

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

*One Hundred and Sixth
Legislature*

OF THE

STATE OF MAINE

Volume III

June 6, 1973 to July 3, 1973

Index

KENNEBEC JOURNAL
AUGUSTA, MAINE

SENATE

Monday, July 2, 1973

Senate called to order by the President.

Prayer by The Honorable Frank Whitehouse Anderson of Ellsworth.

Reading of the Journal of yesterday.

Papers from the House
Non-concurrent Matter

Bill, "An Act to Redistribute Certain Statutory Powers Now Vested in the Executive Council, to Abolish the Legislative Research Committee, to Create a Statutory Legislative Council, to Provide for Permanent Joint Standing Committees of the Legislature, and to Provide for an Annual Rather than a Biennial State Budget." (S. P. 661) (L. D. 2021)

In the Senate June 27, 1973, Passed to be Enacted, in non-concurrence.

In the House June 27, 1973, Failed of Enactment, in non-concurrence.

In the Senate June 28, 1973, that Body voted to Insist.

Comes from the House, Failed of Enactment.

On motion by Mr. Berry of Cumberland, tabled pending Consideration.

Joint Order

WHEREAS, we all humbly serve in this Legislature in order to insure a better world for our most important natural resource, our future generation; and

WHEREAS, James Mathew Peterson joined us at 10:44 A.M. this morning, weighing in at 7½ pounds, to become one of Maine's newest citizens; and

WHEREAS, his mother, Jane, is blissful at this event of presenting Tom with this, their first blessed event; now, therefore, be it

ORDERED, the Senate concurring, that We, the Members of the 106th Legislature, now assembled in regular session, extend our sincerest congratulations to Representative Thomas Peterson and his wife, Jane, on the birth of their son; and be it further

ORDERED, that a suitable copy of this Order, attested by the

Speaker of the House of Representatives and President of the Senate, be transmitted forthwith to these proud parents in honor of the occasion. (H. P. 1649)

Comes from the House, Read and Passed.

Which was Read and Passed in concurrence.

Committee Reports
Senate

Committee of Conference Report

The Committee of Conference on the disagreeing action of the two branches of the Legislature, on, Bill, "An Act Relating to Joint Standing Committees of the Legislature." (S. P. 560) (L. D. 1731)

ask leave to report: that the Senate recede and concur with the House and Pass the Bill to be Engrossed, as amended by House Amendment "A" (H-584).

On the part of the Senate:

BERRY of Cumberland
SEWALL of Penobscot

On the part of the House:

HEWES

of Cape Elizabeth
SIMPSON of Standish
MARTIN of Eagle Lake

Which was Read.

On motion by Mr. Berry of Cumberland, tabled pending Acceptance of the Committee Report.

On motion by Mr. Berry of Cumberland, recessed pending the sound of the bell.

After Recess

Called to order by the President.

Orders of the Day

On motion by Mr. Berry of Cumberland, the Senate voted to take from the table the following matter, tabled earlier in today's session by that Senator:

Non-concurrent Matter

Bill, "An Act to Redistribute Certain Statutory Powers Now Vested in the Executive Council, to Abolish the Legislative Research Committee, to Create a Statutory Legislative Council, to Provide for Permanent Joint Standing Committees of the Legislature, and to Provide for an Annual Rather than a Biennial State Budget." (S. P. 661) (L. D. 2021)

In the Senate June 27, 1973, Passed to be Enacted, in non-concurrence.

In the House June 27, 1973, Failed of Enactment, in non-concurrence.

In the Senate June 28, 1973, that Body voted to Insist.

Comes from the House, Failed of Enactment.

Pending — Consideration.

On further motion by the same Senator, the Senate voted to Recede from its prior action whereby the Bill was Passed to be Enacted.

On further motion by the same Senator, and under suspension of the rules, the Senate voted to reconsider its action whereby the Bill was Passed to be Engrossed.

The same Senator then presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-278, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

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

Bill, An Act Increasing the Gasoline Tax. (H. P. 647) (L. D. 863)

Tabled — June 29, 1973 by Senator Berry of Cumberland.

Pending — Motion of Senator Berry of Cumberland to reconsider action whereby Bill failed of enactment.

The same Senator then moved that the Senate reconsider its action whereby the Bill failed of Enactment.

Mr. Minkowsky of Androscoggin then requested a roll call.

The PRESIDENT: A roll call has been requested. 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. All those Senators in favor of ordering a roll call will please rise and remain standing until counted.

Obviously more than one-fifth having arisen, a roll call is ordered.

The PRESIDENT: The Chair recognizes the Senator from Waldo, Senator Greeley.

Thereupon, on motion by Mr. Greeley of Waldo, the Bill was Indefinitely Postponed.

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

Bill, "An Act to Correct Errors and Inconsistencies in the Public Laws." (S. P. 678) (L. D. 2044)

Tabled — June 28, 1973 by Senator Berry of Cumberland.

Pending — Passage to be Engrossed.

Senate Amendment "A" (S-256)

Senate Amendment "B" (S-258)

Senate Amendment "C" (S-261)

Senate Amendment "D" (S-262)

Senate Amendment "F" (S-267)

Senate Amendment "G" (S-270)

Mr. Tanous of Penobscot then presented Senate Amendment "K" and moved its Adoption.

Senate Amendment "K", Filing No. S-280, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve to Reimburse William Rich of Buckfield for Loss of Beehives by Bear. (L. D. 16)

Which was Finally Passed and, having been signed by the President, was by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Exempting Prosthetic Devices from Sales Tax. (L. D. 37)

An Act Providing Funds for Purchase of Tourmaline, Maine's Official Mineral. (L. D. 41)

An Act Relating to Applicability of Workmen's Compensation to Certain Employees. (L. D. 58)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Broadening the Sales and Use Tax Exemption on Water and Air Pollution Control Facilities. (L. D. 72)

An Act Creating the Uniform Alcoholism and Intoxication Treatment Act. (L. D. 76)

An Act Relating to Animal Welfare (L. D. 98)

An Act Exempting Fuels Used to Burn Blueberry Fields from the Sales Tax. (L. D. 106)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve, Reimbursing Mars Hill Utility District for Bonds Issued for Sewer Construction. (L. D. 80)

Which was Finally Passed and, having been signed by the President, was by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve Reimbursing Certain Municipalities on Account of Property Tax Exemptions of Veterans. (L. D. 141)

Resolve, to Reimburse R. B. Swan & Son of Brewer for Loss of Beehives by Bear. (L. D. 182)

Resolve, to Reimburse Edgar W. Tupper of Madison for Loss of Beehives by Bear. (L. D. 184)

Which were Finally Passed and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take

from the Special Appropriations Table the following:

An Act Increasing the Number of Superior Court Justices and Official Court Reporters. (L. D. 187)

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

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve, Providing for Purchase of Copies of History of Millinocket.

Which was Finally Passed and, having been signed by the President, was by the Secretary presented to the Governor for his approval.

The PRESIDENT: The Chair would ask the Assistant Sergeant-at-Arms to escort the Senator from Cumberland, Senator Berry, to the rostrum to assume the duties of President pro tem.

Thereupon, the Assistant Sergeant-at-Arms escorted Senator Berry to the rostrum where he assumed the duties of President pro tem, and President MacLeod retired from the Senate Chamber.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act to Regulate Revolving Credit Accounts. (L. D. 52)

An Act Relating to Legislative Service Under State Retirement System. (L. D. 56)

An Act to Establish a Bureau of Property Taxation Within the Department of Finance and Administration. (L. D. 163)

An Act to Authorize Satellite Centers for Vocational Education. (L. D. 218)

Resolve, Providing Funds for Cerebral Palsy Centers. (L. D. 247)

On further motion by the same Senator, Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve, Appropriating Funds for the Perambulation of the Maine-New Hampshire Boundary Line. (L. D. 260)

Resolve, to Reimburse Norman W. Ahlholm of Warren for Loss of Beehives. (L. D. 398)

Which were Finally Passed and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act to Increase the Salary of Court Reporters. (L. D. 446)

An Act Providing Funds for Purchase of Electronic Milk Testing Equipment. (L. D. 452)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act to Authorize the Creation of the Maine Inland Fisheries and Game Acquisition Fund and the Issuance of Not Exceeding \$4,000,000 for the Financing Thereof. (L. D. 362)

This being a Bond Issue and having received the affirmative votes of 29 members of the Senate was Passed to be Enacted and, having been signed by the President, was by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve, Providing Retirement Benefits Under the State Retirement Law for Earl A. Haines of Brunswick (L. D. 67)

This being an emergency measure and having received the affirmative votes of 29 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.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Providing for an Additional District Court Judge at Large. (L. D. 188)

An Act Appropriating Funds for Replacement Volumes of the Revised Statutes. (L. D. 231)

An Act to Authorize Eleven New Regions and Central Aroostook County Region for Vocational Education. (L. D. 255)

These being emergency measures and having received the affirmative votes of 29 members of the Senate were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Relating to Vocational Education. (L. D. 320)

An Act Providing for Municipal Coordinator for Election Division of the Department of the Secretary of State. (L. D. 385)

An Act Relating to Payment of Patients at Certain State Institutions as Employees under Fair Labor Standards Act. (L. D. 422)

An Act Providing Funds for the Maine Higher Education Council. (L. D. 423)

An Act Exempting Gas for Cooking and Heating in Homes and Hotels from Sales Tax. (L. D. 508)

On further motion by the same Senator, Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve, Providing Funds for Repair of Cathance Lake Dam and Pleasant River Lake Dam, Washington County. (L. D. 361)

This being an emergency measure and having received the affirmative votes of 28 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.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Creating the Maine Veterans Small Business Loan Authority Board and Establishing a Mortgage Insurance Fund. (L. D. 419)

An Act to Allocate Moneys for the Administrative Expenses of the Bureau of Alcoholic Beverages, Department of Finance and Administration and the State Liquor Commission for the Fiscal Years Ending June 30, 1974 and June 30, 1975. (L. D. 457)

An Act Relating to Group Life Insurance for Judges and Justices of the Courts. (L. D. 500)

An Act Providing Funds for Treatment of Cystic Fibrosis. (L. D. 794)

These being emergency measures and having received the affirmative votes of 28 members of the Senate were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Providing Funds for Elementary School Guidance Counsellors. (L. D. 513)

An Act Relating to Educational Assistance for Widows, Wives and Children of Veterans and Wives and Children of Prisoners of War. (L. D. 533)

An Act Providing for State Supervision of the Construction and Safety of Dams and Reservoirs. (L. D. 550)

An Act to Exempt Child Placement Agencies from Payment of Sales Tax. (L. D. 552)

An Act to Exempt Sales to Institutionalized Persons from the Sales Tax. (L. D. 575)

On further motion by the same Senator, Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve, Providing Funds for Project on Swan's Island, Hancock County. (L. D. 595)

An Act Relating to Improved Property Tax Administration. (L. D. 637)

An Act Requiring Constructed Public Buildings Be Made Accessible to the Physically Handicapped. (L. D. 657)

An Act Creating a Standardbred Breeders and Owners Development Fund of Maine. (L. D. 683)

An Act Relating to Educational Benefits for Dependents of Veterans and Prisoners of War and Missing in Action. (L. D. 704)

