Great Recession. It basically says it’s going to be a combination of financial resources. There’s going to be some state money in it. There’s going to be some local money in it. There’s going to be federal money in it, and there’s going to be private sector money in it.

I read the publication that your organization put together. I agree it should be open access so that this competition... I’m not sure whether that means that it’s publicly owned and then we lease it, if you will, to operators. I’m still working on that model in my head. But, as I said, it’s one of my three priorities. That’s why it’s a challenge around those limited resources.

This is a place where I think we need to ante up some state dollars. I see that coming from a general obligation bond investment, because this is infrastructure. I don’t know if you’re aware of this but right now, most years, we bond for transportation at somewhere close to $100 million a year. I’m looking at broadband investment so that we know what there’s going to be... maybe it’s $20 (million) or $25 million a year that we may have to do over a four- or five-year period of time, to make sure that the state is anteing up the part that it needs in order to make the rest of those pieces fall into place.

That’s an investment that I’m willing to champion, because it has an impact all across the state. I think it’s something that all of us, because we value and we live in Maine, we should help pay for it. A general ob bond is paid back by all of us through the general fund. I don’t know what the number is, so I don’t want to be quoted on that, but I see this again as a stepped process. That we have a plan, we know what we’re going to need, and we tell folks ahead of time we’re going to implement that plan in stages.

_**Caron:**_ I do believe it’s vital to the economy, and I particularly believe it’s vital to the kind of economy that I think we need to build, which is a decentralized, small business, innovation economy. In this world we’re living in, people can now live and work in different places. This has never happened before in human history. You can live in Athens and work in Chicago or Tokyo if you have a couple of things. One of them is high speed Internet connectivity. The other is an airport within a good driving distance.

If you have those two things you can live anywhere. Not with all jobs, of course, but with some jobs and a growing number of jobs. I want all the folks in American who would love to live in a place like this to have the tools they need to come here and to grow businesses here. And look, people are already doing that in Southern Maine, Greater Portland. We’ve got to spread this around the state. So it’s essential we have the infrastructure.

I did a project back in the mid ’80s called the Maine Telecommunications Council, in which we brought together all of the cable, telephone, AARP, consumer groups, all of that, and came up with a unified vision and document plan that led eventually to the core infrastructure we have now. Everybody thought if we bought that core infrastructure it would all take care of itself from there. As you pointed out, the private sector is not going to take care of things by itself.

Every generation of Americans has built the infrastructure that that generation needed to grow, all the way back to railroads to electrification to telephones. So government needs to take the lead. I’ve been a big fan of broadband expansion. I want to stop talking about it and I want to start doing it...

I think Maine people will invest in things if they understand the purpose of it and that it will benefit them. So I would be happy to work with you and the broadband coalition, others. I’ve spoken to that group. Let’s get something done. Let’s go do this. We’re running out of time. Again, I think that’s the kind of bold idea, like the education one, like the innovation economy one, that the country would hear about. And they would say, “Maine is not only a beautiful place, there’s great stuff happening there. Why don’t we move there?” That’s what we want. That’s the only way we’re going to change the demographic trend we’ll all confronting.

So I’m a big fan. I have been for a long time. Where’s the money? We’ll find it, but all around the state we’ve got to build support for a big plan and then we’ve got to go do it.

**Highway conditions**

Q: Maine’s road and bridge system is the most important component of its transportation network. It is estimated that nearly 90 percent of all passenger movement and freight is shipped over the state’s road and bridge infrastructure. Sixty percent of the total road inventory is owned by municipalities and maintained also. It accounts for the third largest expense of a municipality. To account for that burden the state shares roughly 9 percent of its highway fund revenues with municipalities, which yields about $20 million annually. This has been chronically flat-funded, causing delays in much needed repairs and improvements. Do you believe the current system of paying for the maintenance of Maine’s highways and bridges is working and what changes, if any, will you recommend to address this funding issue?

**Mills:** Wow, great question. Thanks, I think. But you know, the Highway Fund is not growing, and you know why. Gas tax revenues are down. Twelve years ago or so, gas tax indexing was eliminated in the Legislature. No, it was more recent than that. But anyway, we did have gas tax indexing. That’s been done away with. The revenues are down statewide, not just for towns but for the state budget as well. I think we’ve got to take a whole different approach to highway funding. I don’t have the answer. I’m not here to say I have all the answers. But we’ve got to look at... with the increase in electric vehicles, and electric vehicles charging stations, obviously they’re not paying gas taxes.

There are other countries and other states that have developed a different model for funding roads and bridges by fees for use, not fees for the vehicles. I think in Germany they have these laser monitors on the highway to tell how many miles you’ve driven, whatever vehicle you have. Whether it’s a truck with a hemi, or a small electric vehicle or a Suburban. To how many miles you’ve driven, and that tells you what your usage has been. You know, I don’t know that we can do that right off the bat, but we’ve got to look at different models of funding highways and bridges for the towns and for the state, too. I’ve been to town meetings where the road funds were broadly discussed, and complaints about one road getting taken care of, and another not.

I was district attorney for 15 years.
I went to many fatal accident scenes. I know what the soft shoulders on Route 4 do, what those difficult turns and curves in the road do, and how we’re not fixing them. I strongly believe a better road system is vital to our economy and vital to our public safety. I know that. How to fix it? I don’t have an easy answer, but I think we’ve got to look at different models for funding the highways and bridges in partnership with the towns and cities.

Hayes: I don’t know and I don’t know, which is the honest answer to your question. I’m not sure that I am sufficiently versed on what the current system consists of, other than your brief comments...The fastest thing for me to say is I need to be educated on what the current system is and where it’s coming up short, and listen to ideas from folks of, “What’s the best way to fix it?” I don’t know the answer.

Until you framed the question, I think I would say I was unaware of even the nine percent from the Highway Fund. Although I served in the Legislature, I wasn’t on (the) Transportation (Committee). I was on State and Local Government for the bulk of it, in terms of a policy committee that I served on. Instead of just trying to BS my way through that one, I have to tell you, I’m in a learning mode. You help me understand the status quo and how it’s not working, and we’ll look at the systemic fixes that can make it work.

Caron: I’m going to confess that I’m not sure if it’s working, and I’m going to want a lot more information and conversation about it. If the municipal share has been flat funded, we know that’s shrinking, functionally. So I don’t want that to happen, but I need to understand more about it.

Here’s what I do understand. We have a system, particularly in roads, built all around the state relative to populations that existed at another time that don’t exist now, particularly in rural communities. So we’ve got a problem with sustaining a system which has less use than it was built for. So there’s no easy fix to that. We’re all going to have to work together on that, but that is a systemic problem over time.

The greater systemic problem, as we all know, is the way that we generate transportation gas tax. It is in danger because of changing technology. We drove a hybrid up here. I’ve got another one sitting in the driveway. Two years from now, it will be an electric car. So we’ve known this for a while. We’ve known we’ve got a huge technological switch just ahead on the road and we’d better get together.

So, again, we’re living in a time in which more and more people are concerned about what they have right now and have not been concerned enough to invest in the infrastructure that we’re passing on to the next generation.

This has not happened before, in my view, in America. This is a completely new thing. So, we’re going to have to take it on. If you want decent roads, you’ve got to pay for them. My wife worked on a campaign in Massachusetts to raise the gas tax, and it’s like one penny or something. Holy gosh, you know? People came out of the woodwork. “I can’t pay... They’re raising my taxes.” There’s no simple fix. We’re going to have to take this on and address it or we’re going to have huge – much bigger problems than we have now.

Moody: Boy, these are tough questions. But anyway, they’re good questions, they’re real challenges. I have a question for you folks, you may or may not know. But you said 60 percent of that cost is on the municipalities... Has that increased? In other words, has the DOT kind of said, “Put more back on the towns to maintain and take care of,” over the last decade we’ll say?

Panelist answer: It has in Augusta. The compact area has expanded. The state does that unilaterally.

Moody: Yeah. So I think that’s something we’ve got to take a look at. I mean in other words, say you’re maintaining – and I’m throwing a number out there – 4,000 miles of roads collectively and now you’re maintaining 4,800 or whatever the case may be, then I think that should be funded appropriately through the state. If we’re putting more on your plate we’ve got to shift that accordingly.

Infrastructure, it’s no secret in many municipalities, it’s one of the first things that gets cut. If there’s pressure on the mill rate, well, you know what? We’ve got $350,000 in the budget for paving, we’re going to have to do $250,000 this year. I mean, it’s just what happens. But that accumulative impact over time is really taking its toll and I think that that needs to be a priority. I have a lot of friends in the construction business I grew up with, very interested in paving and road maintenance and road construction, they’d love to have more of it.

Here’s my philosophy around that. The economy goes two cycles. It kind of grows, then we go dips. It’s done that since we started. I think personally, from a fiscal discipline standpoint,
th the governor has done a great job putting money in the Rainy Day Fund. I think we need to continue to do that. This economy is not going to hold forever, and when it starts down the backsides that’s the exact time that you want to inject capital cash back into our economy. Look how many people left when the market crashed in 2010. We lost so many people because there were no jobs.

So if we have the discipline – Rainy Day is the appropriate name for it – to me it’s like you’re going to get the work done 80 cents on the dollar and you’re going to give the work to people that need the jobs. Right now, when the economy is hot everybody wants to invest, you’re competing with private projects, you’re actually driving the cost of construction up because there’s more demand than supply.

So I think infrastructure improvements have to be a priority... and, well, everything is a priority. I think they have to be a priority, but where does the money come from? I would advocate to take the Maine Turnpike Authority, then transition that into the DOT. And again, you heard me earlier, people think “Oh geez, that’s one road that I know I can get on it and I can get somewhere, don’t do that.” They automatically think if you’re going to change something you’re going to ruin it or it’s not going to be good as it was before. It’s simply not true.

However, we’ve got, you heard me say it before, duplication. Duplication of maintenance facilities, duplication of administration, duplication of offices. These buildings and structures can go on to the private property municipal tax rolls as they should be and we’re not going to lower our service level and we’re going to take the $40 or $50 million, whatever we can save, and reinvest it into our infrastructure. That’s where the money is going to come from. To get rid of the duplication of services that we currently have all across the state. There’s an old saying, “If you change the things you look at, the way you look at things changes.” I think that’s what we need to apply when we look at our local municipalities and the state...

Unfunded state mandates

Q: Although municipal officials recognize that local government units are better suited than the state to provide certain services, the cost of providing legislatively required municipal services comes at a cost to property taxpayers. The cost of state mandates, such as appointing code enforcement officers, managing solid waste, mandated training for firefighters, and new requirements related to marijuana legalization, place additional burdens on already-strained municipal budgets.

In some cases, funding for local services that citizens want takes a backseat to those mandated by the state. Are there additional services you believe municipalities should provide? If yes, how should those services be funded? Are there services currently provided by municipalities that could be provided by another public or private entity?

Hayes: I don’t come here with anything in particular that I would ask of you, to be added to your job descriptions, or purview, or list of responsibilities. Nothing occurs to me from that perspective. Doesn’t mean that there might not be, but I wouldn’t go about implementing it without coming back and having a conversation for you to understand better why I think you might be the best folks to do it, and how we make sure the resources are available.

I have to say that reading the (MMA) publication in preparation for coming to talk with you was eye-opening for me, because I hadn’t thought about it. One of the interesting questions that it asked was: Why would we put the requirement around the code enforcement, it was the Unified Building Code. I think, and not even provide routine access to training? I was like, “That doesn’t make any sense. That’s a darn good question.”

Why don’t we use the infrastructure that we’re already paying for around education to train folks who do that? The community college system or outreach through the university centers? Places that are closer to where you folks are than Orono, necessarily, or Portland.

It was eye opening. I guess what I would say is that I’ve learned... I will be more sensitive. I feel like I should’ve learned that already, because, as I said, I spent six years on the State and Local Government Committee. I was paying attention, but I hadn’t thought about the follow-through. The communication is really important, not just when the policies are being considered, but as they’re being implemented. I’m looking forward to an open communication that makes sure that unintended consequences are minimized, or managed, if we will, better than they have been in the past...

Caron: Well, again, I’m going to rely on your expertise to help me answer that question. Look, I haven’t served in the Legislature. I haven’t run for office before. So I will be very candid with you when I don’t have the answer to a question. But I know where to get the answers, and you’re sitting here and there are others around the state. I can’t think offhand of what more municipalities could do. I think, overall, we’ve been pushing more and more onto municipalities. Overall, I don’t like the trend. So again, it goes back to the “us and them” thing.

Can municipalities do more? Yeah, maybe. They’re closer to the ground, and it’s easier to do some things at the local level, I suppose. But I need you to tell me what those things are. I couldn’t tell you. Again, to the extent new problems are arising, wherever we can we should be looking for more regional solutions rather than state or even local ones, I don’t come with an ideology about this. I really don’t. I’m interested in what works, and what’s practical, and what can we afford to do. That’s really what it comes down to.

I think part of the problem we have right now in Augusta, as I see it, we’ve got one party that hates government. Really just doesn’t like government. It thinks its mission is to dismantle government and, has been often quoted, “Make it small enough to drown it in a bathtub.” We’ve got another party that I think likes government, particularly state government, too much, and thinks that all the problems of the world can be solved if we just have more money in Augusta. I’ve been hearing that stuff for decades. I’m kind of done with it, and I just want to do new ideas and I want to have more conversations and tap into Maine’s common sense and civility, and see if we can’t get things done.

Moody: I think the short straightforward answer is yes. And I took the time and went through and marked up this (MMA) document, and it was very informative and it was very interesting to me to learn about a lot of these things now that you’re discussing. I didn’t realize... Because there’s a list
in here of just some examples that you described well in the document. You don’t realize until you get into it, some of the things that you’d be asked to do...

Mandatory is not something that we talk about a lot in our industry or business culture. It’s like, “You need to be here at this meeting.” We don’t say, “You have to be.” It’s a little word, it’s just one word, right? When you say you need someone to do something and need someone to participate it’s different than saying you have to. People don’t like being told what to do, and especially if it’s not coming with a check to pay for it.

So I think we will work collaboratively with the municipalities. I can see some things coming from the state. To be honest with you: administration. And the schools are going to be at the table, because just to me it’s not fair for the financial impacts... We’re going through it right now. I mean, Gorham is going through it: High growth, student populations that really ... We’re talking about portable (classrooms) again, right? And this is just one area of the state. But I’ll tell you right now, you want to put tension into a town, you start talking six, eight percent increases in the property taxes. I mean, people are just tapped out.

So I see a collaborative effort between the municipalities and the schools... What we’re talking about in our administration is offering incentives to local municipalities that are willing to adopt a new model of governance at the municipal level. It takes bold, it takes courage to do these things. It’s not without contentment and controversy. But instead of saying, “OK, we’re going to take Lewiston and Auburn and have L-A, we’re going to take Auburn municipality and school system and get rid of duplication that exists there.” It’s 2018. We don’t have separate entities within our organization. We have one resource management (department) that handles payroll, back office, HR, administration. Everything is done in that one office and that’s across 11 communities.

So no, we would not ask the local municipalities to take on an initiative, an unfunded mandate... without the state having some sort of compensation to do so. I mean, that’s just fair play in my view.

Mills: Requiring more services, whatever they are, involves a balance of local control, which people in Maine, as you know, and New England, generally feel very strongly about. Having control over those services – where they go, which roads get fixed, which septic systems get addressed and that kind of thing. I think that the state can provide leadership and guidance. I think the state has neglected that in good part in recent years. We used to have something called the State Planning Office. Whether there were mandates, or simply recommended services. When we first had subdivision review, when we first had shoreland zoning and solid waste management, and various tax programs, there was guidance, at least, from the state.

That’s been lacking recently. I want to reinvent something like the State Planning Office, and I want to do it in partnership with local governments and to some extent with a private sector. I’m tempted to call it something like, the Department of the Future. You know? Where we see where we’re going. There’s no visioning going on right now. There’s no think tank that’s helping us know where we’re going and what we can do to attract new families, to help the towns with the code enforcement issues that they see every day. To help the towns with regional planning and local planning. Whether it’s solid waste or subdivision, or shoreline zoning, all those issues.

