MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

One Hundred and Fifth Legislature

OF THE

STATE OF MAINE

Published by the Director of Legislative Research in accordance with the Revised Statutes of 1964, Title 3 Section 164, Subsection 6.

THE KNOWLTON AND McLeary Company
Farmington, Maine
1971

Messages

of

Governor Kenneth M. Curtis

to the

One Hundred and Fifth Legislature

January 7, 1971

January 20, 1971



GOVERNOR

STATE OF MAINE OFFICE OF THE GOVERNOR AUGUSTA, MAINE 04330

MAINE

January 20, 1971

To the Senate and House of Representatives of the 105th Legislature:

Dear Members:

Today, in accordance with my Constitutional duty, I am submitting a message describing legislation that will be submitted for your consideration.

It contains proposals which supplement those in my Budget Message delivered to you on January 13.

Respectfully,

KENNETH M. CURTIS

Venneth M. Curtis

Governor

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I. INTRODUCTION

In the past, it has been my practice, as Governor, to address several Special Messages to the Legislature, dealing with separate categories of legislation that I support. This session, I am departing from this practice and am presenting a single message, outlining a broader scope of my legislative program. The document will necessarily be of greater length than any of the previous individual messages, but now, within the covers of one publication, will be the comprehensive program that I deem necessary for the advancement of our State.

In my Inaugural Address, I set forth the goal of my administration as that of producing those governmental measures that would improve the "quality of life" for all Maine people.

In my Budget Message, I outlined the financial aspects of this program and set forth what I consider the priority needs of the State—needs, I might add, that were carefully sifted from the many requests and many ideas that were presented to me.

Here, in this Legislative Message, I am further amplifying the details of the program that I feel will help to accomplish the goal of a "quality life." I am realistic enough to realize that many of these measures and ideas that are contained here will undergo transformation before they become law. But I have selected and I present these recommendations to you, the I05th Maine Legislature, as representing, in my opinion, a balanced and responsible legislative program that deserves discussion and, if possible, enactment. No doubt, other measures will be presented to you that deserve consideration. I welcome all contributions of thought and suggestion on the part of legislators in regard to any aspect of this program. Working together, I know that we can advance our State and make progress in achieving the aims of our citizens.

II. IMPROVING GOVERNMENTAL ORGANIZATION AND EFFICIENCY

Reorganization

I will present, as a top-priority item, legislative proposals to implement the recent recommendations of the Legislative Research Committee on State Government Reorganization. These proposals, if followed, will lead to the creation of ten new departments recommended by the recent report of the Legislative Research Committee:

- 1. Department of Agriculture
- 2. Department of Community and Economic Development
- 3. Department of Consumer Protection
- 4. Department of Cultural Resources
- 5. Department of Education
- 6. Department of Environmental Protection
- 7. Department of Finance and Administration
- 8. Department of Human Services
- 9. Department of Manpower Affairs
- 10. Department of Transportation

In addition, I will also propose the creation of a Department of Natural Resources which was not included in the recommended actions of the Legislative Research Committee. This department is needed to complete consolidation for a very vital governmental function in this state.

The ultimate objective of these proposals is a complete and detailed modernization of Maine State government in the next two years. The plan I propose represents a choice between two approaches to this task: one is to reorganize departments one at a time, and the other is to make a comprehensive approach and provide for all the new departments within an established time schedule so that we may plan on a completely reorganized cabinet structure.

Although presented to the Legislature in separate bills for each new department, it is my conviction that we must take the comprehensive approach. All of the functions of a given agency necessarily relate to other major functions, and the mere consolidation of a few agencies does not answer the problem of divided responsibility or duplication. Partial consolidation with no guaranteed timetable for completion would leave a great number of loose ends to be picked up as the process continued. Furthermore, in some cases this task requires extensive and intricate statutory changes.

The over-riding consideration which makes this one-at-a-time approach a difficult one is the fundamental fact of resistance to change. From both the agency and legislative side there will be a reluctance to begin changing the system on a piece-by-piece basis because the ultimate result cannot be forescen. There is no solid context in which total involvement can even be described under this approach. For these and other compelling reasons, the little-by-little, one-by-one approach will not do the job. It has not done the job in any state which has tried it. As a recent report from the State of Massachusetts points out, "creeping reorganization will create large waves but no powerful or sustained current that will clear the channel." A more comprehensive approach is mandatory.

I therefor propose an overall, comprehensive modernization of Maine government in two main phases to be accomplished in approximately two years' time.

First, I will ask the State Legislature to accept the general guidelines of reorganization as proposed in the November 30, 1970 report of the Legislative Research Committee, with the addition of a Department of Natural Resources.

Second, I will ask the Legislature to authorize me to appoint eleven secretaries by November 1, 1971, to develop in detail the internal structure and operating mechanisms of each department. The secretaries shall develop each of the newly created cabinet offices to produce a new organizational structure, within the three general provisions stipulated by the Legislative Research Committee report. This internal modernization will include all departmental organization, new budgets and, where necessary, final detailed statutory changes to accomplish fully the desired structure and make it completely operable on July 1, 1973.

The overall central coordination to make certain that all necessary transfers of functions and units are accomplished will be performed by

the State Planning Office, working again in close cooperation with the Legislative Research Committee.

We cannot expect to alter the face of a government over night that has been built over a period of 150 years; but, we cannot delay taking positive steps now to accomplish what we know must be done.

Other Reorganization Proposals

In addition to the major reorganization of State Government which I have described, there are other proposals affecting the operation of State Government which should be acted upon. Most of these are not new proposals. Many have been presented before and have always received strong legislative support. I am hopeful these measures will be received and considered with the same spirit of cooperation, and the same sensitivity to sound administrative principles that marked the government reorganization study conducted by the Legislative Research Committee and the State Planning Office. Indeed, many of the same considerations that shaped the government reorganization proposals also apply to these other governmental reform measures.

For example, I am again presenting constitutional amendments that would provide for gubernatorial appointment of the Attorney General, the Secretary of State, and the Treasurer. The reorganization proposals recognize the principle that all major department heads should have terms of office concurrent with the Governor. This same principle applies to these major offices that are now governed by the Maine Constitution.

There are other familiar proposals that are important to enhance executive capacity for management and making reasoned decisions on priorities. These include the item veto, now available in a majority of states, and legislation giving the Governor authority to initiate and carry out administrative reorganization, subject to a legislative veto within a stated time period. The President of the United States has had such authority since the 1950's and it has been used effectively.

