

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

*One Hundred and Fourth
Legislature*

OF THE

STATE OF MAINE

Volume II

May 9, 1969 to June 17, 1969

KENNEBEC JOURNAL
AUGUSTA, MAINE

SENATE

Thursday, June 5, 1969

Senate called to order by the President.

Prayer by Rev. Victor P. Musk of Augusta.

Reading of the Journal of yesterday.

Papers From The House**Non-concurrent Matter**

Bill, "An Act Relating to Control of Riots." (S. P. 141) (L. D. 423)

In the Senate May 28, 1969, the Bill Substituted for the Report and the Bill subsequently Passed to be Engrossed.

Comes from the House, the Ought Not to Pass Report Read and Accepted, in non - concurrence.

On motion by Mr. Logan of York, the Senate voted to Insist.

Non-concurrent Matter

Bill, "An Act Providing for a Feasibility Study of Alternative Methods for Crossing Fore River." (S. P. 472) (L. D. 1544)

In the Senate May 29, 1969, Passed to be Engrossed.

Comes from the House, Passed To Be Engrossed as Amended by House Amendment "A" (H-452) in non - concurrence.

Thereupon, the Senate voted to Recede and Concur.

Non-concurrent Matter

Bill, "An Act Relating to Mediation Authority of State Employees Appeal Board." (H. P. 1035) (L. D. 1345)

In the House, May 28, 1969, the Minority Ought to Pass Report Read and Accepted and the Bill on May 29, 1969, Passed to be Engrossed.

In the Senate June 3, 1969, the Majority Ought Not to Pass Report Read and Accepted, in non-concurrence.

Comes from the House, that Body having Insisted and Asked for a Committee of Conference.

On motion by Mr. Beliveau of Oxford, the Senate voted to Insist and Join in a Committee of Conference.

Non-concurrent Matter

Bill, "An Act to Provide Mandatory Penalties for Commission of a Crime with a Dangerous Weapon." (H. P. 1031) (L. D. 1361)

In the Senate May 28, 1969, Passed to be Engrossed as Amended by Senate Amendment "A" (S-194), in non - concurrence.

Comes from the House, Passed to be Engrossed as Amended by House Amendment "A" (H-442) in non - concurrence.

(On motion by Mr. Beliveau of Oxford, tabled until later in today's session, pending Consideration.)

Non-concurrent Matter

Bill, "An Act Relating to Municipal Park and Conservation Commission." (H. P. 749) (L. D. 967)

In the Senate May 6, 1969, Passed to be Engrossed, in concurrence.

In the House May 13, 1969, Passed to be Engrossed as Amended by House Amendment "A" (H-298) in non - concurrence.

In the Senate May 14, 1969, the Senate receded and concurred.

Comes from the House, Passed to be Engrossed as Amended by House Amendment "A" (H-298) and House Amendment "B" (H-401) in non - concurrence.

(On motion by Mr. Katz of Kennebec, tabled until later in today's session, pending Consideration.)

Non-concurrent Matter

Bill, "An Act to Authorize General Fund Bond Issue in Amount of Fifty Million Dollars for Planning, Construction and Equipment of Pollution Abatement Facilities." (S. P. 343) (L. D. 1209)

In the Senate May 27, 1969, Passed to be Engrossed as Amended by Committee Amendment "A" (S-190).

Comes from the House, Passed to be Engrossed as Amended by Committee Amendment "A" (S-190) and House Amendment "A" (H-460) in non - concurrence.

Thereupon, the Senate voted to Recede and Concur.

Non-concurrent Matter

Bill, "An Act Revising the Motor Vehicle Dealer Registration Law." (H. P. 1185) (L. D. 1506)

In the House May 22, 1969, Passed to be Engrossed.

In the Senate May 27, 1969, Indefinitely Postponed, in non-concurrence.

Comes from the House, Passed to be Engrossed as Amended by House Amendment "A" (H-439) in non-concurrence.

On motion by Mr. Barnes of Arostook, the Senate voted to Recede and Concur.

Joint Resolution

JOINT RESOLUTION IN RECOGNITION OF HELEN KELLER MEMORIAL WEEK

WHEREAS, Sunday, June 1st marked the first anniversary of the death of Helen Keller; and

WHEREAS, her life, leadership and inspiration provided a new source of courage and hope for the visually handicapped; and

WHEREAS, with approximately 2,000 such handicapped persons in this State, it is appropriate at this time to remind Maine citizens of the tremendous progress which has been made in carrying on her great work; and

WHEREAS, in keeping with her high hopes it is now possible, through the State Division of Eye Care, for persons so afflicted to become rehabilitated, educated and self-supporting, thereby leading useful lives; now, therefore, be it

RESOLVED: By the Members of the Senate and House of Representatives of the State of Maine in the One Hundred and Fourth Legislative Session now assembled, that we most respectfully recognize this, the first anniversary of the passing of a truly remarkable woman and the great cause she so faithfully served, and honor the week beginning June 1, 1969 as Helen Keller Memorial Week, by urging all Maine citizens to "take a new look at Blindness" by becoming acquainted with their local agency for the blind; and be it further

RESOLVED: That suitable copies of this Joint Resolution be

immediately transmitted to the Department of Health and Welfare, Division of Eye Care and Special Services and the American Foundation for the Blind, honoring this occasion. (H. P. 1238)

Comes from the House, Read and Adopted.

Which was Read and Adopted in concurrence.

Joint Order

Mr. Hanson of Kennebec presented the following Joint Order and moved its passage.

ORDERED, the House concurring, that the Legislative Research Committee is directed to study the Maine State Retirement System law in reference to special early retirement benefits for the correctional officers and guards of the Men's Correctional Center and the Maine State Prison, the rangers in the Departments of Forestry and Baxter State Park, the law enforcement officers in the Departments of Inland Fisheries and Game and Sea and Shore Fisheries, the law enforcement officers in the Liquor Commission and such other similar types of employment as the committee considers to be of such nature that the incumbents are in hazardous or athletic occupations and may require an early retirement; and be it further

ORDERED, that the committee shall make a written report of its findings and recommendations to the 105th Legislature.

(S. P. 490)

Which was Read.

On motion by Mr. Katz of Kennebec, tabled and tomorrow assigned. pending Passage.

**Committee Reports
House
Ought Not to Pass**

The Committee on State Government on Bill, "An Act to Clarify the State Museum Law." (H. P. 296) (L. D. 372)

Reported that the same Ought Not to Pass.

Comes from the House, the Bill Substituted for the Report and the Bill subsequently Passed to be

Engrossed as Amended by House Amendment "A" (H-426).

Which Report was Read and Accepted in non-concurrence.

Sent down for concurrence.

Ought to Pass - As Amended

The Committee on Appropriations and Financial Affairs on Bill, "An Act to Provide for Special Plates Observing the State of Maine Sesquicentennial." (H. P. 1130) (L. D. 1457)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-430).

Comes from the House the Report Read and Accepted and the Bill Passed to be Engrossed as Amended by Committee Amendment "A".

Which report was Read and Accepted in concurrence and the Bill Read Once. Committee Amendment "A" was Read and Adopted in concurrence and the Bill, as Amended, tomorrow assigned for Second Reading.

Ought to Pass in New Draft

The Committee on Liquor Control on Bill, "An Act Relating to Services of Private Clubs under Liquor Laws." (H. P. 1004) (L. D. 1306)

Reported that the same Ought to Pass in New Draft Under New Title: "An Act relating to Services on Premises not Licensed under the Liquor Laws." (H. P. 1223) (L. D. 1555)

The Committee on Natural Resources on Bill, "An Act to Create the Wildlands Use Regulation Commission." (H. P. 171) (L. D. 210)

Reported that the same Ought to Pass in New Draft Under New Title: "An Act to Create the Maine Land Use Regulation Commission and to Regulate Realty Subdivisions." (H. P. 1234) (L. D. 1566)

Come from the House, the reports Read and Accepted and the Bills, in New Draft, Passed to be Engrossed.

Which reports were Read and Accepted in concurrence, the Bills, in New Draft, Read Once and tomorrow assigned for Second Reading.

The Committee on Liquor Control on Bill, "An Act to Revise the Liquor Laws." (H. P. 773) (L. D. 1006)

Reported that the same Ought to Pass in New Draft Under Same Title. (H. P. 1224) (L. D. 1556)

Comes from the House, the report Read and Accepted and the Bill, in New Draft, Passed to be Engrossed as Amended by House Amendment "A" (H-436) and House Amendment "B" (H-440).

Which report was Read and Accepted in concurrence and the Bill, in New Draft, Read Once. House Amendment "A" was Read and Adopted in concurrence. House Amendment "B" was Read and Adopted in concurrence and the Bill, as Amended, tomorrow assigned for Second Reading.

Divided Report

The Majority of the Committee on Legal Affairs on Bill, "An Act Revising the General Laws Governing the Town Manager Form of Government." (H. P. 900) (L. D. 1161)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-409).

Signed:

Senators:

TANOUS of Penobscot
CONLEY of Cumberland
KELLAM of Cumberland

Representatives:

COX of Bangor
WHEELER of Portland
CUSHING of Bucksport
SHAW of Chelsea
BAKER of Orrington
NORRIS of Brewer

The Minority of the same Committee on the same subject matter reported that the same Ought Not to Pass.

Signed:

Representative:

COTE of Lewiston

Comes from the House, the Majority Ought to Pass as Amended Report Read and Accepted and the Bill Passed to be Engrossed as Amended by Committee Amendment "A" (H-409) as Amended by House Amendment "A" (H-457) thereto and House Amendment "A" (H-458).

Which reports were Read.

Thereupon, the Majority Ought to Pass as Amended Report of the Committee was Accepted in concurrence and the Bill Read Once. Committee Amendment "A" was Read. House Amendment "A" was Read. Committee Amendment "A" was Read and Adopted in concurrence, and Committee Amendment "A", as Amended by House Amendment "A" thereto, was Adopted in concurrence. House Amendment "A" was Read and Adopted in concurrence and the Bill, as Amended, tomorrow assigned for Second Reading.

Divided Report

The Majority of the Committee on Education on Bill, "An Act Creating a School Administrative District for the City of Portland." (H. P. 805) (L. D. 1044)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-389).

Signed:

Senators:

KELLAM of Cumberland

STUART of Cumberland

Representatives:

WAXMAN of Portland

ALLEN of Caribou

KILROY of Portland

CUMMINGS of Newport

The Minority of the same Committee on the same subject matter reported that the same Ought Not to Pass.

Signed:

Senator:

KATZ of Kennebec

Representatives:

MILLETT of Dixmont

CHICK of Monmouth

RICHARDSON

of Stonington

Comes from the House, the Majority Ought to Pass as Amended Report Read and Accepted and the Bill Passed to be Engrossed as Amended by Committee Amendment "A" (H-389).

Which reports were Read.

Mr. Kellam of Cumberland moved that the Senate accept the Majority Ought to Pass Report of the Committee.

The PRESIDENT: The Senator from Cumberland, Senator Kellam, moves that the Senate accept the Majority Ought to Pass Report of

the Committee. Is this the pleasure of Senate?

The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: I argued before the Senate unsuccessfully within the last two weeks about the creation of a single town school administrative district. This morning I would like to point out to you some of the implications of the passage of this bill.

In the first place, although there is no price tag on it, the cost in this biennium and succeeding bienniums probably will be in excess of \$200,000, and probably closer to \$250,000.

At the moment we are trying to work out a school subsidy bill. As a matter of fact, we have worked out a school subsidy bill which does some very, very good things for Portland. I am sure it will be no secret, very shortly, to indicate that Portland gets the largest dollar increase of any community in the State according to the committee bill that we are reporting out.

There is a question in my mind as to the equity for other communities in the State, purely and simply of the economics of our limited resources, to suggest that this new school subsidy bill gives Portland a half a million dollar increase in school subsidies in the second year in this biennium, and here is a bill that will also cost an additional \$200,000 to \$250,000. On this basis I ask you to slow down in your wild enthusiasm to support the bill.

Secondly, this bill creates a school administrative district in our largest city and, if you are familiar with the school administrative districts law, you will find that this one is a little different. In its practical implications, of course, the directors in Portland will have very, very substantial powers without reference and without any control of the city council. Now, there are those who claim that is good, and there are those who will tell you that this is the case in many, many states in the United States. But from the view point of Portland people, it will

remove very, very substantially in our largest city any responsiveness to the wants and lack of wants of the people. In the school construction program, of course, it is customary to put out bills for referendum. In the enormous school operating budget of Portland there will be provision for a public hearing. In the past, public hearings have been attended in Portland, so I understand on the school budget, by anywhere from five to twenty and sometimes even more people in the city. With the control of the city council removed, I am not quite sure what the attitude of Portland people will be.

In any other city in the State, or any other town in the State, where there is a clamor to enter a school administrative district, there is a mandatory provision of transporting all high school students who need transportation at city or town expense. This bill, because Portland has an excellent functioning system of public transportation, this need is not in the bill.

I have a feeling that Portland needs help, that Portland's borrowing capacity is limited. Portland has financial problems involved in being our largest city. The Committee on Education has attempted to meet some of those financial problems in its present school subsidy approach.

I think that this legislature is aware of the fact that we have very special responsibilities towards our larger cities. I think this legislature looking to states south and west of us, doesn't want our largest city to get into really terrible financial condition before we move to help. But I think this is not a proper move, and if indeed you do want to adopt this position, I would urge you to do it after slow and cautious deliberation. I oppose the motion and ask for a division.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Kellam.

Thereupon, on motion by Mr. Kellam of Cumberland, tabled and tomorrow assigned, pending the motion by that Senator to accept

the Majority Ought to Pass Report of the Committee.

Divided Report

The Majority of the Committee on Judiciary on Bill, "An Act Relating to Period of Real Estate Mortgage Foreclosure." (H. P. 555) (L. D. 736)

Reported that the same Ought Not to Pass.

Signed:

Senators:

MILLS of Franklin
QUINN of Penobscot
VIOLETTE of Aroostook

Representatives:

DANTON of
Old Orchard Beach
BERMAN of Houlton
HESELTON of Gardiner
BRENNAN of Portland

The Minority of the same Committee on the same subject matter reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-388).

Signed:

Representatives:

FOSTER of Mechanic

Falls

HEWES of Cape Elizabeth
MORESHEAD of Augusta

Comes from the House, the Majority Ought Not to Pass Report Read and Accepted.

Which reports were Read.

Mr. Anderson of Hancock moved that the Senate accept the Majority Ought Not to Pass Report of the Committee.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: I think this is probably the bill which seeks to reduce the amount of foreclosure time in the State of Maine. We are wrestling with some rather serious housing problems, and everytime I turn around, I understand that one of the mortgage problems we have in the State is the excessive length of time. I noticed this bill sought to reduce the foreclosure time from one year to three months, and I wonder whether the committee has given any thought to modifying its stand and perhaps reducing it, not from one year to

three months, but to some lesser period of time. I would like to pose that as a question through the Chair to any member of the committee who might care to answer.

The PRESIDENT: The Senator from Kennebec, Senator Katz, has posed a question through the Chair to any committee member who may answer if he desires.

The Chair recognizes the Senator from Franklin, Senator Mills.

Mr. MILLS of Franklin: Mr President and Members of the Senate: I understood the question to be — I wasn't sure I got the whole of it — but the question was: Had the committee considered reducing the period of time for any lesser degree of time than three months? Yes, it certainly has, and there is an amendment here which the minority of the committee supports — which I am not a member of, I want to make very clear — the minority of the committee supports, cutting it down to six months, and I am sure the bankers in the State will be very happy if they could come out of this legislature with this cut to six months. They have asked for quite a lot more than they expected to get, I am sure, and hoping for a compromise in the area of six months.

Now, this is a matter that we have had before us in two legislative sessions. We had it with us a long time in the session two years ago, and it seems to be somewhat of a philosophy around here that because somebody asked for something they are entitled to something. But most of us on the Judiciary Committee don't subscribe to that; just because there is a bill in here that something ought to be worked out, and because a group of people are clamoring for something that necessarily the State should move. The majority of this committee feels precisely that way in regard to this bill.

Some of us on the committee, who were members of the committee two years ago, were a little bit irritated by this legislation at this time, this session, because of this: Two years ago this was before us a long and hard period of time in which it was debated

and discussed, back and forth, in the committee. Then we arrived at what we understood from the banking fraternity, from their representatives, to be an acceptable compromise. We certainly were under the impression, those of us who were on the committee two years ago and are still here, a very definite impression from them, that this was going to take care of the problem, and this is the compromise that we made. We provided that in corporation mortgages, where a corporation is giving a mortgage, that it could contract for any period of time in regard to the foreclosure, and that it was not restricted — I haven't consulted the record lately, and I would stand to be corrected if the record isn't exactly as I say it is — to any period of time. My memory is that a corporation, under the present law, can contract and agree in its mortgage for any period of time in regard to foreclosure. The philosophy being that when you are dealing with a corporation you are not dealing with a homeowner, you are not dealing with anyone who needs this traditional and historic protection of a twelve month redemption period on a mortgage. Further, the committee did understand that this was going to solve the problem. Then they come right back here in this session of the legislature, not only with this bill to cut the period down, but they want to remove the corporation language right out of there so it would apply to anybody, so there wouldn't be any foreclosure redemption period. Some of us were just a little bit irritated with that; we felt that it wasn't what it had been represented to us two years ago.

