

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One Hundred and Fifth

Legislature

OF THE

STATE OF MAINE

1971

KENNEBEC JOURNAL
AUGUSTA, MAINE

HOUSE

Friday, February 12, 1971

The House met according to adjournment and was called to order by the Speaker.

Prayer by the Rev. Mr. Harold Rowley of Augusta.

The journal of yesterday was read and approved.

**Papers from the Senate
Tabled and Assigned**

From the Senate: The following Order:

ORDERED, the House concurring, that the Chief Committee Clerk of the Legislature be authorized to employ 4 student interns to assist the Joint Standing Committees on research projects during its regular session; and be it further

ORDERED, that such interns shall be compensated at the rate of \$20 per day and shall be allowed the same travel expenses as a Representative to the Legislature; and be it further

ORDERED, that the Legislative Finance Officer, on lists submitted to him by the Chief Committee Clerk, is authorized and directed to certify vouchers as to compensation and travel expenses of said interns submitted to him in conformance with this Order to the State Controller, which vouchers shall bear the approval of the Chairman of the Joint Standing Committee on Appropriations and Financial Affairs; and be it further

ORDERED, that any change in such compensation so ordered shall be made only by concurrent order of the Legislature. (S. P. 247)

Came from the Senate read and passed.

In the House, the Order was read.

(On motion of Mr. Bragdon of Perham, tabled pending passage in concurrence and specially assigned for Tuesday, February 16.)

On motion of Mr. Martin of Eagle Lake,

Recessed until the sound of the gong.

After Recess

Called to order by the Speaker.

Tabled Later in the Day

From the Senate: The following Order:

WHEREAS, the sugar beet industry in the State of Maine is of vital economic and agricultural concern to the citizens of the State of Maine; and

WHEREAS, the Maine Industrial Building Authority, which has guaranteed approximately \$10,000,000 in loans to portions of said industry has been required to make certain payments on defaulted loans; and

WHEREAS, the Special Interim Legislative Committee created by the 104th Legislature of the State of Maine has been engaged in investigating the loans guaranteed by the Maine Industrial Building Authority; and

WHEREAS, the Special Interim Legislative Committee has not been able to complete all aspects of its investigation because of the pendency of certain bankruptcy proceedings against Maine Sugar Industries, Inc.; and

WHEREAS, the Special Interim Legislative Committee should complete all aspects of its investigation in order that the citizens of the State of Maine and the Maine Legislature be fully informed in the premises; and

WHEREAS, the same is of immediate and vital interest to the citizens of the State of Maine and the Maine Legislature because of the guarantee of the Maine Industrial Building Authority supported by the full faith and credit of the State of Maine; now, therefore, be it

ORDERED, the House concurring, that the Special Interim Legislative Committee, created by the 104th Legislature, Senate Order S. P. 633, dated January 22, 1970, and appointed in accordance therewith and further continued and reconstituted by the 105th Legislature, Senate Order, S. P. 60, January 2, 1971, be and hereby is continued and reconstituted with all the powers, duties and balance of appropriations provided by the reference order. The committee

shall report its findings together with any proposed recommendations for legislative action to the Legislative Research Committee or the next regular session of the Maine Legislature.

The members of the committee shall be compensated for the time spent in attendance at meetings of the committee and of its duly constituted subcommittees, and when engaged in the performance of duties under the instructions of the committee and authorization by its chairman at the rate of \$10 per day and actual expenses incurred. No compensation shall be paid for attendance at any meeting of the committee held while the Legislature is in session. (S. P. 256)

Came from the Senate read and passed.

In the House, the Order was read.

The SPEAKER: The Chair recognizes the gentleman from Perham, Mr. Bragdon.

Mr. BRAGDON: Mr. Speaker: I move that we concur with the Senate in the passage of this Joint Order. I would like to speak briefly to my motion.

The SPEAKER: The gentleman from Perham, Mr. Bragdon, moves that the House concur with the Senate in the passage of this Joint Order. The gentleman may proceed.

Mr. BRAGDON: Mr. Speaker and Members of the House: Yesterday afternoon I was approached by members of my own delegation, the Aroostook County delegation, to see if we could not come up with a tabling procedure on this order. I looked into it to some extent and inasmuch as this committee which is continued in this order expires before we will be back here in session, I feel that it is impractical to table the order. Whatever we do with it I feel that we should debate the matter this morning and come to a decision one way or the other, because if we table it it will be a matter of reconstituting the committee, which involves serious questions, because I think it is much more practical to

continue it rather than to get ourselves into a situation where it would have to be reconstituted.

Apparently there is considerable concern state-wide, and I think it is justified. It is justified when you read this item from our State Treasurer to the effect that in the very near future we have got to come up with a million dollars, probably out of our surplus which we badly need for other purposes, to make the payment which Vahlsing Corporation has failed to meet according to the State Guaranteed Loans. I think the concern of people state-wide is fully justified, that a committee of this type should be continued even if only on an inactive basis, more to be available as developments occur in the affairs of this business.