I am also recommending, as I have before, the abolition of the Executive Council, and, as a corollary to this proposal, annual sessions. The continuing existence of the Executive Council derives much of its justification from our biennial system, which is itself a relic of a simpler age. Our planning and budgetary processes, our structure for executive coordination and management, all would be greatly improved with the implementation of these proposals.

I am again recommending that we provide for a Lieutenant Governor who would run on the same ticket with the Governor. Our present system deprives the people of any say on the issue of gubernatorial succession. It provides for no continuity in administration. We can and should make better arrangements.

Election Reform

The Congress of the United Statees has expressed its conviction that the voting age should be lowered to 18. The United States Supreme Court, reviewing the Congressional action, has affirmed its propriety for all federal elections. Under these circumstances we would ignore national policy and invite administrative chaos if we failed to lower the voting age to 18 for state elections. However, the case for lowering the voting age rests on far more than the implications of Congressional

action. The reform is intrinsically right because our goal should be the broadest possible participation in elective politics and because there is no magic age of wisdom. At 18 our young people are literate, informed, and, from all 1 have seen, deeply concerned by the world around them. We mock their concern and our own complaints about youthful behavior if we deny them the most basic political right. The people of Maine have decisively demonstrated their willingness to lower the voting age to 20. We should give them the opportunity to carry this wise policy even further.

You also will have before you legislation that deals with other consequences of federal legislation on voting rights. The state's literacy tests, for example, must be removed from the statutes to conform to federal requirements. The legislation deals with this and other problem areas where the state law must be changed to be consistent with federal law.

Efficiency Measures

The cost of insuring State property against fire and other extraordinary risks has risen sharply in recent times as commercial insurance companies boost their premiums in response to deteriorating loss experience on public buildings. Even though Maine has thus far been largely spared the social unrest which has afflicted other parts of the country, the insurance premiums we must pay reflect the companies' national attitude toward such unrest and accordingly the real cost of insuring Maine State property is becoming excessive. To bring this cost back into line with our foreseeable risk exposure and thus eliminate needless expense, I will strongly support legislation drafted by the Maine Insurance Advisory Board creating a Reserve Fund for partial self-insurance of appropriate State property, and I am recommending an appropriation of \$1 million toward initial capitalization of this fund.

This legislation is the fruit of an intensive survey by the MIAB of state insurance programs throughout the United States. The Board concluded on the basis of this survey that Maine should alter its present program, under which State property is substantially fully insured with commercial insurance, in favor of a limited program of self-insurance based on an annual deductible of \$500,000 which the Reserve Fund would cover. I concur with the Board's conclusion that such a limited self-insurance program will decrease the cost of insuring State property without increasing the State's risk exposure. Although predictions of savings are difficult to make, the Board estimates that a sum in excess of \$200,000 a year may be saved.

In the Department of Finance and Administration I am recommending the immediate creation of two units at the Bureau level — a Bureau of Property Tax and a Central Computer Center. Both of these activities provide increasingly important services to State Government and were recommended for separate status in the Reorganization report by the Legislative Research Committee.

As indicated in my Inaugural Address I have become concerned with the alienation and even hostility that some people feel regarding their State Government and its programs, office holders and employees. To help improve the image of State Government I will soon appoint a group to initiate a frank and complete self-examination of the relationship between State agencies and the public that we serve. From this

study I expect general and specific recommendations to improve State administrative effectiveness and to humanize any functions that have become insensitive and bureaucratic.

I have concluded that cost accounting should be adopted by all State agencies. Our present general accounting system is adequate for control over appropriated funds and preparation of reports of total expense. However, our process of budget preparation is still hampered by the lack of unit cost data. Through unit cost comparisons with past performance, cost accounting would help establish standards by which to improve economy. Information gathered by cost accounting techniques would assist both the Governor and the Legislature in making policy decisions. It may give clues as to the relative cost and performance of equipment and reveal whether it is less expensive to lease or purchase equipment. Properly used, cost accounting should give State agencies an important management tool to make the best use of staff and budgets. As the public sector becomes larger we must modernize our process to assure that programs that we undertake can stand the test of competitive analysis so we make the highest and best use of all public monies.

The process of changing our present accounting-budget system will take time, but with the increased capability of our computer equipment we can make a beginning.

State-Local Reforms

As a result of the passage of the Federal Tax Reform Act of 1969, our State income tax law is out of step with the Federal law relating to certain taxpayers in the lower brackets. This results in situations where some returns will indicate no Federal tax liability and a typical State tax liability of three or four dollars.

To reduce the resulting confusion on the part of the taxpaying public and tax practitioners, I have directed the Bureau of Taxation to evaluate the number of taxpayers involved. I have further directed that legislative proposals be prepared to bring our State tax law into agreement with the Federal law in this regard.

For several years municipal and State officials have agreed on the desirability of improving the administration of the property tax. The problem is well understood. We need more uniform appraisal of real property which will make the local tax system at once both fairer and more productive, particularly in municipalities where appraisals are out-of-date. At the two sessions of the 104th Legislature, I had legislation prepared for thorough reform of the property tax system. This legislation was not enacted — so the problem still remains. There will be several measures placed before you to improve portions of the State or local administration of this tax. I hope agreement can be reached and pledge my continued support for meaningful reform.

I have included \$3.5 million property tax and rental relief for needy elderly citizens in the supplemental budget. If enacted, this money would establish a program for persons over 65 with less than \$4,000 annual income by making direct State payments in 1972 to cover a portion of their shelter costs this year. Importantly, this approval would not erode the local property tax base by exempting property from taxa-

tion. I also request that the lien feature of the property tax relief measure passed last session be repealed.

This property tax relief program for the needy elderly is but a beginning step in selective tax relief. The problem of homestead tax relief in Maine should be squarely confronted. Consequently, I will appoint a representative task force of citizens with both public and private perspectives to make a thorough analysis of residential tax relief with recommendations to be submitted to the 106th Legislature.

Concern for the level of our property tax continues to plague municipal officials and adversely affects the ability of local governments to get citizen support of their budgets and bond issues.

During the past few years the State of Maine has made considerable effort to provide monetary assistance to municipalities. Table IV below indicates the extent of this aid since 1960. However, municipal officials and individual property tax payers still need increased support of State Government.