They say that — I might characterize this, I think it is too bad to characterize any particular bill as a lawyers bill, a bankers bill, a small loan bill, or this or that, it is better to have the person listening judge for himself — but you can't find a banker in this State who doesn't like this bill, and you can't find many homeowners in this State who support it either. You will find in the rank and file of the people who are voting for you to come to this Senate they

will tell you they think the law ought to stay as it is. Those in the money lending business will want it their way of course. This is voicing their preference, of course, as they are entitled to do under the democratic system, to express their best interest.

This legislation would just — they say, the bankers say: "We don't want this for ourselves, we wouldn't really use it." They tell us that in committee, and they told us that over and over again. Institution after institution said "Oh no, we never foreclose in less than a twelve month period; we never would really use it. But what we really want this for is to get money in from out of State. We can't sell these Maine homeowners mortgages to the big financial interests down country because Maine has such a restrictive provision in protecting the homeowner in regard to redeeming. They have a year and the property will go to pieces during that year, then we come along and pick up the tag end and we have all of these losses." Well, naturally we were impressed by these remarks and we asked for proof. We didn't receive any of any consequence at all that there had been losses under this.

It is just another one of those things that would be desirable in the banking fraternity; it might help a little in the lending of money if they could kick the person off the property a little quicker than they can now. This law has been with us for generations, and it is particularly beneficial in agricultural areas where farmers cash income or cash flow is restricted to certain periods of the year. I am sure that you will hear, before we are through discussing this, from those areas of the State that it certainly is strongly opposed. I haven't noticed whether there is a motion yet, but if the motion is to accept the Minority Report, I hope that it will be rejected and that the Majority Report will be accepted.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: Not a living soul has spoken to me about the bill. I think probably the banking fraternity is probably cross enough at me for my efforts with the Senator from Franklin, Senator Mills, to restrict activities of trustees so that we might not be on speaking terms this morning.

But purely from the simple basis of interest in housing, I have to say that the remarks I heard this morning have not quieted my fears. That although Maine banks buy millions and millions of dollars of out - - State mortgages, that this foreign capital just doesn't come into the State to buy our mortgages. I don't think it is enough to say that this law has been on our books for a million years and should stay there.

I suspect that farm property has very special implications. I am disappointed, frankly, that the committee did not come up with some attempt perhaps to exclude farm property and resolve their difference and reduce the amount from a year.

I think that we are ending this legislative session, if we accept this report Ought Not To Pass, period, but we haven't made any progress in giving them an additional tool in the housing field. If there is one thing I am sure this legislature wants to do, it is to take the increasingly severe problems of housing and make some progress in solving them. I would ask for a division on the motion, and I would urge the Senate to oppose it and give us a chance to look at this bill to see if we can't salvage some progress out of it.

The PRESIDENT: The Chair recognizes the Senator from Hancock, Senator Anderson.

Mr. ANDERSON of Hancock: Mr. President and Members of the Senate: If my memory serves me correctly, this has been in before the legislature ever since the 100th. It has always been a six months redemption period. Now, this is simply strategy, this three months,

hoping that they will get the six months.

Outside of a few industrial centers Lewiston, Auburn, Biddeford, Saco, and Portland, all industries are all seasonal: blueberries, apples, potatoes, Christmas trees, overnight camps, motels, and if one of these mortgages happens to get into trouble, certainly three months or six months wouldn't give them time to get out of it. I don't know just what they are trying to do but I certainly think that this is not right. I hope that the Majority Ought Not to Pass Report is accepted.

The PRESIDENT: The Chair recognizes the Senator from Piscataquis, Senator Martin.

Mr. MARTIN of Piscataquis: Mr. President and Members of the Senate: In regard to this bill, and to show you my concern and how deeply I feel towards what this bill could do, towards harming the people of the State of Maine, I am going to put my own experience on the block and read a letter to you that involves myself and property which I own. I have shown this letter to the committee and it reads as follows: it is from the Piscataquis Savings Bank, Dover - Foxcroft, Maine, dated February 25, 1969, "Mr. James Martin, Guilford, Maine, Dear Mr. Martin: Reference: School Street property, and North Maine Street property. In my letter of February 18, I requested that payments on the above - mentioned mortgages be brought up to date on or before the 25th of this month. Payments have not been received. Due to the above, I must request at the forthcoming trustees meeting that I be authorized to begin foreclosure proceedings at once. The School Street property is three months in arrears, with a balance due in the amount of \$2,059.93, plus interest to date." This property is worth \$7,500 on the market. "The north Main Street property is two months in arrears, with the balance due of \$4,825.27, plus interest to date." This property is worth \$12,500 on the market. This is signed by Donald A. Ambler, Treasurer.

Can you foresee just what problems reducing the twelve -

month redemption period to three months or six months, what problems, it could create for some banking institution or some financial institution which happens to be hungry, or who happens to have it in store or have a gripe against a mortgagee?

I am strongly opposed to this bill and I certainly feel and know that the judgment and wisdom of this Senate will not reduce this period lower than twelve months. I feel that this would be bad, not only to me as a person, but to everyone in the State of Maine. I hope that the motion to accept the Ought Not to Pass Report prevails.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Hancock, Senator Anderson, that the Senate accept the Majority Ought Not to Pass Report of the Committee. A division has been requested.

The Chair recognizes the Senator from Franklin, Senator Mills.

Mr. MILLS of Franklin: Mr. President, I request a roll call.

The PRESIDENT: A roll call has been requested. Under the Constitution, in order for the Chair to order a roll call, it requires the affirmative vote of at least one - fifth of those Senators present and voting. As many Senators as are in favor of ordering a roll call will rise and remain standing until counted.

Obviously more than one - fifth having arisen, a roll call is ordered. The Chair will state the question once again. The pending question before the Senate is the motion of the Senator from Hancock, Senator Anderson, that the Senate accept the Majority Ought Not to Pass Report on Bill, "An Act Relating to Period of Real Estate Mortgage Foreclosure." A "Yes" vote will be in favor of accepting the Majority Ought Not to Pass Report, a "No" vote will be opposed.

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: I had not intended to say anything, but I feel the record

should indicate a little bit more than has been put on it this morning in connection with this LD. Actually this bill, if passed in some amended form, will do more to help out the small person in the State of Maine, it will do more to relieve living in poverty conditions, than any other bill that we will have before us. I think the record should indicate this.

The issue is an emotional one and we have mentioned the farmers, the small people and our personal experiences. The actual fact of the matter is that the bill is not a bankers bill, and a direct consequence of an easing of the foreclosure period will result in considerably more mortgage money being available in this State to alleviate the current housing shortage, particularly in the low-income brackets.

Now, the so-called bankers could probably care less if this bill actually goes through, and the introduction of this bill is merely an attempt to solve the problem to which I am referring. I have a feeling that some of our bankers are very happy to send their money out of State and to sit back and get the monthly reports in from out-of-State money managers, from people who are handling their mortgages in the western part of the country, savings which, if you and I can dig any up these days, are our money. The plain fact of the matter is that we are not getting out-of-State money in here, and our present banks cannot sell Maine mortgages out of State to get the money necessary to reinvest in the State of Maine.

I think it is unfortunate that we are treating what is certainly one of the most important bills to alleviate the problems facing us in our State today in solving the problems of rural poverty, urban poverty, improving a lot of Maine in general, and to solve them on the basis which has been indicated here today.

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Quinn.

Mr. QUINN of Penobscot: Mr. President and Members of the

Senate: It has been said that this is not a bankers bill. I was a member of the Judiciary Committee that voted in favor of the Ought Not to Pass Report on this three-months period of foreclosure. The bankers flocked in in favor of that particular bill.

You heard about the farmers that have loans and the people that are in seasonal business. Now, there is another and a numerous class of people that are affected by this. It is natural that young folks get married. It is natural that when they get married they want a nice home, and frequently, because of not too good judgment, they get a home which is a little bit too extravagant for them and they have to borrow money to do this. Then they begin having children, and begin having children adding to their expenses. They get along after three or four years and they have some sickness, and they are still paying on this little home that they are acquiring. Because of the expense, the overhead of an increasing family, and hard luck in the form of ill-health, they find themselves in a position where they can't meet their obligation on their home. Now, shouldn't they have a longer time than three months to redeem this property they worked so hard for? I felt they should. I felt that it should remain at twelve months and give the citizens of this State a break. So I hope you support the motion Ought Not to Pass.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Barnes.

Mr. BARNES of Aroostook: Mr. President and Members of the Senate: I hesitate to belabor this matter any longer because I think most everything has been said that needs to be said, and I don't think we are going to change any votes. But I would just like to reiterate one thing that has been said, and that is in regards to the agricultural industry, the farmers. This is, and I am sure you will agree with me, the basic industry in the State of Maine. It is usually a one-crop industry where they receive revenue from their crop once a year, and I could just visualize

what a terrific hardship it would impose upon the farmers in the State of Maine if we should pass legislation such as this. So, I am definitely opposed to this bill, and I would urge all the Senators in this body to vote in favor of the motion.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Stuart.

Mr. STUART of Cumberland: Mr. President and Members of the Senate: Because I think this is a very important bill, I would just like to say a few words. I believe very strongly that this is one of the bills we need. There are three housing bills and this is one of them.

We want to do something to improve the housing situation in Maine. This will bring more mortgage money into Maine, and I concur with what Senator Berry has said. I don't believe it is going to hurt the small people that the others have mentioned; it is going to do just the opposite. It is going to enable us to build more houses, and more low - income people are going to have fine homes. I hope you will vote "no" and oppose the motion.

The PRESIDENT: The Chair recognizes the Senator from Piscataquis, Senator Martin.

Mr. MARTIN of Piscataquis: Mr. President and Members of the Senate: I just want to place this thought into your minds before you vote and try to implement the seriousness of this bill if it passes. Can you foresee the club the financial institution would have if the redemption period is reduced? In my own case there is another reason for this action by this bank: can you see what prejudice can do if the redemption period is reduced? As far as hurting small people, can you foresee just what predicament it can put some small people into if this twelve - months redemption period is reduced?

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Violette.

Mr. VIOLETTE of Aroostook: Mr. President and Members of the Senate: As a signer of the Ought Not to Pass Report, I suppose it is incumbent upon me to express

to the Senate my views on this. I cannot deny that there may be some merit, I really don't know. I have been troubled with the repeated statements of availability of fresh money into the State to help housing. I don't know how substantiated that has been, but at least it has caused me some concern.

I do want to say that I haven't been troubled much by our own Maine banks taking unfair advantage of our people with regards to mortgages. I do know that my own bank in my area is always exceedingly hesitant in picking up somebody's property. I can cite examples where they have actually foreclosed and resold the property to the individual, I think, at less money than they could have had from someone else solely because they didn't want to take the person's home away from him. I haven't been worried about our own local banks, because I think they have a feeling of responsibility to the community and to the people in the community that they cannot just arbitrarily go out and take unfair advantage of a person who has run into financial difficulty. But I am exceedingly troubled that when these mortgages are going to be sold outside the State on a shorter term of redemption, with regards to the institutions outside the State who will be holding these mortgages, that these people in my community and in other communities are going to become solely a number and just another investment, with the result that when some of these people do run into problems that they are not going to be given the advantage of working their problems out over a length of time that our own loaning and banking institutions, our own community banking institutions, have allowed our citizens. This is the thing that has really troubled me. Perhaps recognizing that there is some merit in the argument that easing of the mortgage period may result in bringing in additional money, in trying to balance out these inequities, and coming from an agricultural area where there is a seasonal income, and also considering the fact that if a person's mortgage is sold outside of

the State he becomes solely a number. and if he runs behind, well, he just isn't living up to his obligation and that outside institution feels no personal obligation to try to work out or assist this person in working out his own financial difficulties, and they lower the boom on him.

In working out these problems, they have troubled me, and being unable to really resolve them this may be the best thing to do in shortening it. I have to decide in my own mind, I have got to resolve the equities in favor of the property - owner, and this is the reason why I signed the Ought Not to Pass Report. I guess the older I get the less and less sure I am of the decisions I make. At one time in my life everything was black and white, and as I get older I recognize that there are varying degrees of colors, but I still feel I don't like to see it shortened for these reasons.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Hancock, Senator Anderson, that the Senate Accept the Majority Ought Not to Pass Report on Bill, "An Act Relating to Period of Real Estate Mortgage Foreclosure." A "Yes" vote will be in favor of accepting the Majority Ought Not To Pass Report; A "No" vote will be opposed. The Secretary will call the roll.

ROLL CALL

YEAS: Senators Anderson, Barnes, Beliveau, Bernard, Boisvert, Cianchette, Dunn, Duquette, Greeley, Hanson, Hoffses, Kellam, Letourneau, Levine, Logan, Martin, Mills, Minkowsky, Peabody, Quinn, Reed, Tanous, Violette, and Wyman.

NAYS: Senators Berry, Gordon, Katz, Stuart, and President MacLeod.

ABSENT: Senators Conley, Moore, and Sewall.

A roll call was had. Twenty-four Senators having voted in the affirmative, and five Senators having voted in the negative, with three Senators absent, the motion prevailed and the Majority Ought Not to Pass Report of the Com-

mittee was Accepted in concurrence.

Conference Committee Report

The Committee of Conference on the disagreeing action of the two branches of the Legislature on Bill, "An Act relating to Annual Review of all Applications for Liquor Licenses." (H. P. 827) (L. D. 1066) ask leave to report: that they are unable to agree.

On the part of the House:

HUBER of Rockland
DONAGHY of Lubec

On the part of the Senate:

BERRY of Cumberland
CONLEY of Cumberland
BOISVERT of

Androscoggin

Comes from the House, the report Read and Accepted.

Which report was Read and Accepted in concurrence.

Conference Committee Report

The Committee of Conference on the disagreeing action of the two branches of the Legislature, on Bill, "An Act Providing for a Presidential Preference Primary." (H. P. 516) (L. D. 687) ask leave to report: that it be referred to the 105th Legislature.

On the part of the House:

ROSS of Bath
HENLEY of Norway
WATSON of Bath

On the part of the Senate:

ANDERSON of Hancock
LETOURNEAU of York
HOFFSES of Knox

Comes from the House, the Report Rejected and the House having Further Insisted and Asked for a Second Committee of Conference.

Mr. Anderson of Hancock moved the Senate Accept the Committee of Conference Report.

The PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Reed.

Mr. REED of Sagadahoc: Mr. President and Members of the Senate: I am not particularly interested in debating this issue, but I would like to see us concur with the House and reject the committee of conference report and a new committee be named. Therefore, I would ask for a division

on the motion of the Senator from Hancock, Senator Anderson.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Hancock, Senator Anderson, that the Senate Accept the Report of the Committee of Conference. A division has been requested. As many Senators as are in favor of accepting the Report of the Committee of Conference will rise and remain standing until counted. Those opposed will rise and remain standing until counted.

A division was had. Eleven Senators having voted in the affirmative and thirteen Senators having voted in the negative, the motion did not prevail.

Thereupon, on motion by Mr. Reed of Sagadahoc, the Senate voted to Reject the Committee of Conference Report in concurrence and further insist and Join with the House in a Second Committee of Conference.

Ought to Pass — As Amended

Mr. Mills for the Committee on Judiciary on Bill, "An Act Relating to Interest on Judgments." (S. P. 107) (L. D. 314)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (S-228).

Mr. Quinn for the Committee on Judiciary on Bill, "An Act Relating to Powers and Duties of the Attorney General." (S. P. 142) (L. D. 424)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (S-229).

Mr. Mills for the Committee on Judiciary on Bill, "An Act to Authorize Limited Supervised Practice by Third-Year Law Students on Behalf of Certain State Agencies and Legal Aid Organizations Pursuant to Court Rules." (S. P. 335) (L. D. 1133)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (S-230).

Mr. Conley for the Committee on Legal Affairs on Bill, "An Act Relating to Creation of Professional Service Corporations" (S. P. 378) (L. D. 1288)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (S-226)

Mr. Kellam for the Committee on Legal Affairs on Bill, "An Act to Amend the Charter of the City of Portland." (S. P. 379) (L. D. 1289)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (S-227).

Which reports were Read and Accepted and the Bills Read Once. Committee Amendments "A" were Read and Adopted and the Bills, as Amended, tomorrow assigned for Second Reading.

Ought to Pass in New Draft

Mr. Mills for the Committee on Towns and Counties on Bill, "An Act Relating to Payments to Franklin County Law Library." (S. P. 182) (L. D. 582)

Reported that the same Ought to Pass in New Draft Under New Title: "An Act Relating to Payments to the Law Libraries in the Several Counties of the State" (S. P. 486) (L. D. 1570).

Mr. Wyman for the Committee on State Government on Bill, "An Act to Create a State Housing Authority." (S. P. 352) (L. D. 1219)

Reported that the same Ought to Pass in New Draft Under Same Title. (S. P. 488) (L. D. 1572).