On further motion by the same Senator, Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Appropriating Funds for a Fishway at West Bay Pond in Gouldsboro. (L. D. 471)

An Act Exempting Hearing Aids from the Sales Tax. (L. D. 479)

An Act Providing Funds for a Fishway at West Harbor Pond in Boothbay Harbor. (L. D. 512)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table:

Resolve, Providing for Purchase of Copies of History of Livermore. (L. D. 522)

Resolve, to Locate the Public Lot in Township 2, Range 6 W.B.K.P., Franklin County. (L. D. 538)

Resolve, to Reimburse the Town of Scarborough for Damage to Property by Escapees from the Boys Training Center. (L. D. 592)

Resolve, in favor of Down East Community Hospital of Machias. (L. D. 712)

Resolve, in Favor of South Berwick Emergency Ambulance and Rescue, Inc. (L. D. 729)

Resolve, to Reimburse Audrey G. Pray of Hersey for Loss of Poultry by Foxes. (L. D. 734)

Which were Finally Passed and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Appropriating Funds for Replacement of Sea and Shore Enforcement-Research Vessels. (L. D. 601)

An Act Increasing the Compensation of the Governor. (L. D. 609)

An Act Providing for Repair, Maintenance and Operation of State-owned Dam on Dead River, Androscoggin County. (L. D. 770)

An Act Authorizing Piscataquis County to Collect and Dispose of Solid Waste on a Regional Basis. (L. D. 795)

An Act Relating to Compensation for Members of the Land Use Regulation Commission. (L. D. 824)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Relating to Definition of and Licenses of Rectifiers under the Liquor Law (L. D. 768)

An Act Authorizing the Department of Environmental Protection to Make Planning Grants to Municipalities for Solid Waste Disposal. (L. D. 845)

An Act Providing for a Change in Standard Deductions in Income Tax Law. (L. D. 869)

An Act to Establish a State Veterans Home. (L. D. 1340)

An Act Increasing Inheritance Exemption for a Surviving Spouse and Children. (L. D. 1386)

On further motion by the same Senator, Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

Resolve, Providing Funds for the Maintenance of Ocean Beaches. (L. D. 826)

Resolve, Providing Funds for the Purchase of Copies of the "History of Winthrop, Evolution of a Maine Community." (L. D. 856)

Resolve, to Reimburse Alden V. Cole of LaGrange for Loss of Beehives by Bear. (L. D. 925)

Resolve, Appropriating Funds to Prevent Sawdust Pollution at South Branch Lake and Saponac Pond in Penobscot County. (L. D. 928)

Resolve, to Reimburse David Ervin of Corinna for Property Damages Caused by State Ward. (L. D. 934)

Which were Finally Passed and, having been signed by the President, were presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Creating Regional Library Systems. (L. D. 828)

An Act to Establish a Water Quality Related Great Ponds Program in Department of Environmental Protection. (L. D. 936)

An Act Providing for Voluntary Water Quality Monitors. (L. D. 945)

An Act Relating to Exceptional Children. (L. D. 965)

An Act Relating to Management and Maintenance of State of Maine Building at Eastern States Exposition. (L. D. 1012)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table:

An Act to Create a Commission to Name Public Buildings, Bridges, Highways and Other Public Works (L. D. 1517)

An Act to Create a Commission to Study the Workmen's Compensation Law. (L. D. 1693)

On further motion by the same Senator, Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Establishing the Maine State Student Incentive Grants Program. (L. D. 1758)

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

An Act Appropriating Funds to Expand Post-Secondary Educational Opportunities in Maine's Mid-Coast, York County and Lewiston-Auburn Areas. (L. D. 1691)

(On motion by Mr. Clifford of Androscoggin, temporarily set aside.)

An Act Appropriating Funds for Public Housing Authorities for Operating Subsidies. (L. D. 1821)

(On motion by Mr. Brennan of Cumberland, tabled until later in today's session.)

The PRESIDENT pro tem laid before the Senate the matter set aside at the request of Mr. Speers of Kennebec:

An Act Establishing the Maine State Student Incentive Grants Program. (L. D. 1758).

The PRESIDENT pro tem: The Chair recognizes the Senator from Kennebec, Senator Speers.

Mr. SPEERS: Mr. President and Members of the Senate: When this bill was reported out of the Committee on Education, it included a number of other items in it as a comprehensive bill. One of those items included within this particular bill was a program establishing a Vietnam Era Veterans Student Assistance Program. This was a bill which I introduced after having heard considerable testimony before the platform committee at the Republican National Convention in Miami last August concerning what the United States and the various states have been doing for Vietnam era veterans. The answer is: not as much as we did for the World War II veterans.

I thought that such a position was unconscionable, and I had made up my mind at that point to attempt to do something about

providing at least equal benefits for Vietnam era veterans for educational opportunities as have been provided for World War II veterans. I introduced the bill requiring or providing for Vietnam Era Veterans Student Assistance Program, which was drafted with the aid and assistance of the Bureau of Veterans Affairs of the state. The bill received unanimous agreement by members of the Education Committee, and was placed into this comprehensive bill providing for Maine State Student Incentive Grants Program.

I have prepared an amendment — which I thought I had before me, Mr. President, and I apologize to the members of the Senate; I find that the one I have before me is not the amendment which I would like to introduce. But I have prepared an amendment which would reduce the appropriations on this particular bill, and I have been assured that whatever appropriations are put into this program will be used to fund the Vietnam veterans portion of this particular program. I would like the opportunity to offer the amendment. I, therefore, move that the Senate, under suspension of the rules, reconsider its action whereby this bill was passed to be engrossed.

The PRESIDENT pro tem: The Senator from Kennebec, Senator Speers, moves that the rules be suspended and the Senate reconsider its action whereby L. D. 1758, An Act Establishing the Maine State Student Incentive Grants Program, was passed to be engrossed.

The Chair recognizes the Senator from Penobscot, Senator Sewall.

Thereupon, on motion by Mr. Sewall of Penobscot, tabled until later in today's session, pending the motion by Mr. Speers of Kennebec to Reconsider.

The President pro tem laid before the Senate the matter set aside at the request of Mr. Clifford of Androscoggin:

An Act Appropriating Funds to Expand Post-Secondary Educational Opportunities in Maine's

Mid-coast, York County and Lewiston-Auburn Areas. (L. D. 1691).

The PRESIDENT pro tem: The Chair recognizes the Senator from Androscoggin, Senator Clifford.

Mr. CLIFFORD: Mr. President and Members of the Senate: Post-secondary opportunities are available now in Bangor, Augusta and Portland in fairly sophisticated complexes. The mid-coast area, the York County area, and the Androscoggin area are three large population areas that have little or no post-secondary educational opportunities. This is a bill which is a modest amount of money to use existing facilities in those areas to expand those post-secondary educational opportunities.

The purpose of the bill really is a modest bill to allow the working people, and especially low income people in those areas, to get the benefits of post-secondary education in the areas where they live so that they can work and attend school at the same time. It seems to me that this is the kind of thing, rather than spending a lot of money to expand facilities such as the University of Maine at Orono and the live-in campuses, that if we spent a little money in these places we would be a lot better off in the long run because we would have more people being educated at a lower cost, those people who would be unable to attend school away from home. They could attend school in their local areas and continue to work and get the income to pay for their education. Therefore, I would oppose the motion for indefinite postponement, Mr. President, and request a division.

The PRESIDENT pro tem: No motion has been placed. The Chair understands that the Senator from Penobscot, Senator Sewall, moves this item be placed upon the table, pending the motion of the Senator from Androscoggin, Senator Clifford, that the bill be passed to be enacted. Is this the pleasure of the Senate?

The motion prevailed.

Reconsidered Matter

Mr. Anderson of Hancock moved that the Senate reconsider its action whereby it Indefinitely Postponed Resolve, Providing Funds for Project on Swan's Island, Hancock County. (L. D. 595)

The PRESIDENT pro tem: The Chair recognizes the Senator from Penobscot, Senator Sewall.

Mr. SEWALL: Mr. President and Members of the Senate: Very reluctantly, I rise to oppose the motion of the good Senator from Hancock, Senator Anderson. I am sure that this project, like many others that I will have to indefinitely postpone today, has merit, but I would point out to the Senate that we only have so much money. This item calls for an appropriation of \$25,000 and, in the judgment of leadership, this could not stand against some of the other projects. So, Mr. President, I hope the Senate would not go along with the good Senator from Penobscot, Senator Anderson.

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

Mr. ANDERSON: Mr. President, I accept the apology of the good Senator from Penobscot, and will withdraw my motion.

The PRESIDENT pro tem: The good Senator from Hancock, Senator Anderson, withdraws his motion.

Reconsidered Matter

Mr. Brennan of Cumberland moved that the Senate reconsider its action whereby it Indefinitely Postponed An Act to Regulate Revolving Credit Accounts. (L. D. 52)

Thereupon, on motion by Mr. Sewall of Penobscot, tabled, pending the motion by Mr. Brennan of Cumberland to Reconsider.

Reconsidered Matter

The PRESIDENT pro tem: The Chair recognizes the Senator from Kennebec, Senator Speers.

Mr. SPEERS: Mr. President and Members of the Senate: I have been waiting to rise to discuss a particular item, L. D. 247, Resolve, Providing Funds for Cerebral Palsy Centers, to get some

idea of just where the money from the General Fund Surplus—

The PRESIDENT pro tem: Does the Senator care to make a motion?

Mr. SPEERS: I intend to make a motion regarding L. D. 247, Mr. President.

The PRESIDENT pro tem: The Chair understands the Senator from Kennebec, Senator Speers, moves that the Senate reconsider its action whereby L. D. 247, Resolve, Providing Funds for Cerebral Palsy Centers, was indefinitely postponed.

The Senator has the floor.

Mr. SPEERS: The Chair is correct. I have been watching with great interest, Mr. President, where the funds from the General Fund Surplus, from which the Cerebral Palsy Center Bill proposes to be funded, are to be spent. We have seen \$134,000 in L. D. 231 enacted to pay for replacement volumes of the revised statutes. We have seen \$5,000 go to repair a dam in L. D. 361. We have seen \$7,700 for a fishway in L. D. 471, and \$7,700 for a fishway in L. D. 512; \$250,000 in L. D. 601 for a Sea and Shore Fishing Vessel; another \$1,000 in L. D. 770 to repair a dam on the Dead River; \$25,000 in L. D. 452 for milk testing equipment; and \$4,000 in L. D. 928 for sawdust pollution. And the crowning blow, Mr. President, in comparing \$40,000 for Cerebral Palsy Centers.—

The PRESIDENT pro tem: The Chair recognizes the Senator from Penobscot, Senator Sewall.

Mr. SEWALL: Mr. President, a point of parliamentary inquiry.

The PRESIDENT pro tem: The Senator may place his point.

Mr. SEWALL: Mr. President, before the motion is put, is it proper to debate this issue?

The PRESIDENT pro tem: The Senator from Kennebec, Senator Speers, has moved that the Senate reconsider its action whereby L. D. 247, Resolve, Providing Funds for Cerebral Palsy Centers was indefinitely postponed. This motion is debatable and the Senator is in order.