State Payments to Local Governments vs. Local Property Tax Revenue 1962 - 1969 (Dollar Amounts in Millions)

	Intergovernmental Revenue State-Local	Property Tax Revenue
1962	\$23.7	\$113.1
1963	24.7	103.3
1964	24.8	103.6
1965	26.6	113.1
1966	27.0	120.2
1967	37.7	123.6
1968	38.7	123.1
1969	45.0	142.1
% Increase 1962/1969	89.87%	25.64%

Source: Governments Division, U. S. Bureau of the Census

I do think the time has come to abolish the poll tax. This three dollar head tax on adult males is no longer a qualification for the right to vote, discriminates between men and women, has no relationship to ability to pay, and is often a nuisance to collect.

I feel, too, that the question of wildlands taxation and its effect on more than one-half of the land area of the State must be given close study and consideration.

This Legislature may also wish to consider increasing economic incentives to business growth by providing some relief from sales and use taxes on equipment used in the process of production.

Administration of Justice

One of the most important ingredients in any system of justice is the public's belief in its fairness. Without such public confidence the respect for law itself declines. In the sensitive area of debtor-creditor relations,

this respect for law has been severely strained because of the perpetuation of archaic procedures that resulted far too often in imprisonment for debt. Indeed, Maine has achieved a certain national notoriety as a state where this discredited practice continues. Many of the stories may be exaggerated, but they also contain too much truth to permit any complacency.

Fortunately, through actions of the last Legislature and a Federal court decision, procedures governing collection practices have improved. But reforms still necessary should not be achieved through the compulsion of judicial decree. We should move willingly to meet the problems that still remain. Legislation to achieve needed reforms will be before the Legislature.

With respect to the members of the Judiciary itself, we should recognize the delicate, difficult role they must fulfill day after day. Their decisions have a profound impact on individual lives and the attitudes of the general public toward our laws. If we demand the very best of these men, we must be willing to offer salaries that attract superior ability. We have improved judicial salaries in recent years, but the salaries of our District Court Judges still lag too far behind. These men serve at the very front line of justice in our court system. They deserve more adequate compensation. I am therefore recommending that their salaries be increased to \$19,000 a year with \$19,500 for the Chief Judge. This increased compensation would come, of course, from the District Court fund and has been provided for in my supplemental budget.

In my Inaugural Address, and in the highway safety portion of this message, I described the need for a new system of processing traffic law violations. I simply wish to emphasize here that this proposal, because of its impact on the appeal of traffic cases to the Superior Court, has important implications for court administration.

Finally, in this area, I support legislation that would increase from \$100 to \$200 the ceiling on the amount permitted in controversy under the small claims act. This change is fully justified by the rapid and general increase in prices during the last few years. Many disputes that could once have been handled by the informal procedures of small claims court have simply been priced out of its jurisdiction.

III. IMPROVING THE QUALITY OF INDIVIDUAL AND FAMILY LIFE

Social Services

One of the areas of most concern to the people of Maine and one of the areas of greatest responsibility given to the Legislators and the government is the improvement of family life and the quality of the individual. Our proposals and our decisions in this area most directly affect the individual and the society in Maine. Our needs are many, and our resources are limited. I have endeavored to establish priorities among the social needs of our State, and I present a program to you today which addresses the most serious problems in the social area.

Elderly

The Senior Citizen in Maine today faces problems which differ considerably from the senior citizen of 30 or 50 years ago. We have

learned a great deal about the elderly in Maine during the last year through the Task Force on Aging, the Blaine House Conference on Aging, and the aging report: Steps for Maine's Elderly. Upon retirement, the great majority of people 65 and over in Maine are forced to live on very low fixed incomes. Over 50% of persons 65 and over live on an income of \$2,000 or less. Providing the basic necessities of food, shelter, and clothing becomes a serious problem for many. To alleviate the problem of housing among the elderly, to remove the threat and fear of losing the home, which so many of our Maine people work all their lives to acquire, and because of their inability to pay property taxes, I am proposing property tax relief for the elderly, as I stated earlier. My proposal will include relief for the elderly who rent and will not diminish the local property tax base.

A visit to the doctor's office, a trip to the grocery store, transportation to attend a meeting or to go to church, these are often problems for the elderly in Maine. We need to use our creative talents to devise new transportation systems to meet the unique demands of our senior citizens. The senior citizen receiving Old Age Assistance has had special financial problems. I am proposing improved drug, dental and medical assistance for him. The State's property claims on Old Age Assistance recipients also should be eliminated.

Welfare Reform

In the arca of welfare reform, I am asking the Legislature to eliminate the State's property claims held not only on recipients of Old Age Assistance, but also on those receiving Aid to the Blind and Aid to the Disabled. While this will entail a loss of revenue, I feel that we will be more than compensated by the increase in dignity for our afflicted citizens. I recommend the continued revamping of our welfare laws, both State and Federal. I recommend that provisions be made to assure the continuation and expansion of home-maker and home health services by both governmental and private agencies.

Indians

Mainc and the nation have a special responsibility to the American Indian. I propose to you an Indian Program that will further the goal of self-government and independence for the Maine Indian. An important step towards this goal is the enactment of legislation to permit direct funding of the Penobscot and Passamaquoddy Tribes whenever possible and desirable. This change would eventually reduce the size of the Department of Indian Affairs and would allow the Tribal Governors and Councils to make more decisions on state-supported programs.

I am asking the Legislature to consider creating a guaranteed loan fund for housing for the Indians. Other recommendations concerning Maine Indians include granting the Indians voting representation in the Legislature, free Maine guide licenses to Indians and legislation to permit tribal police officers and constables to come under the State of Maine Civil Service Act. I also favor permissive legislation, allowing the establishment of local school committees at Pleasant Point and Indian Island.

Mental Health and Corrections

In the area of Mental Health and Corrections, my program includes the establishment of overtime pay at a rate of one and a half for all hours over 40 for workers in our correctional institutions. This is a change that is long overdue for our institutional workers.

I would like to see the elimination of the crime of public intoxication both to relieve our law enforcement officers of additional duties and to place the emphasis on the rehabilitation of alcoholics and the treatment of alcoholism as a disease.