I think mainly what I am saying — the time of decision has arrived; whatever your views are that we express them at this time and come to a decision today whether or not this committee will be continued. If there is a motion made to attempt to table it at this time I certainly hope that it will be voted down.

The SPEAKER: The Chair recognizes the gentleman from Waterville, Mr. Carey.

Mr. CAREY: Mr. Speaker and Members of the House: Mr. Speaker, on the way up here I asked the Attorney General's office the question — since the committee dies on the 15th, since the 15th is a holiday, would the committee then actually die or expire on the 16th? The Attorney General's office could not give me an answer, they are currently looking it up, and I am not trying to delay this any longer than anyone else.

But I would certainly hope that somebody might move to table this until later in today's session.

Whereupon, on motion of Mr. Lawry of Fairfield, tabled pending passage in concurrence until later in today's session.

Bills from the Senate requiring reference were disposed of in concurrence.

**Reports of Committees
Ought to Pass**

Report of the Committee on Election Laws reporting "Ought to pass" on Bill "An Act relating to Qualification of Candidates for the Legislature" (S. P. 95) (L. D. 259)

Came from the Senate with the Report read and accepted and the Bill passed to be engrossed.

In the House, the Report was read and accepted in concurrence, the Bill read twice and assigned the next legislative day.

Divided Report

Majority Report of the Committee on State Government reporting "Ought not to pass" on Bill "An Act relating to Offices of Health and Welfare Department Located Outside of Augusta" (S. P. 21) (L. D. 49)

Report was signed by the following members:

Messrs. JOHNSON of Somerset
CLIFFORD

of Androscoggin
— of the Senate.

Messrs. DONAGHY of Lubec
MARSTALLER

of Freeport
HANSON of Gardiner
STILLINGS of Berwick
CURTIS of Orono
STARBIRD of

Kingman Township
HODGDON of Kittery
COONEY of Webster
FARRINGTON of

Old Orchard Beach
— of the House.

Minority Report of same Committee reporting "Ought to pass" on same Bill.

Report was signed by the following members:

Mr. WYMAN of Washington
— of the Senate.

Mrs. GOODWIN of Bath
— of the House.

Came from the Senate with the Majority Report accepted.

In the House: Reports were read.

On motion of Mr. Donaghy of Lubec, the Majority "Ought not to pass" Report was accepted in concurrence.

From the Senate: The following Order:

ORDERED, the House concurring, that when the House and Senate adjourn, they adjourn to Tuesday, February 16, at 10 o'clock in the morning. (S. P. 266)

Came from the Senate read and passed.

In the House, the Order was read and passed in concurrence.

**Petitions, Bills and Resolves
Requiring Reference**

The following Bills were received and, upon recommendation of the Committee on Reference of Bills, were referred to the following Committees:

Agriculture

Bill "An Act to Appropriate Funds for Payment to Veterinarians for Vaccinating against Brucellosis" (H. P. 626) (Presented by Mr. Mosher of Gorham)

(Ordered Printed)
Sent up for concurrence.

County Government

Bill "An Act Increasing Payments to York County Law Library" (H. P. 627) (Presented by Mr. Gauthier of Sanford)

Bill "An Act Increasing Salaries of Jury Commissioners of York County" (H. P. 628) (Presented by Mr. Lizotte of Biddeford by request)

(Ordered Printed)
Sent up for concurrence.

**Fisheries and Wildlife
Tabled and Assigned**

Bill "An Act relating to Duties of the Assistant Chief of the Division of Inspection for Sardines" (H. P. 629) (Presented by Mr. Mills of Eastport)

(On motion of Mr. Donaghy of Lubec, tabled pending reference and specially assigned for Tuesday, February 16.)

Bill "An Act relating to Permits for Kindling Out-of-door Fires" (H. P. 630) (Presented by Mr. Parks of Presque Isle)

(Ordered Printed)
Sent up for concurrence.

Judiciary

Bill "An Act to Prohibit Chain Letters, Pyramid Clubs and Other

Similar Devices" (H. P. 631) (Presented by Mrs. Boudreau of Portland)

(Ordered Printed)
Sent up for concurrence.

Public Utilities

Bill "An Act to Enable the Town of Cape Elizabeth to Establish Sewer Service Charges" (H. P. 632) (Presented by Mr. Hewes of Cape Elizabeth)

(Ordered Printed)
Sent up for concurrence.

Veterans and Retirement

Bill "An Act relating to Legislative Service under the State Retirement System" (H. P. 633) (Presented by Mr. Lucas of Portland)

(Ordered Printed)
Sent up for concurrence.

Orders

On motion of Mr. Whitson of Portland, it was

ORDERED, that Rev. Raymond Brown of Portland be invited to officiate as Chaplain of the House on Tuesday, February 23, 1971.

House Reports of Committees Leave to Withdraw

Mr. Murray from the Committee on Education on Bill "An Act relating to Conferring Degrees by Skowhegan Business School" (H. P. 293) (L. D. 393) reported Leave to Withdraw.

