

# 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

**SENATE**

Thursday, March 25, 1971

Senate called to order by the President.

Prayer by Brigadier Alfred C. Davey of Augusta.

Reading of the Journal of yesterday.

**Papers from the House****Non-concurrent Matter**

Bill, "An Act Relating to Payments by Town of York to York Harbor Village Corporation." (S. P. 461) (L. D. 1379)

The Committee on Reference of Bills suggested that this Bill be referred to the Committee on Legal Affairs.

In the Senate March 16, 1971, referred to the Committee on Legal Affairs.

Comes from the House, referred to the Committee on State Government in non-concurrence.

On motion by Mr. Johnson of Somerset, the Senate voted to Recede and Concur.

**Non-concurrent Matter**

Bill, "An Act Relating to Health Warnings on Labels on Liquor Bottles." (H. P. 355) (L. D. 475)

In the House, March 12, 1971, the Majority Ought Not to Pass report Read and Accepted.

In the Senate, March 18, 1971, the Minority Ought to Pass report Read and Accepted and subsequently the Bill was Passed to be Engrossed as Amended by Senate Amendment "A" (S-33) in non-concurrence.

Comes from the House, Indefinitely Postponed, in non-concurrence.

On motion by Mr. Minkowsky of Androscoggin, the Senate voted to Recede and Concur.

**House Papers**

Bills today received from the House requiring Reference to Committees were acted upon in concurrence.

**Communications**

STATE OF MAINE  
House of Representatives  
Office of the Clerk  
Augusta, Maine

March 24, 1971

Hon. Harry N. Starbranch  
Secretary of the Senate  
105th Legislature  
Sir:

The Speaker today appointed the following Committee of Conference on the disagreeing action of the two branches of the Legislature on:

Bill "An Act relating to Length of Certain Motor Vehicles" (H. P. 213) (L. D. 280)

Messrs. WOOD of Brooks

LEE of Albion

STILLINGS of Berwick

Respectfully,

(Signed)

BERTHA W. JOHNSON

Clerk of the House

Which was Read and Ordered  
Placed on File.

**Committee Reports****House**

The following Ought Not to Pass report shall be placed in the legislative files without further action pursuant to Rule 17-A of the Joint Rules: Bill, "An Act Repealing Size Requirement for Secondary Schools." (H. P. 332) (L. D. 441)

**Ought to Pass**

The Committee on Liquor Control on, Bill, "An Act Relating to Issuance of Malt Liquor Licenses." (H. P. 429) (L. D. 563)

Reported that the same Ought to Pass.

The Committee on Legal Affairs on, Bill, "An Act Authorizing Use of the Name Maine Association of Real Estate Boards." (H. P. 494) (L. D. 635)

Reported that the same Ought to Pass.

The Committee on Fisheries and Wildlife on, Bill, "An Act Prohibiting Beaver Trapping by Nonresidents." (H. P. 590) (L. D. 785)

Reported that the same Ought to Pass.

The Committee on Legal Affairs on, Bill, "An Act Changing Name of Downeast Association of Independent Schools." (H. P. 602) (L. D. 804)

Reported that the same Ought to Pass.

The Committee on Education on, Bill, "An Act Requiring Childhood Education Programs for Five-Year Olds." (H. P. 643) (L. D. 873)

Reported that the same Ought to Pass.

The Committee on State Government on, Resolve, Authorizing the Forest Commissioner to Convey Certain Land in Franklin County. (H. P. 724) (L. D. 969)

Reported that the same Ought to Pass.

The Committee on Legal Affairs on, Resolve to Reimburse Perley E. Joy of Milo for Loss of Bee Hives by Bear. (H. P. 783) (L. D. 1059)

Reported that the same Ought to Pass.

Come from the House, the reports Read and Accepted and the Bills and Resolves Passed to be Engrossed.

Which reports were Read and Accepted in concurrence, the Bills and Resolves Read Once and Tomorrow Assigned for Second Reading.

#### **Ought to Pass — As Amended**

The Committee on Veterans and Retirement on, Bill, "An Act Relating to Retirement Benefits for Forest Rangers Under State Retirement System." (H. P. 318) (L. D. 418)

Reported that the same Ought to Pass as Amended by Committee Amendment "A" (H-60).

Comes from the House, the report Read and Accepted and the Bill Passed to be Engrossed as Amended by Committee Amendment "A", as Amended by House Amendment "A" (H-71) thereto.

