

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

One Hundred and Fifth Legislature

OF THE

STATE OF MAINE

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Message
of
Governor Kenneth M. Curtis
to the
Special Session
One Hundred and Fourth Legislature
January 6, 1970

MESSAGE OF KENNETH M. CURTIS, GOVERNOR OF MAINE TO THE
SPECIAL SESSION OF THE
ONE HUNDRED AND FOURTH LEGISLATURE OF THE
STATE OF MAINE

*Honorable Members of the Senate and House of Representatives of the
104th Legislature:*

Special Legislative Sessions are becoming an increasingly common practice as modern day problems become too urgent to await the biennial action which was sufficient when society progressed at a more leisurely pace.

Article V, Part First, Section 13, authorizes the Governor to, "on extraordinary occasions, convene the Legislature."

As early as September of last year, it was evident that the 104th Legislature would again have to meet in session.

In preparing the items for the call, I attempted to judge the most pressing and important matters to be considered from some 150 requests made by public officials at all levels of Maine government and from citizen groups as well as individual members of the Legislature. All of the items in the call are urgent and need immediate attention. On other matters the Legislature must decide if the public interest can await action at some future time.

At the outset I would like to thank Legislators of both parties who have advised me during the last few months as the call was being prepared, and I specifically appreciate the cooperation of the elected Legislative Leadership and those members of the Appropriations Committee who spent a good deal of time evaluating the many requests that were submitted to my office. Setting priorities has been time consuming and difficult. The total requests for appropriations from the General Fund alone were over \$20,000,000. Although most of these items are desirable, many will have to be deferred to the next regular session.

I hope that familiarity with many of the items that have been placed before you will assist in making this session both productive and congenial. I will now make a brief explanation of the items that appeared in the proclamation, first discussing the three appropriations acts.

Appropriations Bill—Operations

Both the Legislative and Executive branches have reviewed necessary agency expenditures for the last eighteen months of the biennium. One resulting Act which makes deductions and additions in General Fund appropriations is based on the Appropriations Committee draft as approved by the Legislative Research Committee. The adjusted Act eliminates 13 positions during 1969-70 and 25 positions for the second year. It authorizes for both years 2 positions for the Land Use Regulatory Commission and 8 for the Bureau of Taxation that were funded during the regular session. Two positions with an appropriation are included for the Bureau of Mental Retardation. Also in this Act are readjustments in debt retirement and interest based on bond issues now planned in light of the action taken on bonding questions by the voters at the November Referendum. An item of \$154,574 has been included to provide periodic payments to those institutional employees who experienced a loss in gross pay because of the change of hours upon the

installation of the \$9.00 weekly increase passed at the regular session. \$50,000 is recommended to supplement the appropriation to the Department of Indian Affairs in the second year and \$80,000 to the Bangor State Hospital for additional medical drugs and professional fees. This net savings and identified appropriations that would lapse under this Act are \$184,645 for 1969-70 and \$1,603,055 for 1970-71.

Section B of the Act provides \$97,203 for Judges' salaries. If enacted, Justices of the Supreme Judicial Court and Judges of the District Court would receive \$2,000 annual increases to \$22,000 and \$17,000 respectively. Superior Court Justices would be increased by \$2,500 to \$22,000 a year. These increases are essential for attracting and retaining the high quality of judges which has characterized the Maine bench.

Section C of the Act provides for allocation of the \$1,425,000 which remains of the 1963 pollution abatement bond and \$28.6 million of the \$50 million dollar issue approved by the voters in November of 1969. Theoretically, the Environmental Improvement Commission could be called upon to obligate approximately \$34 million additional dollars by July 1, 1971. The time and amount is dependent on Congressional action in funding the federal water pollution control programs. If full federal funding is available so that the \$34 million dollars can be obligated, the Commission's actual cash needs by July 1, 1971, for which interest or principal payments need to be budgeted, would probably not exceed 30% of this figure. This is accounted for by the fact that after obligation, the municipal treatment projects must receive approval of final plans, go to bid and be at least 25% completed before the State's payments are started. Bonds will be issued as rapidly as federal and local moneys are arranged to match the State in constructing municipal treatment projects, but there will be some lag after Legislative allocation. The requested allocation will be an important step in planning and accomplishing the expensive but essential cleanup of Maine waters.

Section D of this Appropriations Act would authorize the expenditure of remaining Educational Television network balances for improvement in its facilities.

Section E, the last section of the Act, makes the October 1, 1969, increase from 9 to 10 cents a mile for use of privately owned vehicles effective retroactively as of July 1, 1969. Sufficient funds are now appropriated for agencies to make any necessary back payments.