Mr. Ross from the Committee on Taxation reported same on Bill "An Act to Eliminate Northfield and Wesley from the Maine Forestry District" (H. P. 367) (L. D. 474)

Reports were read and accepted and sent up for concurrence.

Ought to Pass Printed Bills

Mr. Woodbury from the Committee on Education reported "Ought to pass" on Bill "An Act relating to Secondary Tuition Payments to the Governor Baxter State School for the Deaf" (H. P. 334) (L. D. 443)

Mr. Bunker from the Committee on Fisheries and Wildlife reported same on Bill "An Act Regulating the Use of Power Boats on Lily

Pond, Lincoln County" (H. P. 295) (L. D. 395)

Mr. Farrington from the Committee on State Government reported same on Bill "An Act Creating a Second Assistant County Attorney for Kennebec County" (H. P. 241) (L. D. 322)

Mrs. Goodwin from same Committee reported same on Bill "An Act relating to Powers of State Park and Recreation Commission" (H. P. 276) (L. D. 365)

Mr. Trask from the Committee on Taxation reported same on Bill "An Act relating to Preparation of List of Residents by Assessors" (H. P. 185) (L. D. 278)

Reports were read and accepted, the Bills read twice and assigned the next legislative day.

Passed to Be Engrossed

Bill "An Act to Allocate Money from the General Highway Fund for State Aid Construction" (H. P. 248) (L. D. 329)

Bill "An Act Increasing Borrowing Capacity of Ashland Water and Sewer District" (H. P. 274) (L. D. 363)

Bill "An Act relating to Filing Certificate of Agent's Appointment by Certain Carriers" (H. P. 275) (L. D. 364)

Bill "An Act relating to the Powers of Houlton Water Company to Issue Bonds, Notes and Other Certificates of Indebtedness" (H. P. 303) (L. D. 403)

Bill "An Act relating to Application to Public Utilities of the Law Relating to the Regulation of Elevators" (H. P. 304) (L. D. 404)

Were reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed and sent to the Senate.

Amended Bills

Bill "An Act relating to Definition of Agricultural Societies to Qualify for Stipend" (H. P. 219) (L. D. 301)

Was reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed as amended by Committee Amendment "A" and sent to the Senate.

Third Reader

Tabled and Assigned

Bill "An Act relating to Persons Ineligible to Serve as Election Officials" (H. P. 224) (L. D. 306)

Was reported by the Committee on Bills in the Third Reading and read the third time.

(On motion of Mr. Smith of Dover-Foxcroft, tabled pending passage to be engrossed and specially assigned for Wednesday, February 17.)

Enactor

Tabled and Assigned

An Act relating to the Number of Signatures Required on Nomination Papers (S. P. 32) (L. D. 65)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed.

(On motion of Mr. Vincent of Portland, tabled pending passage to be enacted and specially assigned for Wednesday, February 17.)

Passed to Be Enacted

An Act relating to Filing of Annual Reports by Public Utilities (S. P. 77) (L. D. 172)

An Act relating to Preservation and Destruction of Campaign Reports (S. P. 81) (L. D. 175)

An Act Increasing the Number of Superior Court Justices (S. P. 83) (L. D. 177)

An Act Increasing Number of Official Court Reporters (S. P. 84) (L. D. 178)

An Act relating to Gasoline Road Tax Credits (S. P. 90) (L. D. 219)

An Act relating to Voluntary Sales Tax Registrants (H. P. 162) (L. D. 216)

Were reported by the Committee on Engrossed Bills as truly and strictly engrossed, passed to be enacted, signed by the Speaker and sent to the Senate.

Enactor

Tabled and Assigned

An Act to Provide an Effective Income Tax Warrant Procedure (H. P. 163) (L. D. 220)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed.

(On motion of Mr. Carrier of Westbrook, tabled pending passage

to be enacted and specially assigned for Wednesday, February 17.)

An Act relating to Payment of Tax by Use Fuel Dealers (H. P. 166) (L. D. 222)

An Act relating to Redemption of Cigarette Tax Stamps (H. P. 167) (L. D. 223)

An Act Exempting Certain Scientific Laboratories from the Sales and Use Tax (H. P. 168) (L. D. 224)

An Act relating to Voter Registration for Certain Members of the Armed Forces (H. P. 473) (L. D. 514)

Were reported by the Committee on Engrossed Bills as truly and strictly engrossed, passed to be enacted, signed by the Speaker and sent to the Senate.

Orders of the Day

The Chair laid before the House a matter tabled earlier and assigned for later in today's session:

Senate Paper 256, Joint Order relative to Special Interim Committee to Study Maine Industrial Building Authority

Tabled earlier by Mr. Lawry of Fairfield.

Pending — Passage in concurrence.

The SPEAKER: The Chair recognizes the gentleman from Eagle Lake, Mr. Martin.