Mr. Wyman for the Committee on State Government on Bill, "An Act Establishing the Governor's Committee on Employment of the Handicapped." (S. P. 94) (L. D. 277)

Reported that the same Ought to Pass in New Draft Under New Title: "An Act Relating to the Employment of the Handicapped." (S. P. 487) (L. D. 1571)

Which reports were Read and Accepted, the Bill in New Draft Read Once and tomorrow assigned for Second Reading.

Divided Report

The Majority of the Committee on State Government on Bill, "An Act to Regulate the Removal and Disposition of Certain State-owned Objects and Specimens." (S. P. 216) (L. D. 624)

Reported that the same Ought Not to Pass.

Signed:

Senators:

LETOURNEAU of York
BELIVEAU of Oxford

Representatives:

STARBIRD of Kingman
Township

MARSTALLER of
Freeport

WATSON of Bath
DONAGHY of Lubec
RIDEOUT of Manchester
D'ALFONSO of Portland

The Minority of the same Committee on the same subject matter reported that the same Ought to Pass in New Draft under Same Title. (S. P. 489) (L. D. 1573).

Signed:

Senator:

WYMAN of Washington

Representative:

DENNETT of Kittery

Which reports were Read.

On motion by Mr. Wyman of Washington, the Minority Ought to Pass in New Draft Report of the Committee was Accepted, the Bill in New Draft Read Once and tomorrow assigned for Second Reading.

Final Report

The Committee on Labor submitted its Final Report.

Which was Read and Accepted.
Sent down for concurrence.

Second Readers

The Committee on Bills in the Second Reading reported the following:

House

Bill, "An Act Relating to Allowance for Widows of Justices of the Supreme Judicial Court and the Superior Court." (H. P. 1228) (L. D. 1561)

Which was Read a Second Time and Passed to be Engrossed in concurrence.

Bill, "An Act to Clarify Taxation of Annuity Contracts and Insurance Policies." (H. P. 1229) (L. D. 1562)

(On motion by Mr. Katz of Kennebec, tabled and tomorrow assigned, pending Passage to be Engrossed.)

Resolve, Proposing an Amendment to the Constitution Providing for Regulation by the Legislature

of Municipal Borrowing. (H. P. 673) (L. D. 859)

(On motion by Mr. Quinn of Penobscot, tabled and tomorrow assigned, pending Passage to be Engrossed.)

Bill, "An Act Appropriating Funds for Educational Costs for Maine Students in Private Schools of Higher Education." (H. P. 952) (L. D. 1228)

Which was Read a Second Time.

Mr. Berry of Cumberland presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-233, was Read.

Thereupon, on motion by Mr. Levine of Kennebec, tabled and tomorrow assigned, pending Adoption of Senate Amendment "A".

Bill, "An Act to Relieve Certain Elderly Householders from Extraordinary Property Tax Burdens." (H. P. 1017) (L. D. 1325)

Which was Read a Second Time and Passed to be Engrossed, in non - concurrence.

Sent down for concurrence.

House - As Amended

Bill, "An Act to Provide that Charging More Than the Maximum Legal Rate of Interest is a Felony." (H. P. 434) (L. D. 558)

(On motion by Mr. Katz of Kennebec, temporarily set aside.)

Bill, "An Act Providing for a Council - Manager Charter for the Town of Scarborough." (H. P. 736) (L. D. 954)

Bill, "An Act to Provide for Discovery Procedures in Workmen's Compensation Hearings." (H. P. 930) (L. D. 1191)

Bill, "An Act to Grant a New Charter to the City of Belfast." (H. P. 965) (L. D. 1255)

Bill, "An Act Prohibiting the Conducting of Contests and Games by Retail Sellers." (H. P. 1207) (L. D. 1534)

(On motion by Mr. Logan of York, temporarily set aside.)

Bill, "An Act Providing for Implied Consent Law for Operators of Motor Vehicles." (H. P. 1030) (L. D. 1339)

(On motion by Mr. Tanous of Penobscot, tabled and tomorrow

assigned, pending Passage to be Engrossed.)

Which were Read a Second Time and, except for the tabled matters, Passed to be Engrossed, a s Amended, in concurrence.

The President laid before the Senate the matter previously set aside as requested by Mr. Katz of Kennebec: Bill, "An Act to Provide that Charging More Than the Maximum Legal Rate of Interest is a Felony."

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: I just want to direct a question through the Chair to any member who may care to reassure me that this bill involves the intent to commit a felony, the intent to violate the maximum legal rate.

The PRESIDENT: The Senator from Kennebec, Senator Katz, poses a question through the Chair to any Senator who may answer if he so desires.

The Chair recognizes the same Senator.

Thereupon, on motion by Mr. Katz of Kennebec, tabled until later in today's session, pending Passage to be Engrossed.

The President laid before the Senate the matter previously set aside as requested by Mr. Logan of York: Bill, "An Act Prohibiting the Conducting of Contests and Games by Retail Sellers".

The PRESIDENT: The Chair recognizes the Senator from York, Senator Logan.

Mr. LOGAN of York: Mr. President and Members of the Senate: The report that the Senate adopted was the report that would outlaw games in all retail establishments. This was also the action of the other body. The other body in its wisdom then added an amendment that would bring it right back to outlawing games in gasoline stations. We have had considerable legal advice that this is unconstitutional; that if you are going to do it you have to do it for everybody. You may rest assured this bill will be immediately tried

in the courts. If it is the intention of the Senate to outlaw games in all retail establishments, then I would suggest to those that are interested to remove House Amendment "A" so that this will become a constitutional measure. Thank you, Mr. President.

The PRESIDENT: Is the Senate ready for the question?

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President, I move the Senate reconsider its action whereby it adopted House Amendment "A".

The PRESIDENT: The Senator from Cumberland, Senator Berry, moves that the Senate reconsider its action whereby it adopted House Amendment "A". Is this the pleasure of the Senate?

The Chair recognizes the Senator from Oxford, Senator Beliveau.

Mr. BELIVEAU of Oxford: Mr. President, may I inquire as to the filing number of the House Amendment, please.

The PRESIDENT: House-404.

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: Rejection of House Amendment "A" will, as Senator Logan says, have the bill apply to all games of chance in the State and remove the bill as it now is just applying to service stations.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Cumberland, Senator Berry, that the Senate reconsider its action of yesterday whereby it adopted House Amendment "A". Is this the pleasure of the Senate?

The motion prevailed and House Amendment "A" was subsequently Indefinitely Postponed in non-concurrence.

Thereupon, the Bill was Passed to be Engrossed in non-concurrence.

Sent down for concurrence.

Senate

Bill, "An Act Exempting Water and Air Pollution Control Facilities from Sales and Use Taxes." (S. P. 117) (L. D. 326)

Which was Read a Second Time and Passed to be Engrossed.

Sent down for concurrence.

Enactors

The Committee on Engrossed Bills reported as truly and strictly engrossed the following:

An Act to Provide a Uniform Fiscal Year for Municipalities. (H. P. 98) (L. D. 106)

(On motion by Mr. Dunn of Oxford, temporarily set aside.)

An Act Relating to Release of Persons Found Not Guilty of Crime by Reason of Mental Disease or Mental Defect. (H. P. 601) (L. D. 782)

An Act Relating to Tuberculosis Sanatoriums. (H. P. 686) (L. D. 885)

An Act Creating the Uniform Recognition of Acknowledgements Act. (H. P. 931) (L. D. 1192)

An Act Establishing the Bureau of Geology and Mineral Resources Within the Forestry Department. (H. P. 944) (L. D. 1205)

(On motion by Mr. Reed of Sagadahoc, temporarily set aside.)

An Act Amending the Charter of Portland Relating to Title of Chairman of the City Council. (H. P. 998) (L. D. 1300)

An Act Permitting Attendance Promotions by Liquor Licensees. (H. P. 1198) (L. D. 1519)

An Act Relating to Adoption of Children. (H. P. 1218) (L. D. 1551)

An Act to Provide for Registration of Snowmobile Trailer Dealers. (S. P. 185) (L. D. 587)

(On motion by Mr. Tanous of Penobscot, tabled and tomorrow assigned pending Enactment.)

An Act Appropriating Funds to Establish Renal Dialysis Centers. (S. P. 292) (L. D. 972)

(On motion by Mr. Sewall of Penobscot, placed on the Special Appropriation Table.)

An Act Relating to Discrimination on Account of Race or Religion. (S. P. 397) (L. D. 1349)

An Act Prohibiting the Expenditure of Public Funds to Promote or Oppose Measures to be Voted on at Elections. (S. P. 412) (L. D. 1368)

Which, except for the tabled matters, were Passed to be Enacted and, having been signed by

the President, were by the Secretary presented to the Governor for his approval.

The President laid before the Senate the matter previously set aside as requested by Mr. Dunn of Oxford: An Act to Provide a Uniform Fiscal Year for Municipalities.

The PRESIDENT: The Chair recognizes the same Senator.

Mr. DUNN of Oxford: Mr. President and Members of the Senate: This L. D. 106, making a uniform fiscal year to the municipalities, I am not sure that I understand what it might do. It seems to me that at the present time most of the towns close their books either with the calendar year or within a month or two before they have their annual meeting. Putting them on fiscal year the first of July, this is a time when April is assessment, and getting out tax bills, so I am wondering — perhaps somebody here can assure me that this won't have any adverse effect on anybody. It seems to me that it might. I wish somebody would comment on this bill.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: Of course there is going to be some dislocation. The bill is effective at a date of June 30, 1972, and there is going to be some work that has to be done. If you recall, I asked the Senate to support this because at every stage of the road we find that the differences in fiscal and calendar years between the State and towns and cities is a tremendous complication in computation of school subsidies. As a matter of fact, from a local point of view, it is a problem in regard to establishing school budgets and snow removal, and I think sooner or later, and I hope sooner, that we will get the towns and cities on the same fiscal year. I am absolutely confident that, if there is going to have to be some adjustments by a special session or a future legislature, that there will be ample time.

The PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Dunn.

Mr. DUNN of Oxford: Mr. President and Members of the Senate: It seems to be that in the step that we have just taken in approving a bond issue, or it is on the Appropriation Table, to pay on a monthly basis on school subsidies, it erases any pressure from that angle. I still believe that we should perhaps accommodate ourselves to the towns rather than the towns having to accommodate themselves to us. I am moving that we indefinitely postpone this.

The PRESIDENT: The Senator from Oxford, Senator Dunn, moves that Bill, An Act to Provide a Uniform Fiscal Year for Municipalities, be indefinitely postponed.

The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: I must oppose the motion and ask for a division. When I mentioned school subsidies I pointed out that one of the most nasty problems facing this Legislature, a problem that got us in a real hassle and has caused some real dislocation of harmony amongst us, was the question of the emergency of the first year of the school subsidies. This is caused by the fact that when the legislature comes into session in January, and the schools are on a calendar year - the Lord knows how many different types of fiscal years—they had an emergency right then and there. If we were to pass this bill, and bring in the towns and cities, our future legislatures would be spared the agony that faced us and faces increasingly the legislatures who come in to meet the problems of the towns and cities.

I think it is a good bill. Whatever dislocations or changes are caused are going to be done in an orderly fashion over a substantial period of time. The Maine Municipal Association hasn't taken any specific position on this, but they have been aiding and assisting in the development of the program. I think this is an extremely useful tool, and I hope the Senate votes

against the motion to indefinitely postpone.

The PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Cianchette.

Mr. CIANCHETTE of Somerset: Mr. President and Members of the Senate: I concur with the statements of the Senator from Kennebec, Senator Katz. I believe, as he has stated, there will be a few problems created for the towns that would change over, however, I am convinced that the people within the local communities are thoroughly confused today when they are trying to regulate budgets, and years intertwine and the budgets intertwine, they do not have a clear picture of the funds they are voting, for what year they have their effect, and I am certain that the troubles that they may be put to will be well rewarded if this legislation is enacted.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: This was one of the recommendations of the Governor's Task Force on State and Municipal Taxation and Revenue. It was one of the very few measures which was recommended by that group which did not have a price tag on it. It has been ably stated here of the effect it will have on efficiency administration of State and local intermingling of finances, and this is the most important part.

I consider this bill, along with the uniform assessing procedures which we had before this legislation as two basic ingredients that must be included in a plan to help out our municipalities.

Now the only onus, and of course there has to be onus when we do make changes, would be that during this three-year transitional period, if a community has its municipal budget in now, say on January 1, it has got three years to bring itself up to July, so the first year they could say have a fourteen-months budget, which would then put them up to March 1, then the next year they would have a fourteen-months budget

which would put them up to May 1, then finally by 1972 they would have a fourteen-months budget which would put them up to July 1, in conformity with the State's fiscal year. Now, there is no other way this can be done. The State could appropriate the money, of course, and give them some kind of an assist. On the other hand, once the year has got to July 1, everybody will be paying six months later than they would have been paying right now. This is the only expense involved and, in order to ameliorate this a little bit, there is a provision in the bill which permits the municipalities to make such arrangements for installment periods anyway they wish to help out their taxpayers.

I couldn't emphasize enough the points that Senator Katz and Senator Cianchette have made, but this is really a bill which will help us a great deal along the road to some fiscal orderliness in our municipal - state relationship.

The PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Dunn.

Mr. DUNN of Oxford: Mr. President and Members of the Senate: Just one further word. I guess my objection to this goes back to a basic belief that we should be doing for the towns what they can't do for themselves, but not take over and tell them what they have got to do on everything. I hope you support my motion.

The PRESIDENT: Is the Senate ready for the question?

The Chair recognizes the Senator from Penobscot, Senator Tanous.

Mr. TANOUS of Penobscot: Mr. President and Members of the Senate: It would appear to me that where home rule is well on the way to enactment that any community which desires to change their fiscal year could well do it without coming to the legislatures, so I would support Senator Dunn's position on this matter.

The PRESIDENT: The pending question before the Senate is the motion of the Senator from Oxford, Senator Dunn, that Bill, An Act to Provide a Uniform Fiscal Year for Municipalities, be indefinitely postponed. A division has been re-

quested. As many Senators as are in favor of the motion to indefinitely postpone will rise and remain standing until counted. Those opposed will rise and remain standing until counted.

A division was had. Eight Senators having voted in the affirmative, and seventeen Senators having voted in the negative, the motion did not prevail.

Thereupon, the Bill was Passed to be Enacted and, having been signed by the President, was by the Secretary presented to the Governor for his approval.

The President laid before the Senate the matter previously set aside as requested by Mr. Reed of Sagadahoc: An Act Establishing the Bureau of Geology and Mineral Resources Within the Forestry Department.

The PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Reed.

Mr. REED of Sagadahoc: Mr. President and Members of the Senate: I would just like to say a few words, and I don't pretend to be a legal expert in this area. At the first of the session I introduced a bill relating to mining which was really a department bill. At the hearing, needless to say, I got pretty much put over the coals by the conservation minded group, and probably rightly so. When this bill first came in, Item 6-5, I tabled it. I was going to look into it further and never did. I understand it was debated quite thoroughly in the other branch, although I didn't hear the debate and haven't read about it.

I have talked around and I feel that there is some concern about this bill. It seems to me, in looking at it, all we are doing is taking the Bureau of Geology out of one department and we are putting it into the other. I would agree with the fact, but I do not think that this bureau should probably be within the Department of Economic Development. But I am concerned somewhat by changing it to the Forestry Department, and I am concerned somewhat because I have the same fear of it being within this department as I do

having it within the Department of Economical Development, because the Forestry Department - well, first of all, some 80% of the State of Maine is forest land, and most of the people that own this forest land, or many of them, also own the mineral right, and the department, generally speaking, and I think maybe rightly so, tends to support the owners. As I say, they probably may be correct in doing this and, therefore, from the standpoint of conservation I am somewhat concerned about changing it into this department and thinking we are solving our problems, because I do not.

Therefore, I would move that this bill be indefinitely postponed, and would hope that eventually we can get this bureau in a department in which I feel it belongs. Now, whether a new department has to be created, sort of a catch-all for such bureaus as this, remains to be seen. I just don't feel that we are solving the problem by this piece of legislation. Therefore, I would move for its indefinite postponement.

The PRESIDENT: The Senator from Sagadahoc, Senator Reed, moves that Bill, An Act Establishing the Bureau of Geology and Mineral Resources Within the Forestry Department, be indefinitely postponed. Is this the pleasure of the Senate?

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: I support the sentiments of Senator Reed in this respect. I agree with him most wholeheartedly in his statement that it does not belong in the Department of Economic Development, a department which seems to be quite long on broadsides against well-meaning but apparently uninformed legislators.

The placing of the Department of Geology under Forestry, I think, was suggested in a desperate effort to get it out of DED, an acknowledgement of the fact that it belongs anyplace but DED. I had the privilege of introducing a bill which would establish the Department of Natural Resources which

is, of course, where such a department belongs. What the outcome of my bill will be, I don't know; it hasn't yet come out of committee.