I think the state has stepped back way too far from helping local governments do what they need to do to provide a healthy environment for citizens. That’s my idea. Whether I see new state mandates on the horizon, I do not. I was reading in your newsletter about the new mandate for school crossing guards. I didn’t realize that was a new mandate, so I was kind of laughing about it. It may seem silly, but I mean there are safety issues. But who’s there to do the training? The local police departments? What if you don’t have a police department? I think the state needs to provide more guidance and not just say, “You’ve got to do this, you’ve got to do that, with a two-thirds vote.”

Public school funding

Q. The Legislature has made strides toward meeting the statutory requirement to fund K-12 education at 55 percent. However, funding continues to fall short of this requirement. Do you support the law calling for the state to cover 55 percent of the cost of K-12 education? If you do, please describe the actions you will take to honor that commitment or to amend the law.

Caron: Well, I’m in favor of the 55 percent. I think we’ve taken far too long to get to it. I can’t tell you it’ll be in the first budget that I propose but, again, as is the case with revenue sharing, we want to begin to consistently move in that direction. I think it’s the most important job that we do in Maine. I’ve said before, I’m a big fan of classroom teachers. I’ve been involved for a long time in the education conversation, and I’ve been a fan of administrative consolidation with the savings going into the classroom. This is what the Brookings report called for. If I could just tell you a story for a minute, it will illustrate how I feel.

Brookings said, “You’ve got too much administration in state government and schools. Too much. And you don’t have enough in the classroom.” Overall, we invest a lot of money in K-12... But we don’t spend it as well as we could. So they called for, and I called for then, administrative consolidation with the savings going in the classroom. Guess what? That made allies of teachers and parents. The administration at the time took that idea, completely misunderstood it, and immediately booked $38 million into the General Fund and then told communities and school districts, “You’re going to lose administrative value.”

It was not only the wrong idea, it was a dumb idea politically. I couldn’t stand it at the time, and I still can’t. So I’m for, to the extent we can, administrative streamlining consolidation with all savings going in the classroom. And so to the extent we increase the state stage, I’m fond of the idea that the additional funds will go in the classroom. Because I think that’s where we need it. And look, teachers are being bombarded, as you know, with new responsibilities that didn’t exist before. We’ve got 70 percent of families now with both parents working. We’ve got a lot more single parents. We’ve got a lot of distress and hopelessness in large swaths of Maine. The schools are taking this all in and trying to manage it. It all falls down to the classroom teacher, who I think, they’re the unsung heroes in Maine...
Moody: That kind of gets us back to a lot of what we’ve been talking about here... That was kind of a system referendum initiative. I don’t know where the 55 percent... I’m sure there was a formula... That was how many years ago? And it hasn’t been reached even close over the last, that I’m aware of, eight, 10 years.

So what I had said publicly back then is you take four years or five years, you’ve had a couple of good years, a couple of tough years, average them, maybe add a percent or two, and that’s probably realistic of what the target should be. But we keep coming back to that 55 percent. Now, a lot of things have changed in the last 10 years. The student enrollment as you folks know, especially in the (Aroostook) County, our student enrollment has dropped dramatically. It has put a lot of pressure on the local communities in terms of just morale and just feeling like the town is kind of slipping away. But the costs haven’t necessarily dropped at the same rate...

So we really need to focus on allowing our teachers to teach, getting the feds and the state of their back. But we also need to take a hard look at the administrative costs surrounding education. I know for a fact because of how we run our organization, our customers couldn’t care less how many people we’ve got in the back office. They couldn’t care less. So we need to take real hard look at how we reduce cost.

Now people might say, “Cut right to the chase: We’re going to eliminate jobs.” Well, you know what? We’re at full employment right now. There’s a lot of businesses out there, there’s a lot of job opportunities out there, for people to go out into another field, another area of work and have a great job, a great career. Not like 10 percent unemployment and kicking them to the curb. But we need to get serious about this because it’s unsustainable. The current track we’re on right now with the school costs that we have is unsustainable in terms of the property tax burdens on Maine people.

Mills: Wow, another really good question. I haven’t drafted a state budget yet; I think that would be jumping the gun for me to do that. I do support 55 percent for state funding for education. The people have voted for it several times. What happened when they first voted for it, as you know, there wasn’t a definition of what a good education means. They invented Essential Programs and Services. That has been tweaked from year to year, and I’d like to take a deeper dive, a deeper look into what Essential Programs and Services is, what it means. Obviously there’s still a great deal of disparity from one school district to another.

It’s still, whether your child gets perhaps the best education possible, sometimes still depends on their zip code. Whether they live in a property-tax rich, property rich town, or not. That is a problem. I see that as a major problem. The disparity, I think we’ve got to look at Essential Programs and Services, and look at how to fund 55 percent. You know what the Legislature did a year ago, piecemeal funding – you do a patch work. Generally, a one-time funding to increase funding for education in order to avoid the tax increase that the people voted for. Income tax increase. It’s a tough nut, I don’t have an easy answer, but I want to work on it and I want to work on it with the school boards and with local towns and counties.

I think it’s extraordinarily important to provide an equal opportunity for education, K-12. I like the fact the Legislature last year provided funds for universal pre-K, if schools opt in. More schools are opting in. I think early childhood education is very important. I see that in the context of the opioid epidemic. Adverse childhood experiences is a driving force behind people developing substance use disorders...

Are we just not reaching out to those families? I’d like to see every kid who completes the third grade – hopefully they all do – have some level of reading proficiency. Is that an unrealistic goal? I think not. I’d like to see computer sciences in the middle school, not just the high schools. Computer coding and programming available, because those are the jobs of not just the future, but of the present. The state can provide guidance, the state can train the trainers, train teachers to provide these without exacerbating the cost of education. But providing an appropriate education for all our students.

Hayes: My recollection is that law passed at referendum in 2004. I believe it was on the ballot in November 2004. I remember that, because I was on the ballot in 2004, and I lost. That’s burned into my memory. I believe that’s correct, which means that we’re 18 years into this. I think it was supposed to begin being effective two years after it was passed. It was an expectation that the Legislature would implement it in the next biennium. We haven’t done it yet.

How come we haven’t done it? Which of your taxes do you want to go up? That’s where the state gets its money from, is from taxpayers. Nobody wants their taxes to go up. We have that initial argument if you will, at the front end. Then the bottom fell out of the economy in 2008, 2009, 2010 and there wasn’t enough money for anything. Despite a plan that I think had been put in place by Gov. Baldacci and the Legislature, we backslid on that...

Do I support the law? I voted against it in 2004, because I don’t think that these questions belong in the ballot box. This is the work that needs to be done by the Legislature. It doesn’t mean that I don’t think I’m bound by it if I’m Maine’s governor. If it’s the law of the land; I feel like I have an obligation. If I can’t get you there in the first budget I propose, I should be able to tell you how that budget, lined up with my future proposals, is going to get us there.

I think I would actually favor changing the law but I don’t know what I would change it to. I’m not here to propose something specific, but I’ve thought a lot about this. Why leave it out there? If nothing else, it creates a structural gap that, with my State Treasurer hat on, I have to explain to the rating agencies every year that we’re not doing it even though it’s the law, and when are we going to do it? I’ve only had to tell that story four times. It’s been 14 years that we haven’t done it, so my predecessors were telling it, as well.

Realistically, I don’t think we’re going to do it. Why not have an honest conversation about it and say, “OK, this wasn’t the fix to the problem?” If it was the fix, we wouldn’t be talking about it now. What is the fix? I don’t know the answer but I’m willing to have the conversation.

Local spending
Q: As you probably gathered, there’s a common theme going on here with a lot of
these questions and it comes down to, basically, who’s paying for what and how do we get stuff paid for. And one of the things that we often end up doing as municipal leaders going to the Legislature and advocating for restoration of state funding for really important municipal programs and also advocating against mandated services that there’s no money to pay for. The common response we often get is that the property tax burden is high – because of the out of control local spending in town government. Do you believe the local government spending on services is out of line? Why or why not? And what policies would you advance to reduce the cost of providing local government services?

**Moody:** It almost sounds like a loaded question after all the discussion we’ve had. But I think, let’s face it, when you say, “Out of control spending…” The local municipalities have been under enormous pressure for the last 10 years to tighten their belts. I mean, enormous. You face it every budget cycle. So no, my answer is that it isn’t out of control.

However, what I will say is this: On the university system side, we were able to remove $80 million, and that’s not just one time, that’s recurring $80 million in administrative and back office overhead. So when I talk about these things, it’s not like I’m just dreaming it. We’ve done it. We’ve accomplished it. And if you think about the work that we did at the university and the community college system, I’m the only person that’s ever served on both boards. Now, why didn’t anyone have the idea prior to that? Because those two institutions were silos. They competed against one another for funding and for students. Now they’re collaborating on a level that people have never seen before. You can transfer credits, which should have been able to happen anyway...

So my view is if you’ve got a population of students, 200 to 400: Here’s your school. Let’s find the best school that we currently have in terms of efficiency and productivity and let the educators decide which one is the best: There it is. Now, if the local community wants to invest in artwork, bigger entryway, dress it up – go for it on local tax dollars – no problem.

Same thing applies to municipal spending. If you’re going to build a fire station, let’s build a fire station. We ought to have one model for whether you’re going to have four fire trucks, eight firetrucks, whatever the case may be, and let the local taxpayers fund the aesthetics or whatever. I know it’s apples and oranges because the state funds the schools, not necessarily fire stations.

Do you see the theme that I’m trying to say? If you walked into the university system the day we got on the board and said, “Do you think there’s $80 million worth of savings in this system right now?” What do you think the answer for that would have been? “You’ve lost your mind. We’ve cut every bone. We’ve cut everything. There’s no way.” So, again, it’s a different way of looking at costs and services, who’s providing them and what do we have in terms of duplication. Do we need a finance director on the school side and the municipal side? Maybe that could be combined into one position. I think that’s what we need to really take a hard look at.

I’m probably scaring you guys to death right now but change is, change can be scary to people. Like, “Oh my god, I’m going to lose my job if Shawn…”

**Mills:** You know, I haven’t looked at each town’s budget, know what the increase has been. What we used to do is take on the Appropriations Committee in take a 10-year look back at the General Fund and see where different departments have come. I suspect if I did that with city and town government budgets, that we would see an increase in salaries and benefits, particularly health benefits, which is probably a driver of increased costs for the local governments. I don’t see much empire building, and a lot of fancy new buildings and capital costs, and that kind of thing...

But I suspect that the competition for salaries, competition in the workforce and for health benefits. I think we’ve got to look as a state, look at the cost of living, see if we can address energy costs, health-care costs in the broader sense, for the private sector and the public sector. Addressing what you take home in your paycheck, as opposed to simply what the top dollar is on that paycheck.

Do I think that the towns have overspent? No, I think there’s a lot of finger pointing. But you have some good municipal officials in the state Legislature too. We should have more.
Caton: The response to the first question is, no. I don’t think local spending’s out of control, and I didn’t come to that conclusion because of partisanship, politics or ideology. I came to that conclusion by studying the issue and reinventing Maine government. And so, as I said at the beginning, I think cities and towns in Maine are reasonably, generally quite efficient. I’m sure there are exceptions, but railing against towns and excess spending misses the whole point.

So I think you have identified some of the problems, which is the partnership you had with the state has changed over time. Guess what? You get a lower share of sales tax and other taxes, what’s going to happen? You’re going to have to find it in property taxes. I’ve been concerned about property taxes for a while. My wife was when she ran the town council, trying to change the system. We’ve seen it all along the coastal towns. You’ve seen it in Rockland, I’m sure. People have had to abandon the coast to move inland and in towns all across the state, they moved the next town over, two towns over, so they can get lower property taxes. This is a deeper problem for us.

So I want a greater state responsibility so that people can stay in their towns and stay in their homes, and not be inadvertently driven out of where their roots are because of property taxes... There’s plenty of blame to go all around, I suppose, but I don’t blame towns. I think that’s an easy target. I think if I’m going to blame somebody, it’s going to be a legislative trend to move away from its responsibilities, to local property taxes.

Homestead Exemptions

Q: The Homestead Exemption is an important element of a comprehensive property tax relief package that provides direct relief to Maine homeowners. In 2016, over 305,000 Maine residents participated in the program. The current program provides a $20,000 exemption with 62.5 percent of the lost property tax revenue associated with the exemption reimbursed by the state. As a result, in Vassalboro, where I’m the town manager, the property taxes paid on a $150,000 owner-occupied home were reduced this year by just under $300 of savings. If elected, will you recommend retaining, repealing, or significantly amending the program? And if you would amend the program then how?

Mills: I think the property tax burden, which I hear a lot about, all over the state, is reflective of a couple...
things. Homestead Exemption is one way to approach the burden. Not the most successful approach in my view. Not the most effective approach... because it’s across the board. If you’re a rich person with a house, if you’re a poor person with a house, you get the Homestead Exemption. Whereas, if you enhance the Circuit Breaker program, obviously with state contribution, sufficient state contribution, then you’re addressing those who want to stay in their homes, but can’t afford the actual tax bill.

Rather than mess around with a Homestead Exemption, or the mill rate per se, or what services are provided, look at the Circuit Breaker program. The Homestead Exemption was an effort to reward people for remaining Maine residents, and the Circuit Breaker program does that in a way too, but in a better way, a more equitable way, more progressive way, I guess you’d say – by helping those people who just can’t afford the tax bill, whatever the mill rate is, whatever the evaluation of the home is. I’d like to look at that again. I know that they’ve pared that back a lot and now it’s available, has a different name as well. Mostly for people older than 65 or 62 I think.

I’d like to see that more available for renters and homeowners who can’t afford to pay the tax bill because it’s more than a certain percentage of their actual income. I think if you retire to Maine and you have passive income of half a million dollars a year, I’m not sure why you need the Homestead Exemption. But if you live in Maine and you want to stay in Maine, and you don’t have $50,000 a year, or you’re a state retiree at $19,000 a year average, then why not give that person a break with appropriate and adequate state compensation, under the mandate rule?

Hayes: I don’t have a particular proposal to make any changes to it. One of the things I learned in my legislative service: Systemic tax reform is on the “got to do” list, and despite efforts to do it... We’ve approached it a number of different ways from a public policy perspective in Augusta. This is a piece of what we would need to consider, but I don’t have a plan specific that I want to pull it out here and tweak it.

I would tell you that it’s not one of my top three, but from a systemic perspective, we haven’t been successful at modifying our tax code. It’s out of whack. It’s inconsistent. We now know some things. We have some other sources of revenue that we can consider just recently, knowing that online sales tax is an example. There’s going to be an increase in revenue that can come from that source. We’ve got money coming in from cannabis sales eventually, when that stuff gets underway.

I’m looking at this, saying, “This is an opportunity for us to do it.” Why have we failed when we’ve tried before? I was part of the Legislature that passed comprehensive tax reform that was then repealed by the voters. You remember that campaign: “105 new taxes.” That was the tagline from the folks that wanted to repeal it.

Fascinatingly enough, at that time, which was 2009, the Democrats were pushing for tax reform. The Republicans were reticent, and subsequently led the campaign to repeal it because... it shifted. It expanded the sales tax and decreased the income tax.

Fast forward to Gov. LePage’s third biannual budget. What did he do in his budget? He’s going after tax reform. He broadens the sales tax, and he reduces the income tax. Watch what happened. The Democrats were against it and the Republicans thought it was a good idea, with the exception of the Senate President. Seriously.

The partisanship just flipped because the frame that we’re choosing to participate in is “us vs. them.” I reject an “us vs. them” frame. We are all in this together...

My answer to you is I am more than willing to tackle systemic tax code overhaul with everybody at the table. Everybody.