Mr. MARTIN: Mr. Speaker and Ladies and Gentlemen of the House: The question that bothers me at this point boils down to one really of rush as to why or why not we could not delay this until we have an opportunity to study the ramifications of the report of the Special Interim Legislative Committee to study the possible effects it would have upon the attempt that is presently being made in Aroostook County to do the job of trying to put that industry back on its feet.

I made an attempt yesterday of speaking to the Republican leadership. It was my opinion at that time that most of them were agreeable. I had suggested at that point that I knew full well that the order was expiring on the 15th,

this coming Monday. The feeling is, on many individuals parts, that this committee will have no effect on what Aroostook County is trying to do now.

I don't know. I don't know the effects, but it does worry me. I suggested perhaps to the Republican leadership that what we could do was to let the order expire for the time being, find out what is going on in Aroostook County, whether or not indeed the industry could be gotten out of the mess that it is now in. And when we did find out as to what the consequences would or would not be, once we found out that financing could or could not exist, once we found out that sugar beets could or could not be grown, I suggested that I would support an order to reconstitute the committee with its same members, with the same powers, and the same money, to finish its two-year audit.

I said at that time that perhaps we could do this towards the end of the session, because it is so easy while we are in session, as you well know, to pass an order to reconstitute a committee of any kind. We have seen them already, and we will be seeing them as the session progresses.

It was my feeling at that time that it was agreeable to the larger portion of the leadership of the party, except for one individual, who was adamant that this is the way it ought to be, and had to be, and there was no other way out.

To be frank with you, I do not know the consequences of the effect of the committee. I do not know what effect it will have upon any attempt by Maine Potato Growers, Inc. to find a million and a half dollars to pay off the farmers if they grow sugar beets. I don't know what effect the order would have, or the committee would have, upon the farmers desire to know that they are participating in an organization under investigation by us.

I also agreed that I did not know the effects of what EDA might think in giving us any additional money. What I said, and I still say today, is that I do fear for

the consequences, the potential consequences of the study.

I do not stand in front of you defending Fred Vahlsing. I do not stand in front of you defending Maine Sugar. But I am concerned with the rush that apparently is placed upon the passage of the continuation of the order.

I would like to read to you a copy of a telegram sent to the Chairman of the Special Interim Legislative Committee from the Chairman of the Sugar Beet Industry Task Force that was appointed early last fall, or last winter. He is Mr. Owen H. Smith from Mapleton, a respected Republican in Aroostook County, and a very large potato grower.

"I feel we are making progress towards reestablishing a sugar industry in Maine in 1971. The outcome of the effort of the Sugar Beet Task Force, and the many others working to this end, will depend on the cooperation of the legislators in Augusta to a big degree.

At this critical time I believe a new order to extend the investigation of Maine Sugar Industries, Inc. would only serve to express a lack of confidence on the part of the Legislature, and make it nearly impossible to obtain the financial support necessary to get the program going in 1971.

I know your interest is in the successful operation of the sugar refinery in Easton. I therefore urge that you recommend termination of the Maine Sugar Industries investigation which is due to expire next Monday. It would be extremely helpful to the effort being made to preserve the sugar beet industry for the State of Maine if the Legislature would take necessary steps to direct the unused portion of the money which was provided to the investigating committee for use by the Task Force to get the project reactivated in 1971. This would be a constructive move on the part of the Legislature, and would be very helpful to efforts being made to affect the acreage in Maine in 1971.

It would appear that the biggest concern of the Legislature should

be that the sugar factory operate in 1971. The best interests of the people of the State of Maine can only be served by keeping the factory in operation. Signed, Owen H. Smith, Chairman, Sugar Beet Industry Task Force.”

I find it ironic to a point that I am standing in front of you defending Republicans. I find it ironic to a point that the majority of the Sugar Beet Task Force are Republicans. They include others from Aroostook County, and to name just one, includes the President of Northern National Bank as Vice Chairman, Wendell Phillips. These people have worked very hard.

I know that some of you feel that this investigation ought to continue. I made that compromise and a suggestion yesterday. I thought it was a fruitful one. I thought perhaps it was one that we could work upon. That apparently is not to be. And that bothers me.

I don't know, and I repeat, what effects it will have. It would only bother me to know that perhaps this Legislature, in its haste, has helped to defeat whatever chances may exist, how small they might be — how small they might be, in getting the sugar beet industry off the ground. I think that is the point we ought to make today. It is not one of defending the individuals involved, of really continuing the committee, because I think the Legislature has a right and a duty to know how that money was spent at Easton. It has a right and a duty to tell the citizens of Maine what was done.

But that can be done, ladies and gentlemen, after we know what has happened, or what will happen in the next two months. And in two months we will know. If we haven't gotten the financing from EDA, a million and a half dollars, to raise beets, money to go to Maine Potato Growers so that they can pay the farmer rather than the MSI, if MSI cannot get its money to finance itself, to operate by selling a prospectus, we will know that. If the farmers are not going to be growing the beets, we will know that.