It seems to me that the time has long passed to consolidate and recommend greater efficiency in our state departments. The Governor is in a hopeless position in trying to administer directly under his office the myriad departments for which he is responsible. Consolidation, as I say, is long overdue. I would hope that when this legislature does get the bill to form the Department of Natural Resources that we then can debate this subject. Until then, I would support the motion that this bill be indefinitely postponed.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Sagadahoc, Senator Reed, that bill, An Act Establishing the Bureau of Geology and Mineral Resources Within the Forestry Department, be indefinitely postponed. As many as are in favor of indefinite postponement will say "Yes"; those opposed, "No".

A viva voce vote being taken, the motion prevailed and the bill was Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

Constitutional Amendment

Resolve, Proposing an Amendment to the Constitution Regulating the Size of the Senate. (S. P. 463) (L. D. 1537)

This being a Constitutional Amendment and having received the affirmative votes of 27 members of the Senate, was Finally Passed and, having been signed by the President, was by the Secretary presented to the Governor for his approval.

Bond Issue

An Act to Authorize Bond Issue in the Amount of \$310,000 for the Construction of Water and Sewage Facilities at the Indian Reservations. (H. P. 312) (L. D. 399)

(On motion by Mr. Sewall of Penobscot, placed on the Special Appropriations Table.)

Orders of the Day

The President laid before the Senate the first tabled and specially assigned matter:

Bill, "An Act to Revise the Pharmacy Laws." (H. P. 1175) (L. D. 1496)

Tabled — June 3, 1969 by Senator Kellam of Cumberland.

Pending — Passage to be Engrossed.

Mr. Stuart of Cumberland then presented Senate Amendment "B" and moved its Adoption.

Senate Amendment "B", Filing No. S-198, was Read.

The PRESIDENT: The Chair recognizes the same Senator.

Mr. STUART of Cumberland: Mr. President and Members of the Senate: I would just like to explain this amendment. It should not be controversial in any way. It is an amendment recommended by the State Nurses' Association to Section 2212-C, talking about the returning of drugs to the pharmacy stock, and that any preparation should not be returned except that a medical practitioner may do it and in hospitals, the public health nurses may, but the registered nurse was left out. So, that is all this amendment is, to say that the registered nurse may return the drug to the hospital stock.

Thereupon, Senate Amendment "B" was Adopted.

The PRESIDENT: The Chair recognizes the Senator from Franklin, Senator Mills.

Mr. Mills of Franklin then presented Senate Amendment "C" and moved its Adoption.

Senate Amendment "C", Filing No. S-232, was Read.

The PRESIDENT: The Chair recognizes the same Senator.

Mr. MILLS of Franklin: Mr. President and Members of the Senate: In regard to this amendment, it is quite extensive and it has quite an impact. It covers an area concerning which there may be a great deal of controversy. It covers an area in which it has already been said it is doomed to defeat. I refer you to the Letters to the Editor of the Lewiston Sun this morning in which I think the President of the Medical Asso-

ciation of Androscoggin County said that of course it was doomed to be defeated. Also in the same paper there was a letter from the head of the Pharmacists' Association of Androscoggin County saying the same thing. But one of these amendments in here came from a prominent pharmacist in Androscoggin County, which I will reach in a moment.

I want to explain to you the amendment, and I want to explain to you that this isn't motivated by any desire to hurt anybody or to grab any headlines or anything of that kind. I heard this subject being discussed, I think, two weeks ago in the Senate. That was the first time that I had any inclination that there was anything afoot pertaining to the pharmacy business. Prices were discussed or mentioned, and the practice was discussed, which attracted my attention to it, and I find that it is very interesting to look into. We, of course, are way behind in looking into it as far as the national picture is concerned. The Federal Government has been doing it for some time and congressional investigations have unearthed many of these things which have become commonplace and are common knowledge all over the country, and concerning which action has been suggested in many areas.

Now, this amendment would provide for several things. The first thing it would do is say that it would not be unlawful for a druggist to use generic drugs. Another name for a generic drug is the chemical name or, you could say, it shall not be unlawful for the druggist to use the chemical equivalent of the generic drug or the ingredients rather than the brand names mentioned in the prescription. Just before that in that paragraph it does make it illegal in any way to vary anything that comes down from the doctor. The generic equivalent is exactly the same thing. It is chemically exactly the same thing. This was pointed out to me by a pharmacist in the Lewiston area, a very prominent one, and I would be glad to show it to the Lewiston or Androscoggin Senators. However, in many in-

stances an equally effective generic could be prescribed.

As far as brand names against generic named drugs are concerned, this is really out of the pharmacists' hands. When the doctor writes a prescription, that prescription in ninety-five per cent of the cases is written for a brand name drug, and the pharmacist must by law dispense the brand name. In many instances an equally effective generic could be prescribed. However, due to lack of understanding, or lack of education, in the availability of generic drugs, brand names are written. The major effort put out by the giant pharmaceutical companies in hiring a sales force to detail the doctor on their brand names pressure the doctor week after week with samples and literature, whereas generic drugs do not have the expenses of a sales force, and so forth, permitting their prices to often be one-tenth that of the brand name drugs.

Here is what he says to me—and I would like to say this, that in the first part of the letter he tears me all apart and thinks I am lots of things that I don't want to repeat - but in this part he does make this suggestion, which I would like to take up. He says: "This, Mr. Mills, is where your potential could lie. If you are at all sincere and interested in lowering drug costs at retail, then you could strive to pass a law leaving it to the discretion of the pharmacist which a brand name drug is written for and a generic equivalent exists. With such a law the pharmacist could easily be able to dispense the same chemical drug, same strength, with F.D.A. specifications," that is Federal Drug Administration specifications, "at a much lower cost to the patient. As it stands now, the pharmacist must dispense the expensive drug; he has no choice. Although with his training, education and proficiency with drugs, the choice should be his and not the doctor's inasmuch as the end result is the same." This is one of the prominent pharmacists in that area, and I will show it to you Senators from Androscoggin County.

Now, I want to go further into this generic question. I find that the United States Government, which pays for the many, many prescriptions in this country for outpatients for the Army, Navy, Marines, Air Force, and many welfare recipients, the same government which, of course, is interested in developing the drug industry and protecting the laboratories in their research, and all that sort of thing — which has been the only defense of these high prices that I have ever heard — that same government says to the doctor "You must prescribe—when you prescribe by brand name, you must give the generic equivalent. You must give the pharmacist the choice or we won't pay for the prescription." So, if it is good for the United States Government in saving its money, we, who have a tremendous cost for drugs ourselves through our payments in welfare matters, certainly could adopt the same procedure without detriment to anyone if the Federal Government can do it in its area.

Let's talk about these generics. There is no mystery about them. There is a book that every doctor has, I expect, the American Drug Index by Lippincott, that gives the generic equivalent of every brand name. It costs \$7.50, a 400-page book. Then there is this free one that they all have, the Physicians Desk Reference, which not only gives the pictures of all these drugs and the equivalents, they are well stocked with literature to determine what the generic equivalent is. Of course, the druggists know it, as this druggists pointed out.

Let's make a few diagnoses, if we can trespass onto the medical profession—and you will bear with me in my poor pronunciation: Suppose you have got high blood pressure and you go to your doctor and he prescribes Serpasil, twenty-five hundredths milligrams, by Ciba — this is the brand name. That costs the druggist five dollars a hundred, and he will sell it to you for ten dollars a hundred, on the average. But the very same thing is Reserpine, exactly the same thing. You are buying Ciba's product at ten dollars a hundred.

The druggist can buy Reserpine for forty cents a hundred. That is what the price is on the market, and he sells it to you, if you happen to be lucky and have that kind of a prescription, for ninety-eight cents. In other words, it is something like a thousand per cent mark-up, ten times more it costs you. If you pass this legislation you save \$9.02 — we end up thinking about the sales tax — if the druggist could use the equivalent here. That is if you have got high blood pressure.

All right, suppose you have got angina, and the doctor says "Well, the salesman was just in here the other day and brought in a bunch of samples, so I will prescribe Peritrate by Warner-Chilcott. That is a brand name, and it costs the druggist \$2.50 per hundred; you buy it for \$4.50. But the druggist can buy the exact same thing — some of these things, the cheaper they get the worse the names are — this name is Pentaerythritol. The druggist buys that for twenty-five cents per hundred, and he will sell it to you for fifty cents a hundred. It is twenty-five cents per hundred, and if you had to buy that brand name it is costing you \$4.50. It almost takes higher mathematics to figure out what the mark-up is there, so I will have to leave it to some of retailer friends. So much for angina.

Here is a common one, suppose you need a tranquilizer. Equinil, I guess we have all heard of that. I must confess I haven't reached the point in this session where I have had to take any, but Equinil is pretty well known, and it is by Wyeth. It is a trade name, of course. They move a lot of those so they don't stay on the shelves very long. It costs the druggist three dollars for fifty, and he will sell it to you for five dollars. But if you happen to know the names, and if you have got a doctor who will give you the name, or if you pass this law so the druggist can give you the chemical equivalent, he will give you Meproamate. That wholesales, fifty of those for sixty cents.

Now, here is a whopper too — and they got onto this one apparently pretty well. One of the

druggists has written me a letter — and these druggists will talk, you know, kiss and tell, sort of, and one of these druggists told me that one of the other druggists who wrote to me is selling that Meproamate, which is the equivalent of Equinil, and which he buys for sixty cents, he is selling it for four dollars. He says "I don't sell it for four dollars; I sell it for \$1.49." So, there is an awful lot in this price structure here on drugs, there is a lot of water in it, and it can be compressed out. We have now got a good chance to do it.

Here is one that applies to quite a lot of people, if you have got asthma, hayfever, arthritis or rheumatism. The doctor would give you the brand name perhaps of Sharing's Meticorten, and when you buy it from the druggist it can cost you twenty dollars a hundred — sometimes eighteen and sometimes twenty dollars a hundred.

Now, watch this one, it is fabulous. Meticorten, you could buy at twenty dollars for a hundred of them, and he can buy the same thing chemically for fifty cents. That is Prednisone. A lot of people are dying of asthma. They are not dying of arthritis or rheumatism, but they are suffering from it, and some people don't get along very well with hayfever. But it doesn't seem as though they ought to have to put up with something fabulous like that and add to their suffering. On something fabulous like that, I challenge any retailer to tell me right off quick what the mark-up is. It is just astronomical, and it has reached the point—you can say this is political — you can say this is the popular thing to do — my goodness, it cries out for being done, and we have got a chance to do it. They say we can't do it. You read the Lewiston Sun, they say it is doomed to defeat, doomed to failure. I don't think that the democratic process has come to a dead halt or will come to a dead halt on a thing like this that really needs action. Well, that is one of the proposed items in the amendment.

The next one is this — and this is to protect the fellow like ex-Senator Lovell down in Sanford,

which I think is reasonable: It says that the typing of labels and the counting of pills or capsules may be done under the direction of the apothecary. Well, the original bill that the board had in was designed to fix it, so that the apothecary had to do everything, had to provide the saliva for licking the label, and all that. This bill would provide that as long as the apothecary was supervising the operation it would be all right. I submit when Wyeth, Ciba and the rest of them were putting up these drugs in their great and immaculate laboratories that they haven't got a pharmacist around doing the typing. They have got a pharmacist undoubtedly supervising the operation, and that is all that this says. This says that as long as a pharmacist is supervising things it is all right. If Ralph Lovell had to do what the board wanted him to do, apparently, they would have to put in two more pharmacists down there and the prices would all have to go up. But as long as he has got a pharmacist running the operation, this says that it would be all right, and supervising it.

Then we get into prices a little more directly. The present code of ethics that the pharmacists have is found in a book that one of them gave me, which is a compilation of the pharmacy laws. The ethic that seemed to be most applicable to the situation that former ex-Senator Lovell was encountering was the one about what he should charge, and it was Ethic No. 8. It says: "The pharmacist's fee for professional services rendered should be fair and equitable, commensurate with his professional knowledge, skill and care in the compounding of prescriptions and the rendering of other professional services." Well, the reviser of statutes and I — he was helping me on a professional basis because I was calling on him for help; I don't mean he was sympathetic or unsympathetic — but we were trying to figure out how we could legislate something appropriate and proper in regard to fees and charges by the druggists. So we thought we would lift right out of that Code of Ethics this Ethic No.

8, which they have endorsed and which they subscribe to, and which they could hardly complain about if we put it into a law. So, you will find under "Fees" in this proposed amendment, S-232, we have taken that and given it verbatim in the first paragraph. Then comes the snapper on it. The next paragraph says, in regard to fees — and this makes legal what ex-Senator Lovell has been doing, we would say, and we think it is legal anyway, but we just don't want any argument about it with any board in the future — "Discounts to the blind, disabled and those suffering from any terminal illness, and volume discounts, shall be deemed fair and equitable under this section." I think that is just like legislating something out of the Golden Rule, but they apparently need to have it here.

Then the next one is in regard to price, and it is a price ceiling. I have been criticized very severely for this, but the gentleman who did the criticizing didn't know about the last part of it that was going in, because I agree that if you just put in a flat statement that nobody could charge over a hundred per cent over the cost of the drugs that in many instances it wouldn't work out because they only cost a dime sometimes. So, how can they charge twenty cents and still pay a pharmacist the \$300 a week that they have to pay them, so I am told. So we put in that "No registered apothecary shall sell prescription drugs at a mark-up of more than a hundred per cent of the cost of such drugs, except that in lieu thereof in any prescription \$1.65 may be charged as a professional fee." Now, the reason for the \$1.65 is that the Federal Government allows that as a professional fee on the filling of outpatient prescriptions, and it is considered throughout the country as a fair fee, one prescription after another, as evening out as being fair. So, the druggist at least could have \$1.65 anyway. If his hundred per cent mark-up wasn't enough to meet \$1.65, he could have the \$1.65, which I think is fair. This would prevent a practice which not only is unethical but is illegal, and which I cannot prove,

but I have been told that it is something that the drug inspectors look for. There is a tremendous temptation for a druggist, when a brand name is prescribed, to sell at the brand name price but to fill with the generic. So, you can see the astronomical profit that can be obtained there and the temptation, if put in someone's way, is too great, it seems to me, to take advantage of people. It is one of the abuses that is looked for. I don't say that it has been found, but the opportunity is there.

I hope this amendment will receive some favorable attention. I can't think of an area where we could do more good for more people, and the people that need it more than most any other group of our citizens. I hope you will give it a favorable reception.

I will say this in regard to the other amendment that the good Senator Stuart has proposed, that there is nothing incompatible. If this amendment of mine is adopted, it would set aside his, but there is no reason why his can't come back onto the bill if the bill survives. Thank you very much.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Stuart.

Mr. STUART of Cumberland: Mr. President and Members of the Senate: I commend the good Senator from Franklin, Senator Mills, and congratulate him for his desire to do something about the high cost of drugs. I know something needs to be done, and I think we all do. Senator Mills asked me to help him draw up this amendment and I told him that I just didn't see how it could be done in this body, and I will tell you the same thing.

I honestly feel that this is something that has to be done at the federal level. If we could do it by putting on some amendment, I would be all for it, but in such a short time, we are trying to do the impossible here.

Now, in looking over his amendment, the first thing he says is that it is unlawful to use generic drugs. Well, I am not aware that it is. Generic drugs are sold by generic names now. If he means

that the druggist should be able to substitute the generic drug for the brand name that the physician prescribes, I just don't think that can be done. After all, if a physician writes out a brand name he wants the patient to receive that particular drug. There is such a thing as quality control. There are certainly drugs—let's say about Penicillin. You could get Penicillin and it would be perfectly good, and I know that you can buy Penicillin at two dollars for twelve tablets just by asking for 200,000 units of Penicillin-Phizer. Or you can order the brand names, Pen-tids, Vicillin, and they would cost fifty cents apiece, so there is quite a difference. I guess that figures out to about seven dollars versus two.

In my practice we prescribe Penicillin tablets sometimes, and a physician told me years ago not to pay for these brand names; order this other because it is much cheaper and just as good. So, this I have done for years, and I am sure that many physicians and dentists do prescribe the drug by generic name, knowing that it is cheaper. But I don't think you can give the right of law here that would say the pharmacist could substitute after the physician or the dentist had prescribed one.

The next part of the amendment is the part about counting out pills. Of course, I am not aware that typing out labels and counting out pills is against the law now, so I don't see that that is needed.

The next part about the pharmacist's fee being fair and equitable, well, that is just a statement and I don't see that that is needed, and the part about discounts to the blind and disabled. I am sure that many pharmacists, not just the one in Sanford, but all over the State are taking into consideration that some people have low incomes and they do give them discounts. We know they do this, just as physicians and dentists many times don't charge the full fee because people just don't have that much money.

The last part about putting a ceiling on the price, that is very difficult because the cost of the

drug has got to be taken into consideration. Wholesale is different. One druggist may buy a very, very large quantity from one wholesaler and get a much lower wholesale price. So, a hundred per cent over what? And how are you going to police such a thing; go around and check and see how much he paid wholesale?

I do have my own ideas on how to solve this problem, but I can't for the life of me see how we can do it here. Maybe if I had more time to think about it I could come up with a solution.