Which report was Read and Accepted in concurrence, and the Bill Read Once. Committee Amendment "A" was Read. House Amendment "A" was Read and Adopted in concurrence. Committee Amendment "A", as Amended by House Amendment "A" thereto was 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 Relating to Courses in State and Federal Government for Graduation from High School." (H. P. 586) (L. D. 781)

Reported that the same Ought Not to Pass.

Signed:  
Senator:

KATZ of Kennebec

Representatives:

LAWRY of Fairfield  
HASKELL of Houlton  
WOODBURY of Gray  
BITHER of Houlton  
LUCAS of Portland  
MILLETT of Dixmont

The Minority of the same Committee on the same subject matter reported that the same Ought to Pass in New Draft Under Same Title. (H. P. 1223) (L. D. 1412)

Signed:

Senators:

CHICK of Kennebec  
MINKOWSKY

of Androscoggin

Representatives:

TYNDALE  
of Kennebunkport  
SIMPSON of Standish  
MURRAY of Bangor  
LYNCH

of Livermore Falls

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

Which reports were Read, and the Majority Ought Not to Pass Report of the Committee Accepted in concurrence.

#### **Divided Report**

The Majority of the Committee on State Government on, Bill, "An Act Appropriating Funds for Over-time in State Employment and Establishing Hours for a Work Day and a Work Week for Certain Employees." (H. P. 278) (L. D. 367)

Reported that the same Ought Not to Pass.

Signed:

Senators:

WYMAN of Washington  
CLIFFORD

of Androscoggin

Representatives:

CURTIS of Orono  
HODGDON of Kittery  
STILLINGS of Berwick  
GOODWIN of Bath  
DONAGHY of Lubec  
MARSTALLER

of Freeport

The Minority of the same Committee on the same subject matter reported that the same Ought to Pass.

Signed:  
Senator:

JOHNSON of Somerset  
Representatives:  
STARBIRD  
of Kingman Township  
COONEY of Webster  
FARRINGTON

of Old Orchard Beach  
Comes from the House, the Majority Ought Not to Pass report Read and Accepted.

Which reports were Read.

On motion by Mr. Johnson of Somerset, tabled and specially assigned for March 30, 1971, pending Acceptance of Either Report.

#### Senate

##### Leave to Withdraw

Mr. Shute for the Committee on Election Laws on, Bill, "An Act Relating to the Number of Signatures Required on Nomination Papers." (S. P. 32) (L. D. 65)

Reported that the same be granted Leave to Withdraw.

Which report was Read and Accepted.

Sent down for concurrence.

##### Ought to Pass

Mr. Clifford for the Committee on State Government on, Resolution, Proposing an Amendment to the Constitution to Change the Time for Filing an Initiative Petition. (S. P. 382) (L. D. 1139)

Reported that the same Ought to Pass.

Which report was Read and Accepted, the Resolution Read Once and Tomorrow Assigned for Second Reading.

##### Ought to Pass in New Draft

Mr. Wyman for the Committee on State Government on, Bill, "An Act Relating to Retirement Allowance for Former Governors." (S. P. 158) (L. D. 427) Reported that the same Ought to Pass in New Draft Under Same Title. (S. P. 521) (L. D. 1419)

Mr. Tanous for the Committee on Labor on, Bill, "An Act Providing for Penalty for Failure to Pay Workmen's Compensation." (S. P. 27) (L. D. 60)

Reported that the same Ought to Pass in New Draft Under New Title: "Bill, An Act Relating to Compensation under Workmen's

Compensation Law." (S. P. 522) (L. D. 1420)

Which reports were Read and Accepted, the Bills in New Draft Read Once, and Tomorrow Assigned for Second Reading.

#### Divided Report

The Majority of the Committee on State Government on, Resolution, Proposing an Amendment to the Constitution Providing for the Appointment of the Attorney General by the Governor. (S. P. 284) (L. D. 840)

Reported that the same Ought Not to Pass.

Signed:

Senators:

JOHNSON of Somerset  
WYMAN of Washington  
Representatives:  
DONAGHY of Lubec  
MARSTALLER  
of Freeport  
STILLINGS of Berwick  
CURTIS of Orono  
HODGDON of Kittery

The Minority of the same Committee on the same subject matter reported that the same Ought to Pass as Amended by Committee Amendment "A". (S. 43).