Once we know these things either way, we ought to continue the investigation. We ought to continue the audit to find out where the money went. I think we have a concern, and I think we ought to maintain that concern. But I am only really expressing the views of some of the people that have called me from Aroostook County, who have expressed their deep concern of what we may be doing here today is help to discourage the farmer, the banks, the federal government from doing anything more in attempting to save the industry.

The gentleman from Perham, Mr. Bragdon, is absolutely correct, that if we don't get this thing going we will end up with a white elephant in Easton, Maine. The State of Maine will have a \$10 million debt that we will have to assume. Once that is accomplished, and if this order has anything to do with that, in helping to accomplish that goal, will we be any better off? We will just have that \$10 million bill on our hands.

We have an opportunity perhaps today of helping to get that thing going. If any of you have ever seen that plant or any other sugar beet industry in the country, you will know that there is nothing else you can do with a sugar beet refinery. It is \$34 million of pipes. The building would be worthless for anything else but growing sugar beets, or processing sugar beets.

I really ask again that you be concerned as some of the people in Aroostook County are, and if it is agreeable, if it is a decision of the House that we continue the investigation, that we do so, that I will support a reconstituting of the order once we know either way what is going on in Aroostook County. And again, let me remind you how easy it is to reconstitute any committee in this House.

The SPEAKER: The Chair recognizes the gentleman from Augusta, Mr. Lund.

Mr. LUND: Mr. Speaker and Ladies and Gentlemen of the House: As a member of the study committee that has been referred to, I would like to comment briefly on the study, and point out some

things about it that may be of interest to you.

Your MIBA Study Committee attempted to direct its efforts in two directions. The operations of the Maine Industrial Building Authority, and an analysis of the financial transactions which took place between the several corporations controlled by Mr. Vahlsing.

In conducting our study of the operations of the MIBA, your committee was initially stalled as a result of the Authority's efforts to go to court to establish the principle that its records were confidential and not available to the committee. The Authority was unsuccessful in this effort, and we did have the privilege of examining the records. However, this did serve to cause some delay.

The report which is before you is not as voluminous as it would appear, and I commend to each of you that you read it. For one thing, I would like to point out that the body of the report itself is not as lengthy as the document you have before you. Only the first 16 pages are the report, the remainder are appendix.

And as far as the operations of the MIBA itself are concerned, on page 14 you will find that portion which deals with the committee's recommendations, on pages 14 and 15. Your committee did find that the Maine Industrial Building Authority acted in good faith in guaranteeing the various loans made to Sugar Industries and Vahlsing, Inc.

On page 15 you will find five recommendations for legislation which I think you will find presented to this Legislature. One is that the \$8 million limit now applicable on a single loan be reduced to \$4 million, and that this limit apply to affiliated companies as well as individual companies. The recommendation also that the authority to guarantee loans on agricultural machinery be repealed. In studying the operations of the MIBA, your committee became convinced that there should be a somewhat faster rate of turnover in the personnel of the Authority than we have now

seen, and recommended that a limit of two terms or not more than eight years be placed on service. We recommended that there be greater financial checks made, both before, during and after a loan guarantee was made.

The committee also, as I said, directed its efforts at analyzing the financial transactions between the various Vahlsing companies. Again we were delayed in this by efforts on the part of the Vahlsing interests to avoid and delay. There were more than seven different companies involved. Some of them incorporated in Maine, some incorporated outside of Maine.

We found that some of the records of the corporations within the state were removed from the state after the time that this order was initially introduced. Your committee at the first tried to be nice guys. We asked to see records and we were told sure we could see them. When our representatives went down, we found that we were getting the runaround. Finally last fall it was necessary to use subpoenas to obtain the records. And as this report will indicate, even these subpoenas have not been fully complied with.

Then late in this year, our efforts at analyzing the financial transactions were again sidetracked by the initiation of bankruptcy proceedings. And the committee felt properly that as long as the bankruptcy was pending that we ought not to attempt to duplicate what might be the efforts of the bankruptcy court.

At the risk of sounding partisan myself for a moment, and for the benefit of those who were not here at the previous session when this order was initially debated, I would like to remind you all that at the time this order was passed it was charged that this would be a partisan witch-hunt aimed at attaching liability for this unfortunate situation to some political individuals, or political parties.

And I would simply like to ask the Members of the House to look at the report before them, to look at the statements that have been made by the committee and the

press and answer the question whether or not there has been any substantiation for this charge. I would suggest that it is not, and I would suggest further that this charge, which fortunately is no longer being made, is also denied by the fact that all of the members of this committee, Democrat and Republican, joined in the signing of the report which you will find on page 16. So I would suggest to you that the charge of a political witch-hunt was and is a figment of the imagination.

Now as to the question of the need for haste in this instance. Your committee in consultation with its counsel was of the opinion that some problems might be caused if there were a gap in the life of the committee. Mr. Vahlsing and his associates have shown no reluctance to go to court on any pretext they could find to avoid and delay the action of the committee. And it should be pointed out that some of the authority of this committee is contained not only in the order, but also in special legislation that was passed. And in order to avoid the possibility of litigation, it was the considered opinion of the Attorney General's office at that time—this was last week—that it would be preferable not to have a gap in the life of this committee if its work is to be continued.