Mr. SPEERS: The crowning blow, Mr. President, when one is

comparing \$40,000 for Cerebral Palsy Centers around the State of Maine, is the enactment of L. D. 826, taking \$30,000 from the same General Fund Surplus for the cleaning up of ocean beaches. This is a direct grant to a single town in the State of Maine to clean a single beach in the State of Maine.

Now, I have no quarrel with the Appropriations Committee or the work that it has been doing; it is an extremely difficult task. But I take direct issue with the Committee in its priorities in placing some of these moneys without funding what I have considered to be an essential problem in an area that requires essential attention by the people of the State of Maine, and that is helping out some of the Cerebral Palsy Centers around the state.

I hope that you will support my motion to reconsider the indefinite postponement of this particular bill. \$40,000 is not very much in comparison with some of the other bills that we have before us, particularly in funding from the General Fund Surplus, but I certainly think that it takes priority over some of these other bills that I reviewed for you.

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

Mr. KATZ: Mr. President, as a coincidence, I have sponsored this appropriation for the last three sessions for the benefit of the Cerebral Palsy Schools, but it is my impression - and I hope that the Senator might table this to look into it - it is my impression that when we enacted L. D. 965 just a moment ago, the bill which is actually a bill of rights for the handicapped child, sponsored by Representative Ault, that in effect we were funding the ability of the state to put money into the Cerebral Palsy Schools, and perhaps that kind of funding which is represented by L. D. 257 is not significant any more because of the access to state dollars through 965. I am not absolutely certain, but I presume this is the case. It might be well to table the question while the Senator investigates.

The PRESIDENT pro tem: The Chair recognizes the Senator from York, Senator Danton.

Mr. DANTON: Mr. President and Members of the Senate: The good Senator from Kennebec, Senator Speers, takes issue with my bill, L. D. 826. First, I would like to tell the good Senator that it isn't for one town; it is for three towns: Saco, Old Orchard, and Scarborough. These three towns contribute over \$2 million in sales taxes to our general fund.

I would like to tell the Senator that these towns have public beaches and public parking lots that our tourists use and they give revenue to this state. This is one reason why this bill was put in. It is a one-shot deal for them to buy raking machines to keep the beaches clean to give us a healthy economy here in the State of Maine.

The PRESIDENT pro tem: The Chair recognizes the Senator from Cumberland, Senator Conley.

Mr. CONLEY: Mr. President and Members of the Senate: I would certainly like to stand in defense of the Appropriations Committee, since all these bills that landed on the Appropriations Table got there after a great deal of hard work and deliberation. And what the good Senator from Kennebec, Senator Speers, has stated as far as the priority ratings are concerned, relative to what is being passed and what is being killed, does not necessarily lie solely with the Appropriations Committee. I would say that last week we met for two and a half hours in a workshop session, and I can say in conclusion that leadership met today and went over the priority ratings that the Committee had given. I would only say that not all of the priority ratings that have been recommended by the Appropriations Committee are being passed, and all those we suggested be killed are not necessarily being killed. But I would like to say they have been going pretty strongly, about 95 per cent, in favor of how it was rated by the Appropriations Committee, and we understand, Mr. President, that leadership does have the final say.

So I don't think it is fair for the good Senator from Kennebec just to lay it solely on the Appropriations Committee.

The PRESIDENT pro tem: The question before the Senate is the motion of the Senator from Kennebec, Senator Speers, that the Senate reconsider its action whereby it indefinitely postponed L. D. 247.

The Chair recognizes the good Senator from Kennebec, Senator Katz.

Mr. KATZ: Mr. President, I move this be tabled until later in today's session.

The PRESIDENT pro tem: The Chair recognizes the Senator from Penobscot, Senator Sewall.

Mr. SEWALL: Mr. President, I reluctantly rise to oppose the motion of the good Senator from Kennebec to table, and I request a division.

The PRESIDENT pro tem: The Senator is out of order in debating the tabling motion.

The Chair recognizes the Senator from Cumberland, Senator Morrell.

On motion by Mr. Morrell of Cumberland, a division was had. 10 Senators having voted in the affirmative, and 16 Senators having voted in the negative, the motion to table did not prevail.

The PRESIDENT pro tem: Is it now the pleasure of the Senate that the Senate reconsider its action whereby this bill was indefinitely postponed?

The Chair recognizes the Senator from Penobscot, Senator Sewall.

On motion by Mr. Sewall of Penobscot, a division was had. Four Senators having voted in the affirmative, and 21 Senators having voted in the negative, the motion to reconsider did not prevail.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act to Establish within the Department of Indian Affairs a Bureau of Indian Police. (L. D. 1887)

An Act Creating the Pineland Center Advisory Board. (L. D. 1907)

On further motion by the same Senator, Indefinitely Postponed in non-concurrence.

Sent down for concurrence.

The PRESIDENT pro tem: Is it now the pleasure of the Senate that all items acted upon by the Senate requiring action by the House be sent forthwith to the House for action?

It is a vote.

On motion by Mr. Sewall of Penobscot, recessed until 2:00 o'clock this afternoon.

After Recess

Called to order by the President.

Papers from the House

Out of order and under suspension of the rules, the Senate voted to take up the following:

Joint Order

WHEREAS, Mrs. Villa Hayden Quinn of North Windham has faithfully served the interests of this State as Supervisor of Elementary Education and Curriculum Consultant over a period of thirty-seven years; and

WHEREAS, she is a talented person of great personal charm who has contributed significantly to the educational development of this State; and

WHEREAS, she has established an empire of her own, founded upon admiration and respect that extends far beyond her beloved Aroostook homeland; and

WHEREAS, no storm has been too severe, nor distance too great to keep her from her appointed task during the past 50 years; now, therefore, be it

ORDERED, the Senate concurring, that We, the Members of the Senate and House of Representatives of the 106th Legislature of the great and sovereign State of Maine, pause to salute Mrs. Villa Hayden Quinn upon entering retirement, for her many years of loyal and devoted service to the State of Maine and extend to her the best and well earned wishes of the Legislature for many happy years in retirement; and be it further

ORDERED, that a suitable copy of this Order be prepared and presented to Mrs. Quinn in token of our esteem. (H. P. 1650)

Comes from the House, Read and Passed.

Which was Read and Passed in Concurrence.

Communications

STATE OF MAINE
Department of Audit
Augusta, Maine 04330
Area Code 207
Tel. 289-2201

July 2, 1973
To Governor Kenneth M. Curtis and Members of the One Hundred and Sixth Legislature

In compliance with statutory requirements, I submit herewith the 53rd Annual Report of the State Auditor for the fiscal year ended June 30, 1972. The financial data presented are based on the accounting records maintained in the Bureau of Accounts and Control.

We have made extensive examination of major pertinent transactions. We did not make a detailed examination of all recorded transactions on the general books of the State for the year. We did, however, make a detailed examination of accounting records, procedures and internal controls, and verified financial transactions on a selective basis in our postaudits of the activities of the major State departments during the year. The results of these audits, together with comments, exceptions and recommendations are contained in our individual audit reports submitted to the respective departments.

Based on the scope of our examination, it is our opinion that, except for the exclusion of certain trust and operating fund transactions and balances recorded and controlled locally by State agencies and not reflected herein, the accompanying financial statements present fairly the financial position of the operating funds of the State of Maine at June 30, 1972, and the results of their operations for the fiscal year then ended, in conformity with generally accepted governmental accounting principles applied on a consistent basis.

I would like to express my special appreciation to the Staff of the Department of Audit for their continued loyalty and devotion to duty and to the State officials for their cooperation with this department.

Respectfully submitted,
RAYMOND M. RIDEOUT, JR.
State Auditor

(S. P. 700)

Which was Read and Ordered placed on file.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

Enactors

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

An Act to Provide a Subsidy to Communities with Private School Enrollments. (S. P. 685) (L. D. 2047)

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

Mr. RICHARDSON: Mr. President, I would inquire of some knowledgeable member of the Senate as to how it is proposed to fund L. D. 2047, An Act to Provide a Subsidy to Communities with Private School Enrollments.

The PRESIDENT: The Senator from Cumberland, Senator Richardson, has posed a question through the Chair which any Senator may answer if he desires.

The Chair recognizes the Senator from Androscoggin, Senator Clifford.

Mr. CLIFFORD: Mr. President and Members of the Senate: I think the idea behind 2047 was an effort on behalf of the Legislature to partially help out those communities which didn't get the kind of funding under 1994 as other communities did, partially because of the existence of private schools and the number of pupils enrolled in those private schools who were not computed in the computation for 1994. This is only a reimbursement to the communities for funding of transportation costs for those pupils. I think the idea was to make sure that those communities were not injured, were not hurt to the extent that they originally were under L. D. 1994, and I think the funding would be the same idea as

L. D. 1994. This is kind of an equalization or an attempt at some equalization for those communities which have those problems in private schools.

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

Thereupon, on motion by Mr. Sewall of Penobscot, placed on the Special Appropriations Table.

Communications

State of Maine
House of Representatives
Augusta, Maine 04330

July 2, 1973

Hon. Harry N. Starbranch

Secretary of the Senate

106th Legislature

Dear Mr. Secretary:

Today the House voted to adhere to its action of June 28 whereby Bill "An Act to Redistribute Certain Statutory Powers Now Vested in the Executive Council, to Abolish the Legislative Research Committee, to Create a Statutory Legislative Council, to Provide for Permanent Joint Standing Committees of the Legislature, and to Provide for an Annual Rather than a Biennial Budget" (S. P. 661) (L. D. 2021) failed final passage.

Respectfully,

E. LOUISE LINCOLN, CLERK

House of Representatives

Which was Read and Ordered Placed on File.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

Resolve, to Reimburse Aviation Oil Company for Tax Paid for Shrinkage of Motor Fuel. (L. D. 32)

Resolve, to Reimburse Willard M. Judkins of Rangeley for Automobile Damage Due to Highway Construction. (L. D. 94)

Resolve, to Reimburse Mount Hope Cemetery Corporation of Bangor for Property Damage by Highway Maintenance. (L. D. 366)

Resolve, to Reimburse Mrs. Hilma Webster of Vinalhaven for Damage to Property by Highway Construction. (L. D. 367)

Resolve, to Reimburse William Fitzgerald of Madison for Well

Damage by Highway Maintenance.
(L. D. 368)

Resolve, to Reimburse Blain Crabtree of Cherryfield for Property Damage by Highway Construction. (L. D. 369)

Which were Finally Passed and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

Resolve, to Reimburse Otis Smith of Kittery for Motor Vehicle Damage Due to Highway Maintenance. (L. D. 527)

Resolve, to Reimburse Woodrow Bakeman of Castine for Property Damage by Highway Construction. (L. D. 714)

Resolve, to Reimburse Vivian Morrison of Dixfield for Property Damage by Highway Construction. (L. D. 1388)

Which were Finally Passed and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

An Act to Create a Committee to Study the Needs for a Traffic Court System. (L. D. 982)

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

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriations Table the following:

Resolve, Designating Kennebassis Road in Indian Township, Washington County, as a State Road. (L. D. 1892)

This being an emergency measure and having received the affirmative votes of 28 members of the Senate and, having been signed by the President, was by the Secretary presented to the Governor for his approval.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriations Table the following:

An Act to Provide a Feasibility Study for a Turnpike Facility from Houlton to Van Buren. (L. D. 296)

The PRESIDENT: The Senator has the floor.