Appropriations from Surplus—The Basic Act

My meetings with Legislative groups revealed a number of important items lost in the November bond questions or which were not adequately funded by the regular session. The general agreement of the importance of these projects has resulted in an Act to appropriate \$2,336,029 of money from surplus for non-recurring items. The first item in the Surplus Act provides \$119,000 for a one-third State contribution to suppress a severe spruce-budworm outbreak in Aroostook County. The control of this epidemic will be through the use of an organophosphate chemical—Sumithion—which is potent, yet decomposes much more rapidly than hydrocarbons like DDT. As the Department of Forestry has agreed to return an unexpended \$97,348 to the General Fund, the net additional appropriation required by the Department amounts to \$21,652.

Three recommended appropriations would help a number of handicapped Maine people. Unfortunately, the \$210,000 bond issue to construct facilities at Camp Waban for retarded and handicapped children failed to receive voter approval. It has been the feeling of many people, including myself, that the Camp Waban bond issue failed because the wording on the ballot did not mention that it was a facility for retarded children. The overwhelming support given to facilities for the retarded in recent referenda is proof of this, it seems to me. Because Camp Waban is doing so much good, I am recommending a minimum of \$50,000 of direct appropriations to encourage this project which has widespread support in York County, has already received some state funding, and expects to receive considerable matching federal help. Also recommended is a program of support for a Renal Dialysis Center. This program will help Maine get started in treating patients with severe kidney diseases. Third, \$10,000 is included as a direct grant to the Child and Family Mental Health Services at Lewiston. This would help finance this community mental health clinic which has received previous state support.

In November voters approved a \$22,000,000 bond issue to initiate monthly payments by the State for general purpose school subsidies which have formerly been paid in August and December through lump sums. The \$22,000,000 was originally computed as sufficient to cover six monthly payments based on the subsidy formula used during the first year of the biennium. During the 104th regular session, the Legislature substantially revised the formula in the second year and repealed, effective January 1, 1970, the provision that would have distributed the bond issue money according to the first year formula. The present law now requires that the \$22,000,000 be distributed according to the second year subsidy provisions. School units have planned and budgeted on this expectancy. Therefore, \$947,479 is recommended to supplement the \$22,000,000 bond issue in conformity with the intent of the Regular Session and to meet the State's announced obligation for the January through June payments.

Failure of the University of Maine bond issue has created three emergency problems which should be resolved from surplus appropriations. Repairs to the sewage plant at Gorham State College will cost \$85,000. Another \$45,000 is needed at Aroostook State College to renovate boilers. At the University of Maine in Augusta, \$60,000 is requested for development of the new building site.

Out of surplus I am requesting that the Parks and Recreation Commission receive \$69,900 to carry out the most urgent projects which were contained in the defeated bond issue. This appropriation to Parks and Recreation is primarily intended to correct sanitation deficiencies at heavily used State Parks and to meet the same sanitary, health, and safety standards as privately operated areas are being required to meet by the Department of Health and Welfare.

For the Department of the Adjutant General, funds are recommended to complete three essential projects. At the Augusta Armory \$9,700 would be expended for fire protection and \$14,000 for expansion of facilities. \$5,000 is recommended for bulk gasoline storage with a protective firewall.

To complete the Veterans' Cemetery I have recommended that \$12,100 be appropriated to the Department of Veterans Services.

The Surplus Act also includes funds for four important projects undertaken by the Aeronautics Department. The Presque Isle Municipal Airport has received approval for federal matching funds by the Federal Aviation Authority. Of the total project cost of \$817,400, the local share has been raised and the project awaits the State's share of \$178,350. The FAA has agreed to reserve a claim on federal funds for this project to enable the Special Session to appropriate the money, if it chooses. I hope this sum will be included to assure that runways and instrument landing facilities are developed to meet Federal standards. Installation of this equipment and construction of runway improvements will give the State of Maine three all weather jet airports—at Portland, Bangor and Presque Isle—nicely suited to serve the expansion of our economy and population in the years immediately ahead.

Another result of our failure to enact the bond issue for air transportation and State improvements at the regular session is the need to provide \$313,000 which remains as the unfunded State share for the Terminal Building at Bangor International Airport. This project is budgeted to receive \$400,500 of local money, \$1,652,000 from the Economic Development Administration and the New England Regional Commission and \$400,500 from the State of Maine, for a total project cost of \$2,453,000.