Tell you a little story, only because I have time... When I was on the School Board, and I was asked to chair the Budget Committee, one of my closest friends had taken over the responsibility of chairing the board. She asked me if I would chair the Budget Committee, and I said, “Under one condition.” She said, “What’s that?” I said, “I want to go to three towns – Buckfield, Hartford and Sumner were the three towns in the school system. This was in the smallest SAD north of Portland or something. Everything else was up in the woods. We were a Class D school system.

I said, “I want to be able to include municipal officials on the Budget Committee” because every year when we took the budget to a vote, the selectmen from the various towns stood up and rallied against it. She said, “How is that going to work?” I said, “I want to make them part of the process. The Budget Committee only makes recommendations to the Board. They don’t make decisions. The school board is the deciders.” She said, “How do you see it working?” I said, “I want to go to the selectmen, each three towns, and say, ‘You have two seats. You can appoint anybody you want to the School Budget Committee,’ because the Town Budget Committee isn’t just a subset of the selectmen. At least, not in our towns. It’s a whole separate group of people...

The superintendent, I thought, was going to crawl out of his skin. He really didn’t want to do it. I said, “I’ll do it, but you got to let me have that.” She supported me, so we did.

We ended up with, I think, three, maybe four, selectmen and two other citizens from the other towns. We only had five school board members on the Budget Committee... There were 11 on the board. You had to have less than half. We were outnumbered. I really thought the superintendent was going to retire.

I said, “It’s OK. It’s all right.” By the time we got done, every single one of them voted for the budget. They stood up at the budget meeting and supported the budget, because they knew what was in there. They understood the constraints we were working under...

Caron: I’m generally in favor of the program and I think it’s a good thing for us to have. And I’m in favor of towns being properly compensated. To the extent that you aren’t compensated, again, we’ve got to move in a different direction. And if the 62 percent figure is a figure that seems adequate, then that’s where we need to go. Again, I’m going to rely on you more than anything – you, collectively – to advise me on that.

In a sense, I want to go back to an earlier question: What’s the relationship? I’m going to be a fan and champion of the work that you do, so you’re going to have to help me. I can’t do everything that you want to do as Governor, but I’m going to do as much as I can and as quickly as I
can, to rebalance the scales. That’s just another issue. Those are similarities to these questions, which is diminishing state responsibility and more left on you, and I don’t like it.

In the same way I don’t like, generally, unfunded mandates... I think we’ve got to stop this stuff. We’ve got to move in a different direction and we can all be partners in efficiency. We’re all committed to that. So it’s not just like everybody gets more money, but I have confidence in municipal leaders around the state. I’ve been, and I remain, deeply impressed by how many people volunteer their energy and time to towns, and our town is unbelievable. I know it’s true all over the state and how dedicated municipal employees are.

Heck, I feel the same way about state employees. I talk about reinventing Maine government and making state government more efficient. I’m not going to insult state workers to do that. I’m going to work with state employees. See where we can find efficiencies. See where we can make change. Make it over time. Transition to where we have to be.

I look for the same kind of relationship with all of you on that. This is just another issue. To the extent I don’t understand something, you’ll tell me. And where I don’t agree with you, I’ll tell you. And then we’ll work it out and at the end we’ll all be friends. That’s the way it’s always been and that’s the way I’ll try to make it be again.

**Moody:** That’s significant savings and I think that’s critical for people that are financially challenged. I really think that’s significant.

Here’s the way I feel about programs. If a program has been working, I mean you can get the stakeholders at the table to see how well or how effective or whatever. But one thing I’ve learned is people want certainty, they want predictability. What rattles people more than anything is change this, change that, you’re always pulling on the levers. So I think when it comes to regulation or with this Homestead Exemption, I think that Mainers – right now, especially – there are a lot of Mainers that are hurting out, there so I would definitely favor continuing the program. And it seems to be at a relatively appropriate level. I mean that’s a significant decrease.

So clarify if you would: Who ends up paying for that reduction ultimately? Is it the town or does the state reimburse that?

**Panelist reply:** It’s both. The state reimburses the reduction of 62.5 percent and the town has the make up for the rest.

**Moody:** OK, and that’s up from 50, is that right? I think that was in the (MMA) document. OK, so it’s heading in the right direction. From a municipal standpoint there’s one thing going in the right direction. No, I think that’s good, I think the state needs to participate in that, no question. There’s a lot of value there.

**Tax balance**

Q: State tax codes are often described in terms of the balance, progressivity and fit with the current economy. In Maine, state, municipal, school and county services are founded primarily with property, sales, and income tax revenues. Of the nearly $6 billion raised through the assessment of local and state taxes, 43 percent is generated by the property tax, with income and sales tax generating 30 and 25 percent, respectively.

*How would you characterize Maine’s overall tax code? Do you think there is a need for a comprehensive or a structural reform, or is the state’s current tax code generally adequate?*

**Hayes:** There is a need for comprehensive overhaul of the state tax code. We have to decide if we have the collective chutzpah to do it, and if we’re going to respect each other in the process. I’m happy to throw down that gauntlet and say, “What do you think? Who needs to be at the table, and how do we do this?” We don’t want to do it to people, want to do it with people.

Part of the challenge with this is you don’t get elected when you say want to reform taxes. So, it doesn’t mean that we don’t need to do it, it just means – you know what I said about leading with your assets and not with your liabilities? That’s part of what I’m trying to do here, is to tell you, “Yeah, I know we need this,” and we need to go at it in a way that is inclusive and that has buy-in across the impact areas. I agree with the goals: progressivity and fitting with the economy.

I think, when we do that, we will have positive impacts on the vast majority of Maine taxpayers, wherever category they fit in. But we have to have the courage to have the conversation in a way that allows us to listen with respect to people who see the world differently, and work at it until we can find those intersections of interest. We can get there, we just have to be willing to do it with each other and not necessarily in the press.

**Caron:** I’m not for blowing up the system and starting over. I think there are things we can do. Some rebalancing, yes. It think overall our cumulative taxes are too high, and I think we have to find ways over time to bring them down. We cannot do that unless the economy expands and we find more efficiencies in the delivery of services. It’s just that simple.

Somebody just threw at me this week: “Well, they don’t pay any taxes down in New Hampshire, you know.” Well, actually they do pay taxes in New Hampshire, and they’re second highest in property taxes right now, and third highest in taxing dividend income and interest income. So they tap into all those rich people that are working in Boston and coming just over the border, and they hit them with taxes.

I think overall our tax is about 10 percent of our income and New Hampshire’s is about eight percent. We’re pretty high, and it does impede entrepreneurial development here and business growth, so we’ve got to fix it. We’re not going to fix it overnight. I don’t believe we can fix it with the strategy we’ve been working the last eight years, which is take a big sledgehammer, go into the other Augusta and start swinging... It might feel good, for some people, but it doesn’t get us to where we want to go. This is a large problem that we all have to solve together, and everybody’s going to have to come up with good ideas to do it. Again, let’s get everybody around the table. Let’s hear all the ideas. Let’s figure out what’s practical. Where do we agree? We can’t always talk about where we disagree, which is a problem we’re having right now. It’s like, “Oh, let’s go right to where we all disagree and we’ll fight over it and then we’ll throw things.”

Where is that place where we agree? What can we do there? But overall, I’m going to be looking over time for how do we reduce the overall tax burden on Maine people and, related to that, how do we incentivize the growth of jobs?
Mills: Wow. These are pretty broad questions. I’ve got to check Wikipedia. No, I’m not an expert on the tax code, I don’t pretend to be. But I have some experience with it, and I think that our sales taxes are fairly low compared to the rest of New England. We fiddled with the meals and lodgings taxes in the past. We’ve talked about local option taxes, sales taxes, to help certain towns, particularly service center towns. The income tax has been amended quite substantially in recent years. I’m not going to sit here and say, “I want to increase taxes in a particular area.” I think that would be unfair without seeing what the revenue projections are going to be for the coming two years come January.

What I hear most about is the burden on the property taxpayers. People talk about income tax burdens, and people moving to Florida. I don’t think we’re ever going to get the snowbirds all back to Maine, frankly, unless we just did away with the income taxes, personal income taxes. But I think we have to broaden the economy and that means encouraging new businesses, and encouraging high tech business, and being creative about the economy. So we increase the tax base and increase the number of people paying into the existing tax structure.

Let’s do that. Let that be our goal first, increasing the tax base, before we start changing the mix. Whenever you change the mix, and we did this when I was in the Legislature, we had a proposal to change the tax services, and different sales taxes to different issues, different items, and reduce income taxes in another area. That went to referendum. It was the people’s veto and people balked at that.

Whenever you have a tax shift proposed in the Legislature, somebody gets hurt, somebody gets helped. While this has been a bit of a hodgepodge process in the last 30 years or 50 years since income taxes and sales taxes, I’m not going to sit here and suggest that I’m going to add to this one, or take away from that one, without knowing what the needs are, and what the revenue projections and budget projections are come next January, and without first looking at expanding the tax base, so that more people are paying in for the benefit of all of us.

Moody: Holistically, OK. Wow, I think it was just recently that we would get reported in the top five highest tax states in the country. So, I mean, that goes without saying.

I think there’s a real opportunity to take our tax-exempt property, especially the state-owned tax exempt property, out of exemption back onto the private tax rolls. I mean, there’s a huge number – I’ve heard it’s like $2 billion, whatever it is – statewide.

Here’s the other thing I think is important… We have a ton of exempt properties and nonprofits that enjoy tax-exempt status here in the State of Maine and I would advocate that we publicly print every nonprofit and what they have contributed to their locals. I did that when I first got on the university system (board) and I was shocked at the disparity between competing campuses and what they paid to their local town or what they didn’t pay. And I don’t think they even really paid attention to it or knew… It’s great to have a campus in your community, believe me, we love it in Gorham, but there’s a cost associated, as you folks know.

So I think we need to take a hard look at tax-exempt properties. What do we need? What’s duplicated? Get those back over to the private tax rolls. Let’s look into our nonprofit communities too, if they’re contributing something that’s affordable for them, that really should be fair for what they’re expecting for services that could be provided. I went up to Machias, as an example, and I think… 33 percent of the property tax base was tax exempt. That’s shocking, isn’t it? I mean, if you don’t know these things, it’s just shocking. A third…

But I really believe where we are at income tax-wise, I would like to see us get to a point we could be at a 5 percent income tax rate. I think the governor has got it down to 7.15. How we get there, we’re going to see how some of this duplication and getting people to think differently about how we provide services to the people of Maine is going to be a big hurdle, a big part of that initiative.

Sales tax is what, 5.5 percent? It would be nice if it was five, it seems like if it goes up, you never get it back down to that.

I think property taxes are the big one, they really are… New Hampshire is tax free and it always used to be, “Oh, but New Hampshire’s property taxes are through the roof.” But I’ll tell you what, if you go down to York County, the property – I don’t care if you’re going to Berwick or, Wells is an exception because they have waterfront… But you get into Maine and our property taxes have incrementally increased significantly over the last decade to the point where you really can’t say that with a straight face.

So I think property taxes would be a priority for our administration to look at ways we can relieve municipalities. Again, it’s going to be how much you guys want to play ball and how much courage you’ve got. And we’ll incentivize the communities that are willing to do that.

County jail operations

Q: My question is about funding for county jail operations. Counties spend $90 million annually to fund jail operations. Of that total, roughly $65 million is funded by property taxpayers, with $15 million from state appropriations. Taking into account that the state implements the policies dictating who is in prison, for what length of time and whether someone is housed in a state prison or a county jail, municipal officials believe the state should fund a larger portion of jail operations cost. Do you believe the current process for funding county jails is working? What changes, if any, will you recommend to address the ongoing funding issues?

Caron: This is another area where, to somebody like me who’s not in government, it looks like the funding mechanisms have been changing every two years. So it’s hard to know where we are right now. We’ve talked about consolidating all county jails in the state correction system. We’ve talked about this and that. Look, I’ve spent some time with county officials and I appreciate how hard it is for them.

Here’s what I know about county jails. A lot of people in county jails haven’t been convicted of anything. So it’s one thing to put them in jail because they don’t have money. It’s another thing to deprive them of access to their family by moving them far away. That’s a form of punishment that I think is not right for people who are not convicted.

Now, there are people who are convicted in county jails, serve up to a year, and I think it’s a good deal if you can get it. That you can direct somebody to go to a county jail and not have
to pay anything for it. So I think that’s fundamentally wrong. But I’m in favor of good, well run county jails that are not too far away from where people live. I think the state has to have a bigger responsibility than it’s had.

**Moody:** I’ve been around that issue and I think that what I come to is if the funding was there everybody is going to get along great. It’s just who’s going to pay?

I’m going to come back to give you a more direct answer, but let me start here. You guys know my story. My mom battled some mental health problems when I was growing up and I became a legal medical guardian in 1994. So I understand mental health and how it impacts our families and communities across the state and I really feel passionate about mental health. I think it’s one of those stigmas, kind of like blue collar working, where we’ve created the stigma around it. We need to break the stigma. Because if you think about jails, our law enforcement officials, our schools, are all dealing with mentally ill patients. And you talk to any law enforcement official and they’ll be like, “My God, we’ve become part of DHHS to some degree.” They’re not comfortable about that...

And I’ve said to many people, if Laurie Fell down – God forbid – and broke a leg we’d be signing her a cast, “Jeez, are you OK?” Empathizing, sympathizing, everything else. Well, if someone’s mind is broken, everybody heads for the exit doors because it’s complicated, it’s complex, it’s kind of scary. We really need to address that mental health system here in the state of Maine...

One more thing, if it’s OK, to add to that. The University Maine at Machias, I’ve been at every campus – University of Maine system and the community college system. I’ve been there several times. Campus declining, maintenance going down, morale, a 65-person faculty and staff on that campus. They were in dire straits.

We were able to coordinate … (and) accept the responsibility of UMaine to partner with UMaine at Machias to, again, add those resources. They didn’t have someone from enrollment management. They couldn’t afford those types of comprehensive services. So it was like a self-defeating prophecy. Enrollment kept dropping, they didn’t have the staff, the services to go attract the students.

So again, redeploying existing resources in a way that now we’ve got the University of Maine at Machias revitalizing that campus. So that’s something that they’re proud of in the community too, because they were very supportive.

**Mills:** Whoa, geez. I got highways. I got education. I knew I’d get county jails. Look, I think, the way I envision the county jails is a system of community corrections, real community corrections. These should be, and often are, short-term sentences, short-time sentences, for people who may be first offenders, or low-level offenders, who can benefit from community corrections by having work release, being close to their families, hopefully paying some restitution, paying child support and the like. That’s the goal. We’ve stepped back from the goal, because look, I’ve been in court enough times to know what plea bargaining looks like, and there’s a lot of that.

People don’t want to go to the state prison. They don’t want to go to Windham. There’s less available there. I think community corrections has a role in addressing mental health issues, and substance abuse issues. Mark Dion, my good friend, who ran for governor in the primary, often says the county jails are simply a mental health institution. They’re warehousing people. That’s not what they’re there for.

We’ve talked in the past about having specialty jails, which could be helped with more funding from the state, and from HHS perhaps, to concentrate on substance abuse issues, concentrate on mental health issues and in particular, geographical areas.

But just to warehouse people pretrial, or warehouse people who are on short-term sentences, it’s not really working.

I think when people are held without bail, or held on high bail, or serving short-term sentences, they should serve them in the community… I obviously disagree with the current governor who basically forced the disbanding of the Corrections Commission by not letting people attend and avoiding a quorum and that kind of thing. I would like to see a better partnership between the state and the counties and the towns, in forging a real community corrections program. That includes juveniles too, I think there’s so many issues about Long Creek; we don’t seem to have an adequate continuum of care for juveniles. This is very important.

Going along with the education issue we were talking about earlier, early childhood education, and the dropout factor. I’ve stood in court in Somerset County… on Christmas Eve with a young person who committed some burglaries, and he had nowhere to go. No home to return to, no group home available. When a judge has to send a kid to Long Creek on Christmas Eve because there’s no other place for him to go, that’s a failure of community corrections, a failure of the system. A failure of our society to have a true continuum of care to help people in need, and to help them avoid a life of crime. Can I say I’m going to fund community corrections with another $60 million? I’m not going to say that. But forming a partnership and working with you and the counties to get it done and get it done right, I think I have the experience and ability to do that.