Mr. GREELEY: Mr. President and Members of the Senate: We found another way to carry out this study, and I now move that this bill be indefinitely postponed.

Thereupon, the bill was Indefinitely Postponed in non-concurrence and, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

An Act Relating to Apportionment of Cost of Reconstruction of Railroad Grade Separation Structures on Non-federal Aid-State Aid Highways. (L. D. 348)

The PRESIDENT: The Senator has the floor.

Mr. GREELEY: Mr. President and Members of the Senate: We don't have this kind of money at the present time, so we have got to figure out something else for the future. I move this bill be indefinitely postponed.

Thereupon, the bill was Indefinitely Postponed in non-concurrence and, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

An Act Relating to Construction of State Aid Bridges. (L. D. 259)

The PRESIDENT: The Senator has the floor.

Mr. GREELEY: Mr. President and Members of the Senate: Four years ago I think we changed the percentage of the cost of bridge construction for the counties from 30 percent to 22½. This bill cuts it 2½ per cent further, from 22½ percent down to 20 percent. Mr.

President, I move the enactment of this bill.

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.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

An Act Creating the Maine Motor Vehicle Certificate of Title and Anti-theft Act. (L. D. 1455)

An Act Relating to Winter Maintenance of State Aid Highways and Town Ways by Municipalities. (L. D. 730)

An Act Changing the Dates for Registration of Automobiles. (L. D. 2023)

An Act Providing for Motor Vehicle Operator's License Classification. (L. D. 1211)

Which were Passed to be Enacted and, having been signed by the President, were by the Secretary presented to the Governor for his approval.

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

Bill, An Act to Create the Department of Business Regulation. (S. P. 350) (L. D. 1102)

Tabled — June 20, 1973 by Senator Berry of Cumberland.

Pending — Enactment.

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

Mr. KATZ: Mr. President, I request a division on the pending question.

The PRESIDENT: A division has been requested.

The Chair recognizes the Senator from Androscoggin, Senator Clifford.

Mr. CLIFFORD: Mr. President and Members of the Senate: I hope you will go along with the enactment of this bill. It was proposed in the special session of the last legislature and defeated, and I think probably justly so. I think that the banking industry was concerned over many of the facets in the original bill, but I think most of those have been taken care of,

and I think that this bill would come close to completing the reorganization of our Executive Department and put it in the statute which it should be in. It seems to me that most of the objections now have been taken out, and it would be a progressive step for the legislature to take to enact this bill reorganizing the Department of Business Regulation. Thank you, Mr. President.

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

Mr. SEWALL: Mr. President, I request when the vote is taken that it be taken by the Yeas and Nays.

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. 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 recognizes the Senator from Sagadahoc, Senator Schulten.

Mr. SCHULTEN: Mr. President and Members of the Senate: I would like to express a few thoughts that I have concerning L. D. 1102, An Act to Create the Department of Business Regulation.

In reading the bill over, which is a suggestion that our very esteemed Majority Floor Leader has frequently suggested we do so that we know what we are voting on, I find that the bill is one that I have seen before. I saw it in the last session of the legislature and I wasn't terribly impressed with it at that point. Now coming back, I understand that there have been a number of changes made, but in reading the bill I fail to see changes of any significance that might be of help to the people in the state are really incorporated into the bill.

With your indulgence, I would like just for a moment to review some of the things I think that are in this bill to create the Department of Business Regulation, because I think we are about

to take a very important step, and I just wonder how well qualified we are to involve future operations without really complete knowledge of what we are doing. So I will quote for a moment Section 8001, Department; commissioner: "There is created and established the Department of Business Regulation to regulate financial institutions and transactions and protect depositors, to regulate the business of insurance in the State, to regulate commercial sports" — how did sports get in there? "to award just compensation in land condemnations and to regulate brokers and salesmen." Now, that certainly seems like a conglomerate mess, as far as I can see.

Over on the previous page, it tells us that "The superintendent, with the approval of the Commissioner of the Department of Business Regulation, may employ, subject to the Personnel Law, one or more deputy superintendents and as many examiners, assistant examiners and such other employees and clerks as the business of the bureau may require." Now, this seems to me like an open end invitation to spend yourself into bankruptcy. Also, "The superintendent may train his employees or have them trained in such manner as he deems desirable, at the expense of the bureau." Another open end rat hole, as far as I can determine.

The Bureau of Banks and Banking will be a part of this, the Bureau of Insurance, the Real Estate Commission, the Boxing Commission, the Running Horse Racing Commission, and the Land Damage Board. Now, what all these various boards and commissions have to do in common with one another, actually I am at a loss to determine. I feel that this is a matter of expediency by those who are proponents of the bill, and they are just trying to throw in so many things that the ultimate result will be a complete mess as far as helping the State of Maine to attain efficient government.

I fail to see anything in this Department of Business Regulation that would have any bearing on better service to the customer, better efficiencies in state govern-

ment, or any other reason that would justify a vote in favor of this particular document, L. D. 1102. For these reasons — and I would be glad to go into greater detail any time anyone wishes — but just for these few points that I have mentioned, I feel that the bill, once again, deserves a unanimous Ought Not to Pass Report, and I would hope that the Senate would go along with this.

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

Mr. ALDRICH: Mr. President and Members of the Senate: This is my bill, which I sponsored. It is the one bill that I would like to have this session, and when this bill was tabled on June 20th I had 22 votes here in the Senate. It is my impression that I now have 14, so apparently the banking lobby and the insurance lobby have been busy. But this is fair play; no question about that.

We are not creating anything. We are reorganizing presently existing agencies which will operate within their budget. They are already funded, so there is no big problem about appropriations, and there is no appropriation on this bill.

This will strengthen the present agencies primarily of the Department of Banks and Banking and the Department of Insurance, and they need strengthening.

There has been a lot of talk about who is going to be the commissioner. That is not pertinent, it is not an issue, and there have been no commitments by anyone to anyone as to who the new commissioner would be.

You know, it is strange when you see a bill like this go from a healthy vote of 22 committed and promised votes down to 14. It is strange, and you must wonder what forces compelled the changes in the vote. I submit to you that I know what forces compelled the changes in the votes: the banking forces, the insurance forces, the special interest forces. So perhaps we will have an indication here today, after the vote by a roll call, which I support, as to where the power lies in the State Senate,

whether the power lies with each and every State Senator or whether the power lies with the banking and insurance special interest groups.

We are not touching the banks, the banking associations, the insurance companies, the insurance company associations. We are not touching the banks, we are not touching the insurance companies, we are not touching their operations. We are reorganizing, or attempting to reorganize by this bill, the state agencies, the Department of Banks and Banking and the Department of Insurance. We are talking about reorganizing state government.

I don't pretend to know how to run a bank, and I don't so advise the banks how to run their banks. And on the same token, I would suggest that each and every one of us not let the banking and insurance interests tell us how to run the State Senate.

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

Mr. SPEERS: Mr. President and Members of the Senate: I certainly agree with my good seatmate, the Senator from Sagadahoc, Senator Schulten, when he says that this is taking a very important step. It is. This bill, of course, came out of the Committee on State Government. It is one of the bills that was presented to the Committee in an attempt to finalize the reorganization of state government.

Now, I have heard a lot of objections to this particular bill, objections from the banking industry — or portions of the banking industry, I should say, because not all of the banks are opposed to this bill — portions of the banking industry which state that banking is so important for the State of Maine that it deserves its own department. Well, I wonder how many times we have heard that exact same argument in relation to every single reorganization bill that has come before this body and the body of the last legislature. Had we listened to these kinds of arguments every time, we would still be faced with

exactly the same situation we were faced with before we began governmental reorganization.

Why do we have governmental reorganization in the first place? Before this all started, we had 211, or thereabouts, separate departments and agencies of state government which were responsible to the Governor and to the people of the state. I think it is quite obvious to anyone that, with that number of agencies and departments, the executive head of state government would have a very considerable amount of difficulty in maintaining a hold over the direction and policy that these agencies should take.

So the whole thrust of state governmental reorganization has been to create the ability of the executive to have a handle on the thrust and direction that state government is to take.

Now, this bill was before the Committee on State Government, we had a public hearing, and we tried to take into account some of the objections that some of the individuals who testified before the Committee brought to bear. One of those objections was the idea that the commissioner would be able to appoint the superintendents of the two major bureaus within the reorganizational department, that is, the Bureau of Insurance and the Bureau of Banks and Banking. The objection was that these superintendents would have the same term of office as the commissioner of the new department. The fear, of course, was that the commissioner would have some sort of political sway over the superintendents and that, therefore, there would be politics involved in the administration of these two bureaus. We dealt with that when this bill was before this body on passage to be engrossed, and we amended that section back to the way it was when it was first introduced, so that the superintendents' terms would not be coincidental with the commissioner of the department.

I would hope that by trying to accommodate in the various small ways that we have that we have met some of the fears that have been raised regarding this partic-

ular bill, I really think that what is left is the gut feeling that these two departments as they exist now are so important that they deserve to have separate departments. But I would reiterate that that same argument could be made regarding each one of those 211 departments and agencies that have been the subject of reorganization throughout the last session of the 105th Legislature and throughout this session of the 106th Legislature. I hope that we maintain the very fine record that I feel we have in the area of reorganization and go ahead and pass this bill.

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

Mr. RICHARDSON: Mr. President and Members of the Senate: I don't want to attempt to imitate a member of the lower branch of this legislature, but I can't help passing on to you personal experience. I have had some calls from a lot of bank presidents lately, and one of them who called me wanted to talk to me about this bill, and after he answered my question as to whether or not I was overdrawn in the negative I was so relieved that apparently I stopped listening. Now I know why all this concern about this bill.

I am not an officer, a director, or employee of any bank. I don't pretend to have any expertise in this area, but I do know that this bill, in my judgment, is a very sensible grouping together of some activities that are now fragmented, and I think that reorganization can be brought about without doing violence to the legitimate interests of any of the groups whose rights are being affected.

Secondly, it seems to me that this question of whether or not you call something reform is a question of whose ox is being gored. I have been entertained by my friends in the banking community who are constantly cynical and somewhat downgrading of the legislative process and state government generally, and they are always talking about bringing to the government of the State of Maine good business practices. Now that we want to try to put some of these related agencies under

uniform management, the cries of alarm and distrust go up.

If you read the bill, as our distinguished Majority Leader constantly exhorts us to do, you will find really that this doesn't affect the substantive provisions of the banking law one iota and, as you know, there is a study under way to accomplish that chore. So I hope you will join that poor country boy from Oxford, the good Senator from that county, Senator Aldrich, and vote for this legislative document.

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

Mr. JOLY: Mr. President and Members of the Senate: I am opposed to this bill, and I was when I first read it, before anybody talked to me. Since that time, I think I have had one bank president talk to me, and that is all. He talked about good business practices. We have banking, insurance, and horse racing in here. We just passed a lottery bill which is going out before the public this fall. If this is passed, I imagine they will try to put the lottery bill in here, and it just doesn't seem to me that lottery, banking, horse racing and insurance go together.