For several years the State has been committed to assist the construction of a safe and adequate airport for Northern Aroostook County which is now reached through an airport in Edmundston, New Brunswick. Through Chapter 178, P. & S., 1967, \$30,000 of state assistance is already available. The engineering estimate for constructing this new facility has been developed by the Northern Aroostook Development Commission and the Department of Aeronautics. The total project would cost \$580,000, with 50% federal money to come from the Economic Development Administration. Of the State's remaining share of \$115,000, \$57,500 is requested from surplus. I expect this sum will be supplemented by a similar amount from the New England Regional Commission.

The fourth item in the emergency surplus bill for the Aeronautics Department is \$60,000 for road repair and improvement of grounds at the new Augusta Terminal Building.

The Supplemental Appropriations Act

In addition to the items previously described, a number of appropriations requests were reviewed that have a great deal of merit. These recommendations have been presented in a Supplemental Act providing for reductions of \$583,486, appropriations for operations of \$899,983, and a \$375,000 appropriation from surplus. In the Act, 78 authorized positions from the General Fund are recommended for elimination.

Present highway construction plans for the connection to the new bridge over the Piscataqua River call for use of the site of the present Information Center in the summer of 1971. At that time the State should be prepared to construct a new suitable and attractive Information Center at Kittery. To assure that plans will be sufficiently advanced, I am asking for \$10,000 for architectural drawings and cost analysis for the proposed Information Center. Based on these drawings and estimates, the regular session of the 105th Legislature will be requested to finance a building to assure the Maine tourist industry of a

continued opportunity to meet and service the many in-state travelers entering Maine through the Interstate System.

The second item in this Act affects the operations of the Department of Finance and Administration. The first calls for two persons to provide a management analysis staff. All Legislators have been mailed copies of the savings identified by administrative actions. The estimated savings of \$860,000 this biennium have been possible to identify because of a great deal of extra effort and work by persons in Finance and Administration who were already assigned other fulltime functions. The added management analysis staff is essential to continuing and improving the ability of the Department of Finance and Administration to work with other agencies on projects where preliminary reviews have indicated substantial savings are possible. This small staff will pay for itself many times over the \$38,882 appropriation that is recommended for the remainder of the biennium. Also requested is \$10,000 each year to continue the contractual analysis of the federal cost allocation plan.

For the Services for Aging function of the Department of Health and Welfare, I have recommended an appropriation of \$9,000 each year to provide money to match available federal grants from the Older Americans Act. These grants on a 3 to 1 matching formula would yield \$54,000 in federal money to improve state services to the elderly and to increase our ability to plan more adequately to meet problems faced by aging persons. This small investment of \$18,000 offers much promise.

The University of Maine has identified about three million dollars of additional operating needs for the remainder of the biennium. I believe our first priority should be to help assure that additional deserving students can be admitted for the next school year. These students have already indicated their desire to improve themselves by making their application to one of the University campuses. As I am convinced that there is a definite need for additional operating funds, I am proposing \$500,000 for the second year of the biennium to provide for admission of new students. This is the minimum responsibility which the State should accept.

Two items in the supplemental act affect programs in our correctional institutions. One item is \$375,000 for the first phase of a Diagnostic Unit at the Boys Training Center. During recent years the Department of Mental Health and Corrections has developed plans for this medical-psychiatric unit and it was one of the items eliminated from the Department's bond issue by the regular session. The recent tragedy at the Center highlights the need for a facility that will enable better care and closer observation of the disturbed boys who have been committed to State custody.

The second item concerning the Bureau of Corrections is the recommendation to close the Women's Correctional Center at Skowhegan which is budgeted to expend \$389,669 during the second year of the biennium. Although this institution is operating a good program featuring rehabilitation, we have concluded that the expense of the physical plant, the relatively large staff (46) and low number of women in custody (39) make it possible to phase out this institution at considerable savings of money without lowering quality. It would also provide for better use of the staff of other State institutions in treating juvenile offenders. Women offenders would be transferred to an institution in the Commonwealth of Massachusetts under the New England Interstate

Corrections Compact to which Maine is a party state. \$182,754 is the required appropriation to the Bureau of Corrections and the Probation and Parole Board to provide for these transfers and an improved probation program that will assure a better female probation service for women over 17 years of age. State employees will be provided opportunities as satisfactory as vacancies make possible. The balance of \$206,915 appropriated to the Women's Correctional Center would either lapse to the unappropriated surplus of the General Fund or be available for current reappropriation.