We have been striving to create good mental hospitals in our State and effective community mental health programs. To this end 1 am asking that necessary funds be allocated to maintain accreditation of the Augusta State Hospital and to achieve and maintain accreditation at the Bangor State Hospital. Community mental health services need to be expanded; by placing greater emphasis on the role of community organizations, this will allow us to help discontinue direct State operations and will bring resources closer to the client. One-half of Kupelian Hall has been renovated at Pineland Hospital. I propose that we complete the renovation of Kupelian Hall and finance these renovations with a bond issue.

Currently, some insurers providing health and accident coverage exclude sickness and accident benefits to patients in State Hospitals for the mentally ill. This practice should be prohibited.

The Governor Baxter State School for the Deaf provides secondary education as well as elementary education. Municipalities should be allowed to make tuition payments to provide secondary education for its deaf students who need to attend the Governor Baxter State School.

In the field of corrections I am recommending the establishment of half-way house or intermediate facilities for offenders to strengthen their chances for successful adjustment to the community. Our laws relating to transfer of offenders from penal and correctional institutions to State Hospitals for the mentally ill need to be clarified and strengthened to assure protection of the Constitutional rights of persons admitted from penal and correctional institutions. During the months ahead the Department will develop a comprehensive corrections plan stressing rehabilitation.

Other Social Services

I support a law equivalent to the Federal law that prohibits government contractors from discriminating in employment in order to prevent State funds from being used to further illegal discrimination.

As stated previously in my Inaugural Address, I will again support the creation of a Human Rights Commission for the State to guarantee that here in Maine we do everything we officially can to free ourselves of the curse of discrimination.

I am also submitting legislation for the continuation of three committees that have served us well over the years—the Committee on Children and Youth, the Committee on Aging and the Committee on the Status of Women.

Education

Half of Maine's General Fund appropriations are spent for educational purposes, as are similar portions of municipal costs. With good reason much time in the Legislature will be spent on bills and appropriations that affect education. The decisions that are made will have great impact on the quality of school programs at all levels during the years ahead.

In this message I will not attempt to review all the matters that will be considered. I do wish to give my overt support to several high priority program modifications and improvements.

First, I consider it essential to honor the State's commitment to pay one-third of the operating costs of public schools. Consequently, I have provided \$110.2 million in the Part I Budget for this purpose and \$4.3 million for subsidies of regional technical-vocational centers. As school budgets for the next school year will be determined this spring it is desirable that the amount of State subsidy for next year be settled and enacted immediately before the March town meetings. To help accomplish this end I am recommending that the current subsidy law be followed for the 1971-72 year. However, for the second year of the biennium, 1972-73, I recommend the adoption of a uniform school fund along the lines recommended by the Associated Industries of Maine report to the Legislative Research Committee. The uniform school fund would go far in equalizing the share all property owners pay for education and would help assure children from economically poor communities a good education.

To start this new subsidy program I am recommending a uniform mill levy of approximately 22.5 mills on State equalized property value. This money combined with present State subsidy and the additional \$2,000,000 of State money I am recommending for the second year will provide a per pupil subsidy of about \$557 which is now the average cost of educating a child in Maine. Many school systems will appropriate additional moneys to achieve a desired level of quality. There are three important by-products of the equalized tax effort. First it makes available the badly needed revenue resources of some 40 or 50 communities which have relatively high property valuation. Between \$2 and \$3 million will be made available through the fund for redistribution to less wealthy school units. Secondly, economic and community growth would proceed better if decisions on plant or home location were less influenced by differences in property tax. We can no longer afford the luxury of maintaining tax havens. Thirdly, more nearly equalizing local school taxes would eliminate much of the opposition of wealthier communities to joining school systems with less fortunate neighboring towns. It is time to move to a simpler and fairer system.

In the interest of the best utilization of State and local financial resources, I recommend that we complete the consolidation of smaller secondary schools into School Administrative Districts.

We are also feeling the price of inflated costs in State School Construction aid. The tables in the subsidy law tie the percent of State aid to per pupil valuation of property. As the tables are fixed and property values have risen rapidly, many schools are receiving less construction aid than they did when the towns agreed to construct the building. I

recommend that the construction aid law be changed to increase the State's investment and provide a self-adjusting construction aid formula.

There are a number of other important items affecting our public schools. I support legislation to bring school boards in SAD's in compliance with the "one man one vote" rule established by the U.S. Supreme Court. As one way of reducing high school dropouts, I believe we should require school units to furnish transportation for high school students living beyond reasonable walking distance, such as is now required for elementary pupils. The State Board of Education should be authorized to regulate extra-curricular school activities. A new and more realistic minimum salary law should be enacted and school employces should be allowed to run for public office in their municipalities.

To assure the continued growth and quality of our higher education institutions, I have recommended substantial increases in funding of high priority new items including the recommendation for development of more one and two year programs. If my budget recommendations are followed, community college programs can be set up in York and Androscoggin Counties.

Also, legislation which has my support will be presented to enable future construction of certain buildings at the University through a building authority.

I am calling for the submission of an amendment to the Constitution to increase the amount of bonds authorized to be issued for the Maine Guaranteed Student Loan Program by one million dollars.

To provide some financial relief for private non-profit hospitals and colleges a bill will be presented to allow an authority to issue bonds for capital construction at these institutions. The State Housing Authority might be used for this purpose or a separate authority might be warranted. There would not be any costs to State as the construction programs would be paid by the borrowing institutions. There would be a real gain to the private institutions in terms of reduced interest charges from issuance of tax exempt public bonds and ability to finance over longer periods of time. The Authority would be prohibited from aiding the construction of facilities that are incompatible with the higher education and health facilities plans of the State of Maine.

The \$19.1 million bond issue for the University of Maine is indispensable to increase residential, graduate and research facilities at all the campuses.

Reflecting a broader approach to public service I support renaming the Maine Education Television Network as the Maine Public Broadcasting Network.

I recommend that the Legislature authorize collective bargaining for public higher education personnel as well as state employees.

Drugs

Since March of 1970 the State's response to the drug abuse problems has been coordinated by the Interagency Commission on Drug Abuse. Created by executive order, staffed on a part-time basis, this Commis-

sion should be replaced by a unit of state government with a statutory basis and full-time staffing. There will still be a need for a coordinating mechanism among those state departments with functions related to drug abuse, but the increasing, day-to-day, administrative responsibilities of the Interagency Commission must be assumed by a unit of government that is structured to handle such responsibilities more effectively. I will submit legislation to accomplish this change.