Now, I appreciate the fact that there is a reorganization plan working, and I personally have found no fault with the other reorganization programs that have taken place, but I think all of us are to some extent perfectionists and we like to put things in order. But sometimes everything doesn't quite fit, and I think this attempt to get everything perfect reorganizationwise is just not practical.

I don't like this bill because I don't think the groups in it make for a sensible grouping, as has been said, and I certainly hope this bill does not pass.

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

Mr. ALDRICH: Mr. President and Members of the Senate: We have had some bills before this body this year concerning the possible legislation permitting banks to sell life insurance. Now, I am against this type of practice.

A bank should stick to banking, and an insurance company should stick to insurance, and I don't believe in the interwoven practices of banking and insurance. But this is not what we are dealing with here today. We are not talking about putting the banks together, the insurance companies together, or allowing or permitting any one of them to carry on functions that are not within their respective fields. We are talking about the reorganization of state government, and this is one of the last reorganization plans. I see no creditable reason to vote against it. Therefore, I would urge you to vote for the passage of this legislation. Thank you.

The PRESIDENT: The pending motion before the Senate is the enactment of Bill, An Act to Create the Department of Business Regulation, Senate Paper 350, Legislative Document 1102. A "Yes" vote will be in favor of final enactment of this bill in concurrence; a "No" vote will be opposed.

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Aldrich, Brennan, Cianchette, Clifford, Conley, Cox, Cummings, Cyr, Danton, Fortier, Greeley, Kelley, Marcotte, Minkowsky, Morrell, Richardson, Sewall, Speers, MacLeod.

NAYS: Senators Anderson, Berry, Fortier, Graffam, Huber, Joly, Katz, Peabody, Roberts, Schulten, Shute, Tanous, Wyman.

ABSENT: Senators, Hichens, Olfene.

A roll call was had.

Mr. Greeley of Waldo was granted leave to change his vote from "Yes" to "No".

17 Senators having voted in the affirmative, and 14 Senators having voted in the negative, with two Senators being absent, 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: The Chair recognizes the Senator from Cumberland, Senator Conley.

Mr. CONLEY: Mr. President, having voted on the prevailing side, I now move reconsideration.

The PRESIDENT: The Senator from Cumberland, Senator Conley, now moves that the Senate reconsider its action whereby this bill was passed to be enacted. As many Senators as are in favor of reconsideration will please say "Yea"; those opposed "No."

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

Joint Order

Out of order and under suspension of the rules, Mr. Danton of York presented the following order and moved its passage:

WHEREAS, the modern concept of monorail is being considered throughout the nation because of its inherent advantages of mass transportation; and

WHEREAS, a modern system of transportation between far distant points in Maine is badly needed to supplement existing means of travel; and

WHEREAS, the possibilities of constructing a monorail network to service the State should be studied and evaluated; now, therefore, be it

ORDERED, the House concurring, that the State Department of Transportation is authorized and directed to study the possibility of establishing a monorail network system to service the passenger needs of this State; and be it further

ORDERED, that the Department report the results of its findings and recommendations at the next special or regular session of the Legislature. (S. P. 701)

Which was Read and Passed.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Appropriating Funds to Provide Vocational Rehabilitation Services to Handicapped Persons. (L. D. 626)

On further motion by the same Senator, and under suspension of the rules, the Senate voted to reconsider its prior action whereby

the Bill was Passed to be Engrossed.

The same Senator then presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-284 was Read and Adopted and the Bill, as Amended, Passed to be engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Relating to Working Capital of the Bureau of Alcoholic Beverages. (L. D. 305)

On further motion by the same Senator, and under suspension of the rules, the Senate voted to reconsider its prior action whereby the Bill was Passed to be Engrossed.

The same Senator then presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-287 was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act to Authorize the Commissioner of Sea and Shore Fisheries to enter into an agreement to Lease the Land, Buildings and Facilities of the National Marine Fisheries Service Biological Laboratory at Boothbay Harbor. (L. D. 864)

On further motion by the same Senator, and under suspension of the rules, the Senate voted to reconsider its prior action whereby the Bill was Passed to be Engrossed.

On subsequent motion by the same Senator, the Senate voted to reconsider its prior action whereby House Amendment "A" was Adopted.

The same Senator then presented Senate Amendment "A" to House Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-285, to House Amendment "A" was Read and Adopted and House Amendment "A", as Amended by Senate Amendment "A" Thereto, was Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Relating to Community Based Services for the Mentally Retarded. (L. D. 674)

On further motion by the same Senator, and under suspension of the rules, the Senate voted to reconsider its prior action whereby the Bill was Passed to be Engrossed.

The same Senator then presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-286, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Appropriating Funds for Expansion and Improvement of the Biddeford Municipal Airport. (L. D. 1649)

On motion by Mr. Marcotte of York, and under suspension of the rules, the Senate voted to reconsider its prior action whereby the Bill was Passed to be Engrossed.

The same Senator then presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-288, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot, the Senate voted to take from the Special Appropriations Table the following:

An Act Establishing a State Tuition Equalization Fund for Maine Students Attending Maine Private Institutions of Higher Education. (L. D. 1225)

On motion by Mr. Speers of Kennebec, and under suspension of the rules, the Senate voted to reconsider its prior action whereby the Bill was Passed to be Engrossed.

Mr. Katz of Kennebec then moved that the Bill be tabled, pending Passage to be Engrossed.

On motion by Mr. Sewall of Penobscot a division was had. Three Senators having voted in the affirmative, and 25 Senators having voted in the negative, the motion to table did not prevail.

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

Mr. KATZ: Mr. President, I would like an opportunity to explain the implications of this amendment. There are two bills for student assistance before the Senate: One of them was offered in the other branch before an individual member of the Appropriations Committee. The other one came as a result of an interim study by a group, much of which was appointed by the Governor, to bring out a comprehensive program for the meeting of state student assistance needs. The other bill has been tabled until later in the session.

The other bill, which unfortunately I sponsored, had the unanimous vote of the Governor's interim commission, it had the unanimous support of every college president in the State of Maine, it had the unanimous support of every student assistance officer on every campus in the State of Maine. It was circulated and received the support from every student senate in the State of Maine, it was circulated and supported by the guidance people in all our secondary schools, it was

forwarded to the Education Commissioner of the state for a shakedown, and then to the student assistance people down at Princeton, where it was shaken down again, it was forwarded to our feds in Washington to be sure that it would qualify for matching federal dollars when appropriate, and this is the bill that we are going to be asked to kill a little later this afternoon.

During the session, it received the unanimous support of the Committee on Education. It was subsequently amended to include the Vietnam Veterans' Assistance, and at the level of funding suggested by the amendment of the Senator from Kennebec, Senator Speers, all the dollars would flow to Vietnam era veterans.

Now, I can understand that we would refuse to fund the program because of lack of money, but we are not talking about lack of money; we are talking about the choice of two courses to go. The bill which I support is a student assistance bill. It is for Maine youngsters and it follows them wherever they go for their post-secondary education, and it will make possible for many youngsters from low income and very, very modest income families to continue their education.

I don't predict to indicate to the members of this Senate that we have enough money to fund this bill, but what I am suggesting is that if we have \$10 to fund student assistance, or \$1,000 to fund student assistance, or \$100,000, this Senate has its choice of where to put the money.

Perhaps I am fighting windmills here today, but I suggest to you gentlemen that this is not a fight between members of Appropriations and the Committee on Education. I am here as a spokesman for a group that labored for one year to bring out the answer to student assistance needs. It has nothing to do with the bill in front of you that is being considered right at the moment.

I call to your attention the fact that of the eight bills that I sponsored this session six are on the Appropriations Table and are in the process of being killed. This

it not my bill; it is a bill of the Finnigan Commission, and I urge you to please save the context of that bill for student assistance. If you are interested in the maximum utilization of whatever precious resources we have, may I urge you to kill the bill in front of you and to fund the other one, whether you want to fund it for \$5, \$10, or \$100,000. I think otherwise we would have a travesty on assigning to a group of people a chore to do what is best for the State of Maine, and then in a moment of pique selecting some other vehicle that went to the Committee on Appropriations.

So with respect to the amendment being offered by my friend, and in this matter my colleague, the Senator from Kennebec, Senator Speers, I would urge you to defeat this amendment, to revive the other bill and put any dollars on it you want. One is a student assistance bill; the other is essentially a bill that will aid institutions, and I ask you to make a choice on that basis. I request a division on the motion to suspend the rules.

The PRESIDENT: The Chair would inform the Senator that the rules have been suspended and the Senate has reconsidered its action whereby this bill was passed to be engrossed. The bill is now in the status of being ready to be passed to be engrossed.

The Chair recognizes the Senator from Kennebec, Senator Speers.

Mr. SPEERS: Mr. President, I certainly do not wish to stand here now and make a choice between the two particular bills that are being discussed. My primary concern in this matter was from the beginning, and is now, to try to provide for an equalization of benefits of Vietnam War veterans with the benefits that were paid the veterans of World War II. The bill that I introduced would provide for subsidies to the Vietnam era veterans who wish to go on to higher education.

I am concerned that the bill has been caught up in the maneuverings of the two larger bills, but if one or the other of those two bills is going to pass, I am very much desirous of having some

funding available for Vietnam era veterans. That is precisely what the amendment which I am about to offer would do, and I certainly hope that this amendment will go onto this particular bill. Both of the bills will be up for enactment, will be before this body and the other body, and we can then make a choice between the two bills as to which of the two are the better bill, but I would certainly hope that, whichever bill is chosen, we will have funding for Vietnam era veterans. Therefore, I offer Senate Amendment "A" to this bill, under Filing No. S-289, and move its adoption.

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

Senate Amendment "A", Filing No. S-289 was Read.

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

Mr. KATZ: Mr. President, based on the representations of the Senator from Kennebec, Senator Speers, I shall support his amendment, in the hopes that a little later, either today or tomorrow morning, we will have both bills in front of us and I will have the opportunity for offering an amendment on the other bill. I would hope, on that basis, that the Senate would make its choice.

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

Senate Amendment "A" was Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down for concurrence.

The President laid before the Senate the matter tabled earlier in today's session by Mr. Sewall of Penobscot:

An Act Establishing the Maine State Student Incentive Grants Program. (L. D. 1758)

Pending — Motion by Mr. Speers of Kennebec to Reconsider Passage to be Engrossed.

Mr. Katz of Kennebec then moved that the matter be tabled

and Tomorrow Assigned, pending the motion by Mr. Speers of Kennebec to Reconsider.

On motion by Mr. Berry of Cumberland, a division was had. 10 Senators having voted in the affirmative, and 18 Senators having voted in the negative, the motion to table did not prevail.

Mr. Sewall of Penobscot then moved that the Bill and Accompanying Papers be Indefinitely Postponed.

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

Mr. KATZ: Mr. President and Members of the Senate: You will notice there is a very large price tag on this bill, but this is not the issue here because the price tag certainly is going to be very substantially reduced.

I take a personal interest in this bill because Maine has not had a student assistance program. We are almost unique among the states in not having a comprehensive program to help youngsters who can't afford to go on after high school. You will notice I am not talking in terms of college or universities; I am talking post-secondary education.

This bill has been about four years in the making. It represents an enormous amount of work by an awful lot of people who are extremely knowledgeable.