As to the need of its continuance, I don't think we need to look much further than the memo which you all have on your desk calling attention to the need for the state to prepare for the possible liabilities if we have to continue paying these defaulted loans.

The SPEAKER: The Chair recognizes the gentleman from Caribou, Mr. Kelley.

Mr. KELLEY: Mr. Speaker and Members of the House: This order, at this time, will in no way serve any helpful purpose. For in effect, it will deny Aroostook farmers a chance for a viable second cash crop in Aroostook County. For over a year, MSI has been embroiled in a financial and political controversy which has all but eliminated our hopes for improving our depressed agricultural

economy. However, in recent weeks the Governor's Task Force, headed by Owen Smith, has worked diligently to bring understanding and assistance to this problem.

At this time the Governor's Task Force has entered into tentative and fragile negotiations whereby Maine Potato Growers, Inc. would act as a vehicle to purchase beets on 5,000 acres from Aroostook farmers this summer. To do this, approximately \$1.5 million would be borrowed. Upon delivery of their beets, the farmers would be paid by the Maine Potato Growers Corporation. The farmers would not deal with Mr. Vahlsing. They would deal with, and be paid by, the Maine Potato Growers, Inc.

The major stumbling block, as I see it, has been a very real lack of trust between the growers and Mr. Vahlsing. This arrangement with the Maine Potato Growers promises for the first time in over a year to reestablish this trust.

If you wish to endanger this one admittedly fragile chance for reestablishing trust in a beet crop for our farmers, and also if you wish to endanger our one present chance to have a second cash crop in Aroostook for our depressed economy, and if you wish to assure that the State of Maine through the MIBA will continue to pay over \$70,000 per month in interest payments, then you should vote for this order. But if you honestly want to help build confidence and trust in growing beets which the Maine Potato Growers, Inc. is helping to build, and if you wish to endorse the strong sentiments in favor of this beet crop which is held by many members of both political parties in Aroostook, then do not vote for this order.

I honestly believe that a continuation of this investigation will serve no helpful purpose at this time. For not only will the investigation destroy the growing faith that Aroostook farmers now have in growing beets again, but it will assure that the State of Maine must continue to make its high interest payments.

If you wish to understand the true sentiments of Aroostook farmers and some members of both politi-

cal parties in Aroostook County, I suggest you ask them if the investigation to date has helped them in any way. I urge you to vote on the merits of this issue, and on what will best serve the interest of our farming economy, and the economy of the State of Maine.

The SPEAKER: The Chair recognizes the gentleman from Perham, Mr. Bragdon.

Mr. BRAGDON: Mr. Speaker and Members of the House: I would like to comment briefly on the remarks of the gentleman from Caribou with regard to a continuing of the investigation.

I think that he is jumping at conclusions when he assumes that the investigation will be immediately resumed. Being a member of that committee, I feel that that is very likely not to be the case. I think we could safely say that we are talking of a continuation of this committee merely as a standby committee.

I think the ideal situation for us to look forward to would be a close cooperation between the Governor's Task Force in the county and the statewide committee to come up together with an honest solution — an honest and desirable solution, as desirable as can be hoped for under the circumstances of this whole mess.

I don't feel that it is justified at this time to assume right off that this investigation will be continued. I would rather, as one member of the committee, say that I feel pretty sure that that will not happen, but that we will be simply standing by more or less looking into the interests of people statewide.

And certainly as has been pointed out previously here, their interest in this thing is justified when they can see forward possibly a period of five or ten years when they are going to pay \$1 million a year out of the finances of the state unless this thing is resolved. I think we should, instead of walking in different directions, I think we should assume an attempt to get together and come up with the most satisfactory solution of this whole thing as is possible.

The SPEAKER: The Chair recognizes the gentleman from Fairfield, Mr. Lawry.

Mr. LAWRY: Mr. Speaker and Members of the House: As a minority member of the committee I too would like to go on record as saying that in my opinion the committee has no desire to hinder the growth or the development of the sugar beet industry in Aroostook County. As a matter of fact, in the conclusions I think you will note that they all agree that it is an industry that is feasible and practical and can be brought along with orderly growth.

I think it was mentioned that the committee was going to be a political one. I would just like to comment that by the third meeting Senator Muskie had not only been cleared of any possible wrongdoing charges but that the committee had also found that he had held the allotment open with the Department of Agriculture on a day by day basis, and in fact he had probably saved the industry for the State of Maine.

Now if it is partisan to be interested in financial transactions involving the State of Maine credit, and if it is partisan to expect cooperation from individuals who are using and have used State Guaranteed funds, and if it is partisan to wish to continue to monitor the financial transactions of an organization for which we are holding the bag to the tune of approximately \$10 million — then I am partisan.

Once again I would like to emphasize that this committee has no desire to harass our good friends from Aroostook County. It has no desire to perpetuate itself one minute longer than necessary to complete the job for which it was formed. I hope that this body will vote to pass the order now before it.