**Hayes:** I don’t think it can work. My understanding is that we had a law that established an oversight group that the governor didn’t even appoint people to. If you don’t fund it and you don’t fill the positions… The obvious answer to me is, “No, it’s not working.” We’re not even sure what direction we’re heading in.

Again, I’m watching from the sidelines, because it doesn’t directly impact Treasury. My hope is that I don’t end up in jail as a result of being the Treasurer, of course, so…! No, it’s not working. Do I have a specific fix or a change to offer at this point? I do not.

But I know that the Sheriffs’ Association has, I know that the county commissioners have been looking at this… I’m not up to speed on how they would propose we would fix it. I’m still in a learning mode. I’m aware of the problem but I don’t have something specific to offer. I’m hoping that you’ll help me figure that out.

**Tax-exempt properties**

**Q:** Tax-exempt property. State policy provides a blanket property tax exemption to all charitable corporations such as hospitals, nursing homes, research facilities, land trusts, literary and scientific institutions, including private colleges. All the benefits these institutions provide are...
regional or statewide in nature. The property taxpayers in each host municipality are held solely responsible for funding the services such as snow plowing, police, fire provided to the exempt institution. Should tax-exempt institutions be required to make some level of financial contribution to cover the municipal services they receive?

Mills: Great question. Not a new one, one that’s been around for a while when you talk about Bates and Bowdoin and Colby, and Maine Health, and so many other institutions. I would tend to try to use the bully pulpit to get them to pay service fees to towns for the proper services they’re receiving. I think it’s a difficult road to get them to pay a tax on top of that. It’s been debated in the Legislature before; it will continue to be debated in the Legislature. It sort of ties into the mix about service centers, and the burden on them, and revenue sharing. I think that’s part of the formula for where revenue sharing should go, to those places that do have a high proportion of tax-exempt properties.

In the City of Portland, which has so much nonprofit, so many nonprofit entities, but also is property rich in another area, commercial areas. Other towns don’t have the commercial enterprises to make up the difference. Brunswick may be an example, for instance. It’s lost a lot of its revenue for other reasons, but it has the big elephant, Bowdoin College, smack dab in the middle. On a smaller scale, I live in Farmington, just off the campus, the UMF campus, which takes up most of the town. We don’t have commercial enterprises. We don’t have a shoe shop any more. We don’t have the tanning shop down the road. We don’t have the industries that used to pay those taxes.

Rather than come out and say, “Well we need to tax all these nonprofits,” I think we can ask them to pay their fair share without changing the tax code completely and saying all nonprofits should pay X amount. I know it’s a perennial problem. I appreciate it. I live it in my town. I’m very aware of it.

Hayes: What I will tell you is that tax-exempt institutions should be at the table when we have our comprehensive overhaul discussion and come up with strategies. What we said initially, when we asked the question, was that the taxes have to be progressive and have to fit the current circumstances. This is a really good example of a place in our tax code where we need to update it, but I’m not going to presume the outcome of that conversation.

I’m reluctant to do that, because if you’re going to invite people to come and work on it collaboratively, you can’t tell them the outcome before they get there. It’s not that I don’t have thoughts on it, it’s just that my thoughts don’t need to be the controlling piece of the outcome for me. I would rather work with the groups and I think that they need to be at the table.

Caron: I think we have to move in that direction. I can’t tell you exactly what amount, and I know my nonprofit friends will scream and howl, but part of the 10 percent taxes we pay is covering people who don’t pay, and five out of the 10 highest salaries in the State of Maine right now are hospitals, and it irks me that that much money can be spent – millions of dollars on salaries – but we can’t reimburse a local town for fire and police. I think it’s a structural flaw that’s built up over time. It was well-intentioned when we set it up, but it has to be fixed. I don’t think there’s a quick fix. I think it’s going to be hard. I think a whole bunch of us are going to have to work together on it, including getting non-profits at the table. And I think we’re going to have to find a reasonable way forward.

Anyone who says they can wave a magic wand and fix that problem doesn’t really understand the problem, but we have to move in that direction. Again, a lot of people talk about what I’m going to do in my first term, and my first two years, and my first budget. I’m not interested in that. I’m interested in the direction we’re mov-
ing on with different items, and some things we can do in one term or two terms... All of them require a style of leadership that’s focused on bringing people together and getting things done, and that’s all I can offer on that issue. I can say, I think the non-profits of the state have to pay more.

(The Executive Committee chair noted that Mr. Moody had addressed the topic of tax-exempt properties in a previous answer.)

**Candidate conclusions**

**Q:** So we are going to wrap up and say thank you for being here. We would like to encourage you to reach out to any one of us as you go forward with your campaign – if you have any questions, if we can be a resource in any way to you, or the Maine Municipal staff or any other municipal official that you may feel comfortable reaching out to. We want to give you a few minutes for closing remarks. We also wish you the best of luck in your campaign and say that we look forward to working with you and your administration if you are successful in November.

**Hayes:** Thank you very much. I appreciate the opportunity to come, and the fact that not only have you posed questions, but you’ve listened thoughtfully to my responses. No one jumped out of their chair when I said I didn’t know.

That was one of the most challenging aspects of thinking about doing this. I’m not one of these folks that, in third grade, decided this is what I was going to do when I grew up and I’ve just been waiting for this opportunity. Two years ago, if you told me I was going to do it, I would’ve laughed you out of the room. Now, this is my passion. This is when I’m not in my state Treasurer’s role. This is what I do. This is my second full-time job, trying to earn this opportunity to lead Maine.

One of the bigger challenges that I’m up against in this, right now, and this’ll be my pitch to you, is that I’m the only candidate on the ballot in November who chose to use the Clean Elections Program to fund my campaign. As of right now, I will be limited, significantly limited, because Legislature is not funding the program. Because of the way the non-funding is happening, I won’t be able to raise money in a traditional sense, even if I chose to do that.

All along, I’ve committed to the program specifically because I think money is poison in our political system. If there’s an opportunity not to have to go that route, I was willing to take that on. As of today, over 5,500 Mainers have made $5 qualifying contributions to support my campaign as a Clean-Elections-funded candidate. Which doesn’t necessarily mean that you’re going to vote for me, but it means that you favor my being able to be competitive in the process.

I’m after earning your vote by Nov. 6 and I’m going to ask you not to vote early unless you absolutely have to because, again, I need the whole runway to get off. That’s the date: Nov. 6...

I look forward to working with you folks as Maine’s next governor. I’ve been criticized for not quitting my job in order to pursue this job. Like most of you, I’m going to assume you probably use your paychecks to pay your bills and so do I. I’m not a person of means. Another reason for running as a Clean Elections candidate. It wasn’t like I could loan myself money to do this.

I think it’s time for someone to be in the second floor of the State House who gets that, who is like everybody else. That’s paying her bills, making sure her grandkids are healthy and happy, and making sure that opportunity exists for other Mainers. I’m hoping to earn your support.

I suspect the organization probably doesn’t endorse, and I wouldn’t, if I were you, because you want to work with whomever is successful. I understand that. I look forward to working with you. We can do this better and we’re all in it together. The “how” really matters. At the end of the day, I’m going to cross paths with you another time and I don’t want you not to want to shake my hand. I want to do what I say I’m going to do, to the extent that I can. If I don’t know, I’m going to tell you.

Thank you for the opportunity.

**Caron:** Well, thank you. This has been great for me. I look forward to a time when you can talk more and I can listen more. But this has been great, and I’m so glad you’re doing this. I think this is exactly what we need and, as I said before, and I’ll end with this: I’m going to be a big fan and champion of local communities. We will be very closely working together. I can assure you of that, if I’m successful.

It should be a very fun and interesting fall. I’m obviously running on the premise that Maine people are ready for something different and new and kind of tired of the same old, same old, and especially tired of the gridlock and the name-calling and the food fights. My sense is there are a lot of people out there who are going to be paying very close attention in the fall to somebody who’s talking about moving forward and I hope to fill that space. Thank you all very much and I look forward to working with you.

**Moody:** Thank you. I feel the same way, I do. I mean there’s a lot of good around this state... Just to summarize, we’ve talked about a lot of issues but I think what I’ve heard really is the revenue has gone down in terms of the state appropriations to the local communities and costs are going up. I mean that’s the paradigm that you guys are operating under: less revenue, more cost. And that creates tension and you guys are trying to run your respective communities.

Again, I will say if we have the collective courage to kind of re-look at the way that we deliver our services... And again, being on the UMaine board has been very informative because people will say, “Oh, you run it like a business. You can’t just bark out the orders!” That’s not how it works, but people have that perception. But serving on a board, it’s like what you guys do. These are big budgets with a lot of people involved. You’ve got a school committee, you’ve got town council members and things. So it’s not just as simple as pulling a lever to make things happen.

So I understand that in order to influence change one of the most important things you’ve got to be able to do is build consensus. And I’m not going to ask for a poll, but I think the two core pillars around that are, just like the simple basic life responsibility: Do the people that you work with respect you and do they trust you? That’s the core of who we are as people. If you have the respect and you have the trust of the people that you work with, you’re going to influence change because they’re going to go through the uncomfortable period and you’re going to lay out in bold detail what the benefits are...

So I just hope that you look at the candidates holistically – and this
is kind of a pitch for my resume. Forty years of private-sector experience, open book management. So an 18-year-old can come into our place of business and know our revenue, our profit, our KPIs, our customer satisfaction. It’s all out in the open. They get a key to the building. No cameras. They fill out their own time sheets. Very faith-based, boom, we trust you. If we want you to trust us we’ve got to trust you.

Take that and what we’ve been able to accomplish in the private sector. The last four years University of Maine System, community college system, from an education standpoint. And on top of that, I’ve served on a school business round table at the local level... We had those leaders and five business leaders talk about how do we better integrate our students to be work-ready and college-ready. I was in the co-op program of the last two years of high school and at the age of 17 I was actually self-employed. Got out of school at 11 o’clock and got credit for it. That’s how I was able to graduate with my class...

I ask people, I’ve been in the forums – you can raise your hands on this one: Who here started working at 15 years old or younger? You see the common thread. And I’m not talking about the ones that have got great parents at home, extracurricular activities. They’re on a good track. I’m talking about the ones who are at risk like I was, who are out there hanging in the balance with no way to channel that productivity or that energy in a positive manner. That’s the population, the cohort of young Mainers that I feel I connect with and we can get them to be assets in our communities rather than liabilities, which a lot of them currently are.

So I would just say economics, education and one last thing – the environment. We’ve (business) been (awarded) by the DEP. I’ve spoken in front of the Maine Audubon, Nature Conservancy. We have a strong, interactive relationship with the environmental community. We go through engineers’ and local and city approvals, DEP. No other candidate has a resume like that. They may know how government works but they don’t know how the rest of the Mainers work. That’s what I bring to the table.

Mills: Let me wrap up by saying I talked about having a Department of the Future, and I want to have a partnership with other levels of government, including town and city officials. I think there’s been too much finger pointing, too much drawing lines in the sand in recent years. I want to overcome that and move on together. I’m a person who has worked across the aisle in the Appropriations Committee and in other areas in the Legislature. Worked with republicans such as, Carl Turner, Sawin Millett, to forge budgets in very difficult years. I hope we don’t have another recession but I want to reinvent that ability to work across the aisle and work at different levels of government.

In me, you will find an open door and an open mind and hopefully an open heart. The State of Maine is my biggest cause. The people will always be my biggest priority. I can see us forming partnerships that include grants for various services, grants for various creative projects, whether it’s broadband or septic issues or whatever. I think your needs are very disparate from one place to another, one region of the state to another. I’m keenly aware of that. State government can’t form enemies, can’t make enemies any more. It’s got to make friends. State government has to be a partner with the people, a partner with the towns and a partner with the counties.

Whether it’s marijuana regulation, and I know they just passed something else along those lines that allows towns to opt in. I think that’s a good thing for the towns, not to be forced to do something that they can’t pay for, can’t regulate on their own, whatever size that town may be. Marijuana, AirBnB, septic issues, whatever the issue is, and properly assessing highway taxes, and apportioning highway revenues. All these things are complicated, we know that. Your questions are great. The answers are not easy, as you know. Anybody who sits there and says, “I’ll do this for you, I’ll do that for you” probably does not understand how very complicated these issues are.

I do, and I want to work with you to address them. I want you to be partners with the state and I want you to have a relationship of trust with the highest levels of state government. I want people with knowledge of local and county and town issues to be represented in my administration, should I be privileged to become the next Governor of Maine. I want people like you in my cabinet, and in the departments, to advise and to tell me the truth about what’s going on, not just to tell me what I might want to hear from day to day. I want to listen to the people. Again, in me you’ll have an open door, an open mind and an open heart.
Adult-use marijuana: Common questions answered

MMA’s Legal Services Department has received many calls from members about marijuana legalization since 2016, as the law evolved and changed.

By Rebecca McMahon, Staff Attorney, MMA Legal Services

In November 2016, Maine became the ninth state to legalize the use of recreational marijuana. Now, after more than 18 months of deliberation in the state Legislature, Maine has a workable regulatory structure in place for commercial sale of recreational (now “adult use”) marijuana. To help municipalities sort through what this means for them, here is a list of some of the more common questions that Maine Municipal Association’s Legal Services Department has received from municipal officials.

This article is intended to provide a broad overview of the issue. If you would like additional information, details to these and other marijuana-related questions can be found on MMA’s website (www.memun.org), at the “Marijuana Resources” section. MMA Legal Services is also available to answer member questions directly, so please get in touch.

Q. What’s legal and what’s not?

A. Adults 21 years of age or older may legally acquire, possess and consume up to 2.5 ounces of marijuana and up to five ounces of marijuana concentrate for personal use. They may also cultivate up to three mature and 12 immature marijuana plants at their home, or on someone else’s property with written permission. Adults may give away up to the allowable amount of adult use marijuana, marijuana products, or plants, but “gifting” marijuana in exchange for a service or other compensation is prohibited (no “free” marijuana for a bag fee or included with a hotel room charge).

Consumption of marijuana or marijuana products in public places or in vehicles on a public way (by drivers or passengers) is prohibited, as is home extraction of marijuana concentrate using inherently hazardous substances.

Commercial cultivation, manufacturing, testing and retail of adult use marijuana in Maine is also now legal. The Adult Use Marijuana Act authorizes a licensing process for adult use marijuana establishments, but, since the state has yet to establish rules governing the licensing process, it will be several months before any adult use marijuana establishment is operational.

The law expressly prohibits retail sale of adult use marijuana by vending machine, delivery service, internet-based sales, or drive-through window.

Q. What is an “adult use marijuana establishment”? 

A. There are four general types of adult use marijuana establishments: 1) “Cultivation facilities,” authorized to grow and process marijuana for sale in adult use stores; 2) “Products manufacturing facilities,” authorized to extract components of the marijuana plant to make marijuana products such as tinctures and edibles; 3) “Testing facilities,” authorized to test marijuana and marijuana products for contamination, potency, and safety; and 4) “Stores,” authorized to sell adult use marijuana and marijuana products to consumers.

Cultivation facilities are further divided into four tiers, based on the square footage of plant canopy. There is also a fifth category of cultivation facility called a “nursery cultivation facility.” Nurseries may only cultivate up to 1,000 square feet of plant canopy, but they are authorized to sell immature plants, seedlings, and seeds directly to consumers without a separate store license.

Q. What about marijuana social clubs?

A. Marijuana social clubs are not allowed under the Adult Use Marijuana Act. Although considered, they were ultimately eliminated because they were too controversial.

Q. Can adult use marijuana establishments operate in our municipality now?

A. No. Adult use marijuana establishments cannot operate in any municipality until that municipality says they can. Under the Adult Use Marijuana Act, the default is prohibition – it is up to each municipality to decide if it wants to allow some or all types of
adult use marijuana establishments within its jurisdiction. Commercial cultivation, production, testing and sale of adult use marijuana also cannot begin until the state finalizes its licensing process.