I realize that in the final days of the session there are some decisions that are made on who shall live and who shall die, but I suggest to you that this is the bill that I asked you to consider alongside of the other bill which we just debated. There are an awful lot or thousands of youngsters in the State of Maine who are going to be influenced by your decision today, and it is just too darn important to be decided on the basis of the decisions of the Appropriations Committee or of leadership. I ask you to consider the fact that we are not asking for any more money than leadership is willing to allocate. We are just talking in terms of how to spend it. And I ask you to delay final consideration of this bill until we can bring it along side by side

and we can paint the picture as to what each bill does.

In that event, I ask you to oppose the motion for indefinite postponement, and I think this is probably as important an education bill as there is in front of us for some thousands of youngsters and, on that basis, I will ask for a roll call.

The PRESIDENT: A roll call has been requested. The Chair recognizes the Senator from Penobscot, Senator Sewall.

Mr. SEWALL: Mr. President and Members of the Senate: Yesterday I read with a great deal of interest in one of the Portland papers that the good Senator from Kennebec, Senator Katz, in explaining the implications and the very many worthy points of L. D. 1994, which called for property tax reform, very nicely placed the albatross of funding this bill, together with many other worthy bills, on the back of the Appropriations Committee, and said it would be up to the Appropriations Committee to make judgments which would insure that this bill could be funded with available revenues.

We were fortunate, in the instance of L. D. 1758, to be given the opportunity to make this judgment a little earlier than maybe some of the next judgments we will have to make. There is a price tag on this measure of some \$5,070,000, and I would suggest to the members of this Senate that when it comes to a judgment as between \$5,070,000 and the bill which was previously amended by the good Senator from Kennebec, Senator Speers, which calls for some \$800,000 and, as far as I know, both bills would purport to do more or less the same thing and along the same avenues of help for students in the State of Maine, I think the answer is rather clear. So I do hope you will go along with me on my motion to indefinitely postpone this legislative document.

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

Mr. KATZ: Mr. President, the debate of the good Senator from

Penobscot, Senator Sewall, just won't do. It is not a choice between a \$5 million bill and an \$800,000 bill. I have never been able to find out the funding level of the \$800,000 bill. The amendment on the bill which I am supporting is going to bring the cost down to \$200,000 not \$800,000. It is not a question of being a spendthrift on the one hand, and saying that Appropriations has to be particularly effective in keeping costs down; actually this will save money. But the differences between the two bills are excitingly different. They are not about the same; they are about the same as night and day.

The bill which is being supported by leadership would fund student assistance for a select group of youngsters who want to go to a four-year college. And if this meets the needs of your constituents, you have got different kinds of constituents than I have.

The student incentive grant program which I am asking you to salvage gives money to youngsters for post-secondary education, including proprietary schools. If you have a youngster from a low income family on a welfare basis, who is trying to break the poverty cycle and wants to go to barber school, this bill will qualify. It is not just four-year colleges, but any kind of post-secondary education. And I say the distinction is so enormous as to warrant your attention. If you are interested in breaking thousands of youngsters out of the poverty cycle, youngsters who presently do not have any assistance, and will not get assistance under the bill supported by the Senator from Penobscot, Senator Sewall, then I say that you are backing the wrong bill. There is no difference in cost, except downward.

I am just asking for a fair day in court to present the other amendment which will scale the bill down to a believable size, and let you make up your mind on that basis.

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

Mr. MORRELL: Mr. President and Members of the Senate: With

all due respect to the Senator from Kennebec, Senator Katz, we are now late in the ballgame and we are expected to move this stuff along. The amendment has not been presented, it is not up for consideration, so in my opinion, I think we ought to go as the Senator from Penobscot suggests. The legislation is before us and I think we have to make the decisions now, as painful as they might be, and regardless of how much we might disagree with each item.

The PRESIDENT: The pending motion before the Senate is the motion of the Senator from Penobscot, Senator Sewall, that Bill, An Act Establishing the Maine State Student Incentive Grants Program, be indefinitely postponed. 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. 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 pending motion before the Senate is the motion of the Senator from Penobscot, Senator Sewall, that Legislative Document 1758, Bill, An Act Establishing the Maine State Student Incentive Grants Program, be indefinitely postponed. A "Yes" vote will be in favor of indefinite postponement; a "No" vote will be opposed.

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Aldrich, Anderson, Berry, Conley, Cox, Danton, Huber, Marcotte, Morrell, Peabody, Richardson, Sewall, Tanous, Wyman, MacLeod.

NAYS: Senators Brennan, Cianchette, Clifford, Cummings, Cyr, Fortier, Graffam, Greeley, Hichens, Joly, Katz, Kelley, Minkowsky, Roberts, Shute, Speers.

ABSENT: Senators Olfene, Schulten.

A roll call was had.

Mr. Berry of Cumberland was granted leave to change his vote from "Yes" to "No".

14 Senators having voted in the affirmative, and 17 Senators having voted in the negative, with two Senators being absent, the motion did not prevail.

Thereupon, on motion by Mr. Berry of Cumberland, tabled until later in today's session, pending the motion by Mr. Speers of Kennebec to Reconsider Passage to be Engrossed.

The President laid before the Senate the matter tabled earlier in today's session by Mr. Brennan of Cumberland:

An Act Appropriating Funds for Public Housing Authorities for Operating Subsidies. (L. D. 1821)

Pending — Enactment.

Thereupon, on motion by Mr. Sewall of Penobscot, retabled until later in today's session, pending Enactment.

The President laid before the Senate the matter tabled earlier in today's session by Mr. Sewall of Penobscot:

An Act Appropriating Funds to Expand Post-Secondary Educational Opportunities in Maine's Mid-coast, York County and Lewiston-Auburn Areas. (L. D. 1691)

Pending — Enactment.

Mr. Sewall of Penobscot moved that the Bill and Accompanying Papers be Indefinitely Postponed.

On motion by Mr. Clifford of Androscoggin, a division was had. 20 Senators having voted in the affirmative, and 10 Senators having voted in the negative, the Bill was Indefinitely Postponed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Sewall of Penobscot,
recessed pending the sound of the bell.

After Recess

Called to order by the President.

Papers from the House

Out of order and under suspension of the rules, the Senate voted to take up the following:

Enactors

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

An Act to Organize the Unorganized and Deorganized Territories of the State and to Provide for Management of the Public Reserved Lands. (H. P. 1382) (L. D. 1812)

(On motion by Mr. Richardson of Cumberland, tabled until later in today's session, pending Enactment.)

An Act Revising the Rate Tables of Tax Imposed on the Income of Individuals. (H. P. 835) (L. D. 1105)

(On motion by Mr. Berry of Cumberland, tabled, pending Enactment.)

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

Bill, "An Act Reforming the Administration of the Property Tax and Replacing the Tax on Inventories with an Increased Corporate Income Tax." (H. P. 1384) (L. D. 1862)

Tabled — June 26, 1973 by Senator Berry of Cumberland.

Pending — Assignment for Second Reading.

The Bill was then given its Second Reading.

On motion by Mr. Tanous of Penobscot, and under suspension of the rules, the Senate voted to reconsider its prior action whereby Committee Amendment "A" was Adopted and, on subsequent motion by the same Senator, Committee Amendment "A" was Indefinitely Postponed in concurrence.

The same Senator then presented Senate Amendment "B" and moved its Adoption.

Senate Amendment "B", Filing No. S-279 was Read.

The PRESIDENT: The Senator has the floor.

Mr. TANOUS: Mr. President and Members of the Senate: There was an error in Senate Amendment "B" and, rather than doing it over again, it was easier to prepare Senate Amendment "C", which I will offer if we adopt Senate Amendment "B", and I would like to read a statement which I have

prepared relative to the amendments on this bill. I also have made arrangements with my good friend, Senator Cox from Penobscot, in the event that my voice doesn't hold up to the end of this reading he will pick it up for me. It isn't a gravel voice that I have today. It is the result of water skiing over the weekend, and I picked up a slight case of laryngitis.

This amendment will achieve the intention of this bill to exempt inventories from municipal property tax. All segments of the business community will benefit from this change over a period of years: the retailers, the wholesalers, the manufacturers, the farmers, and the forest products industry.

The amendment provides for an additional state property tax for a period of three years on these inventory categories, after which they will be relieved of property tax. This state tax would be administered and the proceeds retained at the local level by the municipalities to offset in part any losses sustained by the municipalities. The amendment further provides that any losses in excess of the proceeds of this tax after the three-year period will be reimbursed to the municipalities by the state.

This amendment increases the corporate income tax by 5 per cent on the first \$25,000 of corporate taxable income, and 7 per cent on corporate taxable income in excess of \$25,000. This amounts to a 1 percent increase over and above the 2 percent over \$25,000 increase provided by L. D. 1920, which provides a sales tax exemption for new machinery and equipment. This additional 1 percent on the corporate tax has been agreed upon by the representatives of our major industries as a fair share of this program for the corporate tax.

Many of the businesses which will benefit operate a single proprietorship as partnerships and other non-corporate arrangements. These two bills taken together should do a great deal to create a healthy business image for the State of Maine and to stimulate

the growth and success of our existing businesses, large and small.

The State Tax Assessor estimates that the loss in general property revenue to municipalities from the exemptions provided in this act will amount to approximately \$15 million a year. It is further estimated that the state tax to be levied for the three-year period on such property, the proceeds of which are to be retained by the local communities, will be approximately \$13 million per year. It is further estimated that the net 1 percent increase in corporate income tax imposed by this act will produce in excess of \$2 million per year, or something more than the difference in property tax. It is estimated that more than 25,000 businesses in the State of Maine will benefit from the elimination of the inventory tax.

Taking the two corporate tax increases together, by 1977 we should realize an additional \$7 million per year. Assuming that the \$15 million figure on inventory would become profit, the state will receive a corporate tax of 7 percent of this profit, or an additional \$1,400,000. If this program is successful in stimulating business growth, there should be produced additional revenues to all of our state taxes which will greatly exceed the cost of this program.

These two bills, taken together, ought to make Maine an attractive state for business. If we can bring this about, we will be in a stronger position to require strong environmental controls and to attract those businesses which will produce well-paying jobs for our labor force, particularly our young people.

This legislation appears to be supported by all of the various segments of our business community. We have an opportunity here and now at this point to deliver on our promise to reform our business tax system. Mr. President, I move the adoption of Senate Amendment "B".

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

Mr. RICHARDSON: Mr. President and Members of the Senate: At the time that the state personal and corporate income tax was passed, there were those of us who were then members of the legislature who wanted very much to eliminate the sales and use tax on machinery used in manufacturing and to eliminate the inventory tax, both of which have been described by the Federal Reserve Bank of Boston as clearly regressive and contribute very significantly to our problems in Maine in attracting and retaining high quality industrial effort.