Signed:

Senator:

CLIFFORD  
of Androscoggin  
Representatives:  
STARBIRD  
of Kingman Township  
GOODWIN of Bath  
FARRINGTON  
of Old Orchard Beach  
COONEY of Sabattus

Which reports were Read.

On motion by Mr. Berry of Cumberland, tabled and specially assigned for March 30, 1971, pending Acceptance of Either Report.

#### Divided Report

The Majority of the Committee on Fisheries and Wildlife on, Bill, "An Act Relating to Ice Fishing in the Allagash Waterway." (S. P. 176) (L. D. 528)

Reported that the same Ought to Pass.

Signed:

Senators:

HOFFSES of Knox  
ANDERSON of Hancock

**BERNARD**

of Androscoggin

Representatives:

**PARKS** of Presque Isle

**KELLEY** of Machias

**BUNKER** of Gouldsboro

**LEWIS** of Bristol

**LEWIN** of Augusta

**CALL** of Lewiston

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

Signed:

Representatives:

**PORTER** of Lincoln

**BOURGOIN** of Fort Kent

**MANCHESTER**

of Mechanic Falls

**KELLEY** of Southport

Which reports were Read.

Mr. Hoffes of Knox then moved that the Senate Accept the Majority Ought to Pass Report of the Committee.

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

Mr. **MARTIN** of Piscataquis: Mr. President, I would request a division on that motion, and I would like to state that this involves especially three very large lakes: Chamberlain, which is pretty close to twenty miles in length and in a certain area is almost two miles wide; Telos Lake and Churchill Lake, which are also very large. This would reduce the ice fishing from five lines to two lines and, where these lakes are quite a distance, it would be impractical for people to go fishing there just to set two lines.

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

Mr. **MOORE** of Cumberland: Mr. President and Members of the Senate: This is a bill that I introduced. It isn't a department bill, but it was people that were interested in the conservation of the Allagash Waterway that came to me and wanted me to try to do something here in the legislature about what was taking place in the Allagash Waterway during the winter season.

So when the bill came up for hearing I had the warden from that area down here to that hearing so we could get first-hand informa-

tion on it. It was his feeling that the fishing in the Allagash Waterway is deteriorating very rapidly each year from one year to another.

Mr. Nugent, who runs a camp on Chamberlain, thinks it is a good bill and had no objection to it, because he realizes what is taking place. According to the wardens and according to Mr. Nugent, the fishing pressure has increased a hundredfold in the last three years. That is the reason for this; it is strictly for conservation, so that the last area in the State of Maine where we have some fish, that they will not continue and fish it out the same as they have Moosehead Lake, because Moosehead Lake, which was famous for many years, has got nothing now.

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

Mr. **MARTIN** of Piscataquis: Mr. President and Members of the Senate: There is no comparison between these waters and Moosehead Lake whatever. Moosehead Lake is accessible all the time and it is swamped with fishermen. The only means by which these waters can be reached in the wintertime is by plane or by snowmobile.

I was at the hearing also, and the warden involved did say that the fishing has increased and he did testify from his notes that on one weekend there were roughly a hundred fish caught in those waters. As I say, these waters involve an area from Telos Lake to Round Pond, which would probably be eight to ten miles in length and pretty close to a mile in width, and then you get into Chamberlain Lake, which is very close to twenty miles in length and as wide as two miles. Eagle Lake is eight miles in length and roughly a mile wide. So I can't see where a hundred fish in a weekend would help destroy the fishing in those waters.

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

Mr. **ANDERSON** of Hancock: Mr. President and Members of the Senate: I want to heartily concur with the remarks of Senator

Moore. This is strictly a conservation measure, and I would hope that it would be accepted by this body.

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

Mr. HOFFSES of Knox: Mr. President and Members of the Senate: I would point out to you that this particular bill does not limit the amount of fish; only the number of lines that a person has.

Now, it was intimated at the hearing that there are fishermen going into these so-called wilderness areas for ice fishing and they are not — and I emphasize, they are not — using the five line limit which is in existence, but no one knows how many lines they are using. That is the reason, as the Senator from Cumberland has pointed out, for the deterioration of our fishing.

I would also call to your attention that with the advent of the snow traveler there is no area in the State of Maine which is remote, that there is no danger of over-fishing, because it is only a matter of minutes or an hour or two and every area of the State of Maine is accessible to ice fishing or to whatever enterprise a person wants to participate in during the winter months.