A nonappropriation item in this supplemental act recommends authorization for the Bureau of Accounts and Control to receive payment from State agencies for computer services rather than receiving a direct appropriation for this purpose. This authority to transfer money would enable State agencies to budget and pay for central data processing service and should result in improved administration with a reduction of 13 General Fund employees.

Other Recommendations Requiring Appropriations

Let me summarize. Thus far I have discussed three appropriation Acts. The net result of these Acts affecting General Fund Appropriations indicates a reduction of \$1,412,000. An appropriation from General Fund Surplus of \$2,711,029 is recommended. For the second year of the biennium 103 authorized General Fund positions are recommended for elimination and 22 new positions created.

In addition there are several special items carrying appropriation requests that warrant your consideration which will be introduced as five separate bills. All of these items are vitally important to some areas of our State or to certain public groups. First, the City of Portland has entered into an agreement with Lion Ferry to construct a terminal as part of the Portland to Yarmouth Ferry Service. Portland's share of the construction cost will exceed \$1,000,000. Because of the regional importance of this new transportation service I expect to obtain a \$200,000 grant from the New England Regional Commission to help. The City of Portland is now asking the State of Maine for an \$800,000 interest free loan. As a precedent has been set for such State loans in the financing of the Bar Harbor Terminal for the Bluenose Ferry, I urge the Legislature to provide this loan from surplus to help fulfill the progressive goal of bringing Nova Scotia and Southern Maine closer together.

Last June the bill to create a Human Rights Commission was passed by both houses of the Legislature, but in differing versions which could not be reconciled in the closing hours of the Session. I have received a great deal of public support as well as encouragement by Legislators for reintroducing this measure. I am glad to recommend it to you. To create the Commission effective July 1, 1970, will cost \$41,200.

Although this Legislature provided a \$9.00 a week increase for State employees and improved the retirement system, the situation of our public employees in terms of real income and take home pay has continued to deteriorate. Both the national inflation of consumer prices and increased deductions for health insurance and federal and State income tax contribute to this condition. Consequently, I am recommending that

the State pay 50% of the health insurance plans for State employees, including programs for the 2,200 former employees who are now retired. Those State employees who do not participate in what is now a voluntary health insurance program will have an early opportunity to join the system. The estimated General Fund cost for this benefit beginning July 1, 1970, is \$441,500 for the remainder of this biennium.

Four years ago the Legislature commissioned the Bureau of Public Administration of the University of Maine to evaluate and recommend improvements in our property tax administration. The 103rd Legislature provided additional funds to complete the study which was submitted to the regular session of the 104th Legislature. The proposed legislation to establish a system of full time assessors with uniform State standards has been carefully redrafted and should be ready for enactment. The cost of this long overdue property tax reform is \$189,276 for the second year of the biennium.

The Act to create a Consumer's Council also has a long Legislative history. First introduced to the 103rd Legislature, it was approved up to final passage by the regular session last year. A Consumer Council would offer protection both to the consuming public and to legitimate businesses operating in an ethical manner. Commencing July 1, 1970, the cost for the Council would be \$22,475 for this biennium.

Summary of Appropriation Requests

This table clearly summarizes my recommendations involving the General Fund showing a net reduction of \$597,580 in Operations and an appropriation from surplus of \$3,511,029.

RECOMMENDED APPROPRIATIONS AND ADJUSTMENTS FROM THE GENERAL FUND

Appropriations Bills	Operations		Surplus
	Deduction	Appropriations	Appropriation
An Act Making Deductions and Additional Appropriations (L. D. 1629)	(2,776,512)	1,048,015	
An Act to Appropriate Moneys for Non-recurring Items (L. D. 1632)			2,336,029
An Act Making Supplemental Appropriations and Deductions (L. D. 1749)	(583,486)	899,983	375,000
Separate Bills			
Lion Ferry Loan			800,000
Human Rights Commission		41,200	
50% Health Plan		441,500	

Property Tax Reform		189,276	
Consumer Council		22,475	
Totals	(3,359,998)	2,642,449	3,511,029
Net Loss to General Fund Undedicated Revenue		119,969	
Less Deductions	(3,359,998)	2,762,418 (3,359,998)	3,511,029
Net Effect—General Fund		(597,580)	3,511,029

State Highway Program

Failure of the Highway bond issue to receive passage has threatened severe curtailment of our highway construction. At stake during the current biennium is nearly \$80,000,000 of a planned program to build roads. Failure to provide State dollars may result in a permanent loss of up to \$60,000,000 of federal funds that is available through the 90-10 and 50-50 matching basis.