We must recognize, however, that substantial responsibility for coping with the drug abuse problem rests at the local level. As a recent study commissioned by the Interagency Commission demonstrated, there is no single drug abuse problem in Maine and no uniform pattern from community to community. Our cities and towns must assess their own problems and attempt to deal with them. But the State has an obligation to help support these local efforts. Eight communities have already received such help through emergency funding authorized by Governor and Council. To continue this critical support on an even broader front, I have recommended an appropriation of \$100,000 from the State's surplus.

Also included in my budget, in recognition of the importance of drug abuse education, is a recommended appropriation of \$90,000 to help the Department of Education continue and improve its drug abuse education program. Prevention, both in human and financial terms, is far cheaper than the treatment of destructive addiction.

There are three other legislative items in this area which should be carefully considered. First, in an effort to encourage young people to seek medical and psychiatric help for drug problems, there is a bill permitting medical personnel to treat young people without obtaining parental consent. Studies have convincingly demonstrated that fears of required disclosures to parents deter many young people from seeking help. This situation should not persist, particularly since Maine law already provides an exception from the consent requirement in the case of venereal disease. In both cases the importance of prompt treatment for affected young people outweighs all other considerations.

Secondly, to facilitate the collection of valuable data on drug abuse, we should adopt a law assuring respondents to anonymous or confidential surveys on drug abuse that they may not be prosecuted for their contributions to such surveys. The lack of such protection created information-gathering problems during the Interagency Commission's recent drug study. Other states have adopted such a law. The legislation, carefully drawn, would not protect people from detection that is not based on the survey or questionnaire.

Finally, in recognition of the fact that so many of the people using drugs are criminals only in the most formal sense, we should provide in our laws for the civil commitment of the seriously addicted. Rehabilitation, not punishment, is the most appropriate response in many, many cases.

Cultural Affairs

I am proposing an act to combine the Arts Commission and the Arts and Humanities Commission. If government reorganization is accom-

plished and a Department of Cultural Resources is established, this merger would eventually take place. However, an immediate merger of the Arts Commission and the Arts and Humanities Commission is highly desirable under any circumstances. The Arts Commission, a three man body, has responsibility for choosing and caring for works of art owned by the State and also has an advisory function in terms of the proposed architecture of State buildings. Its functions can properly be assumed by the Arts and Humanities Commission, thus eliminating a duplicating governmental body.

I am proposing, in accordance with the recommendation of the Governor's Library Task Force, the establishment of a Maine Libraries Advisory Committee. This body, which would include professional librarians in its membership, would serve in an official advisory capacity to the Maine State Library and libraries throughout the State.

I also plan, as an executive action, to appoint a preliminary bicentennial planning group to prepare recommendations for the next special or regular legislative session for Maine's participation in the Bicentennial Celebration of American Independence to take place in 1976.

Manpower and Labor

During recent years our labor laws have become more responsive to the needs of our exceptional labor force. This trend must continue. In the area of unemployment compensation we must revise the tax schedule of our Maine Employment Security Law to assure the solvency of the unemployment compensation fund. When unemployment is a national problem, as it is today, reliable projections indicate that the State's unemployment compensation fund could be depleted if the tax schedules are not revised. This must not happen. In response to federal requirements and our own sense of rightness, we must extend compensation coverage to employers with less than four employees, State hospitals and our colleges and vocational-technical institutes, and non-profit corporations. We must also in times of high unemployment provide for the immediate extension of the weeks of eligibility for unemployment compensation from 26 to 39 weeks. Finally, I am proposing five other changes in our unemployment compensation law for which I strongly urge favorable action:

- 1. Elimination of the one week waiting period required before receiving compensation. Under present law an individual must receive unemployment compensation for four consecutive weeks before receiving compensation for the waiting period week. This requirement too often means that an individual is pointlessly denied compensation for that first week. Under the proposed change compensation for that first week would be payable.
- A new provision stating that unemployment resulting from an employer lock-out is compensable after three weeks of unemployment.
- 3. A change in the law making it very clear that an employee who becomes unemployed as the result of a labor dispute, who then finds employment elsewhere, can receive unemployment compensation if laid off from the second job, even though the original

labor dispute is continuing. Under present rulings of the Commission, relying on existing law, the employee laid off from this second job cannot collect unemployment compensation if the original work stoppage is still going on.

- 4. The creation of a new class of misconduct known as minor misconduct which, when resulting in dismissal, would deny compensation for a six week period. Under present law there is only one category of misconduct which may result in a denial of compensation for 12 weeks.
- 5. Dismissal of an employer's appeal in unemployment compensation cases, if the employer fails to appear at the appeals hearing.

Our workmen's compensation laws must also be improved. Most authorities agree that a workmen's compensation law should be applicable to virtually all employments. While some of the early laws were made elective because of doubts of the constitutionality of a compulsory law, it is agreed that a compulsory law would not be held unconstitutional by the courts today. Moreover, making the law compulsory would not involve increasing costs to the employer, as he would otherwise be subject to employers' liability provisions.

Similarly, there is no longer any justification for exemption of a small employer. His employees are usually in need of the protection offered by the workmen's compensation law. The small establishment is likely to lack a formal safety program and the financial resources to protect workers in case of a serious injury. At the same time the employer in a small business establishment needs the protection of workmen's compensation to safeguard himself against law suits for injuries to his employees.

Farmwork ranks as one of the most hazardous types of employment. The misgivings of the early farmers of workmen's compensation laws concerning the difficulties of administration which encouraged the exemption of farmers and other small employers have been disproved by experience. State workmen's compensation laws providing for broad coverage of workers have shown that these occupations and firms may be covered without adverse results. If necessary, an exemption can be written into the law for farm employers who have less than a minimum annual payroll, such as \$1,200.

About a third of the States now provide additional benefits for dependent children in disability cases. Such payments are helpful in meeting the extra costs incurred by families where there are dependent children.

Workers who suffer injuries on the job are sometimes threatened with the loss of their positions if they file a claim for compensation. While hopefully this occurrence is rare, it should be stopped completely. Discriminating against injured workers who file claims for benefits due them under the law, or intimidating them into not filing for such benefits, defeats the very purpose of the workmen's compensation statute.

We are, therefore, recommending a prohibition on discrimination against employees who file or signify their intention to file a compensation claim.