As has been pointed out, we are going to have to take some strong conservation measures or we are not going to need any measures whatsoever. This is a conservation measure, and I certainly hope that the members of this Senate will go along with the majority report of this committee, which has heard this bill in great detail. And this is not the only bill that is going to be before us that I realize we are going to have difficulty in trying to pass in the interest of conservation. I hope that you would go along with the Majority Committee Report.

The PRESIDENT: Is the Senate ready for the question? The pending question before the Senate is the motion of the Senator from Knox, Senator Hoffses, that the Senate accept the Majority Ought to Pass Report on Bill, "An Act Relating to Ice Fishing in the Allagash Waterway." A division has

been requested. As many Senators as are in favor of accepting the Ought to Pass Report of the Committee will please rise and remain standing until counted. Those opposed will please rise and remain standing until counted.

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

Thereupon, the Bill was Read Once and Tomorrow Assigned for Second Reading.

Mr. Berry of Cumberland was granted unanimous consent to address the Senate.

Mr. BERRY: Mr. President and Members of the Senate: Yesterday afternoon, in company with the gentleman from Hope, Mr. Hardy, the House Chairman of the Natural Resources Committee, I attended the hearing being held by the Environmental Improvement Commission in Searsport on the application for a refinery there.

My thoughts on the subject and observations on some part would be inappropriate at this time in view of the fact that this matter, of course, is before the Commission. However, I would be failing in my duty if I did not point out to you the outstanding job that the Environmental Improvement Commission is doing in this instance. It is a matter of pride, I am sure, to all of us to observe the impartiality, the fairness and the depth of study that is being given to this matter. The Commission was extremely fair to the people, and the staff demonstrated an exceptional ability, and I think that we in the state can be very proud that in this very significant area we are doing an outstanding job.

The PRESIDENT: Today, as the Senators may have noticed by the gifts on their desks, is Maine Potato Day in the 105th Legislature. We are very honored to have with us in the Senate Chamber this morning Brenda Baker, who is the potato industry's living trademark, and I would like to ask the Sergeant-at-Arms if he would escort Miss Baker to the rostrum

to make such remarks as she may care to.

Thereupon, the Sergeant-at-Arms escorted Miss Baker to the rostrum where she addressed the Senate as follows:

Miss BAKER: Mr. President and distinguished Members of the Senate: I want to thank you for this opportunity to greet you this morning on behalf of the Maine Potato Industry. As you know, this is Maine Potato Week, which started March 17th, through the 27th, and whose beautiful packages of Maine Russets that you found this morning are with the compliments of the Maine Potato Commission and the Maine Department of Agriculture. Thank you for having me.

Thereupon, the Sergeant-at-Arms escorted Miss Baker from the rostrum to a seat in the rear of the Senate Chamber, amid the applause of the Senate, the members rising.

Mr. Violette of Aroostook was granted unanimous consent to address the Senate.

Mr. VIOLETTE: Mr. President and Members of the Senate: On behalf of my colleagues from the County, I want to express our pleasure at having our ambassador of good will from the potato industry coming before the Legislature and the Senate. We are very, very pleased to have her here in our midst, and we hope that the success that she is having and which she has had for the very good work that she is doing with regard to the promotion of our potato industry will continue to make itself felt, not only here in the State of Maine, but throughout the markets which our potatoes enjoy.

In addition, Mr. President, I would like to point out to the Senate that this is the 16th annual Maine Potato Week, a week designed to call to the attention of the citizens of Maine the importance of this industry to the over-all economy of the state. It is also a time of potato promotion throughout the state and the major markets of the eastern United States. This is an example of the co-ordinated efforts of the Maine Potato Commission, the Depart-

ment of Agriculture and all of our organizations which are associated with the promotion of this famous Maine product, to advertise and promote what is the nation's second largest potato crop and what is one of Maine's leading industries. So it is a pleasure for me to make these remarks and to welcome our ambassador of good will to the Senate this morning.

### Second Readers

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

#### House

Bill, "An Act Relating to Drinking in Unlicensed Places." (H. P. 356) (L. D. 464)

(On motion by Mr. Shute of Franklin, tabled and specially assigned for April 2, 1971, pending Passage to be Engrossed.)