The SPEAKER: The Chair recognizes the gentleman from Pittsfield, Mr. Susi.

Mr. SUSI: Mr. Speaker and Ladies and Gentlemen of the House: I would more or less like to support the position taken by the previous speaker, the gentleman from Fairfield, Mr. Lawry.

The objections that have been registered to the continuation of this committee has been presumably, as far as I can read the comments, on the basis that to continue the committee is to open the situation to possible harassment of this new effort to set up the sugar beet industry as a healthy agricultural industry in Aroostook County.

I agree with the previous speaker that the record shows that the committee, the makeup of which we are not proposing any change in, has been in operation, that they have operated on a bipartisan basis, that they have in my opinion shown great discretion in dealing with a very difficult situation, that we needn't fear that these same people are going to start on a new course of harassment. I think we are all in agreement that we hope the very best for the Aroostook farmers, for the sugar beet industry, and that we can somehow get this under way. But to have our decision today dominated by a concern for the possible — and I repeat possible, detrimental effect to this new effort, in the face of an existing, and a situation that we know to be so, namely that we are on the hook right now for some \$10 million, that we are possibly going to be stuck with more, that we are in a situation different than from what we ordinarily deal with here in the Legislature where we appropriate money which is administered by people who are responsible to us, the head of Health and Welfare or the head of Institutional Services, whatnot, have to comply with our directions in the handling of these funds.

Here we have a situation involving millions of State of Maine dollars and we have no administrative agency. The banks that lent the money are not concerned any more because they have the signature of the State of Maine on the note and they know that the State is going to pay it, which we are doing. So let us not look to the banks to protect our interests, they have no responsibility in this direction. MIBA had a fund, I believe it was up around \$800,000, to cover any defaulting loans. That \$800,000

has long since disappeared and with the disappearance of that fund the responsibility apparently has settled right back on the Legislature, to meet these amounts as they come due.

We have here today, on our desks, a request from the State Treasurer as to what our solution is to coming up with the next million dollars required for this purpose. Now let us not think of these as just papers, this is money that might be used for schools, for health and welfare, for all of the many needs that we know exist in our state government; and we have to have some control, some administration. It isn't reasonable that we as individual legislators all should be concerned with this. I think it is entirely reasonable that a committee — and the existing committee has proven, in my opinion, itself to be a good one, would represent our interests in this matter, and I would hope that you would support the passage of this order and continue the existence of this committee for this purpose. Thank you.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Cottrell.

Mr. COTTRELL: Mr. Speaker and Members of the House: I must say that I think this is very bad legislative procedure, to present us with a long report on the last day of this week's session with the duress of having to make our decision right now. In my own little attempt I tried to have an order introduced simply to postpone or to continue this committee until Monday or Tuesday, and it would give us an opportunity to make a decision.

I respect the comments of my colleagues on both sides and their very strong statements, but I am not in the habit of being forced to make a decision in such a short time on a matter that seems to be quite complex. I am going to vote in favor of continuing this committee if I have to vote today. And that is about all I can do if I am forced to vote today.

I tried to get it postponed until over the weekend. But we have reached a very bad legislative

snag, it seems to me, where this comes up on the last session of the week and we must act before we meet again. Usually we can table this for a day and we could do a little reflective responsible thinking.

The SPEAKER: The Chair recognizes the gentleman from Waterville, Mr. Carey.

Mr. CAREY: Mr. Speaker and Ladies and Gentlemen of the House: I left the chambers for a time to get a Joint Order drafted, and I don't know if anyone has mentioned it to you at this time yet, but the committee does expire on the 15th according to the Attorney General.

I agree wholeheartedly with the gentleman from Portland, Mr. Cottrell, that it is extremely unfair to give you a 15 or 20 or 30 page report in the morning and then have the second item on the calendar be the subject matter. I have had prepared a Legislative Joint Order which would have the committee expire on the 18th, which would be next Thursday. And hopefully this could pass.

Unfortunately, even by sending it forthwith we would have no action on it from the other body today. But I assume that if someone could possibly table — if this order that I am about to introduce passes, if someone could possibly table the matter that we have been discussing this morning, and hopefully everyone would remember the debate that has taken place this morning so we wouldn't have to go through it again. But we might be able to act a little more knowledgeably on it.

Those of us who are on the committee are extremely knowledgeable of what is transpiring. We have three file drawers full of information on the situation. There is probably one folder on MIBA and the rest of the file is on the MSI. It is extremely unfair to the people present to ask them to vote now. We will not be taking any further action as a committee in the immediate future. We are bound by waiting until the bankrupt court finally decides what they are going to do, because they are tying up many of the papers

that we might possibly be able to get at if we were able to successfully subpoena anyone.

For that purpose, Mr. Speaker, I would ask that I be allowed to present a Joint Order out of order.

The SPEAKER: The Chair would advise the gentleman that it is not in order at this time. The pending question is the motion of the gentleman from Perham, Mr. Bragdon, that this Joint Order be passed in concurrence.