We also are recommending adoption of a provision providing for retention of an employee who has been temporarily or partially disabled and who needs to be transferred to a suitable job during the period of disability. Such a provision is a useful complement to the rehabilitative and restorative aspects of our compensation law.

In evaluating all of these workmen's compensation proposals, we should keep in mind the increasing pressures for the federal government to assume greater control over the workmen's compensation function, particularly because of the lagging benefit structures, numerical exemptions, and elective laws of many states. I believe the states should retain this responsibility, but only if they demonstrate the capacity to fashion an enlightened system of workmen's compensation laws.

Minimum wages are another critical element of an enlightened labor policy. Our minimum wage law, with its exemption for employers with less than four employees, is one of only seven out of thirty-eight state minimum wage laws which provide for an exemption for businesses which have fewer than a stipulated number of employees, and is the only New England State with such a numerical exemption. This exemption should be eliminated. Workers for small employers need and deserve an adequate wage as badly as anyone else. At the same time, we must not tolerate minimum wages that, under today's economic conditions have no realistic basis. I am therefore proposing that our minimum wage be raised to \$2.00 an hour on a phased basis. In the long run, of course, Maine wages will reach satisfactory levels only through an aggressive program of economic development that attracts high-wage industries competing for a skilled labor force. But we should provide a decent floor for these wages.

The minimum wage law for work on major public construction projects presently covers only those projects contracted by the State, despite the fact that State money, though not a State contract, is often involved in local school construction and other city and county projects. To correct this inconsistency, and to apply more generally the principle that construction workers on public construction projects should have a minimum wage equal to the prevailing construction wage in the locality, I propose the extension of coverage of the minimum wage on all construction contracts where at least \$10,000 or more of State money is involved in county, city, town, school administrative district, or charitable institution construction.

Two important bills passed by the 104th Legislature affecting labor require amendments. The effectiveness of the new occupational safety law has been compromised by an interpretation of the law which requires the Department of Labor and Industry, despite the previous promulgation of safety standards for an industry by the Occupational Safety Board, to detect a violation, give an order for compliance, and then on a second inspection find the same violation before any legal action can be initiated. This approach to enforcement, in addition to its high administrative costs, seriously undermines the effectiveness of published safety standards. They can be ignored with impunity by an industry until the neglect is detected. I am submitting legislation to remedy this defect.

The other law requiring amendments is the Municipal Public Employees Labor Relations Law. Predictably, in such a complex field, ambiguities in the law and unforeseen circumstances have created administrative problems. This is particularly true on the question of

whether a public employer and a public employee organization could legally enter into a union security agreement. In order to resolve this problem, the proposed amendments to the Municipal Employee's Labor Relations Law include a provision making clear that such agreements are authorized.

The extension of collective bargaining rights to municipal employees has, quite properly, intensified the drive for such rights on the part of State employees. I understand that several groups will be presenting State employee collective bargaining bills to the Legislature. They should be studied carefully and sympathetically. I certainly support these bills in principle. But we must be sure, in acting on these measures, that we have resolved as effectively as possible the many difficult legal and policy questions surrounding the State employee collective bargaining issue.

As another important protection for our workers, I am again proposing legislation that would require a business to give its employees one month's notice or severance pay before going out of business. This bill came very close to passage during the 104th Legislature. I am hopeful that it will receive favorable action this time. Our workers simply deserve some assurance that they will have an opportunity to find new jobs before losing their present income.

Finally, one of the most important recommendations in my supplemental budget was provision for \$5.3 million each year of the biennium to install the new pay plan developed by the Department of Personnel. Upward salary adjustments would be desirable in a normal year as Maine's public employees are paid less than their counterparts in other New England States. During a time of rapid inflation, an improved schedule is a necessity. As a corollary to improving the salaries of our classified employees we should also provide similar upgrading of the salary schedules for unclassified employees including Agency Heads.

Consumer Protection

In the area of consumer protection, I support legislation establishing a Maine Power Commission and also legislation effecting the repeal of controlled milk prices at the retail level. Each of these measures is designed to reduce prices and strengthen the supplies of electric power and milk, commodities vitally important to all Maine citizens.

The Maine Power Commission which I support would have authority to engage in the generation and distribution of electric power and to acquire land and facilities for these purposes. It would also have power to finance these facilities by the issuance of revenue bonds. A Maine Power Commission with these characteristics reflects my belief that public power can play a constructive role in Maine as it has in other states and that the many arguments historically advanced against public power are far outweighed by the potential benefits which it holds for Maine people.

I support the repeal of the power of the Maine Milk Commission to fix the retail price of milk because I believe that the exercise of this power has resulted in artificially inflated milk prices and a correspondingly inflated burden on the Maine families who depend so heavily on the basic food. Under the measure I propose, the Commission would still fix the prices that wholesalers must pay to farmers, thus assuring the producers a fair return for their product.

IV. IMPROVING THE QUALITY OF MAINE'S ENVIRONMENT

Environmental Protection

The 104th Legislature and particularly the Special Session last winter, began to demonstrate the commitment necessary to redeem Maine's environment. The challenge before the 105th will be to incorporate the constructive steps of the 104th into an overall program for the conservation and restoration of the State of Maine.

In particular, we must now affirm a principle that we should never have forgotten — that the people of Maine have a right to a clean environment and the better economy, better health and better recreation that go with it.

In this country, the individual is entitled to assert his rights in two ways. First, he may himself go to court. Secondly, he may demand that the government use its police power in his behalf to prevent violations and punish the violators.

Where environmental rights are concerned, we have permitted both of these routes to atrophy. The citizen's right to protect himself has been eroded during the last century because Maine government through its laws and court decisions gave priority to municipalities and large companies to use Maine's air and waters as sewers for wastes. To restore the citizen's right of self-defense against the personal and property damage caused by pollution, I am supporting an environmental bill of rights which will make clear that environmental rights are property rights and are not to be subordinated to any alleged right to pollute. I am also supporting legislation which will clarify and expand the circumstances under which a Maine citizen may sue to prevent damage to his health and property.

I will propose a reorganization program which will put full responsibility for environmental protection in one agency. I have also proposed in my budget recommendations a major expansion of the Environmental Improvement Commission to enable it to discharge the responsibilities we have heaped upon it with so much fanfare.