Bill, "An Act to Limit the Taking of Smelts in the Eastern River in the Town of Dresden to Hook and Line." (H. P. 413) (L. D. 540)

Bill, "An Act to Remove Remarriage Restriction on Survivor Benefit Payments under State Retirement System." (H. P. 624) (L. D. 834)

(On motion by Mr. Dunn of Oxford, tabled and specially assigned for April 1, 1971, pending Passage to be Engrossed.)

Bill, "An Act Relating to Transfer of Liquor License When There is a Change in Minority Ownership." (H. P. 747) (L. D. 1008)

Bill, "An Act Relating to Interest Limitations in Community School Districts." (H. P. 701) (L. D. 944)

Bill, "An Act Relating to Trustees and Executive Committee of Lincoln Academy." (H. P. 803) (L. D. 1076)

Bill, "An Act Increasing Indebtedness of Boothbay Harbor Sewer District." (H. P. 1214) (L. D. 1332)

Bill, "An Act Upgrading the Classification of Certain Waters of the State." (H. P. 500) (L. D. 646)

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



Bill, "An Act Providing for Presidential Preferences in Primary Election." (H. P. 62) (L. D. 103)

Which was Read a Second Time. Thereupon, on motion by Mr. Clifford of Androscoggin, the Bill was Indefinitely Postponed in concurrence.

Bill, "An Act Relating to Membership of Board of Trustees for Accident and Health Insurance Program for State Employees." (H. P. 543) (L. D. 715)

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

Sent down for concurrence.

### Senate

RESOLUTION, Proposing an Amendment to the Constitution to Abolish the Council and Make Changes in the Matter of gubernatorial Appointments and Their Confirmation. (S. P. 167) (L. D. 489)

Bill, "An Act Relating to Salaries of Substitute Teachers and Adjusting State Subsidy to an Administrative Unit. (S. P. 517) (L. D. 1402)

Bill, "An Act to Allow Electric Utilities to Participate in the Construction of Certain Utility Facilities." (S. P. 518) (L. D. 1403)

Bill, "An Act Relating to Voting by New Residents in Presidential Elections." (S. P. 330) (L. D. 985)

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

Sent down for concurrence.

### Senate — As Amended

Bill, "An Act Relating to Geographically Isolated Small High Schools." (S. P. 257) (L. D. 763)

Bill, "An Act Relating to Service Retirement of Liquor Inspectors." (S. P. 245) (L. D. 706)

Which were Read a Second Time and Passed to be Engrossed, as Amended.

Sent down for concurrence.

### Orders of the Day

On motion by Mr. Berry of Cumberland, the Senate voted to take from the table the second tabled and unassigned matter:

Bill, "An Act Appropriating Funds for Defaulted Maine Sugar

Industries, Inc. Loans." (S. P. 370) (L. D. 951)

Tabled—March 17, 1971 by Senator Berry of Cumberland.

Pending—Enactment.

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

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: In moving enactment I would request a roll call on this vital issue, and I would speak briefly to my motion.

We are all concerned with the Maine Sugar Industries situation, and members of both parties have said that it was a non-partisan matter, and all of us are intimately acquainted with the details and realize that it will take the dedicated efforts of everybody to solve this problem.

An integral part of the problem is the matter of payment by the state of some \$74,000 a month in obligations of the state to provide money that is not available because of the default. Questions have been raised as to the propriety of the method of payment which is proposed in this bill, and I would refresh the memories of the members of the Senate that we actually have three ways a defaulted loan can receive its guaranteed payment. Really there are four methods. The first method is that if the insurance fund of MIBA has built up through the years by the surcharge they put on their loan interest, a reserve fund adequate to make the payment on the default; then MIBA itself, without any further help, makes such a payment. However, in this situation we have a default and there are three methods, as I indicate.

The first method which is open to us is the logical method, and the one that is in the Constitution, which provides that the legislature by proper enactment may insure the payment of mortgages in amounts not exceeding a stated figure. This article further states that the legislature, and I quote, "may also appropriate monies and authorize the issuance of bonds on behalf of the state at such times and in such amounts as it may determine to make payments in-

sured as aforesaid. The Constitution, accordingly, does provide that appropriate monies may be made to make these payments.