Now, Senator Mills mentioned the P.D.R., the Physician's Desk Reference. Well, that is sort of the pharmacist's Bible. It has all these drugs listed, and this is the kind of thing the Federal Government, I think, has got to rewrite. It has got to write a book, and I am not sure but what they are doing it now, and state the drug by generic name and make some attempt—because there are way too many drugs on the market; this is what it is all about. We have these salesmen that flow constantly into every physician's and dentist's office with his little bag, and he has got a new drug every month, so there is pressure and competition to buy these things. Years ago I turned them away from my office because in the practice of dentistry we only need one or two simple drugs. Yet these companies are coming out with something new that will stop bleeding fast, or you name it and they have got a drug for it. This is where the real trouble is, and the physician and dentist are the victims of these high-pressure salesmen, and then they prescribe this drug hoping that it might do something. But somebody at the top level, probably the United States Public Health Service, has got to evaluate and put out a book that goes to all our offices, and then we can have some sort of price control and regulation.

But it is a tremendous task to do this. It needs to be done, they are working on it in Washington, and I think perhaps Senators Mills and I should go to Washington and work on this problem if we really want to do something, but I don't

think we can do it here. So I oppose this amendment.

The PRESIDENT: The Chair recognizes the Senator from York, Senator Letourneau.

Mr. LETOURNEAU of York: Mr. President and Members of the Senate: In regards to this pharmacy bill, the trouble, I guess, seems to have started in my area. We were concerned as to the labeling and the counting of the pills. Well, we took care of that in the bill, but since then I don't know what kind of a hassle we have gotten into. Since we can't seem to reach a solution I would move for the indefinite postponement of the bill and all accompanying papers.

The PRESIDENT: The Senator from York, Senator Letourneau, now moves that Legislative Document 1496, Bill, "An Act to Revise the Pharmacy Laws," and all its accompanying papers be indefinitely postponed.

The Chair recognizes the Senator from Franklin, Senator Mills.

Mr. MILLS of Franklin: Mr. President and Members of the Senate: I will just say that I hope it doesn't happen because this is a vehicle under which we can legislate to great advantage.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: I would like to support the motion of Senator Letourneau. I have been sitting here listening to Senator Mills's arguments and I am completely amazed and lost in retrospection here thinking about some of the bills that he and I have had divergent views upon.

I consider our legal services to be vital to the health and welfare of our people, and I have sat here time after time seeing bills which significantly affect the fees and income of attorneys go through, and I am sure that Senator Mills would join me in opposing anything which would regulate or put a ceiling on attorneys fees. I am amazed that he apparently does not realize that this amendment would do exactly opposite to that which he says he wants to accomplish, and that is to help out

people, because it certainly will close pharmacies.

Those of us who travel around the State know that there are far less drug stores selling drugs now than there has been for years, and the facility is going steadily downhill. I know many small communities in this State where it is no longer possible to buy drugs, and such irresponsible action as this would merely hasten the day.

Who are we to say that a druggist shall mark up his product a hundred per cent? I am somewhat familiar with the water business, and the cost of water is zero, but the cost of delivering it to the customer reaches sometimes very high figures. Why do we see these numerous departments to which the Senator referred sometime ago in the drug store? Desperate attempts by the druggist to stay alive. Certainly we can't take such action as this. I am disappointed.

The PRESIDENT: Is the Senate ready for the question?

The Chair recognizes the Senator from Androscoggin, Senator Minkowsky.

Mr. MINKOWSKY of Androscoggin: Mr. President and Members of the Senate: I have just one brief comment to make in reference to this, and it is this: I really believe it is unfair that the pharmacists in the State of Maine, in this particular case on this L. D. should be branded as villains against the people when in reality the manufacturer of the drug, who sets the high wholesale prices, based on research and experiment, are really at fault.

The PRESIDENT: The Chair recognizes the Senator from York, Senator Letourneau.

Mr. LETOURNEAU of York: Mr. President, when the vote is taken I would ask that it be taken by division.

The PRESIDENT: A division has been requested. Is the Senate ready for the question? The pending question is the motion of the Senator from York, Senator Letourneau, that Bill, "An Act to Revise the Pharmacy Laws," and all its accompanying papers be indefinitely postponed. As many Senators as are in favor of the

motion for indefinite postponement will rise and remain standing until counted. All those opposed will rise and remain standing until counted.

A division was had. Sixteen Senators having voted in the affirmative, and twelve Senators having voted in the negative the motion prevailed in non-concurrence.

Sent down for concurrence.

The President laid before the Senate the second tabled and specially assigned matter:

JOINT ORDER—Relative to Recalling (H. P. 49) (L. D. 50) from the Governor's Office (S. P. 484)

Tabled—June 4, 1969 by Senator Katz of Kennebec.

Pending—Passage.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Barnes.

Mr. BARNES of Aroostook: Mr. President and Members of the Senate: If I interpret procedures here properly, this bill, An Act Creating Aroostook County Commissioner Districts, is dead, deader than a last year's birds nest. Now, if I can beg the indulgence of this body, I would like to have just a few minutes to make a few what I consider pertinent remarks, and I can assure you that I won't take as much time, or use as much space in this horse blanket as my good friend, the good Senator from Franklin.

An Act Creating Aroostook County Commissioner Districts is dead because it was politically expedient for the Chief Executive and his Minority Party to kill it because they felt it was to their political advantage to have it dead.

Now, if I may be permitted, I would like to just review what has happened to this bill. This bill passed both branches of this legislature. It went to the Chief Executive's office for his signature, and he didn't want it to pass because two or three members of his party from Aroostook County didn't want it to pass. He didn't want to veto it because he had already signed two bills creating commissioner districts and I refer to the Counties of Kennebec and Waldo. So he resorted to the

maneuver of having his administrative assistant calling the Aroostook County Delegation to a meeting to find out what the consensus was on this. Well, the consensus had already been expressed. Now then, there were two members of the Minority Party who spoke against it.

Now, if it is appropriate, I would like to refer you to Page 6 and 7 of your House Advance Journal and Calendar, which you all have on your desks, in which there is a message from the Governor to the members of the Senate and House of Representatives, and in which he tells us in a long and drawn-out message that he is going to return this without signature. He says in his message, if you will permit me to quote, "A portion of the county's legislative delegation, although a minority, is opposed to it. I have found, in short, evidence that the elected officials of Aroostook County are sincerely and clearly divided on the issue of whether or not this proposal would serve the interests more effectively than representative government."

Now, I feel an obligation to the people of Aroostook County to put this on record. I don't think this is what the people of Aroostook County want. Aroostook County is a large county; it is the largest county in the State. If you start at Madawaska, which is the northernmost part, and go as the area approaching Medway, I think you will find it is about 180 or nearly 200 miles in length. Currently we have three commissioners all within a radius of about fifteen miles, right in the Presque Isle-Easton-Caribou area. He also says in his message that the three Aroostook County Commissioners were unanimous in their opposition to this. Naturally they are, because there are two of his party.

On Page 7 of your Advance Journal and Calendar in his message he says: "An alternative to L. D. 50 was discussed which would have provided for the election of county commissioner candidates on a district basis, with the election at large of one commissioner each two years." Now, how ridiculous can you get? You

nominate candidates from the districts and then you elect them at large. How about the people way down in Sherman, which is 100 or 150 miles from Fort Kent and Madawaska, what interest would they have, and what would they know about a candidate away up in the Fort Kent area? To me, it is ridiculous. But it is dead, as the time limit has run out, because it was tabled yesterday, and it was returned unsigned so it is very convenient for him and for the Minority Party. Thank you for your indulgence.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Violette.

Mr. VIOLETTE of Aroostook: Mr. President and Members of the Senate: It is with some reluctance that I have to rise and disagree with my good friend, Senator Barnes, from Aroostook.

First of all, let me say that I never at any time had anything to do with the legislative process of this bill. I must confess that it probably shows I am not too much on my toes. In fact, I first became aware of this bill when I saw it on the calendar, having been returned from the committee.

Now, I never expressed any opinion in this body, and I wasn't at the meeting — it was set up, I guess, and I was told later — on Tuesday with the Aroostook Delegation trying to work out some kind of a compromise on this. I don't even know what was discussed at this meeting. I was told later, when I returned Tuesday evening, that they thought some compromise had been reached, and I personally never talked to the Governor about this matter. So, I feel relatively free to express my own opinions.

I think we ought to be candid about this, and I think we ought to recognize that most any bills that concern themselves with county matters and districting have to be concerned with politics. I kept quiet on this bill, I never said a word on it, and I kept quiet on it, I guess, out of respect for the other two members of my Aroostook Delegation who seem to have some fairly strong feelings on the bill.

I know that southern Aroostook has no representation now on the County Commissioners, and I can sympathize with them because my part of the County also does not have any representation on the Commissioners. But I can well recall the day, and I say this in all candor, that I can well recall the day when there was more than one County Commissioner from the Houlton area. I didn't see them at that time coming to the legislature and asking for districting in order to give the northern Aroostook area representation on the County Commissioners.

Now, the balance of population has shifted in Aroostook County to the central area, and they seem to be wielding the big ax in that area now. But let me also say this: let's not kid ourselves, the Democratic Party in Aroostook County now has two of the three County Commissioners, and this has resulted because of the growth of the Democratic Party in Aroostook County. I can well see that in the next election they may take the third one, or in the foreseeable future they may take the third one. In spite of all this, I kept my mouth shut and didn't say anything, well recognizing that if this bill went through the best that the Democratic Party could ever hope to do thereafter, probably, in Aroostook County would be to have the Valley one, such as I am now the Senator from the district that represents an overwhelmingly Democratic area and, as I see it, probably for quite some time to come I will be the only Democratic Senator coming out of Aroostook County.

So, I think we really ought to put this thing in its proper perspective. Let me say this: I don't in any way, shape or manner want to imply that the motives of Senator Barnes or Senator Peabody from Aroostook, whom I consider very greatly and whose friendship I prize, I am not accusing them of having any political motivations in supporting this bill, but I think that all of these county commissioner districtings ought to be recognized in some respect for what they are.

Now, with regard to the districting of the Senate — and this is probably the first time that I publicly expressed this view — I was never quite sold on the idea of districting the Senate along district lines rather than on county lines, because it was my fear that, perhaps not immediately but in the long range, it would place the Senate in a position of being more like the House, and it would become somewhat more provincial in having the idea of each Senator representing a smaller segment of the population and making his views therefore narrower, and perhaps getting away from the division of the Senate and the House and seeing the Senate representing a much larger geographical area and, therefore, perhaps expressing a different point of view. It has been my fear that perhaps in the construction of the Senate as it may now be, I am not sure of this, but it may well have the eventual effect of possibly narrowing the point of view of the Senate. I view the districting of county commissioners possibly along that line again. So, I really don't think that it is the answer to representation possibly in counties.

Let me say this: I think there are political implications in all of these county districting measures, they ought to be recognized as such, and I look at them as such. I can say this because I personally never took any part in the matters of this legislation. While I was tempted to do so at times to express these views that I express now, I refrained from doing so because of the fear that somebody might say I was politically motivated. But there are political questions here and they ought not to be ignored.

The PRESIDENT: Is it now the pleasure of the Senate that this Order be indefinitely postponed and sent down for concurrence?

The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: A little earlier this session we had an unfortunate experience in which the Majority Party was accused of being heavy-handed when, in good faith, the Senator

from Oxford, Senator Dunn, proposed an amendment to an existing bill on county commissioner districts. There was no desire to be heavy-handed, and I think the subsequent action of the Majority Party indicated the complete good faith that we had toward the bill sponsored by Senator Cianchette. However nicely the Senator from Aroostook, Senator Violette, said it, he has said, in effect, that in these districting bills politics is the name of the game.

I feel a very heavy hand in this today, and I am going to watch with real interest the selectivity with which the Executive approves or vetoes these measures. I am going to particularly watch the action of the Executive, in the face of the good faith expressed by the Majority Party on the Oxford County Bill, I am going to observe with great interest his activities when he finally, and I hope he does, gets the Oxford County bill.

The PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Reed.

Mr. REED of Sagadahoc: Mr. President and Members of the Senate: This is probably one of those times when I am standing up when I shouldn't, but I would just like to explain my position and my part up to this point.

I did speak to the Governor in regards to these county measures going through the legislature. My reaction was that it is pure and simple politics, call it politics, and I think people will understand and accept it, because that is basically what it is. We all know this and we all understand it.

This has been brought up in our county. We have a situation where all three county commissioners come from the City of Bath. Now, I maintain the philosophy that you don't have to be from Bath to necessarily win on a county-wide basis, and I feel this is true in Aroostook County or any county.

I am somewhat skeptical personally of these districts. I somewhat disagree with the Senator from Aroostook, Senator Barnes, that the alternative that was proposed here — I don't object to it necessarily, because I feel that if you are going to try to build up county

government, but your people only vote once every six years for a county commissioner, they are going to lose interest in county government, therefore, you need every two years to get that county commissioner on the ballot. In fact, if you are going to have the districts, then I would say limit the term of the county commissioner to two years. On that basis I might accept this district formula.

Now, I was standing out at the end of the corridor the other day when the sponsor of this bill, the Representative from Bridgewater, Representative Finemore, said he needed someone in the Senate to sign the bill so we could get it from the Governor's office. This was why my name was on it. The Senator from Aroostook, Senator Violette, was not here Tuesday.

I think it is somewhat unfortunate because, as I say, this is a political matter, and my feeling is that the Governor should brand it such. I think we have to accept it and understand it, and I don't think he is far off in taking this particular course of action.

The PRESIDENT: The Chair recognizes the Senator from Knox, Senator Hoffses.

Mr. HOFFSES of Knox: Mr. President and Members of the Senate: From the time that I was first elected to this august body back in the 101st Legislature I have served on reapportionment committees. I might say that I have taken a rather dim view of this one man — one vote being applicable only if it suits one political party, and I don't care whether that is Republican or Democrat. The edict handed down by the Supreme Court in the case Reynolds vs. Simms, which I will never forget, was a five to four decision. Only one man of those nine jurists had to change his mind or be convinced the other way and it would have been four to five.

Now, on the one man-one vote, if this decision by those jurist had been nine to nothing, eight to one, or even a seven to two decision, I could have accepted it with a little bit more understanding, but when we have a five to four decision I believe the margin is too close.

I have served on the reapportionment committees, served on it in the House in the 101st, whereupon we had a great deal of debate relative to the districting of the cities. There again politics crept its ugly head into that apportionment and, I might add, it was both political parties, Republican and Democratic, when the ugly head reared itself. We did not district our cities which, in my opinion, was a complete failure of the reapportionment and the one man-one vote edict.

Now, we have been through a reapportionment of the Senate, and I will not bore you with extended debate on that. I would only say that I have been unalterably opposed to districting of the county commissioners. I would oppose it in my own county. My county is predominantly of the same party which I am, but I would oppose reapportionment of my county. I do not look with favor upon the apportionments of the two counties which have been districted, but I sat in my seat and said nothing. I said nothing in regards to this districting of Aroostook County, and I said nothing in regards to the debate of Oxford County, but I say to you here and now that if it is deemed advisable by the members of the legislature, and particularly by the Executive, that two counties should be districted on a so-called one man-one vote principle, then all of the counties should be districted likewise, and I believe that this situation which is created here this morning. I personally do not like it, but I believe if it is fair for Waldo county and Somerset then it is just as fair for Aroostook or Oxford or any other county.

I am sorry to say, but I believe there is too much political motivation behind this action here this morning.

The PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Beliveau.

Mr. BELIVEAU of Oxford: Mr. President and Members of the Senate: I would like to clear the record as to the Reynolds vs. Simms case that the good Senator from Knox County has referred to. The Simms case, although it was a five to four deci-

sion, and as a result of this it did enunciate the so-called one man-one vote principle, the Supreme Court has also ruled that counties, such as the county systems that we have here in the State of Maine, do not fall within this requirement because each voter in our counties does, in effect, have a vote for a candidate. We are under no compulsion to redistrict. As a matter of fact, when someone suggests that the ugly political head has been raised here, certainly this is not a novelty in this body; it appears that the great majority of bills that we pass on here every day have certain political overtones and political considerations.

I would like to clear the record in that Reynolds vs. Simms does not require that we here in Maine redistrict our counties. No voter in this State is deprived of his vote when it come to electing county commissioners. The issue seems to be raised in certain counties where a political party—and it appears that the majority of the ones introduced so far, to date, means that the Republican Party in certain areas believe that in the best interests of the voters of that county that the county should be districted.

Now, they did not quarrel, as it was suggested earlier, ten, twenty and fifty years ago when it was to their benefit, when they had a majority or, for that matter, when it was unanimous, when all of the county commissioners were members of the Republican Party. Now, when it appears that the voters of the State of Maine are becoming enlightened, inspired and are electing Democrats in certain areas, they have developed a genuine interest in good government. I certainly don't want to say that I am suspecting their motives, but it certainly raises a strong presumption.

The PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Cianchette.

Mr. CIANCHETTE of Somerset: Mr. President and Members of the Senate: I submit to you that there is an entirely different set of circumstances relating to the four different counties, I believe, that

have been involved in this legislature. I believe I am correct in that in Waldo County, the first county that enacted such legislation, that there was unanimous agreement within their delegation. I do not know the political make-up of the delegation of Waldo County. However, in Somerset County I am fully aware of the political make-up of the delegation.