I do not believe people in the State of Maine want a two year moratorium on highway construction and I do not believe our tourist, transportation, and construction industries should suffer the inevitable depression that would accompany such a reduction. And, I do not think that other businesses and residents of the State should be subjected to the inconvenience of deteriorating highway travel. Consequently, I am recommending a revised bond issue of \$19,500,000 to build State highways.

Governmental Reorganization and Efficiency

The Citizens Task Force on Governmental Reorganization has reported its findings, which emphasized the need to consolidate State agencies and to better coordinate programs. It is clear that major changes in State governmental structure need to be accomplished step by step rather than abruptly. I believe it imperative that overall consolidation should begin now — at this Special Session — so that details of organization and budgets can be developed for submission to the 105th regular session. If reorganization of several major activities is not accomplished this Session it will not be possible until the 1973-75 biennium. This is too long to wait and, I believe, constitutes a true emergency. For this reason, I am presenting for your consideration a number of important recommendations that would contribute to efficiencies and improved management in State government.

I wish to repeat the Task Force stress on the need to develop improved management techniques with some new forms for better administration. At the same time the Citizens Task Force praised our present State employees and agency heads for working patiently and well within an outdated framework. As the report stated, "It should not be concluded from our recommendations that Maine is poorly governed today. However, we believe it would be better governed if the officers of administration worked within a framework more appropriate to their present day undertakings. The central theme of our report is that the

present organization of the Executive branch does not adequately serve the need for coherent, coordinated government.”

Recommended first in the Reorganization Act is a procedure for moving towards the consolidation of several State agencies under four secretaries. In the field of Manpower it is proposed that the Legislature grant authority to the Executive Branch to proceed during 1970 toward the consolidation of the Maine Employment Security Commission, the Department of Labor and Industry, the Industrial Accident Commission, the Division of Vocational Rehabilitation of the Department of Health and Welfare, and several manpower activities of the Department of Education under a single Department of Manpower Development. Preliminary investigations, sustained by the heads of various departments themselves, have shown that there are duplications of effort among these agencies, and the general consensus of all persons consulted in the field is that consolidation, subject to continuing Legislative review, would effect a more efficient operating process for Manpower services.

A similar consolidation procedure would lead to the creation of umbrella agencies concerning Natural Resources, Transportation, and Cultural Affairs.

Grouped under the Natural Resources proposal are the Department of Inland Fisheries and Game, the Department of Sea and Shore Fisheries, the Department of Forestry, the State Parks and Recreation Commission, the Mining Bureau, the State Geologist, and the Soil and Water Conservation Commission. Results of the research undertaken thus far indicate that there is considerable overlap among the several functions of these agencies, and in the interests of effectiveness and economy these functions should fall under one administrative head.

In the field of Transportation, approval is sought to proceed with the establishment of a Department of Transportation, drawing together the Aeronautics Department, the State Highway Commission and the Maine Port Authority. Service to the public in this area would certainly improve under such a setup, and it is felt that significant economies of operation would be realized under the new coordinated arrangement.

Finally, Legislative approval is sought for combining the State Library, State Archives, the State Museum, the Arts and Humanities Commission, and the office of the State Historian, into a Department of Cultural Affairs. Elimination and prevention of duplicative services, in addition to some decrease in operating expenditures, will result from such a merger.

All four of these proposals follow very closely the technique by which a comprehensive reorganization plan was initiated by the Commonwealth of Massachusetts earlier this year. All four proposals are written so that a full year of study by both Executive agencies and the Legislature can take place before the final enactment of implementing legislation and consolidated budgets during the regular session of the 105th Legislature in 1971.

Also, in accordance with the report of the Task Force on Governmental Reorganization, I am recommending to the Special Session that the State Personnel Board be abolished and a new Department of Personnel be organized to function as an agency better structured to provide

personnel services to other State departments and agencies than the present board type arrangement.

Following the suggestions of the Task Force it is proposed that the secretariat of the Maine Industrial Building Authority, the Maine Recreation Authority, and the Maine Municipal Securities Approval Board be combined to reduce duplication of clerical services and to realize administrative efficiencies of operation.

Other proposals include the consolidation of some 30 scattered occupational licensing boards under a new centralized Bureau of Occupational Licensing; the abolition of several advisory boards and commissions; the reassignment of appointive powers for 38 municipal Voter Registration Boards; and the transfer of the functions and budget of the Maine Art Commission to the larger Arts and Humanities Commission.

All of the above proposals are recommended for reasons of providing better and more efficient service to the public, and reorganizations can be implemented at no additional cost to Maine taxpayers. Indeed, eventual savings will be realized to either the General Fund or to the various dedicated revenues involved.