Among the steps necessary to terminate serious loopholes in our present legislation are the phasing out of both water and air Grandfather Clauses which make enforcement against some firms virtually impossible; the enactment of numerical thermal standards to guide power company engineers and State officials in dealing with the immense volumes of hot water cascading out of nuclear plants; the inclusion of power transmission lines and clarification of provisions relating to other types of developments in the site approval law; the phasing out of the log driving privilege which has been abused through denial of other uses of rivers and through illegal debarking; and the placing of minimal limits on nitrogen, nitrates, and phosphates. Furthermore, it is time to recognize that the classification of waterways and setting of air standards are technical functions which belong in the EIC, not the Legislature. I am therefore supporting legislation which would make Commission classifications final unless vetoed by the Legislature, and I also urge that we eventually eliminate all remaining D classifications as representing a lower quality of water than we can or need to tolerate.

Where our lakes and marshes are concerned, we have passed laws which read well but which are in practice unenforceable. A recent court decision has indicated an area of possible unconstitutionality in the Wetlands Control laws which may have to be remedied through legislation if we are to retain control of the coastal marshlands. Meanwhile, our Great Ponds Act purports to regulate activities affecting these important inland bodies of water but lacks any meaningful penalties or enforcement procedures.

Furthermore, I will support a clarification of the Commission's power to inspect the premises of licensees and to suspend or revoke licenses.

One further enforcement measure which will be before the Legislature is the principle of the effluent charge. I do not support enactment of this measure in any way which will impair our timetables or unjustly penalize companies which have already made expenditures to meet the timetables. I hope instead that an effluent charge can be shaped which will act to penalize those who fall behind the timetables. For better or worse, our past legislation has committed us, from now until 1976, to a system based on classifications and timetables. To the extent that it is too weak, we will achieve better results by reinforcing and strengthening it than we would in the confusion of an abrupt shift to a different system.

As a predominately rural state, Maine's primary concern is with water pollution. However, we have localized air pollution situations as severe as any in the country. In anticipation of Federal standards, the EIC will be preparing ambient and emission standards for the entire state, but, as our present legislation stands, we are about to repeat the mistake we made in water pollution by grandfathering our worst offenders. I would recommend instead that the Commission have the power to license all air discharges within the framework of the general standards. I would also recommend that the Commission be empowered to adopt regulations to supplement the emission standards. Lastly, in accord with the solid waste plan and legislation prepared by the Department of Health and Welfare, I support the gradual phasing out of open burning dumps.

Additionally, several pieces of legislation embody concepts which are important to both air and water pollution control. In this category, I support legislation enabling the Commission to review and upgrade standards in the light of developing control technology and the feasible uses of the environment. I also urge adoption of the principle of non-degradation of our present environment that is now required by Federal law.

Even as we assure that our present enforcement efforts are adequate, we must be aware that the future poses a new type of problem for Maine. The population pressures of the northeastern half of the United States will present many new and conflicting demands which we must meet in ways which do not hamper the quality of life we now have in Maine. These demands are not evil in themselves, for they can be a major stimulus to economic growth, but if we do not handle them with foresight and some selectivity, much of the sprawling growth they will bring us will not be worth having. To this end, we must enact appropriate planning and land use control measures.

First, I continue to support statewide zoning—by municipalities if possible, but by the State if they fail. The Site Approval Law is an

excellent stopgap measure, but it would be best applied in conjunction with planned statewide patterns of land use.

Secondly, the State should be able to exercise a carefully defined power of eminent domain to acquire land for State parks.

Thirdly, the powers of the Land Use Regulation Commission over the wildlands must be expanded. The present Commission has jurisdiction over so little land that to call it a "Wildlands Commission" misleads the Maine public.

Fourthly, the legislation which will implement the recently enacted constitutional amendment on property taxes must be drawn to achieve the conservation intent without providing a tax shelter for developers or large landholders.

While we are developing the guidelines for statewide zoning, we must pay particular attention to special problems which have already manifested themselves. I therefore support laws to control surficial mining, cutting of timber close to highways and major waterways, flood plain construction, the coastal zone, and areas within 500 feet of inland waters.

We have heard in the past and will hear again this year that environmental concern is somehow the enemy of economic development. This is only true if one talks as an extremist on either side. What I am proposing in this message is that Maine pursue a middle course, that we insist that every potential polluter be as clean as his industry's technology can make him, and, if that is not good enough, that he not operate in Maine until he is sufficiently in control of his operations to avoid damage to the livelihoods and property of those around him. I would hope that industrial plants operating in Maine will shortly achieve a level of cleanliness high enough that their company executives would be proud, or at least willing, to live next door to them.

Most environmental problems can be solved by foresight, determination, and technology. Unlike many of the human problems with which we must struggle, they have not been and need not be with us always. To find solutions, we need only stop treating corporate and governmental irresponsibility as old and accepted friends.

But it is this very availability of solutions that would make any failure in this area raise the strongest of doubts about our willingness; and our ability to master more complicated and demanding problems.

Community and Economic Development

In housing, as in so many other areas, Maine is fortunate to be able to anticipate and avoid the problems which have overwhelmed other states. Among the most serious problems of this nature has been that of assuring an adequate supply of livable rental housing. Basic to the solution of this problem is the enactment of uniform minimum standards of adequacy for rental housing to apply statewide. This would strengthen existing municipal codes, provide standards in those communities which have none, and simplify enforcement of standards statewide by the introduction of uniformity. A related measure which I support would give residential tenants the right to pay rent into escrow when minimum standards of rental housing are not met and to prohibit retaliatory evictions against tenants who invoke this right.

We know that our overall well-being rests in part upon a healthy economy and that this in turn presupposes a healthy climate for investment in Maine. Two years ago, my State Credit Research Committee, after lengthy study, proposed measures to increase the flow of new investment in Maine by strengthening our investment credit facilities. I endorse the recommendations of the Committee that the Maine Industrial Building Authority statute be broadened to allow the guarantee of loans to service as well as manufacturing enterprises, and the guarantee of loans to preserve existing enterprises that have experienced financial difficulty. I would point out that service enterprises are now among the fastest growing sectors of the economy. I will also support legislation designed to enable municipalities, under the Municipal Industrial and Recreational Obligations Act, to issue revenue bonds to finance service enterprises and to preserve existing industries. Also, MIBA should have additional authority to enable it to guarantee revenue bonds issued to finance industrial and commercial projects. Of equally progressive character with these measures is legislation to eliminate the unnecessary restriction which precludes the Recreational Authority from guaranteeing loans to existing healthy enterprises which have repaid guaranteed debt under certain circumstances.