The Chair recognizes the gentleman from Eagle Lake, Mr. Martin.

Mr. MARTIN: Mr. Speaker, a parliamentary inquiry. If the motion to table until later in today's session were to be made and prevail, could the gentleman from Waterville, Mr. Carey then introduce his motion?

The SPEAKER: The Chair would advise the gentleman in the affirmative.

Thereupon, Mr. Martin of Eagle Lake moved that the Joint Order lie on the table until later in the day's session.

Whereupon, Mr. Susi of Pittsfield requested a division.

The SPEAKER: A vote has been requested on the tabling motion. All in favor of this matter being tabled until later in today's session will vote yes; those opposed will vote no.

A vote of the House was taken.

61 having voted in the affirmative and 74 having voted in the negative, the motion did not prevail.

Mr. Martin of Eagle Lake then requested a roll call vote.

The SPEAKER: The yeas and nays have been requested. For the Chair to order a roll call it must have the expressed desire of one fifth of the members present and voting. All those desiring a roll call vote for the passage of this Joint order will vote yes; those opposed will vote no.

A vote of the House was taken, and more than one fifth of the members present having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question is on the motion of the gentleman from Perham, Mr. Bragdon, that this Joint Order be

passed in concurrence. All in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA — Albert, Ault, Bailey, Baker, Barnes, Bartlett, Berry, G. W.; Birt, Bither, Bragdon, Brawn, Brown, Bunker, Call, Carey, Churchill, Clark, Collins, Cooney, Cote, Cottrell, Crosby, Curtis, A. P.; Curtis, T. S. Jr.; Dam, Donaghy, Dyar, Emery, D. F.; Emery, E. M.; Evans, Farrington, Faucher, Finemore, Gagnon, Gill, Hall, Hardy, Haskell, Hawkens, Hayes, Henley, Herrick, Hewes, Hodgdon, Immonen, Jalbert, Jutras, Kelleher, Kelley, K. F.; Kelley, R. P.; Lawry, Lee, Lessard, Lewin, Lewis, Lincoln, Littlefield, Lizotte, Lund, Lynch, MacLeod, Maddox, Manchester, Marsteller, McCormick, McNally, Millett, Mosher, Norris, Page, Parks, Payson, Pontbriand, Porter, Pratt, Rand, Rollins, Ross, Scott, Shaw, Shute, Silverman, Simpson, L. E.; Simpson, T.R.; Slane, Stillings, Susi, Trask, Wheeler, White, Whitson, Williams, Wood, M. W.; Wood, M. E.

NAY — Bernier, Berry, P. P.; Berube, Boudreau, Bourgoin, Bustin, Carrier, Carter, Clemente, Conley, Curran, Cyr, Dow, Doyle, Drigotas, Fraser, Genest, Goodwin, Hancock, Kelley, P. S.; Keyte, Kilroy, Lucas, Mahany, Marsh, Martin, McCloskey, McTeague, Mills, Murray, O'Brien, Orestis, Rocheleau, Santoro, Smith, D. M.; Smith, E. H.; Starbird, Theriault, Vincent, Webber, Wight.

ABSENT — Bedard, Binnette, Cummings, Dudley, F e c t e a u, Gauthier, Good, Hanson, Lebel, McKinnon, Morrell, Sheltra, Tanguay, Tyndale, Woodbury.

Yes, 94; No, 41; Absent, 15.

The SPEAKER: 94 having voted in the affirmative and 41 in the negative, the Joint Order receives passage in concurrence.

Mr. Jalbert of Lewiston moved that the House reconsider its action of yesterday whereby it

voted to recede and concur on Bill "An Act to Authorize Bond Issue in the Amount of \$19,145,000 for the Construction and Renovation of Higher Education Facilities at the University of Maine" (S. P. 129) (L. D. 376).

On further motion of the same gentleman, the Bill was tabled pending the motion to reconsider and specially assigned for Tuesday, February 16.

Mr. Martin of Eagle Lake moved that the House reconsider its action of yesterday whereby Bill "An Act to Authorize the Construction of Self-liquidating Housing for the University of Maine and the Issuance of Bond of the State of Maine in an Amount Not Exceeding \$10,000,000 for the Financing Thereof" (H. P. 524) was referred to the Committee on Appropriations and Financial Affairs.

On further motion of the same gentleman, the Bill was tabled pending the motion to reconsider and specially assigned for Tuesday, February 16.

Mr. Ault of Wayne was granted unanimous consent to address the House.

Mr. AULT: Mr. Speaker and Members of the House: I believe this House would be remiss if it did not go on record as making note of the fact that today is the birthday of one of the great Presidents of the United States, one who was a great leader in the preservation of this greatest of Unions and one who believed in the dignity of all individuals. I therefore hope that we will think of Abraham Lincoln this day, in the belief that we all can gain from his example.

On motion of Mr. Susi of Pittsfield,

Adjourned until Tuesday, February 16, at ten o'clock in the morning.