Economy Program

An important part of State administration is maintaining and improving efficiency and economy. During both 1968 and 1969, it was necessary to resort to special controls on new hirings and on other types of expenditures to keep costs within the financial resources appropriated by the Legislature. So effectively were expenditures controlled that the State of Maine closed last fiscal year on June 30, 1969, with a surplus of \$3.4 million more income than outgo.

The application of modern management techniques must be a continuous process. On August 23 of this year I issued an Executive Order intended to improve management. This Executive Order, coupled with studies made by the Legislative Research Committee, the Appropriations Committee and citizen's task forces, resulted in a wholesome and beneficial self-examination by State agencies. I believe that we can all have renewed confidence that State services and programs are being increasingly well administered. Steps have now been taken to assure that continued surveillance over State operations will continue to result in good use of tax dollars. Let me list the major actions taken.

Administrative Action

	Estimated Savings This Biennium	Estimated Ten Year Savings
A Study by Finance and Administration — Budget Office to determine the amount of indirect State support of Federal programs reimbursable to the extent of available Federal Funds.	\$ 245,000 (next biennium)	\$1,250,000
Issuing of an Executive Order relative to approval of contractual services and the establishment of a central review to avoid duplication of unusual contracts.	\$ 75,000	\$ 500,000

Examination of space requirements of agencies and activities supported by Special Revenue Funds and subsequent notification of rental charges to be instituted January 1, 1970.	\$ 360,000 (Increased Revenue)	\$2,400,000
Survey of computer facilities by Finance and Administration indicates that with centralization and installation of additional equipment better and more efficient data processing service is possible.	\$ 120,000	\$1,320,000
Survey of the new Centrex telephone installation resulted in a more positive control procedure being established over installation of new equipment and the continuing review of existing equipment.	\$ 10,000	\$ 150,000
Study by the Bureau of Purchases indicates that more effective use of copying machines is possible.	\$ 50,000	\$ 500,000
Total Estimated Savings	\$ 860,000	\$6,120,000

In addition, a general review of various areas of governmental activity was undertaken, including:

- Use of clerical personnel in major agencies with the objective of making maximum use of the efficiencies possible in clerical pools.
- Use of state-owned vehicles as opposed to mileage allowance, present departmental policies on use of vehicles, and the possible use of a central automobile pool service and bulk storage of gasoline and supplies.
- Use of copying equipment, printing, duplicating equipment and microfilming equipment with the objective of establishing centralized service facilities.
- Exploring the availability and feasibility of use of private capital in building State buildings.

Each one of the areas reviewed showed evidence of very substantial savings if experienced analysis staff is available to assist the various departments. This small staff would pay for itself many times over and has been recommended in the supplemental appropriations act.

Legislative Action

To continue these steps toward more efficient State government and accomplish other important activities, I am recommending to the Special Session the following Legislative actions:

Elimination of several programs, including the Women's Correctional Center and the Jefferson Relief Camp.

Enlargement of management analysis staff within Finance and Administration to continue cost reduction program. The cost for this biennium is \$38,882.

Legislative approval of the sale of certain unneeded State lands. The sale price goes to the State and the land reverts to municipal tax rolls.

If approved by the Legislature, my recommendations would result in the elimination of 107 State jobs and the elimination of approximately 160 State appointed unpaid or per diem positions.

Funds Available for Special Session of the Legislature

Because of careful management and a stable State economy, we should be able to fund our key needs during the Special Session without additional taxes. I would now like to describe the condition of State finances.

Surplus balance 7-1-69	\$3,298,581
Excess of revenues over appropriations for the current biennium	429,372
Return of working capital advances	561,461
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Sub Total	\$4,289,414
Project lapsed departmental balances at 6-30-70	\$2,500,000
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Sub Total	\$6,789,414
Less provision for contingent account restoration at 6-30-70	(500,000)
Net available for appropriation Fiscal Year 1970	\$6,289,414

In addition, for the second year of the biennium the administrative management program and Legislative studies have indicated a substantial amount of funds available during the fiscal year ending June 30, 1971. This includes the interest and principal that has been over-appropriated primarily because of the failure of certain General Fund bond issues at the November election. In addition, over \$250,000 of possible savings have been identified by the Appropriations Committee and \$1,153,541 by my Management Development Program. Consequently, if the Legislature approves the necessary economy measures that I have submitted to them, an additional \$2.5 million will be available for reappropriation or savings during the second year of the biennium. Coupled with the first year surplus, this means that \$8.7 million of tax dollars have been identified for new program use or for future expenditures by the 105th Legislature.