Now, if the legislature were not in session, and a default occurred of a significant amount, the Constitution provides to the people who originally loaned the money a mechanism by which they may be assured of payment. And in the absence of the legislature the Governor and Council are authorized to do one of two things. They may take such cash as they have in the contingency account, up to \$800,000, and make the payment on the default. In the absence of that they may sell bonds, and from the proceeds of the bonds get the necessary funds. These are the three methods available.

It would seem that there would be little question of good fiscal management that we do as the bill under consideration provides, and that is take the money from the surplus account and make the payment. The surplus account is significant and it seems to be going up quite a bit. So I would think that from every consideration, good government, an attempt to do what we should to support this industry in an area which vitally needs it, and to maintain our united front in an effort to solve these problems, that we have here the proper means to do it, and I hope you would support my motion for enactment.

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

Mr. VIOLETTE of Aroostook: Mr. President and Members of the Senate: It is not my pleasure to disagree with the Senator from Cumberland, Senator Berry, but I think there is room for argument here. Certainly the opposing view I take to his position I hope would not be interpreted as a position which does not allow us to take a united, hopefully, and a constructive position in this legislature with regard to the continuation or the aspirations that people have for the success and revival of this beet industry. I don't think it has any connection with it whatsoever.

I think what we have here under discussion is a difference of opinion

as to what means ought to be used to finance these defaulted payments. I respectfully submit that it is equally constructive and equally logical to state that we should take the money or that we should take care of this obligation through the means of bonding. This is not a recurring current services expenditure which will, hopefully, not require the State of Maine to make annual expenditures in this area, so it is not a recurring expenditure. There is very often strenuous objection to taking money from surplus to pay for current services, but this is not the case here.

I think the Senator has pretty well outlined what the avenues are that are open to the people of the State of Maine with regard to how these obligations are going to be met. Now, certainly, in my judgment, a bonding procedure for this purpose is a responsible way of handling this matter. I think it is consistent with good financing practice. The voters of Maine in referendum have authorized the state to do just that when they approved the bonding procedures with regard to these MIBA loans. So, in effect, we have their authorization and we have their approval on bonding for this purpose.

Secondly, I would like to point out that some of us view the removal of a million dollars from surplus as a somewhat dangerous procedure at this point. We have very, very finely balanced budgets before this Legislature, a very finely balanced Part I Budget. I don't know what is going to be the final recommendations of the Appropriations Committee with regard to this matter, but we know there is no surplus of money. So certainly I would be hopeful that we would allow every dollar available to become available to the legislature to do the things that we would like to do and that are now before us.

It is basically for these two reasons that we oppose the removal of the money from the surplus to take care of this obligation. I think that it is a responsible position to take, and one that I hope the Senate or this Legislature would take.

I think the Legislature here certainly has valid reason for consideration of this procedure, and I think, equally, the Governor and Council have an equal responsibility in this matter, and it is one of judgment. We respectfully submit to the members of the Senate that the matter of bonding at this time is the best and the most practical way to take care of this matter, and I hope that the motion for enactment of this bill will not prevail.

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

Mr. LEVINE of Kennebec: Mr. President and Members of the Senate: It would be a poor precedent to set to take this money out of surplus. If we do it now then we would have to follow it right along. I hope that the state doesn't have to make many more payments, but I am afraid there will come a time when we might have to cough up more than a million dollars when there is no surplus to take it from, and then we will have another issue where before you took it from surplus and didn't bond it, so you will have a conflict there.

If we bond it now we will set a good precedent. If we don't bond it and we take it out of surplus, then we might have to come up with some other tax that people don't like, and that will be bad again. So you are in a tough spot and you have to take the best way out, which would be to bond it.

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

Mr. DUNN of Oxford: Mr. President and Members of the Senate: I have been in favor of taking this from surplus from the start. We have as of February 28, as the Finance Department has furnished the figures, \$13,991,000 of excess income over what was budgeted. If this is bonded, on a five-year bond the interest charge would be about \$96,000. And on top of that, in the next two years it would be about \$200,000 a year to pay off the debt retirement, so that here it would be about a

cost of \$450,000 over the next two years if it is bonded on a five-year period. If it is bonded on a twenty-year period the interest cost is \$504,000. At least this was the figure given to us a month ago, and the rates might change a little bit. It seemed to me that it made good sense, as long as we had this money, to use it. When the time comes that we have to bond we can bond but as long as we have the funds I am in favor of using them.