This bill, the inventory tax repeal, is an excellent piece of legislation, however, it contains in the statement of fact a statement with which I disagree personally, and I would ask the proponent of this amendment, or any other member who is knowledgeable, to explain to us exactly what the legislative intent is. On Page 4 of the amendment, which is under your Filing No. 279, the next to the last paragraph contains this statement: "The amendment further provides that any losses in excess of the proceeds of this tax or after the three-year period", and I presume that means any loss to an individual municipality after three years, "will be reimbursed to the municipalities by the state." Members of the Senate, I am very much opposed to that, if that is in fact what the amendment says. I don't think it says that, but I am very much opposed to continuing a dollar for dollar return to the affected municipalities after the three-year period, and I hope the proponent of this amendment will assure us that that is not his intent because, otherwise, I would find it very difficult to build into our system a dollar for dollar return to every municipality affected by repeal of the inventory tax to go on and on for the next 10, 15, 20 or 30 years. I would hope that this pay-back would continue only for a period of three years, after which we would go

to an established or perhaps newly defined and designed revenue sharing formula.

I would ask the Senator from Penobscot, Senator Tanous, to explain to the Senate what happens after three years? Are we going to continue reimbursing municipalities on the same dollar for dollar basis, or is it his intent that at that time the legislature would be free to establish such revenue sharing repayments as it thought appropriate?

The PRESIDENT: The Senator from Cumberland, Senator Richardson, has posed a question through the Chair which the Senator from Penobscot, Senator Tanous, may answer if he desires.

The Chair recognizes the Senator from Penobscot, Senator Tanous.

Mr. TANOUS: Mr. President and Members of the Senate: In reference to the question of my good friend, Senator Richardson from Cumberland, I am sure he is well aware, having been in the legislature for as many years as he has, that you can't commit future legislatures to any definite plan of payment or method of payment. This is my feeling in the statement of fact, that hopefully the legislature when this property tax — which, incidentally, is the only way we can repeal, in this manner, and do it so that it will take effect in three years — it is my hope at that time that the legislature, in its wisdom, will find some way to fund the communities with their losses. Now, they can do it through revenue sharing, or they can do it on a dollar for dollar basis, whichever method the legislature used, but we are certainly not binding that legislature in any way whatsoever, the next legislature, at that time.

I do have in my fiscal note though figures that we have arrived at with Mr. Johnson over at Taxation, that by 1977 the projected income from all areas related with the repeal of the inventory tax should amount to approximately \$10.4 million, which is a very substantial amount to fund the repeal of the inventory tax. I think that many of us are committed to repeal the inventory tax, and this is why you can't re-

peal it on the basis of a third every year for a period of three years. They have tried that, and it is unconstitutional. And last week it appeared that this bill was doomed for defeat, when I realized, from talking with some members of the Senate, people in favor of repeal of the tax, that rather than trying to put this off for the special session, I felt there was some way it could be done now. And we can do it by adopting this amendment.

Mr. President, I understand that I now have to present my Senate Amendment "C" before we adopt Senate Amendment "B". Is that correct?

The PRESIDENT: Now is the correct time to offer it.

Mr. Tanous of Penobscot then presented Senate Amendment "C" to Senate Amendment "B" and moved its Adoption.

Senate Amendment "C", Filing No. S-291, to Senate Amendment "B" was Read and Adopted.

The PRESIDENT: Is it now the pleasure of the Senate to adopt Senate Amendment "B" as amended by Senate Amendment "C" thereto?

The Chair recognizes the Senator from Oxford, Senator Fortier.

Mr. FORTIER: Mr. President, if permissible, I would like to ask a question of the good Senator from Penobscot through the Chair. I had thought that I was quite familiar with this bill, but I will admit that now they have got me completely confused. Do I understand that with these amendments here it incorporates both the sales tax exemption bill the inventory tax? It does not. We are simply talking about the inventory tax exemption.

I do believe that we should be very careful in analyzing this bill and realize what we are getting into. For the next three years, it is going to do practically nothing except possibly complicate somewhat the personal property tax assessment and collection. Instead of having it assessed by the municipalities and collected by the municipalities through a system of refund on the state inventory tax. So that we can say the first three years, for all practical purposes, this will be just wiped out.

Now, the good Senator from Penobscot has said that we could not obligate future legislatures. That point is very well taken. But we can put future legislatures into positions where they are practically boxed in and there isn't too much they can do about it.

Now, there are, as I see it, four things that could happen two years from now: You could continue that state inventory tax; you could repudiate it and go to the present system; you could let the property taxpayers assume the liability, which would probably be in the neighborhood, if we pass the sales tax exemption, in the neighborhood of between \$12 and \$13 million; or we could find some other way of funding it, which this year we have not been able to do. This is the fourth proposition that has been made on this bill. This particular method of financing never had a committee hearing, it never had a public hearing, it was presented time and time and time again under different phases, and they were all impractical.

In the first place, this removes from our tax base \$450 million of taxable property, and we all know how we have been working for years trying to broaden this base. And who is going to get the benefit from it? A very select group of private interests.

Now, they talk about the inequity of an inventory tax. I have been involved in this for better than 35 years, and I could not find half a dozen taxpayers over the entire state who will claim that their inventories are over-assessed. But for every one that you might find who might suggest that his inventory is over-assessed, I could find you hundreds of real estate taxpayers who feel sure that they are over-assessed.

Now, the corporations sponsoring this tell us that they are perfectly willing to pay on the profits rather than be assessed originally. I don't blame them for this a bit. How about our landlord owning apartment buildings? Wouldn't he much prefer to pay on the profits? I know he would. But you are not going to include him.

When you talk about inequities, they will tell you about inequities

between different municipalities. Don't you have exactly the same thing on real estate? And when you talk about inequities, how about the inequity of obsolescence on a home? How about the inequities of depreciation on a home and on real estate? These inequities are just as well founded and just as important as the inequities on this which they have claimed, but no one has ever presented anything definite in regard to what these inequities are.

This would cost probably in the neighborhood of between \$6 and \$7 million after you have increased the corporate tax among the high 25%. And we claim this is to create a better atmosphere for business? We are going to have an increase of 75% on our corporate income tax, and this creates a better atmosphere for business? For the first three years it has accomplished nothing at all. You simply put off the real problem until three years from now, hoping that the legislature at that time will be probably more intelligent that we are and better able to find the funding of this. We are putting these legislatures in the position where, if they don't do anything, then the one that is going to carry the burden is the real estate owner, the homeowner, and the individual who has rental property which we are trying to encourage. This is a ridiculous bill and I simply hope that you will turn down this amendment so that we can proceed with this bill on the merits, if it really has any.

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

Mr. WYMAN: Mr. President, your Taxation Committee worked on this bill for a long time and they came out with a version that met with no approval in the other branch. I think that taxes are unfair, they are always unfair, and you can't make them fair. As the good Senator said, this probably is an unfair tax, and other taxes are unfair, but I don't think two unfair taxes make a right one.

I think there is a chance to correct an unfair tax here and to make our industry more competitive with our neighboring states.

I think that we can talk about this, we can bring it back to the next legislature, we can talk and talk and talk, but I think it is time we tried to do something about it, so I certainly hope that this amendment and this bill prevails.

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

Mr. FORTIER: Mr. President and Members of the Senate: It has been mentioned that certain firms have been warehousing their property out-of-state due to this inventory tax and due to the fact that some of our neighbors do not have it. This was discussed all last summer on the tax structure committee, and to my knowledge, there has only been two firms who were ever definitely named that are warehousing out-of-state. There were three or four others who claimed they were contemplating it. That may be as it is, but even then, all firms who are either now warehousing or are contemplating warehousing out-of-state would certainly not come to half a dozen.

Now, it has been said also that we should do something for industry in this session of the legislature. That I am certainly in accord with, and that I believe we have already accomplished. For example, on L. D. 1994, which is already law, we have been told it would probably mean approximately a 20% reduction in our property taxes, which would affect the inventory tax and the equipment tax just as much as the real estate. We have L. D. 1997, which is presently on the Appropriations Table and which I sincerely hope will be enacted, which is the one that revised our Bureau of Taxation. This is the one that will make it mandatory eventually to have competent assessors that will be certified by the state. It will also provide for more expertise from our State Bureau of Taxation being at the disposition of our local assessors. Then, of course, there is L. D. 1920, which is still on the unassigned table, which provides for an exemption of the sales tax on machinery. I do believe that we have recognized the factor that we have an obligation toward business.

If we ever should enact 1920, together with this bill here, with the provisions in the amendments which are before you now, it would give us a corporation income tax of 9%, and there are only two states that have a higher one, and one other that has 9%. I do not believe that this is the aura which we want to create for business in the State of Maine.

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

Mr. KATZ: Mr. President, this is the first time I have ever contradicted my resident tax expert on a question of fact. It is my understanding that were this bill as amended to pass, in conjunction with all other legislation before us, the maximum corporate tax on those businesses who are fortunate enough to make substantial profits would be 7%.

I have long felt that the poll tax was the most miserable tax on our books, and it was kept there largely because of the insidious silence of the ladies of the state. Now that the poll tax is not of concern, I think the inventory tax is the worst one and I, for one, will support getting rid of it today.

The PRESIDENT: Is the Senate ready for the question?

The Chair recognizes the Senator from Cumberland, Senator Brennan.

Mr. BRENNAN: Mr. President and Members of the Senate: I am really reluctant after all these real experts have spoken on this, and I want to defer to their judgment.

Personally, I never thought it made a great deal of sense, the inventory tax. I prefer, again, the very simple concept of ability to pay, and I think we can use this with the inventory tax on the basis of profits. It makes some sense to me to switch into a corporate income tax increase.

However, I have some reservations in that a town can build a new shopping center, say, next year, and they in no way will be enhanced by that. At the same time, in some other city or town several shopping centers or several stores or several major warehouses can close down, and in no

way will their taxes be lessened. So in many senses, this is not really tax reform. I think we are moving in the right direction, I think we ought to get away from the inventory tax, but I have very, very strong reservations about this way of doing it. However, despite the reservations, I will go along with it.

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

Mr. CYR: Mr. President and Members of the Senate: It was said by one of my colleagues this morning that one of his constituents pleaded with him "Please, don't put on any more tax reform; we can't afford it." I think that is probably the statement that makes more sense than anything else I have heard so far.

I was all prepared on the original bill to state to you just what would happen to my community of Madawaska if this inventory tax was eliminated. We would have lost \$28,500 the first year, \$57,000 the second year, \$85,000 the third year, \$114,000 the fourth year, and so forth.

Now, I approach this subject, the new version of it, with mixed feelings. First of all, this bill only has a three-year life. We don't know what is going to happen after that. For the first three years, I think I probably could live with it. But the whole thing, to me, there is a philosophy here that we are missing. We are missing the point. I don't like the direction in which this is going. We have hardly any more tax base on the local level. The only thing we have left is the personal property tax and the property tax.

Now, if we eliminate this inventory tax, we have a very narrow base, which means that most of these communities eventually will probably have to depend for their revenues on the state or the federal government. Now, when 75 per cent of your revenues are from the state or the federal government, first of all, many communities are going to be lured into projects that they cannot afford on the assumption that "Why should we deny ourselves this?"

The state is going to pay 75 per cent of it."

The second argument: If 75 per cent or more of our revenues come from the state or the federal government, we are reducing ourselves to the position of a beggar. We will have to come down and beg to pay our expenses. That is the direction that I don't like. I will go along and grant that the inventory tax or stock tax is probably too high and should be reduced, the same as the property tax.