Revenue Estimates

I wish to emphasize that these funds are primarily available because of savings identified by management studies carried out since February, 1969. None of the surplus or savings reflect any attempt to increase tax revenues beyond the original estimates. Until we have had a year's experience in collecting and rebating the State income tax no change in tax estimates seems justified. At this time the revenue picture is encouraging.

Annual Sessions

I think we should all be pleased with the results of 2 years of self-examination of our administrative agencies. All agency heads cooperated fully with the Legislature and myself toward the goal of a more effective State government.

These various proposals for economy and efficiency are designed to correct the more obvious inefficiencies and duplications in our State government. It is hoped that these proposals will serve as the basis for a continuing review of our governmental structures toward the end that better services may be provided to Maine voters at lower costs.

Finally, I believe the number of items submitted by the Governor and the Legislature to the last three January Special Sessions indicates that the time has come to let the people vote on a Constitutional Amendment requiring annual sessions of the Legislature. Even after screening of bills by both the Governor and the Legislature many of the recent Special Sessions have considered and passed on a considerable amount of necessary State business.

This chart indicates the extent of these Special Sessions over the past decade, including this Session.

Special Session	No. Days	Bills Considered	Bills Enacted	Gen'l Fund Approp.	Surplus Approp.	Bond Issues
Jan. 1960	9	51	45	\$ 1,031,727		
Nov. 1961	6	64	51	\$ 1,212,471	\$ 994,779	
Jan. 1964	10	64	52	\$ 1,158,783		
Sept. 1964	3	13	9			
Jan. 1966	14	216	163	\$ 7,293,438	\$ 283	4
Oct. 1967	2	10	10	\$13,842,808	\$3,286,300	3
Jan. 1968	13	130	84	\$ 4,504,846	\$ 801,627	4
Sept. 1968	1	3	3		\$ 25,000	0
Jan. 1970		171 (approx.)				

I believe the weight of these figures justifies introducing the Resolve for annual sessions for your consideration at this time.

Educational Law Changes

Three bills are submitted to you containing adjustments in State laws that the University of Maine and the Department of Education consider essential and I am forwarding them for your consideration.

The bill concerning the University has four features. It would allow the Trustees to change the name of campuses. Another change would authorize the Governor and Council when requested by the Trustees to take land by eminent domain for University of Maine purposes. Third, the Trustees wish to repeal a provision of the ETV law that has seriously limited the effectiveness of ETV in providing a forum for the discussion of important public issues. It is especially difficult to comply with the present law when scheduling national education television programs that cannot be given review before local transmission. Finally, a provision is included which would give the Board of Trustees the legal authority to vest certain powers in the Staff as well as in the person of the Chancellor.

The changes in the laws of the Department of Education consist of correcting errors and inconsistencies, clarifying the statutes on school construction aid subsidy payments, and tuition charges.

A third bill carries out the intent of the November referendum authorizing \$25,000,000 of state credit for school construction loans under the Maine School Building Authority.

Also, I am submitting for your consideration an Act prepared by the Legislative Research Committee to help meet the difficult problem of financing the operation of non-public schools.

Environmental Control

In Maine, state agencies, study groups, and private sources have been actively developing legislative proposals to protect the Maine environment by filling gaps in state laws and municipal ordinances. Three measures are of immediate importance and were thus included in my proclamation. The first is an Act to protect the coast from damages caused by the conveyance and processing of petroleum. The basic draft of this proposal was prepared at my request by the Subcommittee on Pollution of the Machiasport Planning Committee. Modifications and additions have been made by the Subcommittee on Conveyance of Petroleum of the Legislative Research Committee. Enactment of these regulations is essential to assure both the public and potential industrial prospects that the State is determined to preserve the coastal and ocean ecology so important to recreation and fishing activities along the many miles of Maine coast.

I am submitting another measure to prohibit dumping of out-of-state waste matter in the State on either public or private lands. This legislation is the result of a direct environmental threat. I believe we should take this action now, but that extensive future study should be given to the entire problem of solid waste disposal.

A third measure would clarify certain important enforcement powers of the Department of Sea and Shore Fisheries and the powers of the Maine Mining Bureau to carry out the Oil and Gas Conservation and Development Control Act.