Finally, I will strongly support legislation drafted by the Department of Economic Development to promote the development of regional industrial parks through a State Development Corporation. This is a concept of tested effectiveness based on the principle that the planned concentration of industry in appropriate locations selected by public authorities contributes to maximum environmental harmony between industrial and other land uses.

Natural Resources

Obviously many of the legislative proposals which I discussed in this Message will contribute directly and indirectly to the proper development of our natural resources. I think the proper development of our marine resources is particularly important. The fishing and shellfishing industry continues to be of vital importance in Maine, and today as in colonial times determines the well-being of a large number of Maine citizens. Presently, fishery and shellfish resources and their contribution to the economy of Maine are endangered not only by foreign competition, and environmental pollution, but also by the deficiency of Maine law restricting optimum research, development, and management of thise resources. Accordingly, I support legislation to correct these deficiencies and to encourage the initiation of a balanced aquaculture program. This legislation, in the form of revisions in our Sea and Shore Fisheries laws, will: Allow Sea and Shore Fisheries to cultivate marine organisms in polluted waters; facilitate introduction of cooperative shellfishing cultivation arrangements among individuals and municipalities; facilitate aquaculture research; permit the creation of embayments for fish culture; and promote the development of oyster farming.

A short time ago the Department of Parks and Recreation made a study of the potential uses of the Saco River corridor. As a second step in taking advantage of the recreational and conservation values of this river, I am supporting the creation of a committee to join representatives of the communities and State in a more detailed effort to plan the land use of the corridor.

Agriculture

In my budget, in recognition of the importance which the branding program plays in preserving buyer confidence in the Maine potato, I recommend two new positions for branding law inspectors for the Department of Agriculture. As a companion to this proposal, I also urge the adoption of legislation, submitted by the Department, which will strengthen enforcement of the branding law.

Another area requiring legislative attention is the establishment of rules and regulations that will fix responsibility for the grade and quality of potatoes in the entire commercial chain from potato producer to market. At the present time, there is no legislation which controls this important segment of Maine commerce. As a result, principally because of tradition, the producer has borne full responsibility for full maintenance of grade and quality despite the fact that very early in the commercial chain he no longer has custody of the potatoes. This is an unfair situation. Fair and clear rules could easily be established, as is done with most other commercial transactions. There will be legislation before you to provide this important regulation. I strongly urge favorable action upon it as part of our responsibility to help Maine's potato growers.

Another proposal relating to the responsibilities of the Department of Agriculture would strengthen the Department's licensing controls over pet shops and kennels. Although most of these businesses operate responsibly and humanely, there have been instances of abuse which must be remedied. I also believe that our system of humane agents must be reformed to insure greater accountability and professionalism. Some study has already been done on this subject, but I believe more must be done to find a solution which is workable and financially feasible. I am going to instruct the Department of Agriculture to continue its work with interested private groups in an effort to find this solution.

Transportation and Highway Safety

I view the promotion of safety on our highways and improved air service as Maine's most urgent priorities in transportation today. To achieve these priorities, I will support a 7-point highway safety legislation program and also urge the enactment of legislation to encourage the development of a vigorous, reliable, and financially sound local service air carrier industry.

With each passing year, the toll taken in lives and health of Maine people by highway accidents becomes more intolerable. While recognizing the many essential benefits which the automobile and improved roads afford, we must now act to assess and sharply reduce the terrible social cost in human lives and happiness which we have thus far been forced to pay for these benefits. I believe we should legislate the right of drivers and passengers of motor vehicles, as well as the right of pedestrians, cyclists, and others to share in the benefits of motor vehicle transportation without compulsory exposure to unacceptable hazards. As we all know, foremost among these hazards are the irresponsible and incompetent driver: The speeder and the drunken driver. In recognition of this fact, the first three items in my 7-point highway safety program are: a new system of processing traffic law violations; strengthening the "implied consent" provisions of our Motor Vehicle Code con-

viction to remove from our highways those who would drive while impaired or intoxicated; and giving our Secretary of State additional power to suspend the driving privilege of those convicted of unsafe driving. In addition, I will support legislation to remove from use unsafe automobile and truck tires and to strengthen our motor vehicle inspection statutes in other respects, to improve the administration of the Motor Vehicle Department by providing for staggered registration periods, and to require adequate eye protection for drivers and passengers of motorcycles.

Both the relatively long distances which separate our communities from one another and from the rest of the nation, and the often hazardous road conditions which our climate imposes underscore the need for improved air transportation within the State. The economics of air transportation are such that this need must in large part be met by "commuter" or "third level" airlines which operate smaller equipment. These airlines are largely exempt from Federal regulations governing the larger air carriers. Unrestricted and ill-advised competition frequently attends this regulatory vacuum, with the result that citizens are exposed on the one hand to a pattern of unstable and therefore unreliable schedules and on the other hand to the abandonment of air service by responsible air carriers whose market has been diluted by new entrants. To correct this unsatisfactory situation, I support legislation to supplement our existing aeronautical statutes with provision for regulation of intrastate services by third level air carriers.

V. CONCLUSION

The biennium ahead is a testing time for Maine and the nation.

Many of our local governments are delaying action on needed noneducational and educational projects because of aversion to increased spending.

Can the State Government be an ever increasing source of financial aid? Or, is State Government reaching a plateau of taxes that are acceptable to the public. If indeed this is true where do we turn? The Federal Government? Retrenchment back to the inadequate level of public services of the past? The action that this Legislature takes will be critical in determining the future of Maine.

The legislative program that I have just outlined is a reasoned approach to dealing with the current needs of Maine, mindful that our resources are limited. In previous messages, I have emphasized my strong interest in governmental reorganization and environmental protection and in human needs, as exemplified by the problems of our elderly and our poor. This concern of mine is contained in this legislative program. Quality — whether it is reflected in the beauty of our environment or the character of our people — is the watchword on which our efforts should be focused. We must strive in every area to seek improvement and to raise our standards as high as possible. The measures outlined in this legislative message will aid us in achieving our goal. I hope you will give them your earnest consideration.

Venneth M. Custin

Governor of Maine