Q. Do we need marijuana moratorium and/or prohibition ordinances to delay or prohibit commercial marijuana activity in our municipality?
A. No. Under the current law, municipalities are not required to do anything unless they want to authorize commercial adult use marijuana activity within their jurisdiction.

The original recreational marijuana law, enacted by statewide referendum in 2016, required municipalities to enact ordinances to restrict or prohibit the operation of adult use marijuana establishments within their jurisdiction. The current law does the opposite: It prevents the operation of an adult-use establishment until the legislative body of a municipality votes to authorize that type of establishment. This is commonly referred to as the “opt-in” approach to local regulation. Now that municipalities have the ability to “opt-in” to commercial adult use marijuana activity, local ordinances prohibiting or imposing moratoriums on such activity are no longer necessary.

Q. How may a municipality authorize the operation of adult use marijuana establishments?
A. Municipal authorization of adult use marijuana establishments requires a vote of the legislative body (town meeting or town or city council). General authorization can take various forms, depending on the extent to which the municipality wants to regulate such establishments locally. If the municipality wants to take a “hands-off” approach, its legislative body can approve a simple ordinance or warrant article generally authorizing the operation of some or all types of adult use establishments, leaving the rest to the state licensing process and market forces. If the municipality wants to take a more active role in regulating the location, number, and operation of adult use marijuana establishments, it may enact ordinances to that effect.

Q. May municipalities regulate personal use and cultivation of adult use marijuana locally?
A. Yes. Municipalities have broad home rule authority to enact local requirements by ordinance. Municipalities may limit the type, number, and location of establishments, impose performance standards, and require licensing fees. Municipalities may choose to amend existing licensing, land use or zoning ordinances, or enact a stand-alone ordinance governing the operation of adult use marijuana establishments within the municipality.

Q. Can municipalities regulate personal use and cultivation of adult use marijuana locally?
A. Regulation and enforcement of personal use, possession, and consumption of adult use marijuana is reserved to the state. However, the law does allow for limited local regulation of personal adult use cultivation. Municipalities may limit the number of plants cultivated on property within the municipality, provided the local limit is not more restrictive than what the state allows (three mature plants and 12 immature plants per adult). Municipalities may also apply other land use regulations – like odor control ordinances – to personal cultivation, but are not allowed to prohibit, zone or charge a license fee for the activity.

Q. When will the state start issuing adult use marijuana establishment licenses?
A. It will be some time before the state can issue licenses. The Department of Administrative and Financial Services (DAFS), the agency tasked with overseeing the licensing process, will first need to promulgate rules, which by its estimation will take at least nine months. In addition, the rules developed by DAFS will be major substantive rules, meaning once
the rules are finalized, they will also need to undergo a legislative review. This will likely delay state licensing until at least summer of next year.

Q. How does state licensing work, and what role does the municipality play?
A. Individuals and businesses must first submit a license application to DAFS to obtain a conditional license. A conditional license is not a license to operate – applicants cannot begin operation until they are issued an active license. An active license cannot be issued until the municipality where that establishment will operate confirms it has opted in to operation of that type of establishment and has issued all applicable local approvals. Municipal officers are responsible for providing such confirmation to DAFS on a certification form developed by DAFS.

Conditional licenses expire after one year and cannot be renewed. An applicant must receive all the necessary local approvals before the conditional license expires, otherwise they will need to reapply for another conditional license. Municipalities have 90 days to submit its certification form. The municipality can request an extension if it needs more time to complete local approvals. If the municipality fails to respond within the allotted timeframe, the local certification is deemed denied, and the applicant can appeal the municipality’s denial to Superior Court.

Q. Does the Adult Use Marijuana Act authorize state revenue sharing with municipalities?
A. No. The law imposes new sales and excise taxes on adult use marijuana, but these tax revenues belong to the state – there is no state tax-revenue sharing with municipalities provided for in the law.

Q. Can municipalities impose a local tax on Adult Use Marijuana?
A. No. Under the Maine Constitution, the exclusive power of taxation is reserved to the state Legislature. Municipalities can only levy taxes if expressly authorized to do so by state statute. There is no municipal authority in the Adult Use Marijuana Act to assess or collect sales or excise tax on adult use marijuana (personal property taxes and real property taxes still apply).

Q. Does the Adult Use Marijuana Act allow local regulation of medical marijuana storefronts?
A. No. The Adult Use Marijuana Act only governs the state and local regulation of adult use marijuana. Medical marijuana is governed by a different statute, the Maine Medical Use of Marijuana Act (22 M.R.S. § 2421 et seq.). Recent amendments to the medical marijuana laws now make clear that municipalities can regulate registered caregivers and caregiver operated retail stores. (The details contained in these new amendments are outside the scope of this article. Please see the Legal Note on Page 50 for more information.)

Q. We have medical marijuana retail stores in our municipality. Does this mean we have already opted in to adult use stores too?
A. No. Medical marijuana retail stores and adult use marijuana stores are completely different establishments, and a marijuana store or dispensary operated for medical purposes cannot automatically transition into an adult use store. A dispensary or registered caregiver operating a retail store for medical purposes is prohibited from switching to retail sale of adult use marijuana until the municipality has opted in to the operation of adult use marijuana stores, and the caregiver or dispensary has obtained a license to sell adult use marijuana.

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State governments win major online sales tax case

In a close vote, 5-4, the U.S. Supreme Court ruled that states and local governments (where permitted) can require online retailers to pay sales taxes.

By Lisa Soronen, State and Local Legal Center, Washington, D.C.

In South Dakota v. Wayfair, the U.S. Supreme Court ruled that states and local governments – where permitted – can require vendors with no physical presence in the state to collect sales tax in some circumstances. In a 5-4 decision, the court concluded that Wayfair’s “economic and virtual contacts” with South Dakota are enough to create a “substantial nexus” with the state allowing it to require collection.

As the court pointed out in its majority opinion, it is estimated that states and local governments nationally lose between $8 billion and $33 billion annually because they haven’t been able to collect sales tax owed on purchases from out-of-state sellers.

As a result of this decision, state legislatures are likely to pass laws like South Dakota’s, if they haven’t already. (Town & City editor’s note: Maine law does not permit local-option sales taxes at this point.)

In the 1967 case National Bellas Hess v. Department of Revenue of Illinois, the Supreme Court held that per its Commerce Clause jurisprudence, states and local governments cannot require businesses to collect sales tax unless the business has a physical presence in the state.

Twenty-five years later in Quill v. North Dakota (1992), the Supreme Court reaffirmed the physical presence requirement but admitted that “contemporary Commerce Clause jurisprudence might not dictate the same result” as the Court had reached in Bellas Hess.

Customers buying from remote sellers still owe sales tax, but they rarely pay it when the remote seller does not collect it. Congress had the authority to create solution that would overrule Bellas Hess and Quill but never did so.

In March 2015, Justice Kennedy wrote a concurring opinion stating that the “legal system should find an appropriate case for this Court to reexamine Quill.” Justice Kennedy criticized Quill in Direct Marketing Association v. Brohl for many of the same reasons the State and Local Legal Center (SLLC) stated in its amicus brief in that case. Specifically, internet sales have risen astronomically since 1992 and states and local governments had been unable to collect most taxes due on sales from out-of-state vendors.

Following the 2015 Kennedy opinion, a number of state legislatures passed laws requiring remote vendors to collect sales tax in order to challenge Quill. South Dakota’s law was the first ready for Supreme Court review. It requires out-of-state retailers to collect sales tax if they annually conduct $100,000 worth of business or 200 separate transactions in South Dakota.

Close call

South Dakota v. Wayfair was a nail biter. After oral argument it looked like South Dakota had four votes: Justices Kennedy, Ginsburg, Gorsuch and Thomas (who has long since disavowed dormant Commerce Clause jurisprudence). Justice Alito provided the fifth vote to overturn Quill – perhaps in part because he was going to write an opinion overturning union dues precedent a week later.

In an opinion written by Justice Kennedy, the Court offered three reasons for why it was overruling Quill and abandoning the physical presence rule. “First, the physical presence rule is not a necessary interpretation of the requirement that a state tax must be ‘applied to an activity with a substantial nexus with the taxing State.’ Second, Quill creates rather than resolves market distortions. And third, Quill imposes the sort of arbitrary, formalistic distinction that the Court’s modern Commerce Clause precedents disavow.”

Overturning precedent isn’t something the Supreme Court does often or lightly. But the Court noted the Internet’s “prevalence and power” have dramatically changed the national economy since 1992. The Court pointed out that in 1992, less than 2 percent of Americans had Internet access. Today that number is about 89 percent. In 1992, mail-order sales in the United States totaled $180 billion. Last year, internet retail sales were estimated at $453.5 billion. In 1992, it was estimated that the states were losing between $694 million and $3 billion per year in sales tax revenues as a result of the physical presence rule. Now estimates range from $8 billion to $33 billion.

Justice Kennedy noted that 41 states, two territories and the District of Columbia joined an amicus brief asking the Court to overturn Quill. It is remarkable to get so many state attorneys general (from different political parties) to agree to the same position on any issue.

While the dissenting justices, in an opinion written by Chief Justice Roberts, would have left it to Congress to act, Justice Kennedy opined the Court should be “vigilant” in correcting its error. “Courts have acted as the front line of review in this limited sphere; and hence it is important that their principles be accurate and logical.

The State and Local Legal Center files Supreme Court amicus curiae briefs on behalf of the “Big Seven” national organizations representing state and local governments.
Dissent: Why urgent?

The dissent also questioned whether the Court needed to act urgently given the fact that states and local governments are currently collecting approximately 80 percent of the tax revenue that would be available if there were no physical-presence rule. The dissent also criticized the majority opinion for “breezily” disregarding the costs that the decision will impose on small businesses. It noted that “(o)ver 10,000 jurisdictions levy sales taxes, each with “different tax rates, different rules governing tax-exempt goods and services, different product category definitions, and different standards for determining whether an out-of-state seller has a substantial presence in the jurisdiction.”

Although Wayfair overturned precedent, it is not without limitations. In 1977 in Complete Auto Transit v. Brady the Supreme Court held that interstate taxes may only apply to an activity with a “substantial nexus” with the taxing State. Quill’s physical presence test was seen as an addition to the “substantial nexus” requirement. Post-Quill, the “substantial nexus” requirement remains.

The Court found a “substantial nexus” in this case based on the “economic and virtual contacts” Wayfair has with South Dakota. A business could not do $100,000 worth of sales or 200 separate transactions in South Dakota “unless the seller availed itself of the substantial privilege of carrying on business in South Dakota.” “And (Wayfair, etc.) are large, national companies that undoubtedly maintain an extensive virtual presence.”

Finally, the Court acknowledged that questions remain whether “some other principle in the Court’s Commerce Clause doctrine might invalidate” South Dakota’s law. The Court could have (but didn’t) say that South Dakota’s law (including its small seller exception of $100,000 worth of business or 200 separate transactions) is constitutional in every respect and that if every state passes a law exactly like South Dakota’s they will be in the clear. Instead, the Court cited to three features of South Dakota’s tax system that “appear designed to prevent discrimination against or undue burdens upon interstate commerce. First, the Act applies a safe harbor to those who transact only limited business in South Dakota. Second, the Act ensures that no obligation to remit the sales tax may be applied retroactively. Third, South Dakota is one of more than 20 States that have adopted the Streamlined Sales and Use Tax Agreement.”

In conclusion, the opinion highlighted several aspects of the South Dakota tax system that may outline a successful legislative or regulatory roadmap for other states to follow including: not requiring small businesses to collect; not collecting online sales tax retroactivity; and adopting a standardized tax system that reduces administrative and compliance costs.
Town meeting voters open wallets, enact new local laws

Various infrastructure and other projects won approval throughout the state. Food sovereignty measures and marijuana restrictions were common warrant items.

By Liz Mockler

In New England Yankee fashion, thousands of Mainers across the state attended annual town meetings in May and June to decide large and small spending requests, special projects and local referenda.

Most meetings were placid and took little time. In some communities, leaders lamented the low voter. However, voter turnout leaps when there is a controversial referendum or project on the warrant.

Many of the municipal elections are held a day before town meeting and voting is done by secret ballot, attracting far more voters.

Town meetings have been an exercise in pure democracy in New England since colonial times. Even in towns with low voter turnout, residents resist changing the open-floor town meeting format in favor of secret balloting or delegating the decisions solely to select boards and councils (following public hearings).

One such town this June was Livermore, where Tom Gould, select board chair, argued in favor of keeping the open-floor format, telling voters he liked the chance for townspeople to openly discuss and debate the proposed town budget, infrastructure projects and proposed ordinances.

In an 1854 speech by Henry David Thoreau, a believer in civic disobedience, an avowed abolitionist and author of The Maine Woods, he opined about town meetings:

“When, in some obscure country town, the farmers come together to a special town-meeting to express their opinion on some subject which is vexing the land, that, I think, is the true Congress, and the most respectable one that is ever assembled in the United States.” (Source: https://en.wikipedia.org/wiki/Henry_David_Thoreau)

Famously, the revered American artist Norman Rockwell depicted a man standing at town meeting in the first in his Four Freedoms paintings: Freedom of Speech.

Wind and spending

In the small town of Canton, 25 miles west of Auburn with a population of just under 1,000, voters agreed to establish a special account for taxes collected from the $50 million Canton Mountain Wind enterprise.

The wind project has generated just under $35,000 in taxes this year and is expected to bring the town $40,000 to $80,000 annually. Voters nixed a proposal from the floor to create a special committee to oversee how revenue from the eight-turbine wind farm was spent.

The town meeting voters decided to create the Community Benefit Reserve Fund to separate the wind farm revenue. Any resident would be able to lobby the select board for ways to spend the money.

Selectwoman Carole Robbins said the board was not opposed to forming a special committee for the wind farm project, but the warrant asked only that residents name the reserve fund where the annual windfall will be held.

The wind farm went online in November 2017 and will generates 61.8 million kilowatt hours of energy a year.

Robbins said town residents and officials agreed from the start that the wind farm revenue would not be used for day-to-day expenses. The funds will finance one-time projects only, separate from the operational budget, she said.

She said the select board intends to seek information from officials from other towns that host wind farms. “The plan is to contact other towns” with wind farms “just to get some guidelines,” she said.

Canton’s board wants to know whether other towns create advisory committees or if selectmen decide where the money will be spent, she said. Regardless, any proposal for use of the money must be approved at town meeting.

In the western Maine Town of Livermore, voters were given various options for road maintenance and repairs, ranging from $350,000 to $500,000. They accepted the recommendation of the budget committee and appropriated $350,000 for roads. Forty miles of road wind through Livermore and the town repairs one mile a year.

Peru residents narrowly voted against using $250,000 in excise taxes and another $250,000 in surplus funds to hold down taxes. The vote was 256 to 235.

In Madison, voters agreed to spend $300,000 from surplus to maintain their tax rate. In Skowhegan, where the budget increased $548,000, residents decided to take $1 million in surplus to reduce the property tax rate.

In a lop-sided vote, South Berwick residents agreed to borrow $4 million for a new police station, with an interest rate of 3.5 percent. The bond will increase taxes $28 per $100,000, or $75 on an average home in the first year.

In Madawaska, residents agreed to borrow $695,000 to upgrade the northern Maine town’s sewer treatment plant.

Litchfield voters approved a re-

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Liz Mockler is a freelance writer from Randolph and regular contributor to the Maine Town & City, lizmockler@hotmail.com.
quest for $118,000 for a town-wide property revaluation.

And in York, voters agreed to a capital improvement budget that included $1 million to repair parts of the town’s seawall and to replace other areas of the barrier.

**New ordinances**

In a growing trend in Maine, voters in several towns passed “food sovereignty” ordinances to allow local farmers and other food producers to sell their products in town without being licensed or inspected by the state.