Municipal and County Measures

A number of matters that need immediate attention involve programs affecting the well-being of our cities and towns. One measure defers the problem of creating full-time county attorneys to another Legislature by revising salaries and workloads of county attorneys and their assistants to assure adequate public prosecution until a more satisfactory solution is agreed upon. An Act is included at the request of county officials to modify requirements pertaining to county reports and purchasing through bids. Also included in the call is a change in law relating to Deputy Sheriff for Androscoggin County.

Another Act is being submitted to convey title of State property now used by the United States Government that will be made available by the federal government for industrial expansion to further strengthen the economy of the City of South Portland. Minor amendments have been submitted to the Maine Police Academy Law intended to balance representation and assist this program to achieve its promise of improved law enforcement training for municipal and county officials. Bonding counsel and the Maine Municipal Association have advised that there is a problem dealing with the Municipal Revenue Bond Law as it relates to municipal sewerage facility construction and airport construction. Consequently, changes have been recommended in this law.

A final essential measure submitted for Legislative review is an Act to provide increased Home Rule to Carry out the intent of the Constitutional Amendment approved by the voters in November.

Private and Municipal Employees

Several changes are submitted for Legislative consideration that would benefit working people in Maine. One Act suggests amendments to the Public Employee Labor Relations Law that will clarify problems that have arisen since the Act took effect and that will permit negotiation of employee group security agreements. Another Act I support would expand the death coverage of the Workman's Compensation Law. Emergency legislation has been recommended to assure that State law provide adequate coverage for protection of the health and safety of Maine industrial workers. This measure is needed to modify legislation enacted by the regular session.

I am recommending three changes in the retirement law. The first extends the \$80 a month minimum retirement provision to a few teachers and state employees with 10 years of service who are now excluded. The second change would extend to the employees of AFSCME-AFL-CIO, Council 74, the same opportunity as exists for several other employee groups to belong to the Maine Retirement System. The third provision would update the law regarding pensions for unmarried widows of Governors.

I am recommending for your consideration, an Act to exempt doctors, psychologists, and certain classes of social workers from classification restrictions of the personnel system. If the Legislature will approve this policy it will help the Department of Mental Health and Corrections employ professional staff and thereby improve the quality of services to the level intended by the Legislature, but now impossible of fulfillment because of inadequate staffing at our institutions.

Other Provisions

I am including two statutory changes developed through an examination of conditions of low income people who rent their housing. The first would establish a rent escrow procedure and the second would change the notice requirements under tenancy at will by a new owner or lessee. Enactment of these statutory changes would provide fairer housing laws for low income people who rent their homes.

Several small but important legal changes of the Maine Housing Authority are submitted in order to assure the effective operation of the Act as intended by the Legislature.

Three matters are presented concerning the State liquor laws. One would permit hotels with 10-13 rental rooms to retain their present liquor licenses. This change is necessary as the regular session increased the requirement from 10 to 14 rooms. The State Liquor Commission now has authorization to sell liquor to scheduled airlines. A change is recommended to extend this permission to aircraft of unscheduled airlines as a convenience to providing more complete service by the Bangor International Airport. Legislative authorization is also sought to permit the transfer of receipts from the sale of special commemorative bottles to the Maine Sesquicentennial Commission.

Recommendations are being placed before you to make the state income tax continually comply with certain federal income tax provisions that are referred to in the Maine law and to make the boat registration laws compatible with federal laws.

Under the terms of Governor Baxter's will I believe it essential to create a State Forest Authority, to insure that his farsighted desire to provide natural sanctuaries for the enjoyment of future generations will be carried out according to his wishes.

As promised last year to several Legislators, I have included in my proclamation an Act to increase property taxes in the unorganized townships which make up 50% of the geographical area of the State. From the proceeds of this Act, if you approve, a meaningful program to provide rent and property tax relief for needy elderly persons can be initiated.

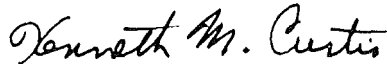
Conclusion

In the preceding pages I have briefly and factually identified the substance of my proclamation which will make up part of your Special Session agenda. The selection of these items was based primarily on urgency and importance. Wherever possible, all matters have been submitted for the advice of elected Legislative leadership and discussed with many other members of the Senate and House of Representatives.

I fully recognize the needs presented in many other requests that the Reference of Bills Committee has recommended for admission as supplemental matters to consider. The total amount of Legislative business on our agenda and the number of items requested but excluded point again to the need to move as soon as possible to regularly scheduled annual sessions so that our citizens' needs can be more adequately studied and so that all Legislators can have an opportunity to share in policy decisions each year.

Best wishes for a fruitful session.

Respectfully,



Kenneth M. Curtis
Governor