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

Mr. MARTIN of Piscataquis: Mr. President and Members of the Senate: I am just wondering, by bonding this amount and paying the interest it is quite possible that in the future that this money would be returned to the state plus interest. I am just wondering if this was taken from surplus that the interest might be forgotten in the future and the state would lose the interest when it was repaid.

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

Mr. BERRY of Cumberland: Mr. President and Members of the Senate: I hadn't intended to rise again, but when Senator Violette said that he saw no problems jeopardizing the industry, or in discussing it in detail as I think is indicated here, I feel there are additional points which should be brought out.

It would appear to me that none of us in this chamber would conduct our financial affairs even remotely the way Senator Violette suggests. I know that sometimes here as we debate matters we express our own thoughts, and sometimes we express the thoughts of others. I have the greatest respect, as I have said many times here for Senator Violette, what he stands for, and how he discharges his duties. I am wondering if his viewpoint is his own or if it is that of Governor Curtis. If it is that of Governor Curtis, I can understand the position that he has taken. The Governor has steadfastly shown an extreme reluctance

to ever back away from a position that he has taken. Now this can be commendable, and under the right circumstances is the proper thing to do. But I have observed, and I think we have here a good example of his viewpoint, which is not in resonance with the people of the State of Maine, and which is not in conformance with sound government financing.

There are so many points, Mr. President and Members of this Senate, that I hesitate to start, but just let me give you a few to think about. Would it surprise you to know that since this bill has been printed our surplus account has increased \$2.2 million? Would it surprise you to know that in the first year of this fiscal biennium that our surplus account was \$11.6 million? Would it surprise you to know that since last July 1st, in addition to the other \$11.9 million, it now stands at \$13.9 million, or a total to date of \$25.5 million in the surplus. Well, that's a point.

Now, let's look at the credit rating of the state and let us look at what bonding does to the credit rating of the state when you use the bonds for the ordinary discharge of state government. I had the good fortune to live in Massachusetts before I saw the light and came to Maine. I also had the good fortune to live in Massachusetts at a time when things were rough, obviously from '29 to '37, and down there they resorted to probably the most desperate, the most radical form of keeping a government alive that there is, and that is bonding for ordinary day-to-day expenses. Now, in essence, what the Governor is saying to us is: "I want you to sell bonds, even if you don't need to, so that we will get the money from the bonds to discharge this obligation, and that will leave another million dollars that we can spend." And as Senator Violette has pointed out, this is exactly what the Governor wants to do.

In my opinion, chaotic, dismal and bleak as any financial situation may be, we are certainly not, Mr. President and Members of the Senate, reduced to these

circumstances. I am sure that the people of the state don't want it. I think the Governor does not understand the thinking of the people of the state. We have the means to do it. We have the means to keep our heads high. We have the money. Let's do it.

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

Mr. VIOLETTE of Aroostook: Mr. President and Members of the Senate: I don't want to unduly prolong this matter but, first of all, I can assure you and I can assure the Senator from Cumberland that when I stand here and speak, I speak what I think I ought to say, and I speak my feelings. I carry no messages for anyone. I am no errand boy for anyone. And if I don't feel like agreeing with anyone, including the Governor, I will tell him so and I will not run errands for him or for anyone else. So when I speak here, if my thinking happens to coincide with that of the Governor, well, let that be.

First of all, the Senator from Cumberland states that this is the wish of the people of Maine. How does he know that? In fact, we submitted to them by referendum that if there were to be any default in these loans that Maine would use the bonding procedure to pay for those defaults. It seems to me that if the people of Maine had not been willing to allow us to do that they would have refused to do so.

The Senator from Cumberland submits that we should not use the bonding procedure for the ordinary discharge of government. This is not ordinary discharge of government. This is not recurring services, this is not recurring expenditures, so it is a perfect subject for bonding. I submit to the members of the Senate that on this particular issue, on this particular item, it is a responsible position to take to go through the medium of bonding, and it is a responsible position, in my judgment, that if we do have some money that is available to do some of the things that are before the legislature that if at all possible we ought to use it for that purpose. It is for those

reasons that I submit to the members of this Senate that we use the bonding procedure and the bonding method in this area.

I think that the Governor, under the laws of our state and under the laws of MIBA, has an equal responsibility with this legislature to determine how these defaults are going to be met. So, I submit to you that the position that we are taking here this morning is a responsible one and I make no apologies for it.