The ordinances are allowed under a 2017 state law, the Food Sovereignty Act, which affirms “home rule” for cities and towns to regulate producer-to-consumer sales within their own municipality. The law does not apply to meat, which the federal government regulates and inspects.

As of June 2017, 20 municipalities had adopted local food sovereignty laws, led by Sedgwick, Blue Hill, Brooksville and Penobscot.

Among the towns that enacted food sovereignty ordinances this June: Mount Vernon, Northport, Starks and Solon.

In Monmouth, voters approved a voluntary tax break program for local farmers. Under the program, up to three percent of Monmouth’s taxable land would qualify for a 75 percent tax refund over several years as long as the land is used for farming and the land owners agree to preserve the farm land for 20 years.

Monmouth is only the second town to enact such a program; Winslow passed a similar tax policy in 2016. The Monmouth vote was overwhelming: 587 to 197.

Monmouth residents also voted to borrow $990,000 to rebuild two roads and to raise $90,000 to match a state grant to replace a 50-year-old culvert.

Readfield voters joined a handful of other Maine communities that have passed tax relief programs to assist elderly and poor property owners. The vote was 534 to 129.

**More on marijuana**

Again this June, many towns considered various retail marijuana proposals; most were opposed. None of the actions dealt with medical marijuana production and use.

Sebago voters banned retail marijuana stores or social clubs. Oxford residents banned stores and social clubs, as well as retail cultivation. Kingfield voters agreed not to allow recreational marijuana shops.

However, Topsham voters rejected a ban on retail marijuana establishments. Monroe voters narrowly approved general authorization for residents to cultivate marijuana for retail purposes, as well as operating processing facilities. The vote was 34-23.

In Wilton, where some residents lamented that the town of 4,100 could become known as the “marijuana capital” of Maine, voters amended the town’s zoning ordinance to allow for marijuana retail stores, indoor cultivation, manufacturing, processing and testing in the town’s farm and forest, commercial and industrial zones. Outdoor cultivation will be allowed in all the previously named zones, in addition to the resource protection zones. All proposals must be approved by the planning board. Approved retail stores cannot be operated within 500 feet of schools, churches, day care centers or libraries.

One opponent said he didn’t like the smell of pot and didn’t want to sniff it while passing retail establishments and growing operations. Another voter said residents would have to adapt, since there was “no quick fix” to the pungent odor of marijuana.
Update: Election results from late spring town meetings

By Liz Mockler

Following are among the municipal election results from May and June balloting. A handful of results are from April voting. Unopposed incumbents are not included. The names of challengers, unless former officials, also are not included. However, former select board members are included, regardless of whether or not they win. The results are based on news reports and interviews with town clerks. The results are listed in alphabetical order by municipality.

Boothbay: Incumbents Dale Harmon and Steven Lewis received 491 votes and 486 votes, respectively, to win re-election. One challenger collected 362 votes.

Bridgton: Liston “Lee” Eastman and Carmen Lone garnered the most votes in a four-way race for two select board seats. Incumbent Robert McHatton Sr. was defeated, along with the town’s animal control officer, Jacqueline Frye. Lone collected the most votes with 702, while Eastman received 505. McHatton received 461 votes and Frye garnered 341. Gregory Watkins did not seek re-election. McHatton, who has served on and off for decades, did not seek re-election. McHatton Sr. was elected to replace Selectman Alvah MacWilliam.

Kingsfield: Morgan Dunham easily defeated a challenger by a vote of 84 to 45 to replace outgoing Selectman Brian Hatfield.

Livermore Falls: Incumbent Selectman Nixon Ortiz was re-elected by one vote over his challenger, former Selectman Ronald Chadwick. A recount was held and produced the same outcome – 252 to 251.

Madawaska: Danielle Campbell ran unopposed to take the seat of select board Chair Brian Thibeault, who did not seek re-election.

Madison: David Savage held off two opponents to replace Selectman Paul Fortin, who did not seek re-election. Savage received 296 votes, compared to 284 and 159 for the other two candidates.

Mexico: Selectman Richard “Richie” Philbrick held off a challenger to win a fifth three-year-term. He won easily, receiving 286 votes to his opponent’s 130.

Mount Desert: Incumbent Martha Dudman held off a challenger by a vote of 181 to 123 to win another term on the select board.

Northport: Zack Hollingshead received 103 votes in his uncontested run to replace Drexel White, who did not seek re-election after serving nine years.

Oxford: Incumbent Scott Hunter narrowly won re-election with 300 votes, while Samantha Hewey collected the most votes with 367 to replace Selectman Chair Peter LaVerdiere. There were two other candidates, both of who nearly defeated Hunter with 298 votes and 294 votes.

Peru: Incumbent Larry Snowman and newcomer Lynda Hebert won three-year terms with votes of 231 and 196, respectively. Incumbent John Witherell received 199 votes and a fourth candidate collected 163 votes.

Raymond: Marshall Bullock ran unopposed to replace Selectman Joseph Bruno, who did not seek re-election after serving 12 years. Bruno also is a former state representative. Bullock was chair of the town’s Budget/Finance Committee at the time he was elected with 859 votes.

Richmond: In a six-way race for two selectmen seats, incumbent O’Neil LaPlante received 241 votes to keep his seat, while Randy Bodge, who collected the most votes at 300, will serve a three-year term, replacing Gary Poulin, who died in February. Poulin had intended to run for a second term, according to Town Clerk Sharon Woodward. The four other candidates received 177, 174, 151 and 151 votes.

Rockport: Debra Hall and Jeffrey Hamilton defeated one challenger to win three-year terms on the select board. They replace outgoing Selectman Marshall Bullock and Selectman Kenneth McKinley, who did not seek another term. However, McKinley ran unopposed to serve the final year of Thomas Gray’s three-year term. He received 852 votes. Hall collected 669 votes and Hamilton garnered 427 votes, while a third candidate received 334 votes.

Searsmont: Incumbent Bruce Brierley won re-election with 66 votes, defeating an opponent, who received 52 votes.

Liz Mockler is a freelance writer from Randolph and regular contributor to the Maine Town & City, lizmockler@hotmail.com.
Sebago: Edythe “Edie” Harnden defeated two challengers to win another term on the selectboard. She received 192 votes, while her opponents collected 132 and 79.

Skowhegan: Vanessa York and Roger Staples were elected Tuesday to three-year terms as select board members with 597 and 360, respectively. They replace Selectmen Soren Siren and Darla Pickett, who did not seek re-election. In all, there were seven candidates running for the two seats. They included Darryll White, a member of the board of directors of Main Street Skowhegan, who received 273 votes; Paul Natale, a former selectmen in the Town of Canton, who collected 324 votes; Steven Conley, with 276 votes, the current chairman of the Skowhegan Planning Board; John Grohs, who has served 10 years on the town’s budget committee and six years on the town’s Board of Assessors; and David Hayward Jr., who received 88 votes and works for a private firm in nearby Fairfield.

Southwest Harbor: Kristin Hutchins ran unopposed to replace Selectman Dan Norwood, who did not seek re-election after serving three terms.

Tremont: Incumbent Kevin Buck received 141 votes to retain his selectman seat, while Michael Mansolilli garnered 111 votes to replace Christopher Eaton, who did not run for re-election after serving as a selectman for 30 straight years. A third candidate received 80 votes.

Turner: Incumbents Kevin Nichols and Kurt Youland held off one opponent to win re-election. Nichols received 215 votes, Youland collected 191 votes and the challenger received 153 votes.

Wilton: Former Selectman and state Sen. Thomas Saviello ran unopposed to finish the final year of Ruth Cushman’s term. He received 698 votes. Newcomer Philip Hilton received 561 votes to replace termed out Selectman Jeffrey Adams.

Yarmouth: Andrew Kittredge and Meghan Casey were elected to the town council in a four-way contest to replace outgoing Councilors David Craig and James MacLeod, who were termed out. Kittredge received 1,725 votes and Casey collected 1,463. Their opponents received 1,230 and 594 votes. ■

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Keynote – Daniel Sieberg
Mind Blown: The Future of Transportation
Thursday, October 4 – 9:00-10:15 a.m.
When you’re asked about “transportation issues,” do you think of snow plows, culverts and potholes? Many Mainers do, with good reason. But the future of transportation — stunningly, in 10 years or less — includes driverless cars and aerial drone deliveries on a mass scale. Consider: Our young and unborn kids and grandkids may never learn how to drive. And, we all will “interact” with drones at our front doorsteps, as drone deliveries could make UPS and FedEx drivers obsolete.

Up or Flat? The State of Maine’s Economy
FEATURED SPEAKER – Amanda Rector, Maine State Economist
Wednesday, October 3 – 9:00-10:30 a.m.
Historically low unemployment — and mill closures. A growing state budget surplus — and pressure on property taxes. A higher minimum wage — and trouble recruiting young professionals. For every positive report about Maine’s economy, there seems to be a step back as well. State Economist Amanda Rector will kick off MMA’s 2018 Convention with a comprehensive look at Maine’s economy and what it means for leaders at the local level.

What a Ride: The State of Maine’s Elections
FEATURED SPEAKER – Matthew Dunlap, Maine Secretary of State
Wednesday, October 3 – 10:45 a.m.-12:00 p.m.
Ranked-choice voting dominated our election cycle earlier this year, and thrust Maine into the national spotlight for its political innovation. How did it go overall? What does the future hold? Maine Secretary of State Matthew Dunlap will take us behind the scenes this election year and offer his views on the historic vote that is just a month away.

Walkable Cities
FEATURED SPEAKER – Jeff Speck
Thursday, October 4 – 11:45 a.m.-1:30 p.m.
How do we solve the problem of ever-sprawling suburbs and their associated costs? Community planner Jeff Speck shows how we can free ourselves from our dependence on the car by making towns and cities more walkable, safer and more pleasant for people, especially in a state that’s getting older.
The 2018 MMA Convention – 82nd Anniversary Year
Preliminary Lineup

Wednesday, October 3, 2018

7:30 a.m.  Registration Begins

7:30 – 10:30 a.m.  Continental Breakfast

9:00 – 10:30 a.m.  WELCOME AND FEATURED SPEAKER
Up or Flat? The State of Maine’s Economy
Historically low unemployment – and mill closures. A growing state budget surplus – and pressure on property taxes. A higher minimum wage – and trouble recruiting young professionals. For every positive report about Maine’s economy, there seems to be a step back as well. State Economist Amanda Rector will kick off MMA’s 2018 Convention with a comprehensive look at Maine’s economy and what it means for leaders at the local level.

Presenter: Amanda Rector, Maine State Economist
Certification: Valid for 1.25 MTCMA Certification credits in the following categories: Finance/Budget.

10:30 – 10:45 a.m.  Break/Visit with Exhibitors

10:45 a.m. – 12:00 p.m.  FEATURED SPEAKER
What a Ride: The State of Maine’s Elections
Ranked-choice voting dominated our election cycle earlier this year, and thrust Maine into the national spotlight for its political innovation. How did it go overall? What does the future hold? Maine Secretary of State Matthew Dunlap will take us behind the scenes this election year and offer his views on the historic vote that is just a month away.

Presenter: Matthew Dunlap, Maine Secretary of State
Certification: Valid for 1.25 MTCMA Certification credits in the following categories: Leadership and Elected Relations.

10:45 a.m. – 12:00 p.m.  Concurrent Sessions
Budgeting for Capital Improvement Projects
Let BMSI walk you through the planning and budgeting process for major capital improvement projects. This session will help you decide which assets need improvement and when, by considering what is required to sustain the performance or level of service, the current condition, risks and consequences. The speaker will also cover the best funding strategies available.

Presenter: Bruce Perlo, III, Senior Management & Development, Business Management Systems (BMSI)
Certification: Valid for 1.25 MTCMA Certification credits in the following category: Finance/Budget.

Demystifying the Spending Account Alphabet Soup
This session will provide information on the different types of spending accounts that employers can choose to offer in conjunction with employer-sponsored health plans. Our expert will discuss HRAs, HSAs and FSAs, explain when each of these accounts may be offered, and who can take advantage of them. The panel also will include municipal employers, who will describe their spending account strategies.

Presenters: Susan Dublin, Vice President, Group Dynamic; municipal speakers TBD

2:45 – 3:00 p.m.  Break/Visit with Exhibitors

3:00 – 4:00 p.m.  Concurrent Sessions
Wednesday, October 3, 2018

Sexual Harassment in the Workplace
The prevalence of sexual harassment in the workplace has taken on new proportions, toppling leaders in business, the entertainment industry and government. How can local leaders and managers minimize the chances of this happening in their municipal offices without infringing on employees’ legal rights?  

Presenters: Sarah Newell and Ryan Dumais, Attorneys, Eaton Peabody  
Certification: Valid for 1.00 MTCMA Certification credit in the following categories: Ethics, Human Resources and Legal.

Maine Is Changing: Approaching Diversity
The demographics of Maine are changing rapidly. As our state ages, and the demand for new employees and elected officials grows, local leaders must think more about diversity – in age, gender, sexual orientation and ethnic background. Hear two leading municipal officials discuss what’s happening pro-actively in their communities on the issue of diversity.  

Presenters: Perry Ellsworth, Town Manager, South Berwick; Mandy Levine, Workforce Diversity & Inclusion Specialist, City of Portland.  
Certification: Valid for 1.00 MTCMA Certification credit in the following categories: Leadership and Ethics.

MMA Salary Survey Update
Maine Municipal Association’s online Municipal Salary Survey entered its third year in 2018, and we’ve made significant changes to make it more printer-friendly and easier to use. More than 210 municipalities enter data and use the survey each year. This is a valuable management, financial and HR tool that you need to know more about.  

Presenter: Holly Maki, Project Manager, Dynamic Benchmarking  
Certification: Valid for 1.00 MTCMA Certification credit in the following category: Human Resources.

Thursday, October 4, 2018

7:30 a.m.  Registration

7:30 – 9:00 a.m. Buffet Breakfast

9:00 – 10:15 a.m. KEYNOTE SPEAKER

Daniel Sieberg – Mind Blown: The Future of Transportation
When you’re asked about “transportation issues,” do you think of snow plows, culverts and potholes? Many Mainers do, with good reason. But the future of transportation – stunningly, in 10 years or less – includes driverless cars and aerial drone deliveries on a mass scale. Consider: Our young and unborn kids and grandkids may never learn how to drive. And, we all will “interact” with drones at our front doorsteps, as drone deliveries could make UPS and FedEx drivers obsolete.  

Certification: Valid for 1.25 MTCMA Certification credits in the following categories: Leadership and Ethics.

10:15 – 10:30 a.m. Break/Visit with Exhibitors

10:30 – 11:45 a.m. Concurrent Sessions

Writing the Perfect Town Meeting Warrant
Drafting and posting a town meeting warrant requires considerable forethought and careful preparation. This nuts and bolts discussion will cover the essential elements of a warrant, including the nature, content and form of a warrant, its preparation, signing and posting, and other special considerations and pitfalls.

Presenters: Breana Gersen, Staff Attorney, MMA Legal Services Department; Christine Wolfe, Clerk, Town of Freeport  
Certification: Valid for 1.25 MTCMA Certification credits in the following category: Legal.

Recovering from a Cyber Event
Cyber-attacks, and subsequent losses, are often not considered when considering recovery measures after catastrophes. However, it is more important than ever before to start creating defenses to protect your community against the increase in frequency and severity of these attacks. Dr. Appunn will provide suggestions on how to prepare, detect, react, repair and recover from attacks and risks that may prevent your office from functioning.  

Presenter: Dr. Frank Appunn, CISSP, PhD, Professor, Thomas College  
Certification: Valid for 1.25 MTCMA Certification credits in the following categories: Leadership and Finance/Budget.

Legislative Policy Committee Meeting & Lunch
(Christopher G. Lockwood Conference Center, MMA)  

11:45 a.m. – 1:30 p.m. LUNCHEON & FEATURED SPEAKER:

Jeff Speck – The Walkable City
How do we solve the problem of ever-sprawling suburbs and their associated costs? Community planner Jeff Speck shows how we can free ourselves from our dependence on the car by making towns and cities more walkable, safer and more pleasant for people, especially in a state that’s getting older.