The delegation is comprised of four Democrats who reside within the county and three Republicans. Somerset County is also represented in part by a resident of another county, that man being a Republican. So the delegation in total is equally divided along political lines. However, in Somerset County there was unanimous agreement within the delegation. All members who represent Somerset County did work together, did agree, and did compromise within the county, taking into account no other part of the State, dealing only with that county in which he had a true interest, we compromised and drew lines that were in agreement with every member of the delegation. I submit to you that this makes for a different set of rules, a different ball game entirely, than where it is politically divided and there is not political agreement. I do not believe that the bills can be compared. Thank you very much.

The PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Dunn.

Mr. DUNN of Oxford: Mr. President and Members of the Senate: I would like to make one or two remarks in answer to the Senator from Somerset, Senator Cianchette. What he says is true as to the two delegations, but I would suggest that bills should be decided on their merits rather than on the few people involved. While there is agreement this year between a certain number, this is a very few people, and whether this is good or not is in question.

I would contend that if this measure makes good government in any county that it should be good in all. That is why that both times I suggested this legislation I put it on a statewide basis, and

I was very reluctant to bring out a bill for Oxford County alone. I felt that if it was good for one it was good for all of them.

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Tanous.

Mr. TANOUS of Penobscot: Mr. President and Members of the Senate: I sat here quietly listening to the comments made on this county commissioners' bill on the districting of county commissioners, and I don't know exactly how to phrase these words, I guess I am not prepared to speak on it, but when we did have the Somerset County bill I didn't like the way the thing was voted on, I thought it stunk of politics and I felt that wasn't in issue. I think some of my fellow party members felt the same way I did.

After the wrong had been done, as I felt at the time it had been done, I went about and I imposed on my party leaders that we were wrong and that we should undo what we did, and I was successful in doing this. We did undo the wrong that I felt we had done. I was told at the time that it wasn't a political issue, it wasn't a partisan matter. This morning I am told all of a sudden that this is the way it done, this is how the ballgame is played.

The good Senator from Piscataquis, Senator Martin, got up after that debate and he said he was sick at what happened, and others expressed similar feelings. To me it was a philosophy involved, and it still is. I make no bones about it. I think what is good for one county is good for another in this area. I think if we are going to give the people of the State of Maine representation on all levels, regardless of whether the United States Supreme Court says "Yes" or "No", I think that the closer the candidate is to the people the people have much better representation. I agree that an individual who lives in Fort Kent can't adequately represent somebody that lives in Sherman or Molunkus, which is far north of that area.

I am told now that because the Republicans dominated the State for so many years that the way to get back is to do what they

did for us for thirty years, I guess. I wonder if this philosophy is good government. I wonder, as Senators, if this is what we are supposed to do. I can't buy that philosophy. If my father or forefathers were wrong in their attitudes, then certainly the children cannot be penalized for the sins of their parents. Thank you.

The PRESIDENT: Is it now the pleasure of the Senate that Joint Order, Senate Paper 484, Relative to Recalling House Paper 49, Legislative Document 50, from the Governor's Office, be indefinitely postponed?

Thereupon, the Joint Order was Indefinitely Postponed.

The President laid before the Senate the third tabled and specially assigned matter:

HOUSE REPORT — Leave to Withdraw as Covered by Other Legislation from the Committee on Towns and Counties on Bill, "An Act to Increase the Salary of Sheriff of York County." (H. P. 585) (L. D. 770)

Tabled—June 4, 1969 by Senator Letourneau of York.

Pending—Acceptance of Report.

On motion by Mr. Letourneau of York, the Leave to Withdraw Report of the Committee was Accepted in concurrence.

The President laid before the Senate the fourth tabled and specially assigned matter:

HOUSE REPORT — from Committee of Conference on Bill, "An Act Relating to Safety Devices for Railroad Utilities." (H. P. 440) (L. D. 564)

Tabled—June 4, 1969 by Senator Tanous of Penobscot.

Pending—Acceptance of Report.

Which report was Accepted in concurrence.

Thereupon, the Senate voted to Recede and Concur.

The President laid before the Senate the fifth tabled and specially assigned matter:

HOUSE REPORT—Referred to the 105th Legislature from the Committee on Business Legislation on Bill, "An Act Relating to Nonprofit Hospital or Medical Service Organizations." (H. P. 808) (L. D. 1047)

Tabled—June 4, 1969 by Senator Sewall of Penobscot.

Pending Acceptance of Report.

On motion by Mr. Katz of Kennebec, retabled until later in today's session, pending Acceptance of the Committee Report.

The President laid before the Senate the sixth tabled and specially assigned matter:

Bill, "An Act Creating the Maine Power Commission." (S. P. 471) (L. D. 1536)

Tabled—June 4, 1969 by Senator Violette of Aroostook.

Pending — Passage to be Engrossed.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President, the debate having been extensive already, I move the pending question and request a roll call.

The PRESIDENT: The Senator from Kennebec, Senator Katz, requests a roll call. Is the Senate ready for the question? In order for the Chair to order a roll call, under the Constitution, it requires the affirmative vote of one-fifth of all Senators present and voting. Will those Senators in favor of ordering a roll call rise and remain standing until counted?

Obviously more than one-fifth having arisen, a roll call is ordered. The pending question before the Senate is whether Bill, "An Act Creating the Maine Power Commission," will be passed to be engrossed. A "Yes" vote will be in favor of passing the bill to be engrossed; a "No" vote will be opposed.

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Bileveau, Bernard, Boisvert, Cianchette, Duquette, Gordon, Kellam, Letourneau, Levine, Martin, Mills, Minkowsky, Reed, Stuart, Tanous and Violette.

NAYS: Senators Anderson, Barnes, Berry, Dunn, Greeley, Hanson, Hoffses, Katz, Logan, Peabody, Quinn, Sewall, Wyman and President MacLeod.

ABSENT: Senators Conley and Moore.

A roll call was had. Sixteen Senators having voted in the af-

firmative, and fourteen Senators having voted in the negative, with two Senators absent, the Bill was Passed to be Engrossed.

Sent down for concurrence.

The President laid before the Senate the seventh tabled and specially assigned matter:

Bill, "An Act to Regulate Home Solicitation Sales." (H. P. 758) (L. D. 978)

Tabled — June 4, 1969 by Senator Hoffses of Knox.

Pending — Passage to be Engrossed.

Mr. Beliveau of Oxford then presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-231, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Sent down for concurrence.

The President laid before the Senate the eighth tabled and specially assigned matter:

HOUSE REPORT — Referred to the 105th Legislature from the Committee on Business Legislation on Bill, "An Act to Provide for Taxation and Regulation of the Associated Hospital Service of Maine." (H. P. 885) (L. D. 1144)

Tabled — June 4, 1969 by Senator Logan of York.

Pending — Acceptance of Report.

On motion by Mr. Logan of York, retabled until later in today's session, pending Acceptance of the Committee Report.

The President laid before the Senate the ninth tabled and specially assigned matter:

Bill, "An Act Relating to Mandatory Discharge of Chattel Mortgages and Notes." (H. P. 929) (L. D. 1190)

Tabled — June 4, 1969 by Senator Mills of Franklin.

Pending — Adoption of Committee Amendment "A" — Filing H-354 as Amended by Senate Amendment "A" Thereto — Filing S-213.

Thereupon, Committee Amendment "A", as Amended by Senate Amendment "A" thereto, was Adopted in non-concurrence, and

the Bill, as Amended Passed to be Engrossed in non-concurrence.

Sent down for concurrence.

The President laid before the Senate the tenth tabled and specially assigned matter:

Bill, "An Act Relating to Governmental Immunity in Civil Actions." (H. P. 557) (L. D. 738)

Tabled — June 4, 1969 by Senator Minkowsky of Androscoggin.

Pending — Passage to be Engrossed.

On motion by Mr. Beliveau of Oxford, and under suspension of the rules, the Senate voted to reconsider its action whereby Committee Amendment "A" was Adopted and, on further motion by the same Senator, Committee Amendment "A" was Indefinitely Postponed in non-concurrence. The same Senator then presented Senate Amendment "A" and moved its adoption.

Senate Amendment "A", Filing No. S-214, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Sent down for concurrence.

The President laid before the Senate the eleventh tabled and specially assigned matter:

Bill, "An Act Creating the Unclassified State Employees Salary Board." (H. P. 1212) (L. D. 1541)

Tabled — June 4, 1969 by Senator Wyman of Washington.

Pending — Passage to be Engrossed.

On motion by Mr. Wyman of Washington, retabled and tomorrow assigned, pending Passage to be Engrossed.

The President laid before the Senate the twelfth tabled and specially assigned matter:

Bill, "An Act Relating to Qualifications of Savings Bank Trustees and Other Officers." (S. P. 406) (L. D. 1370)

Tabled — June 4, 1969 by Senator Mills of Franklin.

Pending — Adoption of Senate Amendment "B" — Filing S-216.

The PRESIDENT: The Chair recognizes the Senator from Androscoggin, Senator Minkowsky.

Mr. MINKOWSKY of Androscoggin: Mr. President, I would like to pose a question through the Chair to the Senator from Kennebec, Senator Katz, if it was his intention to do away with Senate Amendment "B" so Senate Amendment "C" could be adopted in place of it?

The PRESIDENT: The Senator from Androscoggin, Senator Minkowsky, has posed a question through the Chair which the Senator may answer if he so desires.

The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President, I withdraw my motion that we adopt Senate Amendment "B", and I thank the gentleman from Androscoggin.

The PRESIDENT: The Senator from Kennebec, Senator Katz, withdraws his offering of Senate Amendment "B".

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: I am sorry to see that we are attempting to kill Senate Amendment "B". I see absolutely no reason to exempt any officers, trustees or directors of any financial institution from the provisions of this law. The possibility of trustees, directors and officers of credit unions having a conflict of interest under the terms of the basic bill we are talking about is just as serious, just as much in evidence and just as prone to temptation as the officers, directors, and trustees of any other banking institution. These credit unions do borrow money from banks and their interlocking directorate can lead to alleged abuses just as much as anyone. If we are going to apply this law let's apply it uniformly. I am against basically the bill itself, but I will support good amendments which will apply to everybody.

The PRESIDENT: The Chair recognizes the Senator from Androscoggin, Senator Minkowsky.

Mr. MINKOWSKY of Androscoggin: Mr. President and Members of the Senate: I am sorry

that Senator Berry and I disagree as far as credit unions are concerned but at this particular stage, without further debate, I would like to present Senate Amendment "C" and move its Adoption.

The PRESIDENT: The Senator from Androscoggin, Senator Minkowsky, offers, Senate Amendment "C" and moves its Adoption. The Secretary will read the Amendment.

Senate Amendment "C", Filing No. S-225, was Read.

The PRESIDENT: Is it the pleasure of the Senate to adopt Senate Amendment "C"?

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: I move that Senate Amendment "C" be indefinitely postponed.

The PRESIDENT: The Senator from Cumberland, Senator Berry, moves that Senate Amendment "C" be indefinitely postponed.

The Chair recognizes the same Senator.

Mr. BERRY: Mr. President and Members of the Senate: Amendment "C", in addition to eliminating the coverage of credit unions from L. D., which I mentioned earlier, has a grandfather clause in it which, I believe, is inequitable. Once again, if we are going to support this bill, I would suggest that we put it in proper form and it should have what is always considered a proper grandfather clause. Now, a proper grandfather clause protects the situation, the status quo, as it is. I would suggest for your consideration that an amendment be prepared which would say that the grandfather clause covers all persons now occupying positions to which they are elected as of now, and that no persons shall be elected to a dual position after the passage of this act who has not held those dual positions prior to the passage of the act. It seems to me that this is the very fairest way to handle the problem. As I said before, we should exempt no financial institutions in the State.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Kellam.

Mr. KELLAM of Cumberland: Mr. President and Members of the Senate: I merely wanted to point out that it appears to me that the method in which the grandfather clause is going to be stated is the same in both of these amendments. So it really is no different than the previous amendment which we discussed before. The difference in the amendment is the removal of credit union directors as directors of the banks and so forth.

I think the Senator from Cumberland is reading more into it than exists. Credit unions are groups who have a membership—they are lined up by virtue of their employment and, I believe, some church groups and so forth—they are organized for service to their members, and these people who serve as directors are not paid. They are workers in the same factories that are elected to the directorship. I don't really feel that it is the same category as a banking institution which serves the public at large. So I see no objection to this amendment.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: A further word of explanation: actually there is a difference in the grandfather clause. When I prepared Senate Amendment "B", which I just withdrew from consideration, I very, very carelessly permitted continuing appointments of this duality of responsibility up until the time of January 1, 1975. I goofed on it and it was not my intention. This amendment of Senator Minkowsky's prohibits any further duality of appointment after the effective date of the act. I agree with the Senator from Cumberland, Senator Berry, that perhaps we might have included a date as of right now in it, but we didn't, and I don't think the ninety-days period is going to make a tremendous amount of difference. I hope that you oppose the motion to indefinitely postpone Senate Amendment "C". I ask for a division.

The PRESIDENT: Is the Senate ready for the question?

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: Responding to my colleague from Cumberland County, I would point out that what can possibly be the objections to my position that we should include all financial institutions if he claims there is no possibility of conflict here? If there is no interlocking directorship of officers between credit unions and other financial institutions, fine, then they are not going to be affected by this law. I feel it is very inequitable to pick one particular group and say "You have license to evade the law." Consequently, I hope you will support my motion and I will, of course, work to put this into what I am sure we all are trying to do, and that is a proper workable amendment. I would request a division on my motion.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Stuart.

Mr. STUART of Cumberland: Mr. President and Members of the Senate: I would just like to add that we have spent quite a bit of time on this piece of legislation. As Senator Katz said, we did overlook this duality until 1975. I think this amendment is in the proper form now, and I hope you will support Senator Minkowsky's amendment. We have talked with the banking people, as I have said before, the principle is not the best to have interlocking directors, they can accept this five-year grandfather clause, and I hope we will adopt it as is.

The PRESIDENT: The Chair recognizes the Senator from Androscoggin, Senator Minkowsky.

Mr. MINKOWSKY of Androscoggin: Just one brief comment, Mr. President and Honorable Members of the Senate: I feel I just can't equate the credit unions in the same classification as the other banking institutions for the two following reasons, which I stated yesterday and which I would like to reiterate on today: the credit unions do not serve the public directly, but membership

only, and the credit union directors are not paid at all; they serve gratis.

The PRESIDENT: The pending question before the Senate is the motion of the Senator from Cumberland, Senator Berry, that Senate Amendment "C" be indefinitely postponed. A division has been requested. As many Senators as are in favor of the motion to indefinitely postpone Senate Amendment "C" will rise and remain standing until counted. Those opposed will rise and remain standing until counted.

A division was had. Thirteen Senators having voted in the affirmative, and seventeen Senators having voted in the negative, the motion did not prevail.

Thereupon, Senate Amendment "C" was Adopted, and the Bill, as Amended, Passed to be Engrossed.

Sent down for concurrence.

The President laid before the Senate the thirteenth tabled and specially assigned matter:

Resolve, in Favor of Town of Harrington for Medical Care of an Indigent. (H.P. 543) (L.D. 722)

Tabled—June 4, 1969 by Senator Wyman of Washington.

Pending—Motion by Senator Berry of Cumberland to Insist and Ask for 2nd Committee of Conference.

On motion by Mr. Wyman of Washington, retabled and tomorrow assigned, pending the motion by Mr. Berry of Cumberland to Insist and Ask for a Second Committee of Conference.

The President laid before the Senate the fourteenth tabled and specially assigned matter:

Bill, "An Act Relating to Welfare Assistance."

Tabled—June 4, 1969 by Senator Hoffes of Knox. (H.P. 687) (L.D. 918)

Pending—Adoption of Senate Amendment "A"—Filing S-223.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the

Senate: I am a little confused, I think that perhaps the copies of our amendments were stapled, if you will recall my confusion yesterday, and I wonder if the Secretary would inform us whether Senate Amendment "A" has a price tag on it.

The PRESIDENT: The Chair would answer that the price tag is \$245,000.

Mr. KATZ: Thank you, Mr. President. I hope the Senate has considered this over the recess. We have two choices in front of us here today, or three choices I should say: one is to do nothing, and to kill the bill. The second is to accept Committee Amendment "A", which makes some substantive changes in the law, and also has a price tag permitting the State's participation in the surplus food distribution, and establishing a sum to permit fathers of ADC children to remain in the house rather than to flee or fly. Senate Amendment "B" will be exactly the same, but with no price tag on it, just making some changes in the law. The changes in the law basically, and I haven't presented Senate Amendment "B" to further confuse you, is to knock the word "pauper" out of the law, to reduce the liability of the grandparents and the grandchildren towards the indigent, and also to give a new method of hearing in case of dissatisfaction in the local rulings. So, if you accept Senate Amendment "A" you are accepting the changes in the law and you are also putting the State in the business of surplus food distribution to a small amount. You are also getting them into the question of whether or not the father can remain in the household when a ADC condition exists. I move the pending question.