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

Mr. DUNN of Oxford: Mr. President and Members of the Senate: One point that hasn't been mentioned here this morning is the fact that this is due April 1, which is only a few days away. If we are in default at that time, the state could suffer to a great extent on their rating, and this could mean thousands and even millions of dollars in the next few years.

There was something said about the attitude of the people on these bond issues. I think that we could well substantiate the thought that this was passed several years ago, the authority to do this bonding, and if it came up today I am not at all sure that we would get the same reaction from the people that we did at that time.

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

Mr. VIOLETTE of Aroostook: Mr. President and Members of the Senate: One last comment on the comment made by the Senator from Oxford, Senator Dunn. This matter was proceeding along very well with the Governor and Council on going to bonding to take care of this matter until somebody came up with the idea that it ought to be taken out of surplus. So we find ourselves in the position today that we are drawing close to April 1, and the question is raised of whether or not the bonds can be issued, and the matter of the state's credit. Let me submit to you that had this bill not been put in, that this matter would have proceeded along the normal course that was originally chartered, the bonds would have been issued, and

there would be no question here today of whether or not the state may possibly be in a somewhat embarrassing position with regards to not having issued the bonds early enough to meet the state's commitment on April 1. If this matter had gone ahead orderly as it was originally planned we would not be facing this situation here today.

Secondly, there is ample provision for the State to negotiate temporary loans until such a time as they can submit the matter to bonding, so there is no problem here right now with regard to whether or not the state is going to be caught short on April 1. It certainly would not have been caught short on April 1 if the matter had been allowed to proceed orderly under the bonding procedure.

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

Mr. LEVINE of Kennebec: Mr. President and Members of the Senate: The way it looks to me now is that everybody is worrying about us having too much money in the treasury.

Last session I wasn't too happy about the income tax, and I had a different proposal, what was called the four, four and four, which would have taken out the lower income people from paying any income tax. My idea was, and it still is now, that the man who pays fifty cents, seventy-five cents, or a dollar a week income tax, it takes more to collect it and it brings up more bureaucracy.

I don't know whether all of you know that there is a bill in the legislature now, which was presented by Representative Emery, to raise the exemptions, and that will take care of the people who can't afford to pay the income tax and it would not be a menace to the income tax. I don't think the people would turn it down in the fall if we pass that bill that was presented by Mr. Emery. So I think it would be a good idea to keep our surplus, and the three million dollars that bill would require should be left to help the low income people who pay a small tax, what I call a nuisance tax. I tried to present this bill,

but any money measure has to originate in the other branch.

So, I think it would be a good idea to bond the money to make the payments for the refinery, and to keep the money which everybody worries about that we have too much on hand, to give a break to the poor people in the State of Maine and cut down the burden of the income tax.

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 Bill, "An Act Appropriating Funds for Defaulted Maine Sugar Industries, Inc. Loans", be passed to be enacted. 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 one-fifth of those Senators present and voting. Will all those Senators in favor of ordering a roll call please 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 Cumberland, Senator Berry, that Bill, "An Act Appropriating Funds for Defaulted Maine Sugar Industries, Inc. Loans," be passed to be enacted. A "Yes" vote will be in favor of enactment; a "No" vote will be opposed.

The Secretary will call the roll.

### ROLL CALL

YEAS: Senators Anderson, Berry, Carswell, Chick, Dunn, Greeley, Hichens, Hoffses, Johnson, Katz, Moore, Peabody, Quinn, Schulten, Sewall, Shute, Tanous, Wyman and President MacLeod.

NAYS: Senators Bernard, Clifford, Conley, Danton, Fortier, Graham, Harding, Kellam, Levine, Marcotte, Martin, Minkowsky, and Violette.

Mr. Bernard of Androscoggin was granted permission to change his vote from "Yea" to "Nay".

A roll call was had. Nineteen Senators having voted in the affirmative, and thirteen Senators having voted in the negative, and nineteen being less than two-thirds of the entire elected membership of the Senate, the Bill failed of Enactment.

Mr. Berry of Cumberland then moved that the Senate reconsider its action whereby Bill, "An Act Appropriating Funds for Defaulted Maine Sugar Industries, Inc. Loans", failed of Enactment.

Thereupon, on further motion by that Senator, tabled pending the motion to Reconsider.

### (Off Record Remarks)

On motion by Mr. Hoffses of Knox,

Adjourned until 9 o'clock tomorrow morning.