Certification: Valid for 1.25 MTCMA Certification credits in the following category: Leadership.

1:30 – 2:30 p.m. Dessert Social & Mentalist Show!
Head to the exhibit hall for desserts, one last chance to visit with exhibitors and - A truly unique entertainment experience!

Stephan Master of the Senses, Maine’s very own mentalist magician, will wow you with his amazing mind reading skills and one of a kind sensory perceptions.

2:30 – 3:30 p.m. Concurrent Sessions

Cutting Through the Haze: New Marijuana Laws and Real World Examples
Hallowell’s City Manager, South Portland’s Assistant City Manager, and ...
Thursday, October 4, 2018

a member of Acton's Commercial Marijuana Committee will discuss their approaches to regulating the medical and non-medical marijuana industries under the recently re-vamped Maine statutes. MMA staff attorney Rebecca McMahon and Legislative Advocate Garrett Corbin will be on hand to discuss key changes to the laws and help answer questions. The final twenty minutes will be devoted to Q&A for your burning questions.

Presenters: Garrett Corbin, Legislative Advocate, MMA State & Federal Relations; Rebecca McMahon, Staff Attorney; MMA Legal Services; Hon. Richard Nass, Member, Town of Acton Commercial Marijuana Committee; Joshua Reny, Asst. Manager, City of South Portland; Nate Rudy, Manager, City of Hallowell.

Certification: Valid for 1.00 MTCMA Certification credit in the following categories: Legal and Finance/Budget.

LED Street Lights: How, Why and What’s Next?
Municipalities now have options for how they manage, maintain and pay for street lights. Hear from two municipalities that have converted to LED street lights on their experiences and the options available to you, which could help you save money and reduce energy consumption. Also learn how Portland is taking it to the "next level" through technologically advanced control systems and a variety of technologies such as public Wi-Fi, intelligent traffic signals, EV charging stations and environmental sensors.

Presenters: Nathan Poore, Town Manager, Town of Falmouth; Troy Moon, Environmental Programs Manager, City of Portland

Certification: Valid for 1.00 MTCMA Certification credit in the following categories: Leadership and Finance/Budget.

Being Civil in an Uncivil Time
Council meetings getting heated? Citizen groups taking to social media to bash your decisions? Maine is one of four pilot states that are developing a new model for communities to adopt civil respect. Will your town be one of them? These seasoned local officials will discuss this new initiative to revive civil discussion and debate into our local government democracy.

Presenters: Ryan Pelletier, County Administrator, Aroostook County; Pam Plumb, former Mayor and Councilor of Portland; Mark Hewes, State Director, Maine Revives Civility

Certification: Valid for 1.00 MTCMA Certification credit in the following categories: Leadership and Ethics.

Right to Know
Attorneys from MMA's Legal Services Department offer Right to Know training that is required for both elected officials and municipally appointed Public Access Officers. Attendees will get certificates that they completed the course.

Presenters: Richard Flewelling, Assistant Director, Legal Services, MMA; Susanne Pilgrim, Director, Legal Services, MMA

Certification: Valid for 1.00 MTCMA Certification credit in the following category: Legal.

3:30 p.m. Adjourn

Affiliate Association Programs

Please see full Convention program for additional offerings, highlights, special events and CEU/Certification credits/points. The following sessions have been prepared by and are sponsored by individual affiliate associations. All sessions are open to all Convention attendees.

Maine Association of Assessing Officers (MAAO)
Co-Sponsored by Maine Chapter of IAAO

Wednesday, October 3
10:45 a.m. – 12:00 p.m. Enough About BETE
Whether we like it or not, municipalities must address the newest BETE statute and continue to apply a consistent approach to the eligibility requirements set forth in the law. A panel of professional state and municipal assessors will answer your questions regarding the definition of service vs retail; consistency in the administration of approvals and denials of eligibility; and the status of the transition from BETR reimbursement to BETE exemption.

Presenter: Nicole Philbrick, Maine Revenue Services

Certification: This session is approved for 1.25 CMA/CAT re-certification credits through Maine Revenue Services

MAAO/IAAO Luncheon will follow at Augusta Civic Center (must pre-register for regular MMA Awards Luncheon)

Maine Chapter of American Public Works Association (MCAPWA)

Thursday, October 4
8:30 – 8:45 a.m. MCAPWA Business Meeting
Opening Remarks, Election of Officers & General Meeting Business.

8:45 – 9:30 a.m. Aerial Drone Utilization for Engineering/Public Works/Municipal Projects
Presenter: Kevin Connolly, Seavey & Maher Engineers, Inc.

9:30 – 9:45 a.m. Road Scholar Presentations
Presenter: Pete Coughlan, MaineDOT Local Roads Center
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<th>Event</th>
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<tr>
<td><strong>10:00 – 11:00 a.m. Business Case Evaluation (BCE) for the City of Portland’s Back Cove South Storage Project</strong></td>
<td>Monday, October 1</td>
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<td>Presenters: Kate Migone, Project Manager, AECOM; Chris Branch, Director of Public Works, City of Portland</td>
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<td><strong>11:00 a.m. – 12:00 p.m. What’s Happening at MaineDOT?</strong></td>
<td>Tuesday, October 2</td>
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<td>Presenter: David B. Bernhardt, Commissioner, MaineDOT</td>
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<tr>
<td><strong>MCAPWA Luncheon will follow at Augusta Civic Center (pre-registration required)</strong></td>
<td>Tuesday, October 2</td>
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<td><strong>Maine Chiefs of Police Association (MCOPA)</strong></td>
<td>Thursday, October 4</td>
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<tr>
<td>10:30 – 11:45 a.m. Maine Law Enforcement Accreditation Program</td>
<td>Thursday, October 4</td>
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<td>The new Maine Law Enforcement Accreditation Program (MLEAP) makes accreditation attainable for every law enforcement agency in Maine. Accreditation is the “next level” of professional excellence and can be a source of great pride for officers and communities. Program Director Liz Allen will share an overview and explain how MLEAP can help an agency demonstrate professional excellence, reduce risk, reassure residents and improve department performance. <strong>Presenter:</strong> Liz Allen, MLEAP Program Director, Maine Chiefs of Police Association</td>
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<tr>
<td><strong>Maine Community Development Association (MCDA)</strong></td>
<td>Thursday, October 4</td>
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<td>10:30 – 11:15 a.m. Municipal Solutions for Community Solar This presentation will cover a financial instrument, known as a Power Purchase Agreement (PPA) that ReVision Energy offers to municipalities investing in solar. The PPA allows cities and towns to install solar at no upfront cost, and enables them to take advantage of federal tax incentives. Through this opportunity, municipalities can reduce energy expenses while acting as leaders in climate change. <strong>Presenter:</strong> Steve Hinchman, Chief Counsel, Director of Development, ReVision Energy</td>
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<tr>
<td><strong>11:15 a.m. – 12:00 p.m. How to Bring Broadband to Your Community</strong></td>
<td>Thursday, October 4</td>
<td></td>
<td>Are you interested in bringing broadband internet to your community, but have questions about the financial and technical implications? Join the Maine Community Development Association (MCDA) along with speakers from the Connect Cumberland Initiative and Maine Broadband Coalition. Using the existing Three Ring Binder infrastructure, Cumberland County is working with communities and non-profits to develop a County-wide fiber network. This session will go through the project’s concept, regional need and positive impacts. <strong>Presenters:</strong> Travis Kennedy, Special Projects Liaison, Cumberland County; Other TBD, Maine Broadband Coalition</td>
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<tr>
<td><strong>12:30 p.m. Membership Luncheon will follow at Margarita’s Restaurant.</strong></td>
<td>Thursday, October 4</td>
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<td>To register, please contact Tracey Steuber: <a href="mailto:tsteuber@lisbonme.org">tsteuber@lisbonme.org</a>.</td>
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<tr>
<td><strong>Maine Fire Chiefs’ Association (MFCA)</strong></td>
<td>Wednesday, October 3</td>
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<td>10:30 a.m. – 12:30 p.m. Annual Meeting and Maine Fire</td>
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<tr>
<td><strong>Chief of the Year Award and Luncheon at Maine Municipal Association</strong></td>
<td>Wednesday, October 3</td>
<td>1:00 p.m. – 2:00 p.m. Maine EMS: Where We Came From and Where We Are Going An overview of the Maine EMS system – past, present and future. <strong>Presenter:</strong> Shaun St. Germain, Director, Maine EMS</td>
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<tr>
<td><strong>Maine Government Finance Officers Association (MGFOA)</strong></td>
<td>Wednesday, October 3</td>
<td>10:30 a.m. – 12:00 p.m. TBD</td>
<td><strong>Maine Municipal Tax Collectors’ and Treasurers’ Association (MMTCTA)</strong> Co-Sponsored by Maine Town, City and County Management Association (MTCMA)</td>
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Attendee Registration Form

MMA Convention – Augusta Civic Center – October 3 & 4, 2018

One registrant per form (please photocopy for additional registrations)

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<tr>
<th>BILLING INFORMATION:</th>
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<td>Full Name:</td>
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I plan to attend (choose ONE): □ Wed 10/3 □ Thur 10/4 □ Both Days

**CONVENTION REGISTRATION FEES (For one or both days):**

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<tr>
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<tbody>
<tr>
<td>□ MMA Members Registration Fee</td>
<td>$80.00</td>
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<td>□ Non-members Registration Fee</td>
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**MEALS:**

**WEDNESDAY LUNCHEON (OCT 3):**

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<tr>
<td>□ Awards Luncheon (Buffet) – Augusta Civic Center (North Wing)</td>
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**THURSDAY LUNCHEONS (OCT 4):**

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<tr>
<td>□ Luncheon (Buffet) – Augusta Civic Center (North Wing)</td>
<td>$18.00</td>
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<tr>
<td>□ Maine Chapter of American Public Works Association (MCAPWA) Augusta Civic Center (Piscataquis/Sagadahoc Rooms)</td>
<td>$18.00</td>
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**Current LPC Members should register using a separate form provided by the State & Federal Relations Dept.**

**SPECIAL EVENTS**

For planning purposes, please select if you are attending these complimentary activities:

- □ Bus Tour of Hallowell (Wed 10/3)
- □ Member Appreciation Reception (Wed 10/3)
- □ Dessert Social & Mentalist Show (Thur 10/4)

Payment Options: □ Send invoice* □ Check will be mailed** □ Payment Enclosed** PO #:__________________________

(***Please send a copy of this registration form with payment)

Credit card payments accepted with online registration only. ←

Fax registration form to: (207) 626-5947 Mail form to: Convention Registration, Maine Municipal Association, 60 Community Drive, Augusta, ME 04330

Signature: __________________________ Date: __________________________

Please make check payable to: Maine Municipal Association

Questions/Cancellations: Cancellation notification must be given in writing at least 3 business days before the start of Convention. Any cancellation received within that 3 day window will be charged the full registration fee. All cancellations are subject to a $10 administrative fee for processing. Registrations may be transferred to another official or employee. Please go to: http://www.memun.org/TrainingResources/Workshops/Training/Cancellations.aspx to cancel or email: wsreg@memun.org. If you have any questions please contact Louise Ridley at (800) 452-8786 or (207) 623-8428. Please inform us of any special dietary needs or special requirements you may have due to a disability.

Please keep a copy of this form for your records.
After working for 29 years as administrative assistant for the York Police Department, Virginia “Ginny” Avery retired in July and is likely enjoying time with her husband at their Loon Pond camp in Acton. She joined the department in October 1989 and was the first voice residents heard when they called the chief or captain. She also worked as a part-time dispatcher, a job she plans to continue. She recalled that when she first started dispatching, when a caller reported someone had suffered a heart attack, she would ask if they could perform CPR. Today, she stays on the line and tells the caller how to perform the often life-saving procedure.

Thomas “Tommy” Chisholm was promoted to Southwest Harbor fire chief in June after serving as deputy for several years. He was elected by his peers in the department and was officially confirmed by selectmen to a three-year term. Chisholm first joined the department at age eight as a member of the junior fire department. At age 18, Chisholm officially joined the volunteer force and was promoted within two years to captain after completing fire academy training. He served as a Bar Harbor firefighter and EMT for three years and currently works as a full-time firefighter and paramedic for the Bangor Fire Department. Chisholm, 30, lives in Southwest Harbor and works two 24-hour shifts in Bangor, leaving him plenty of time for his chief’s duties in Southwest Harbor.

Michael Crafts is Brunswick’s new public works director after serving 23 years in the U.S. Navy, including stints as the Navy’s public works director in Illinois and New Jersey. Crafts replaces John Foster, who retired recently after serving for more than 20 years. A Lisbon Falls native, Crafts began his new duties on July 16. Most recently, Crafts worked in Virginia Beach as the Navy program director, where his job involved tracking the deployment readiness of 20,000 sailors. He also served in Afghanistan, Iraq, Japan, Cuba and Puerto Rico for the Navy. Brunswick councilors were awed by his resume. He has earned one bachelor’s degree and two master’s degrees, the final one from the Massachusetts Institute of Technology. According to reports, he wanted to return home to Maine to settle his family after years of moving around, especially since his daughter starts high school this year.

Long-time Farmington Planning Board member Thomas Eastler resigned July 24 for health reasons. He served for more than 40 years on various town committees and special boards. He is a former director of philosophy at the University of Maine at Farmington. Eastler is well known statewide as a race walking coach and official. He has coached hundreds of high school and collegiate athletes over the years.

Bethel selectmen hired veteran Town Manager David Holt for up to six months while they search for a permanent replacement for Christine Landes, who started her new job as Gardiner city manager on Aug. 13. A native of nearby Greenwood, Holt has worked as a Maine town manager since the 1970s. His final job was as Norway town manager from 1989 to 2017, when he retired. Holt will work two days a week in Bethel and sometimes three when necessary.

Veteran Rockport firefighter Charles Knight was surprised July 19 when he attended a barbeque to celebrate the department’s new “Squad 25” fire truck, then learned from the chief that the truck was being dedicated in his name. Knight has served the town for 42 years. He was dressed in his uniform for a planned team photograph in front of the new truck. Knight joined the department in 1976 and was named assistant chief in 1998 and then promoted to deputy chief later that year. Knight resigned in 2013 as deputy chief, but has remained active as a firefighter. Knight’s family had been tipped off about the dedication and attended the ceremony and cookout.

John Ludwig, a longtime volunteer firefighter for the Town of Thomaston, died July 13 in Rockport. He was a 45-year member of the Rockland Lodge of Elks, where he worked as director since 2000. He also was a member of the Orient Lodge of Masons in Aroostook County. He was born in Rockland and was 73 when he died.

Westport Island Select Board members elected George Richardson Jr. as chairman for the 20th straight year in July. Richardson has served as selectman for 27 years.

James Toner, who worked as Waterville public works director, died of cancer July 16 at age 59. He died at home in New Vineyard. He worked as Waterville’s director of parks and recreation from 1988 to 2006. Beginning in 2004, he also served as Waterville public works director, until 2006. At the time of his death, he worked as director of the Fitness and Recreation Center at the University of Maine at Farmington, where he founded the center’s Mainely Outdoors Program and annual Sandy River Canoe/Kayak Race. He is survived by his wife, two children and several grandchildren.

Former Deer Isle Tax Collector Lorraine “Myra” Weed and former Selectman Lewis Ellis were feted on June 24 with a retirement party. Family members, residents, friends and former coworkers attended the celebration. Weed, 85, had worked as the town’s tax collector since 1986. Former Selectman Ellis was first elected in 1999 and served for the next 18 years. Ellis also worked on various village revitalization projects during his tenure.