The PRESIDENT: Is it now the pleasure of the Senate to adopt Senate Amendment "A"?

The Chair recognizes the Senator from Oxford, Senator Dunn.

Mr. DUNN of Oxford: Mr. President and Members of the Senate: I am going to oppose Senate Amendment "A" mainly for the reason that it adds sixteen people to the payroll, and the

\$245,000 a year. I would be happy to oppose the whole bill, L. D. 918, in total but I think the next amendment may be more palatable, so I will oppose this on the money issue and on adding more employees. I would ask for a division.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the Adoption of Senate Amendment "A". As many Senators as are in favor of adopting Senate Amendment "A" will say "Yes"; those opposed "No".

A viva voce vote being taken, the motion did not prevail.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: I present Senate Amendment "B" and move its Adoption. Senate Amendment "B" has no price tag. I think it makes some meaningful changes in the law that are requested by the people involved and I think they are very, very palatable.

The PRESIDENT: The Senator from Kennebec, Senator Katz offers Senate Amendment "B" and moves its adoption. The Secretary will read the amendment.

Senate Amendment "B", Filing No. S-224, was Read.

Thereupon, on motion by Mr. Quinn of Penobscot, tabled and tomorrow assigned, pending the Adoption of Senate Amendment "B".

The President laid before the Senate the fifteenth tabled and specially assigned matter;

HOUSE REPORT—Ought Not to Pass from the Committee on Taxation on Bill, "An Act Repealing Liquor License Discounts." (H. P. 747) (L. D. 965)

Tabled—June 4, 1969 by Senator Hanson of Kennebec.

Pending—Motion by Senator Kellam of Cumberland to Substitute the Bill for the Report.

On motion by Mr. Wyman of Washington, retabled until later in today's session, pending the motion by Mr. Kellam of Cumberland to Substitute the Bill for the Report.

The President laid before the Senate the first matter tabled earlier in today's session, by Mr. Bellevue of Oxford:

Bill, "An Act to Provide Mandatory Penalties for Commission of a Crime with a Dangerous Weapon." (H. P. 1031) (L. D. 1361)

In the Senate May 28, 1969, Passed to be Engrossed as Amended by Senate Amendment "A" (S-194), in non-concurrence.

Comes from the House, Passed to be Engrossed as Amended by House Amendment "A" (H-442) in non-concurrence.

Pending—further consideration.

Mr. Mills of Franklin moved that the Senate Adhere.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President, I move we recede and concur, and request a division.

The PRESIDENT: The Senator from Cumberland, Senator Berry, moves that the Senate Recede and Concur. A division has been requested. Is the Senate ready for the question? As many Senators as are in favor of the Senate Receding and Concurring with the House will rise and remain standing until counted. Those opposed will rise and remain standing until counted.

A division was had. Sixteen Senators having voted in the affirmative, and twelve Senators having voted in the negative, the motion prevailed.

The President laid before the Senate the second matter tabled earlier in today's session, by Mr. Katz of Kennebec:

Bill, "An Act Relating to Municipal Park and Conservation Commission." (H. P. 749) (L. D. 967)

In the Senate May 6, 1969, Passed to be Engrossed, in concurrence.

In the House May 13, 1969, Passed to be Engrossed as Amended by House Amendment "A" (H-298) in non-concurrence.

In the Senate May 14, 1969, the Senate receded and concurred.

Comes from the House, Passed to be Engrossed as Amended by

House Amendment "A" (H-298) and House Amendment "B" (H-401) in non-concurrence.

Pending—Further Consideration.

Mr. Katz of Kennebec then moved the pending question.

Thereupon, the Senate voted to Recede and Concur.

The President laid before the Senate the third matter tabled earlier in today's session, by Mr. Katz of Kennebec:

Bill, "An Act to Provide that Charging More Than the Maximum Legal Rate of Interest is a Felony." (H. P. 434) (L. D. 558)

Pending—Passage to be Engrossed.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: A little earlier on this matter I placed a question through the Chair to a member of the Judiciary. I wonder whether there has been enough time to get some response?

The PRESIDENT: The Chair recognizes the Senator from Franklin, Senator Mills.

Mr. MILLS of Franklin: Mr. President and Members of the Senate: The answer is in the affirmative. The question was: is it not true that willfulness is not a part of the element of the crime as stated here, and the answer is yes, that willfulness is not a part of the crime as stated. I was looking at the L. D. and anyone who overcharged to this extent would be guilty of a felony without there being an element of willfulness involved, as I read it.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: Under the consideration where a man could be guilty of a felony without willfully violating the law, I would hope that somebody would table this to put the bill in perhaps a little bit more protective shape.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Violette.

Thereupon, on motion by Mr. Violette of Aroostook, retailed and tomorrow assigned, pending Passage to be Engrossed.

The President laid before the Senate the fourth matter tabled earlier in today's session, by Mr. Katz of Kennebec:

HOUSE REPORT—Referred to the 105th Legislature from the Committee on Business Legislation on Bill, "An Act Relating to Nonprofit Hospital or Medical Service Organizations." (H. P. 808) (L. D. 1047)

Tabled—June 4, 1969 by Senator Sewall of Penobscot.

Pending—Acceptance of Report. Mr. Katz of Kennebec moved that the Senate Substitute the Bill for the Report.

The PRESIDENT: The Chair recognizes the Senator from York, Senator Logan.

Mr. LOGAN of York: Mr. President and Members of the Senate: This bill, which we are discussing, and a companion bill further down on the table, are two very, very important measures. I hope you will give them your honest open-minded attention. The day after the committee report issued, which was on a Thursday, that night every hospital and nursing home, Osteopathic Hospital and, I think, every physician in the State received a lengthy telegram from the Blue Cross - Blue Shield people urging them to contact us to support specifically the bill under discussion, L. D. 1047, "An Act Relating to Nonprofit Hospital or Medical Service Organizations".

This bill would allow the "blues", as they are known to go into any aspect of the health care field. The lobby has exerted considerable muscle and instant reflexes on this. I know many of you have been confused because you have been called from home about it. I urge you now to open your minds to this and consider the judgment of the committee which heard and earnestly considered this very serious matter.

We are talking now about a sixty million dollar a year business. This is the total premiums in the health insurance field. For your reference, the "blues" write \$22,900,000 worth of insurance. Basically this bill would allow Blue Cross - Blue Shield to write insurance in any aspect of the health care field. The committee felt that we did not have sufficient testimony on this or the taxation bill to make an intelligent and reasoned decision even after the hearing. We, therefore, had passed, and which now are on the Legislative Research Table, Joint Orders directing Legislative Research to study these important matters and to report back to the next session. We passed these orders to indicate good faith. I realize that sometimes referring to the next session is one way of getting rid of an unpleasant bill. This is not the case; we think these bills are important and perhaps have merit. But we also feel that because of their vast far-reaching importance that they should deserve careful consideration.

Once we give the go ahead to Blue Cross - Blue Shield, it is an irreversible decision. We are starting down a road we cannot come back. I think that decision should be made with full facts.

Now Blue Cross - Blue Shield has a very preferential situation. They are a tax-exempt insurance company. They pay no premium tax, they pay no federal taxes, they pay no property taxes of any kind. Blue Cross - Blue Shield also has another advantage in writing insurance in that they are able, and do in fact, demand and get discounts on their services. If you and I are in a room in the hospital, and I am covered by this group insurance, Blue Cross - Blue Shield, my bill will be discounted to that insurance company. My understanding is, of course, that this discount will be paid by you. This is a factor in it. This discounting policy very much affects those that are not insured with Blue Cross - Blue Shield, and I would like you to carry this into your frame of reference.

Now, these bills bring up some far reaching questions on which the committee had no testimony or inadequate testimony. The Blue Cross - Blue Shield people did not tell us what field of health care they wanted to go into, whether it was eye care, prescription drugs, dental care, outpatient care, nursing home care, alcoholic treatment, treatment of mental disorders, and so forth. They did not come in with a plan and say we intend to go into the nursing home field and this is what we are going to do. This bill, of course, is a *carte blanche*. What is the private sector doing in these fields? We had no testimony as to what the private sector was doing. Is there a vacuum? What is the private sector doing in these other fields? Where are the needs? We had no testimony on the need in any one of these fields. I am sure the need is there, incidentally, but we had no testimony as to where it was. What would be the impact on the private insurers? Now, because of their preferential treatment, the "blues" have tremendous leverage in this multi-million dollar market. How would this affect our own insurance companies such as Union Mutual? We did not have adequate testimony on this important point.

If we allow the "blues" to expand without restraint, are they financially and physically capable of taking on these added responsibilities? Or would it tend to dilute and degrade the present services? This is an important consideration on which we had no testimony. What would be the interaction of these new services with the various federal and state health and welfare programs? At the time I didn't know, but I understand now from reading a booklet which was sent to me that there is enormous interaction between them. I don't fully understand it all, but apparently Blue Cross - Blue Shield does act as a vehicle in Medicaid and Medicare. This should be carefully understood and defined.

If we grant the "blues" this *carte blanche*, would it create, because of their preferential tax

treatment, would it create a monopoly for the Blue Cross-Blue Shield Insurance Company in the health care field? We don't really know. Is such a monopoly desirable? Perhaps it is, perhaps it isn't. Should we specify in our law what field of health care the "blues" should go into?

Blue Cross-Blue Shield now owns, and has owned for many years, an insurance company called the Blue Alliance. The Blue Alliance is a taxable insurance company that pays taxes like any other insurance company, and like any other insurance company is perfectly free under our law to go into any field of health care that it wishes. Blue Alliance has not done so. Why? We never got a satisfactory answer to that. Nor do we know what their intentions for the Blue Alliance are.

One of the big talking points we heard was that the steel workers have a national contract that requires additional Blue Cross coverage. I don't know how many steel workers there are in the State of Maine, but this certainly is an important consideration. What the behavior, attitudes, and future plans of the unions in their contract negotiations are with regards to health insurance. We don't know.

Some states tax Blue Cross-Blue Shield. There are about as many combinations of taxes and programs as there are states. I have heard it said that if we let Blue Cross-Blue Shield expand their coverage and go into other areas of health care that we should impose a tax upon them. Perhaps we should. This is again a judgment matter that requires careful consideration as to the impact on Blue Cross-Blue Shield and what, if any, the best combination is.

Do we want the "blues" to be able to continue their discount policy? If they assume a dominant position in the health care field—and remember this is group insurance; not everybody can buy it—if they assume a dominant position in this \$60,000,000 field, how is this going to affect the price of health care to those who are not insured by Blue Cross and Blue Shield? If we are going to let them assume a

dominant position in the health care field, do we want to put an end to this discount practice? This is an important consideration.

I might add that we feel that there probably is need in the health care field for Blue Cross and Blue Shield coverage. But by these bills you are being asked to determine the health care policy of the State. We feel that this is far too important a matter to guess at, far too important a matter to legislate by intuition.

We have suggested that that proper data be gathered, that this serious policy matter be considered without haste by the Legislative Research Committee. I understand that the findings of the Research Committee are customarily written into bills. If I am around I will see to it that their findings are written into the bills. If I can possibly do it, I will do what I can to get such bills filed at a special session, if this is possible.

Once again, let me emphasize, it is not our intention to kill these bills. You probably will have an opportunity to vote on them as perhaps your constituents in the health care field want you to do. But, I urge you to fill the traditional roll of the Senate and proceed with prudence, caution and judgment in this very important field. I hope that you will vote against the motion to substitute the bill for the report, and support the findings of your committee. Thank you.

The PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Barnes.

Mr. BARNES of Aroostook: Mr. President and Members of the Senate: I rise in support of the motion of the Senator from Kennebec, Senator Katz. I am very reluctant to oppose my good friend and colleague, the Senator from York, Senator Logan. He has presented some very good arguments.

I still say to refer this bill to the 105th Legislature is a possible means of killing it. I think it is our obligation now, as representatives of the people, here in this session of the Legislature to take some action on this very important legislation. It is true that perhaps, although he says that many of us will have an oppor-

tunity to vote on it, it is true that many of us will not have an opportunity to vote on it, because many of us probably won't be back. I have received many communications, not only from Aroostook County, but from all over the State, from people in the medical field, hospital administrators, and so forth. I don't think these people can all be wrong because I think they have considerable knowledge of this field.

I have prepared a short statement here that I would like to read, with your indulgence. It says, "Blue Cross-Blue Shield is primarily made up of persons operating hospitals. Since the benefits that they pay are paid directly to hospitals, it seems to me that this legislation would assist in reducing the costs of hospital care and relieving the hospitals of many of the burdens that now are cast upon them, because Blue Cross and Blue Shield cannot under the existing law offer out-of-hospital medical care. Certainly we are all very conscious of the ever-rising costs of hospital care, and this organization is interested in making the most efficient use of hospitals. In attempting to keep the costs in line, anything that will assist my constituents and other people in the State of Maine in getting better medical care, and advice of a physician, is something that I am always going to be for. I hope that we can act upon this measure today instead of referring it to the 105th Legislature. I would ask for a division when the vote is taken.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: Lately when the Senator from York, Senator Logan, speaks I listen carefully. He made some very telling points in this debate. The thing that rankled me was the delay of two years in sloughing it off to the 105th. Mr. President, might I ask through the Chair as to the nature of the tabled Legislative Research approach. Did this provide for reporting to the 104th special session and or the 105th?

The PRESIDENT: The Senator from Kennebec, Senator Katz,

poses a question through the Chair. Does the Senator wish to have the orders read?

Mr. KATZ: I would like to know specifically whether the order in question refers to the 105th or to the 104th special session?

The PRESIDENT: "The next regular or special session of the Legislature."

Mr. KATZ: Mr. President, I feel strongly that this legislature should act in this area. I feel it would be not responsible for us to slough it off on the next one. But if there is general agreement that a research study be given top priority, and if indeed we can expect and demand a report to a special session, I think this would serve my purposes. Although I shall not withdraw my motion, because I feel there are many people who would like to vote on the motion, I am going to put myself in the position of voting against my motion and settling for a top priority report by the Legislative Research for a special session of this legislature.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Stuart.

Mr. STUART of Cumberland: Mr. President and Members of the Senate: I would just like to say a few words on this in reply to the good Senator from York, Senator Logan. He refers to them as the "blues"; there is a certain negative ring to that that bothers me. I feel that they have done a very good job. It is, as he says, tax-exempt. They do give discounts, as he says. I don't see anything wrong here. If they are in a dominant position, it is the people who are benefitting. Are we going to decide in favor of the people or the other private insurance companies?

This bill has to do with enabling the "blues" to expand so that they can do things better and cheaper. One area that I am familiar with is dental care. It is now necessary to hospitalize a patient to do a dental operation. This is a terrible waste. We all know this. I think the plan is to permit a simple dental operation to be done in a dental office, which will be much cheaper for the insurance. It costs up to \$100 to put a patient in a hospital

and have one extraction, and this is ridiculous. It could be done for five or ten dollars in a dental office. As I understand, they do intend to have some sort of dental coverage. They are really working in the right direction, and I hope this bill will go through at this time. It is as though we were doing something irreversible if we pass it. If things don't work out to our liking, the next legislature can change things. I hope that we will substitute the bill for the report.

The PRESIDENT: The Chair recognizes the Senator from Washington, Senator Wyman.

Mr. WYMAN of Washington: Mr. President and Members of the Senate: It is with reluctance that I rise to oppose the motion of my seatmate, the good Senator from York, Senator Logan, because I realize that he has done a lot of work on this bill and probably knows more about it than I do; I am sure he does. He has given some good arguments, but it just seems to me that the need for this outweighs the arguments or the doubts that have been raised.

As you may suspect, I am rather conservative in some areas, and I like to think that I am liberal in others. I do support the motion of the good Senator from Kennebec, Senator Katz, to substitute the bill for the report. It seems to me that the proposed changes in the law will allow Blue Cross and Blue Shield to expand the offerable health care to those who do not need hospital care but need some form of nursing home or home care. It seems to me that this would have the beneficial effect of cutting down the cost of hospitalization, or at least utilizing the hospital services in the highest degree.

As you all know, I operate a food processing operation in Milbridge, and my employees are covered by a group policy with Blue Cross - Blue Shield. Now, this doesn't affect me because I am old enough so I can rely on Medicare, but I see these people and I see their problem, their medical problems, and it certainly is a struggle for them. As an employer, I am interested in the welfare and well-being of these

employees and all employees who would come under this. I would like to be in a position to offer them this broadened health coverage which the passage of this legislative document would allow. It is my belief that the Blue Cross-Blue Shield has proven itself to be a good and worthwhile organization with very substantial benefits to the members. I certainly hope the motion of the Senator from Kennebec, Senator Katz, will prevail.

The PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Cianchette.

Mr. CIANCHETTE: Mr. President and Members of the Senate: I rise in support of the motion of the Senator from Kennebec again this morning. It seems rather strange, it seems like I have been on that side several times today. I am a little bit sorry that he watered down his motion.

I feel, in answer to the good Senator from York, that we have decided on more complexing problems in this body and in this legislature than this one. I think that decisions can be reached that are proper. I believe that we are all well aware that the service that has been rendered by these people in the other fields that they have been in has not been a monopoly. Certainly, if our insurance companies have stayed in business, and I am certain if they are allowed to contribute to the health problems that are facing all of our people today, that they will do so in a like manner and the private insurance companies will still stay in business. I hope that the bill will be substituted for the report and that, if there needs to be changes made in it, there is ample time to make amendments that might be needed.

The PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Beliveau.

Mr. BELIVEAU of Oxford: Mr. President and Members of the Senate: Unfortunately we do not have the advantage of the testimony of those who appeared at the committee. It is apparent that the members of the committee who returned a unanimous Ought Not to Pass Report felt at the time

that they did not have sufficient information or sufficient testimony and evidence through which to arrive at a judgment that this legislation would be beneficial.

Now, as Senator Logan indicated, this legislation is far-reaching and it would have a profound impact upon the citizens of Maine. They concluded that this should be referred to the Research Committee. Now, we don't hesitate to refer to the committee such substantive matters as legislative ethics or establishing a Maine Youth Commission. These areas are certainly not as profound or as significant as the bill before us. I would support Senator Logan's position on this, because I feel that before we approach this area, before we permit ourselves to enact legislation that will have a profound impact upon the elderly and other citizens, and also with other insurance companies in the State of Maine, I would strongly urge that the members vote against the pending motion.

The PRESIDENT: The Chair recognizes the Senator from York, Senator Logan.

Mr. LOGAN of York: Mr. President and Members of the Senate: I would like to point out to those people who wish to rush ahead with this measure one very simple thing. We don't know that Blue Cross-Blue Shield intends to go into dental care. They didn't tell us what their intentions were. We don't know what additional type of care they might offer to employers through their group plans. This was not stated. Our feeling was that Legislative Research could find out where these areas of need were. If it is dental care, let's find out about it, let's write it into the bill and direct them.

This bill gives Blue Cross-Blue Shield a carte blanche. Maybe they should have it. On the other hand, we should know, this legislature should have full facts, be in full possession of the information, before we give them the go-ahead. It would seem that it would be possible to have this introduced in a special session. I certainly would, as I have indicated before, I certainly would do everything possible that I could to do

it, because this is an important matter and does need action. But, once again I urge you, don't guess at it, don't legislate by intuition. Thank you, Mr. President.

The PRESIDENT: Is the Senate ready for the question?

The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: As a member of the Business Legislation Committee, I must say that I agree wholeheartedly with the Committee Chairman. I am very much in favor of the basic purposes of broadening the Blue Cross-Blue Shield coverage, but the testimony presented at the hearings were so complex and opened up new areas without possible knowledge of just exactly what we were getting into, that it seemed in the best interest of the State and its people to recommend that it be studied. As previous speakers have pointed out, the discount feature of the Blue Cross-Blue Shield is one that has concerned a great many of us. It has concerned me for some time prior to my coming to the legislature. It is because of these sort of things that I feel the matter should be studied. I would push along with Senator Logan for a speedy treatment of the thing, but I don't feel qualified myself, after having been at the hearings, to vote on this. Accordingly, I would have to oppose the passage of the bill at the present time, but I certainly would support a research study on it done as rapidly as possible.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Stuart.

Mr. STUART of Cumberland: Mr. President and Members of the Senate: I would like to say just one thing. I think that to send it to the Research Committee is to kill the bill. I think, in answer to the Senator from York, Senator Logan, that this Blue Cross-Blue Shield of Maine has a reputation that is good enough, their past performance is good enough, so that I trust them to go ahead and write a good program, even though it isn't spelled out to us at this time. We aren't talking about a fly-by-night insurance company. It is only

because of their past performance that I give them my complete endorsement at this time to go ahead and expand in this way.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Kennebec, Senator Katz, that the bill be substituted for the report on Bill, "An Act Relating to Non-profit Hospital or Medical Service Organizations". A division has been requested. As many Senators as are in favor of substituting the bill for the report will rise and remain standing until counted. Those opposed will rise and remain standing until counted.

A division was had. Sixteen Senators having voted in the affirmative, and fourteen Senators having voted in the negative, the motion prevailed and the Bill was Substituted for the Report in concurrence.

Thereupon, the Bill was Read Once and tomorrow assigned for Second Reading.

The President laid before the Senate the sixth matter tabled earlier in today's session, by Mr. Logan of York:

HOUSE REPORT—Referred to the 105th Legislature from the Committee on Business Legislation on Bill, "An Act to Provide for Taxation and Regulation of the Associated Hospital Service of Maine." (H. P. 885) (L. D. 1144)

Tabled—June 4, 1969 by Senator Logan of York.

Pending—Acceptance of Report.

Mr. Logan of York moved that the Bill be Substituted for the Report.

The PRESIDENT: The Senator from York, Senator Logan, now moves that the bill be substituted for the report.

The Chair recognizes the Senator from Franklin, Senator Mills.

Mr. MILLS of Franklin: Mr. President, I ask for a division.

The PRESIDENT: As many Senators as are in favor of substituting the bill for the report on Bill, "An Act to Provide for Taxation and Regulation of the Associated Hospital Service of Maine," will rise and remain standing until counted.

The Chair recognizes the Senator from Aroostook, Senator Violette.

Mr. VIOLETTE of Aroostook: Mr. President, as a matter of inquiry, could I inquire as to what the report is?

The PRESIDENT: A unanimous report that the matter be referred to the 105th Legislature of the Committee on Business Legislation. The report was accepted in the House of Representatives.

The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ of Kennebec: Mr. President and Members of the Senate: I made the original motion in favor of this particular concept, and I am still in favor of the concept, but I am shaken by the fact that we are rushing along here. Now, if Senator Logan's motion prevails, both the question of expansion of the services and the possibility of taxation will be carried along hand-in-hand. I am not sure that we have yet made up our minds completely on what we want to do. I suspect then that I think this motion is a sound motion to give us alternatives that we might want to consider later in this discussion. So I urge you to vote for the motion to substitute the bill for the report.

The PRESIDENT: Is the Senate ready for the question? As many Senators as are in favor of the motion of the Senator from York, Senator Logan, that the bill be substituted for the report on Bill, "An Act to Provide for Taxation and Regulation of the Associated Hospital Service of Maine," will rise and remain standing until counted. Those opposed will rise and remain standing until counted.

A division was had. Twenty-three Senators having voted in the affirmative, and five Senators having voted in the negative, the motion prevailed, and the Bill was substituted for the report in non-concurrence.

Thereupon, the Bill was Read Once and tomorrow assigned for Second Reading.

The President laid before the Senate the seventh matter tabled

earlier in today's session, by Mr. Wyman of Washington:

HOUSE REPORT—Ought Not to Pass on the Committee on Taxation on Bill, "An Act Repealing Liquor Licensee Discounts." (H. P. 747) (L. D. 965)

Tabled—June 4, 1969 by Senator Hanson of Kennebec.

Pending—Motion by Senator Kellam of Cumberland to Substitute the Bill for the Report.

The **PRESIDENT**: The Chair recognizes the Senator from Washington, Senator Wyman.

Mr. WYMAN of Washington: Mr. President and Members of the Senate: I agreed to the unanimous Ought Not to Pass Report on this. I didn't feel too strongly on it, and after listening to the good Senator from Cumberland yesterday I have decided that there is probably a couple hundred thousand dollars there that we should have. I may be criticized for reversing myself on a committee report. I know this has been mentioned this session by the good Senator from Aroostook, Senator Violette, but I am going along with the Senator from Cumberland and reverse my position.

The **PRESIDENT**: Is the Senate ready for the question?

The Chair recognizes the Senator from Piscataquis, Senator Martin.

Mr. MARTIN of Piscataquis: Mr. President and Members of the Senate: As another member of the Committee on Taxation, I signed the unanimous Ought Not to Pass Report of the committee and will maintain my stand taken at that time. I feel that it is just right and just that the liquor licensees do get a discount on their purchases and I will continue with my feelings expressed at the time of the hearing.

The **PRESIDENT**: The Chair recognizes the Senator from Aroostook, Senator Barnes.

Mr. BARNES of Aroostook: Mr. President and Members of the Senate: I realize the hour is getting late and I shouldn't even be up here on this, but I am opposed to this motion. We talk about \$200,000 revenue that we are losing. We could lose much more

than that. Of course, to my way of thinking, we are going to put a lot of these smaller hotels and licensees out of business. I know from experience that some of these smaller hotels operate on a liquor license and that is the only thing that keeps them in business, keeps the doors open. Now, maybe that is not good, but the fact still remains that they are performing a service. They are serving some of these smaller towns and smaller cities. I know from experience in looking over monthly statements that one of the reasons they can stay in business is because they can make a little profit from their cocktail lounges, from the liquor business. I know coming from me it may sound a little ridiculous, because I have been voting dry on most everything, but I would hate to see this motion pass. I would like to see this remain the status quo. I would like to see these licensees continue to get a little discount so that they can live and so they can stay in business. I think that the revenue as a result of that action would be much greater to the State than it would be if we destroyed them.

The **PRESIDENT**: The Chair recognizes the Senator from Piscataquis, Senator Martin.

Mr. MARTIN of Piscataquis: Mr. President and Members of the Senate: After hearing the comments from my good friend, Senator Barnes, I am apt to feel that he might be a little bit confused. If the bill passes it will remove the discount from the licensees.

The **PRESIDENT**: The Chair recognizes the Senator from Cumberland, Senator Kellam.

Mr. KELLAM of Cumberland: Mr. President and Members of the Senate: I am not going to repeat what I said yesterday about this bill. I have looked into it quite a bit and I am firmly convinced that this liquor license discount has no place in our licensing laws but, I also say this: that in checking the statutes, the way it has grown the last thirty years, I think, even if you were in favor of giving discounts to licensees, you would be in favor of giving it in another manner. I would ask you, if you

want to, to go down to the Liquor Commission and watch how this discount is computed. It is just a waste of clerical help to have these people taking away the federal tax that has been put on over the last twenty-five years, and then calculate so much a bottle and multiplying back and forth. So I say this: even though you are in favor of a discount, you should be in favor of keeping this bill alive in order that we could at least dress up the wreck a little bit.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Hanson.

Mr. HANSON of Kennebec: Mr. President and Members of the Senate: As one of the members of the Taxation Committee, I signed this report Ought Not to Pass. I concur with the remarks of the good Senator from Aroostook, Senator Barnes. I think that this will have quite an effect on many of our summer hotels, motels, and so forth that are only open in the summer.

I think it was brought out at the hearing by the President of the Vacationland Hotel Association, or some such name, especially by the small dealers, such as towns of approximately 5,000 or so, and they are receiving this percentage of discount. Now some of these dealers buy even a year's supply of liquor—I am speaking now of the small hotels which are open year-round in the State—they go to the place of business, the wholesale house, they pay cash on the line, and they have to transport their own goods to their place of business. I think that with the license fees that we are collecting from these dealers, and these small businesses that are open only during the summertime, and so forth, and I think it will affect those much more than it will the others, I don't feel that this liquor business should be an entirely closed deal. I think the small percentage they are given is justified, so I would oppose the motion. I stand with my signature on the report.

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Levine.

Mr. LEVINE of Kennebec: Mr. President and Members of the Senate: My heart cries for the dealers that sell liquor, who buy a bottle for four dollars and sell it for forty dollars. I don't see how we could hurt them by making them pay their tax. I think percentagewise they can stand it.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: much of the testimony before the Liquor Control Committee, which did not hear this bill, of course, pointed out to us that the licensees are not an affluent group, taken as a whole, and that the little things that seem to beset them in their daily course of business are really the legal obstacles thrown up in their way, which really shouldn't be done.

Now, I can see that perhaps in Senator Kellam's district in Portland that a large hotel, that only needs to send its truck which is driving around the city to pick up groceries and meat, and stop down at the wholesale liquor warehouse and pick up its liquor, I see this in an entirely different light than the small innkeeper out in the woods who has to assemble his order a week in advance, either phone it or mail it in to Augusta, and then drive down in a vehicle, leaving his place or business, or hiring somebody to take his place, and getting a paltry ten per cent on a little purchase that doesn't amount to too much and go back home. I think this is picking on the small innkeeper. I think in the name of fair play that this shouldn't be done. This doesn't amount to much but it is just really almost the principle of the thing, I think that is involved. I would hope that we would not support Senator Kellam's motion.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Kellam.

Mr. KELLAM of Cumberland: Mr. President and Members of the Senate: I can only point out that the fact that Senator Kellam has possibly the biggest buyer of liquor in the State in his district doesn't influence him to try to take away

his discount. I can assure him of that. I think I would rather have one of those smaller innkeepers that are out in his area. The only reason that I am for this bill is that I think it is a very good bill and while we are here we ought to do something to clean up the laws occasionally, instead of just making a worse hodge-podge than we have already. Something should be done on this, and when the vote is taken I would ask for a division.

The PRESIDENT: The Chair recognizes the Senator from Washington, Senator Wyman.

Mr. WYMAN of Washington: Mr. President and Members of the Senate: I would like to pose a question to anybody who can answer. If this bill is passed, as I understand it, the licensees can go to the liquor stores and buy their liquor as everybody else does, and then they will have no freight or delivery charges to pay, which apparently they do have under this discount. Now I may be wrong, and I would like to know more about it.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Berry.

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: Senator Wyman is wrong. Wholesale pick-ups must be made at the wholesale warehouses, and these small stores such as in Milbridge are not capable and cannot handle wholesale orders.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Kellam.

Mr. KELLAM of Cumberland: Mr. President and Members of the Senate: Just to explain that, as I understand it, the State of Maine did have and still does have two wholesale stores. They have the Augusta and Portland stores, which are called wholesale stores. As a practical matter they make no difference. You can pick up your order from any store and then you apply for a rebate. Its a bookkeeping thing, and that's one of the worst things about it. If they just went into a wholesale store, and the man rang on the cash register a lesser amount than what he rings in for us, it would

make a little bit of sense. But that's not the way it works out at all. It works out that they buy it one bottle at a time, and I really can't get so terribly excited about the man that has to leave his hotel and come down and buy the liquor. I really can't and I'm not being mean to him. I think that if he lived there alone he would probably go down to the liquor store occasionally just for his own personal needs, and he can at that time pick up a few extra bottles to sell. I think it's quite a strain on the Commission to have this method of buying these small individual bottles, no aspect of wholesale activity whatever, and then go through all this rigamarole to give him some money back.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Cumberland, Senator Kellam, that the bill be substituted for the report. A division has been requested. As many Senators as are in favor of substituting the Bill for the report on Bill, "An Act Repealing Liquor Licensee Discounts," will rise and remain standing until counted. Those opposed will rise and remain standing until counted.

A division was had. Ten Senators having voted in the affirmative, and nineteen Senators having voted in the negative, the motion did not prevail.

Thereupon, the Ought Not to Pass Report of the Committee was Accepted in concurrence.

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Tanous.

Mr. TANOUS of Penobscot: Mr. President, may I make an inquiry on Page 2, Item 1-5, L. D. 967? Did the Senate this morning Adopt House Amendment "A" along with House Amendment "B" on this matter?

The PRESIDENT: The Chair would inform the Senator that the Senate Referred and Concurred with the other body.

Mr. TANOUS: The other body apparently also adopted House Amendment "A" then?

The PRESIDENT: The bill came from the other body passed to be engrossed as amended by House Amendment "A" and House Amendment "B" in non-concurrence. The Senate this morning Receded and Concurred with the House.

Mr. TANOUS: Apparently House Amendment "B" also covers House Amendment "A" on this matter, so I would make a motion that we reconsider our action whereby we engrossed L. D. 967 accompanied by House Amendment "A" and House Amendment "B".

The PRESIDENT: The Senator from Penobscot, Senator Tanous, now moves that the Senate reconsider its action whereby it Receded and Concurred with the House in adopting House Amendment "A" and House Amendment "B" and passing the bill to be Engrossed. Is this the pleasure of the Senate?

The motion prevailed.

The PRESIDENT: The Chair recognizes the same Senator.

Mr. TANOUS: I now move indefinite postponement of House Amendment "A".

The PRESIDENT: The Senator from Penobscot, Senator Tanous, now moves that House Amendment "A" be indefinitely postponed. The Chair would ask the Senator whether he is planning to offer another amendment?

Mr. TANOUS: I do not. House Amendment "B" covers all of the items in House Amendment "A".

The PRESIDENT: The Chair recognizes the Senator from Washington, Senator Wyman.

Thereupon, on motion by Mr. Wyman of Washington, tabled and tomorrow assigned, pending consideration.

Mr. Logan of York was granted unanimous consent to address the Senate.

Mr. LOGAN: Mr. President and Members of the Senate: I would like to make it perfectly clear that, in regard to Associated Hospital Services, neither this Senator nor the Committee has any hard or vindictive feeling toward them; quite the contrary. In my presentation I attempted to present the facts, without opinion, as fairly as I know how.

Now we have started along this road and I don't feel my responsibility in this matter has ended. I am going to try to anticipate the impact of this and try to answer as many of these questions as fully as I can, and may be offering amendments to you for your consideration in the future. Thank you, Mr. President.

On motion by Mr. Hoffses of Knox, adjourned until 9 o'clock tomorrow morning.