Joseph Westrich resigned as director of the Lincoln County Communications Center in mid-July for unknown reasons. Westrich was promoted to director in January 2017 and had worked for the department for 25 years. He was named a supervisor in 2003.
STATEWIDE

The Northern Border Regional Commission (NBRC) awarded $2.9 million in grants to help fund eight infrastructure projects in Aroostook, Somerset and Knox counties. The NBRC allot an equal amount of Economic and Infrastructure Development Program grants annually to each of the four states it serves: Maine, New Hampshire, Vermont and New York. The commission was created to help economically distressed counties in the four states. Program Director for Maine, Andrea Smith, there were 19 applicants for the eight awards. A ninth “alternate” project was selected in case one of the eight others “does not move forward for some reason,” Smith said. The total cost of each project is shown in parentheses. The eight projects selected for 2018 grants, include: Presque Isle, $500,000 ($774,600) to replace 3,600 linear feet of sewer main, among other improvements; Washburn, $500,000 ($985,123) to add 3,600 feet of six-inch water main piping and 3,775 feet of forced main piping for wastewater conveyance, among other projects; Hartland, $500,000 ($131 million) to upgrade the town’s existing wastewater treatment plant; Mapleton, $340,000 ($425,000) to install 400 linear feet of eight-inch gravity sewer line, among other projects; Rockport, $250,000 ($4 million) to expand the public sewer along a 1.5-mile stretch of Route 1; Thomaston, $250,000 ($530,000) for the final phase of the town’s business block redevelopment project; Southern Aroostook Development Corp. in Houlton, $250,000 ($5.3 million) to create a 12,000-square foot food grade processing and testing facility to provide mouse food for Jackson Laboratory and 20,000 purchasers worldwide; and Madison, $310,000 ($1.6 million) to expand the infrastructure in the town’s industrial park, among other improvements. The alternate project: Presque Isle Industrial Council, $74,388 ($297,552) to repair and upgrade 1,300 linear feet of rail servicing Columbia Forest Products.

ANSON

The Anson-Madison-Starks Ambulance Service (AMS) was awarded a $50,000 federal grant and a low-interest loan of $107,000 to help pay for a new ambulance to replace its 2008 model that has 260,000 miles of use. The ambulance service, headquartered in Anson but owned and governed by the three towns, will chip in $10,650 in cash toward the cost. AMS also covers the town of Embden. In all, AMS serves 9,000 people over an area of 179,000 miles in rural Somerset County.

BIDDEFORD

The city’s police department is just the fifth police agency in Maine to achieve the designation of national accreditation by the Commission on Accreditation for Law Enforcement Agencies (CALEA), based in Virginia. The achievement means the department has proven it meets all 161 mandatory standards for excellent in law enforcement. In all, the department met more than 200 standards in just 18 months. The process, which does documenting proof for all of the standards and a personal assessment by visiting police leaders from across the country, typically takes up to three years. The CALEA accreditation is considered the “gold standard” for law enforcement. The Auburn, Lewiston, Orono and South Portland police departments, and the Cumberland County Sheriff’s Department, also attained the distinction. Earlier this year, the Maine Police Chiefs Association developed a comprehensive accreditation program that is less rigorous than the national standards so that smaller departments can achieve state accreditation.

CUMBERLAND

Cumberland Girl Scout Audrey Hankinson earned a Gold Award for developing a program to increase the number of homes that are properly numbered for 911 reasons. The Gold Award is the highest award a Girl Scout can achieve and must involve identifying a community problem and finding a resolution for it, among other efforts. Hankinson had noticed that many Cumberland homes either did not have a posted house number or one that could easily be seen by first responders. She worked with the town’s fire department to draft an ordinance that requires that the number be at least four inches tall, contrast with the color of the home and be visible from the street. For structures that are 50 or more feet from the street, the house number must be attached to a post, fence, wall or mailbox at the property line next to the driveway. Under the House Number Ordinance Project, homeowners may purchase signage kits from the town that include two reflective diamond-grade signs. Hankinson is 15 years old and attends Greely High School in Cumberland.

SOUTH PORTLAND

The city Planning Board approved two large housing projects in July that will add 292 units to an area of Maine with one of the tightest housing markets in Maine. A private firm plans to build 212 two-bedroom units and 44 one-bedroom units in the Clark Pond’s Parkway area, which will be housed in four, six-story buildings. All of the units will be rented at market rates. The estimated project cost is between $20 million and $25 million. The South Portland Housing Authority, meanwhile, will add 40 housing units to its Thornton Heights complex, and three single-family houses, at a cost of $9 million. Only nine of the housing authority units will be rented at market rates; the remaining 33 will be so-called “affordable” units set aside for residents who meet certain income requirements.
AUG. 29
**Elected Officials Workshop: South Berwick**

Attorneys and staff from MMA’s Legal Services and Communication & Educational Services departments will lead a workshop for Elected Officials on Aug. 29 at the Spring Hill Ballroom in South Berwick. The evening workshop begins with registration at 4 p.m. and ends at 8:30 p.m., including a light dinner. Officials who attend will receive a certificate showing they have met the state’s Freedom of Access training requirement.

The workshop is designed for newly elected officials, but veteran councilors and select board members will benefit from the refresher and legal updates as well. Topics include: open meeting and records; rights and responsibilities; effective communication; media relations; and, conflicts of interest, among others. Cost for the workshop is $55 for MMA members and $110 for non-members.

SEPT. 5
**Voter Registration: Portland**

The Maine Town & City Clerks’ Association will hold a day-long session on voter registration on Sept. 5 at the Fireside Inn and Suites. Kim McLaughlin, Town Clerk in Old Orchard Beach, and a staff member from the Maine Secretary of State’s Office will conduct the workshop. It will include a review of duties for registrars of voters and outline their tasks before, during and after Election Day.

The workshop starts with registration at 8:30 a.m. and ends at 4 p.m. The cost is $60 for MTCCA members and $80 for non-members.

**SPECIAL SESSION!**

SEPT. 6
**Leadership and Achieving Results: Gray**

The Maine Municipal Association will host a new workshop called, “How to Achieve Results When Your Teammates Can Tackle You,” on Sept. 6 at Spring Meadows Golf Club in Gray. The half-day program will be led by James Bennett, City Manager in Biddeford a veteran of municipal leadership in Maine and former President of the International City/County Management Association.

This workshop is intended for managers, department heads and elected officials who want to move beyond technical skills and learn about “soft skills” that make or break leaders in the public sector. Cost for the session, which begins with registration at 8 a.m. and concludes at 12:30 p.m., is $45 for MMA members and $90 for non-members.

SEPT. 6
**Title 21-A: Portland**

Kim McLaughlin, Town Clerk in Old Orchard Beach, and a staff member from the Maine Secretary of State’s Office, will present a workshop on Title 21-A at the Fireside Inn and Suites in Portland. The workshop will cover all aspects of administering state and federal elections at the municipal level.

Sponsored by the Maine Town & City Clerks’ Association, the workshop will begin with registration at 8:30 a.m. and end at 4 p.m. Cost is $60 for MTCCA members and $80 for non-members. Member attendees are encouraged to wear their name badges. Clerks who have never overseen an election before are strongly encouraged to attend.

SEPT. 11
**Clerks’ Networking, Business Meeting: Waterville**

Defining excellence and managing changes are two topics that will highlight the Maine Town & City Clerks’ Association’s Annual Networking Day on Sept. 11 at the Waterville Elks Banquet and Conference Center in Waterville. Speakers John Wipfler and Valerie Libby will lead a “highly interactive” set of three sessions.

The workshop is designed for newly elected officials, but veteran councilors and select board members will benefit from the refresher and legal updates as well. Among the topics to be covered: jurisdictional issues; public notice requirements; site visits; procedure for decisions; and, variances. The cost is $55 for MMA members and $110 for non-members.

SEPT. 13
**Planning Boards/BOA: Farmington**

MMA’s Legal Services Department will host a session for local Planning Board and land use Boards of Appeal members from 4 p.m. to 8:30 p.m. on Sept. 13 at Franklin Memorial Hospital in Farmington.

The workshop is designed as an introduction for new or less experienced members, but veterans may find an update useful as well. Among the topics to be covered: jurisdictional issues; public notice requirements; site visits; procedure for decisions; and, variances. The event begins with registration at 8 a.m. and will conclude at 4:30 p.m. Cost is $60 for MTCCA members and $80 for non-members.

SEPT. 20
**Labor and Employment Law: Bangor**

If you manage municipal personnel, as an employed manager or as an elected official, this workshop is a must for up-to-date information about legal and practical approaches to personnel situations. Attorneys Linda McGill and Matt Tarasevich, Glenn Israel and Ann Freeman from the law firm Bernstein Shur, and MMA’s David Barrett, head of Personnel Services & Labor Relations, will lead the workshop.

It will be held at the Spectacular Event Center in Bangor, starting with registration at 8:30 a.m. It will conclude at 2:30 p.m. Cost for the session is $75 for MMA members and $150 for non-members.

All of the upcoming workshops can be found on the MMA website.

Use the following link:

http://www.memun.org/TrainingResources/WorkshopsTraining.aspx
Foam Container Ordinances

We reported recently that a growing number of towns and cities in Maine have adopted ordinances banning or imposing a fee on single-use carryout plastic shopping bags (see “Plastic Bag Ordinances,” Maine Town & City, Legal Notes, July 2018). We’ve since learned of a similar initiative against disposable polystyrene foam food containers. At last count, there are now at least 10 municipalities in Maine that prohibit them.

Expanded polystyrene (EPS) – often but incorrectly referred to as “Styrofoam,” a trade name – is in many ways even worse for municipalities and the environment than plastic bags. EPS is not recyclable in Maine, so virtually all of it winds up as trash or litter, which costs a lot for local governments to pick up and properly dispose of.

Moreover, because it floats and breaks up easily, EPS is especially likely to find its way into waterways and the ocean, where curious fish and wildlife are prone to consume it and the chemicals it has absorbed along the way. By one estimate, nearly 90 percent of floating marine litter is either plastic or polystyrene material.

According to a national study, in 2015 Mainers (not including tourists) used at least 260 million EPS food containers – cups, plates, bowls, clamshells and trays – virtually all of which were used once and then either landfilled or littered. To curb these costly and environmentally harmful impacts, more and more municipalities are considering banning disposable foam food containers.

For a list of towns and cities in Maine with foam container ordinances, with links to the ordinances themselves, go to the Natural Resources Council of Maine’s “Disposable Foam Container Toolkit” linked here: https://www.nrcm.org/projects/sustainability/sustainable-maine-community-toolkits/disposable-foam-container-toolkit/

Incidentally, State law (38 M.R.S. §§ 1651-1654) already prohibits polystyrene containers at any function or facility of the State or any of its political subdivisions, including municipalities (see “Municipal ‘Styrofoam’ Ban,” Maine Townsman, Legal Notes, January 2016). For municipalities, however, this law applies only to municipal functions and facilities. It does not ban polystyrene containers in, for example, restaurants located within the municipality – that’s what an ordinance is for.

Prediction: Plastic straws and eating utensils will be next. So much for the one-word career advice (“Plastics”) given to Dustin Hoffman’s character by a fatherly mentor in the 1967 film “The Graduate.” (By R.P.F.)

Road Discontinuance Law – Major Changes on the Way

The Legislature has made some major changes to the law governing how municipalities discontinue town ways (see 23 M.R.S. § 3026-A).

PL 2017, c. 345, amends both the notice requirements and the process for discontinuing town ways that have not been discontinued by October 1, 2018. The pre-discontinuance notice to abutters that is already required by law must now also disclose whether or not a public easement is to be retained and the resulting maintenance obligations and right of access to the way. The notice must also inform abutters of their right to receive a right of access to the way. The notice must also inform abutters of their right to receive a right to receive compensation for any loss of a public easement.
to enter into agreements for maintenance and access. If property abutting the way is not accessible by an alternate public way, the notice must also inform abutters of their right to create private easements. This notice must, at minimum, be mailed via the USPS, postage prepaid, first class, to abutting property owners whose addresses appear in the municipal assessing records.

As for the discontinuance process itself, the statute already requires the municipal officers (selectmen or councilors) to meet publicly to discuss the proposed discontinuance. But under the revised law, if property abutting the way is not accessible by an alternate public way, the municipal officers must wait one year before proceeding with the discontinuance to allow abutters the opportunity to secure private easements. (This mandatory waiting period makes no sense if a public easement is to be retained, but the revised law makes no such exception.) Then, after one year, the municipal officers may proceed with the discontinuance (1) if a public easement is to be retained or (2) if a public easement is not to be retained, the municipal officers verify that sufficient private easements benefitting all abutters have been recorded in the registry of deeds. (As a practical matter, these requirements mean that virtually all future discontinuances will be with a public easement retained, albeit after a pointless one-year delay.)

If the municipal officers decide to proceed, they must file an order of discontinuance with the municipal clerk specifying the location of the way, names of abutters, amount of damages, etc. Then the municipal officers must hold a public hearing on the proposed discontinuance. The final vote by the municipal legislative body (town meeting or town or city council) to approve the discontinuance must be conducted no sooner than 10 business days after the hearing, except that where town meeting is the legislative body, the vote must be conducted at the next annual town meeting. If approved, the clerk must record an attested certificate of discontinuance in the registry of deeds and provide a photocopy to the Maine Department of Transportation.

The revised law also includes a requirement that sellers of nonresidential real property disclose to purchasers the existence of any abandoned or discontinued town ways, any public easements, and any private roads on or abutting the property, if known, as well as identifying maintenance responsibilities for same, if known. This requirement takes effect August 1, 2018 and is analogous to the current seller-disclosure law for residential real property (see 33 M.R.S. § 173(6)).

For more on road discontinuances, with sample forms, see MMA’s Municipal Roads Manual, available free to members at www.memun.org. (By M.L.S./R.P.F.)

**New Laws on Medical Marijuana Retail Stores**

Many municipalities have been struggling with how to handle requests from registered caregivers to operate medical marijuana retail stores. Existing law has been completely silent on the legal status of these stores and unclear as to municipal authority to regulate them. These ambiguities have created a breeding ground of confusion – some towns have refused to permit them, others have permitted them on the assumption that they must, and others have taken no action either way. Two new laws provide some clarity but may also pose a problem before both laws become effective. Here’s a summary:

On July 9, 2018 the Legislature enacted two amendments to the Maine Medical Use of Marijuana Act which recognize municipal home rule authority to regulate registered caregivers. The smaller of the two, PL 2017, c. 447 (LD 238), was enacted as an emergency and took effect immediately – municipalities may now, by ordinance, regulate registered caregivers.

The larger of the two, PL 2017, c. 452 (LD 1539), is a sweeping reform of the entire medical marijuana statute. One part authorizes registered caregivers to operate medical marijuana retail stores. However, caregivers may only do so if the municipality has voted to allow them generally. In other words, once this law takes effect, new medical marijuana retail stores are prohibited unless the municipal legislative body affirmatively votes to allow their operation. This is similar to the municipal “opt-in” requirement for adult use marijuana establishments under the new Adult Use Marijuana Act.

But herein lies the rub: This opt-in requirement will not apply to medical marijuana retail stores until LD 1539 takes effect, which will not be until sometime in late 2018 or later. In addition, LD 1539 expressly grandfather stores “operating with municipal approval” prior to the law’s effective date. This means medical marijuana retail stores will have at least several months to become grandfathered before new stores are prohibited from operating without a municipal vote to “opt-in.”

For municipalities that want to prohibit medical marijuana retail stores, or for municipalities that may want to allow them but need time to amend local ordinances to regulate them, we recommend adopting a moratorium ordinance. Since LD 238 is already in effect, there is no doubt that a moratorium applying to registered caregivers is now authorized. Note that LD 238 also imposes new state registration requirements for medical marijuana manufacturing facilities. In addition, LD 1539 will grandfather medical marijuana dispensaries, testing facilities and manufacturing facilities that are “operating with municipal approval” prior to that law’s effective date (again, sometime in late 2018 or later). Municipalities wanting to regulate or prohibit these other establishments should consult with local legal counsel about including them in a moratorium ordinance.

For MMA Legal Services’ Sample Moratorium Ordinance Regarding Medical Marijuana Retail Stores, see the following link: https://memun.org/Training-Resources/Local-Government/Marijuana-Resources. (By R.P.F.)
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