Now, we passed 1994 on the assumption that this would reduce the property taxes, and yet in today's paper, the KJ, there is an opinion page on the mini-buses for Augusta, and I will quote a few of the items in here. "We imagine city hall will argue that it is too expensive, a bus operation isn't going to succeed, it has failed in the past and there's no money available. That just isn't so. The primary question the city will raise is the expense and where the money is to come from. The Maine Legislature provided that answer recently when it approved an increase in the state subsidy for local education from 33 percent to 50 percent. It has been estimated that the average reduction in property taxes throughout Maine would be 12 per cent.

"The city's annual budget is now running more than \$7 million. A fleet of mini-buses, with drivers, insurance and maintenance, is not going to cost \$850,000-plus annually — 12 per cent of the total budget."

There we are, the ink is barely dry on 1994, and here is the capital city already scheming to spend that 2 per cent that is supposed to go to reduce property taxes. And the same thing is going to happen on your inventory tax.

Now, I predict that three years from now cities like mine, that have large inventories, that have a mill, will be losing out. And where are you going to recuperate your losses? I don't know — there is something that disturbs me about this bill. I have a gut feeling that just isn't right about it and, to me, to try to pass such an important piece of legislation at the eleventh hour, I think, is not

a responsible move. For that reason, I will vote against this bill.

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

Mr. MORRELL: Mr. President, I have a gut feeling that we are trying to tackle a very serious situation here. For years everybody has agreed that the inventory tax is applied to a certain type of business activity, and I think we agree that it is time to do something about it. It penalizes the large and particularly the small shopkeeper around the State of Maine, whether he makes a profit or not.

It seems to me it is very legitimate, even at this late hour, for us to attempt to do something on the part of small business, of which there are thousands around the State of Maine. I think we have to be concerned about them because they employ a good many more people than do the large corporations which might well benefit from the elimination of the sales tax on manufacturing equipment. Now, I am in favor of that, but I am equally and perhaps even more concerned about helping out the small businesses who do provide a lot of the wherewithal with which we fund the various programs.

Now, maybe this alternative isn't perfect, but I think it is an honest attempt on the part of those who have been involved in this area to try and do something. I hope we don't let ourselves be swayed by the rhetoric that says the communities are going to be hurt. We are attempting to do things here in this session for people and for communities, and I think this does a little bit toward putting some of the money back in the bucket.

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

Mr. CLIFFORD: Mr. President, I am going to vote for the amendment because I feel that if the inventory tax passes it should pass with this amendment on it because at least for a period of three years the communities are held free. However, I disagree with the good Senator from Cumberland, Senator Richardson. I think that there is

an obligation, when you are taking away a substantial amount of a municipality's revenue, on the part of the legislature to insure that those communities are held free. But I think that the debate should come really, not on the amendments, but rather on the bill itself when the amendments are put on.

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

Mr. FORTIER: Mr. President, the reflection has been made here that we should deplore the situation of the inventory taxpayer. I deplore the situation of every taxpayer. But before we take a vote, there is just one item I would like to bring to your attention, and that is the fact that the inventory owner causes exactly the same cost to the municipality as the real estate owner. He requires police protection, he requires fire protection, he requires traffic control, and a good many other services which are precipitated on that account. I would also call to your attention that the inventory owners are not asking for a fair adjustment of their tax; they are asking for a give-away, a complete exemption from the tax, which I am very much afraid eventually will have to be absorbed by the other property owners.

Mr. President, I ask for a roll call.

The PRESIDENT: A roll call has been requested.

The Chair recognizes the Senator from Cumberland, Senator Morrell.

Mr. MORRELL: Mr. President, I am sorry to take issue with my good friend, Senator Fortier, and I mean that. I respect him a great deal for many things other than his logic on taxation, which I admire. However, I would remind him that the people who are asking for some relief from the inventory tax are, I am sure, in every instance paying their share of the real estate tax, the property tax. So I don't think they are asking to be exempted from anything that anybody else isn't. He is just asking that he be treated equally with lawyers, doctors, and all kinds of professional activities. This merely

hits the small businessman who, by the nature of his business, has to stock goods and those are taxed. I think that is the kind of inequity he is asking relief from.

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

Mr. BERRY: Mr. President, I would like to wholeheartedly support the concept of this legislation and the amendments. At the same time, I call to the attention of the members of this Senate that we are also talking about the bill which will take the sales tax off the new equipment, another bill that is on the table. We are talking about both of them together.

I think if we want to continue to operate the State of Maine in a horse and buggy era, you can vote against this bill. If you want to do something for the state to put it somewhere along the road like the State of Florida, where they have no personal property tax or inventory tax, and no income tax, that this is a step in that direction. One reason Florida is in this position, in addition to its climate, is that they have got a very favorable attitude there that encourages growth.

We have done a lot of things here at the legislature, not only at this one but at past ones, to inhibit growth, to make it very hard not only to stay in business but to make it very hard to get in business.

Now, this particular tax is no nebulous thing. This affects every one of us. Any of you who are in the food business, any one of you who are in the construction business, any one of you who buy anything — I care not whether it be at the retail level or the wholesale level — are affected by this bill. I give you a very simple example: the day before the inventory is assessed in the warehouse, it is to your advantage as an inventory owner to keep your inventory as low as it is humanly possible to do, and your owners of inventory do this. They don't only do it the day before, but they are not going to get caught, they are going to do it a month before. And the smart ones are going to

do it even more than that, so they won't even have advance invoices in their books to be checked, as well as not taking any chance of having the material itself in their warehouse. So you want to go and you want to buy something to build a bridge, or to put on your table in your restaurant, or perhaps even to build a home, you can't get it because the warehouse operator is smart enough not to carry it in inventory. It is as simple as that, just exactly as simple as that. If you are a paper mill and you want to buy a particular valve that costs quite a lot of money, and you wanted to buy it from your Portland warehouse on the day before April 1st, you just can't do it because they are good operators and they are not going to do it.

So I am unimpressed by all this talk about rhetoric and what we are doing as far as local taxes go, and so forth. If you want something that is progressive for the State of Maine, to put us in the main stream of business, I would suggest you go whole hog for this bill, as well as for the other one, exempting new processing equipment from the sales tax.

The PRESIDENT: The pending question before the Senate is the adoption of Senate Amendment "B" as amended by Senate Amendment "C" thereto. 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 pending motion before the Senate is the adoption of Senate Amendment "B" as amended by Senate Amendment "C" thereto. A "Yes" vote will be in favor of the adoption of the amendment; a "No" vote will be opposed.

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Aldrich, Anderson, Berry, Brennan, Cianchette, Clifford, Conley, Cox, Cummings, Cyr, Danton, Graham, Greeley, Hichens, Joly, Katz, Kel-

ley, Marcotte, Minkowsky, Morrell, Peabody, Richardson, Roberts, Schulten, Sewall, Shute, Speers, Tanous, Wyman, MacLeod.

NAYS: Senators Fortier, Huber.

ABSENT: Senator Olfene.

A roll call was had. 30 Senators having voted in the affirmative, and two Senators having voted in the negative, with one Senator being absent, Senate Amendment "B", as Amended by Senate Amendment "C" Thereto, was Adopted.

Mr. Cyr of Aroostook then moved that the Bill and Accompanying Papers be Indefinitely Postponed.

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

Mr. TANOUS: Mr. President, I oppose the motion and I would ask for a division.

The PRESIDENT: A division has been requested.

The Chair recognizes the Senator from Androscoggin, Senator Clifford.

Mr. CLIFFORD: Mr. President and Members of the Senate: I voted for the amendment because I think that if the bill is going to pass the amendment should be as it is, and the communities which lose the income should be reimbursed. But I am going to vote against the bill because I do think that it is fairly irresponsible to be funding this bill and three years from now the legislature is going to have to find the funds to reimburse the communities. I think the communities should definitely be reimbursed because there is a connection between the tax collected and the services rendered, especially now with the growth of the shopping centers, and the cities have spent literally millions of dollars for water and sewer connections and other utilities in connecting these shopping centers up. The shopping centers, most of the stores of which are owned by out-of-state corporations, are the ones that are being hit fairly hard by the inventory tax.

Also, in answer to the good Senator from Cumberland, Senator Berry, as to the communities which hide their inventory, I think with the passage of the bill called "The Emery Bill", when we are

going to have professional assessments, I think you are going to find an improvement as far as the assessments are concerned. I think in the larger communities with the more sophisticated assessing practices, that they assess on an average of the year rather than technically on April 1st, and I don't think that really is a problem.

But I do think that what you have here is the cities outlaying a tremendous amount of money, in the millions of dollars, where they are not going to be reimbursed for it. They are going to be held free from this year's tax rate, so all the inventory tax which was the result of construction going on this year and in future years will not be given back to those communities, although those communities are paying substantial money for water and sewer and utility connections, police protection and fire protection for those shopping centers. I think that what the future legislatures are going to face is a problem of substantial proportions, that is, funding this.

You have already got an indication of one of the supporters of this that as far as he is concerned he is against the hold free concept to these communities which lose. Well, I am against his being against the hold free concept because I think that the larger communities which have outlaid tremendous amounts of money in these areas are going to be the big losers, and because they are going to be the big losers their property taxpayers are going to be the real losers because their money is going to have to be made up with their property taxes. Therefore, I would support the motion of the good Senator from Aroostook, Senator Cyr, that this bill be indefinitely postponed. Thank you.

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

Mr. RICHARDSON: Mr. President and Members of the Senate: I am opposed to the motion to indefinitely postpone. In listening to the Senator from Androscoggin, Senator Clifford, I got the distinct impression that he was talking

about me when he was describing someone here in the Senate as being opposed to hold free, which I am going to interpret as being a hold harmless agreement.

My quarrel is with returning lost inventory tax revenues to the municipalities on a dollar for dollar basis on and on and on into the future. We are already doing quite well by Maine communities, at least many of them. Or at least the sponsors of several bills we have passed have taken considerable time to tell us about what marvelous things we were doing for the property tax and other things. But my quarrel is with perpetuating what I consider a basically unfair situation, where a community happens to have located within its borders a substantial warehousing facility and derives substantial tax revenues from that enterprise, whereas neighboring communities which support that enterprise don't derive those tax revenues. I would draw an analogy between this situation and the situation with respect to the Central Maine Power Company locating a plant on, let's say, Cousins Island in Yarmouth, and although ratepayers of that facility who are supporting it are all over southern Maine, the Town of Yarmouth benefits exclusively from the real property tax that is generated by that facility.

This bill and this amendment does not obligate the state, as far as I am concerned, to repay on a dollar for dollar, one for one basis those communities after the expiration of three years, and that, Senator Clifford and members of the Senate, is exactly where I want it.

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

Mr. WYMAN: Mr. President and Members of the Senate: We talk about shopping centers as though the real property and the inventory were both going to be exempt. But if I understand the bill correctly, the municipality will still collect the money on the shopping center, and it will be only the inventory that will be exempt.

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

Mr. TANOUS: Mr. President and Members of the Senate: First of all, I want to thank all of you who spoke in favor of the amendments and the bill. As I mentioned, I have a bad case of laryngitis, and I would like to have answered all of the arguments against the amendments and the bill.

First of all, I want to straighten out a point that was brought up by my good friend, Senator Fortier from Oxford. There is some relationship of one of the amendments with L. D. 1920. There are two sections of the bill which deals with assessment of taxes, and it is effective 91 days after L. D. 1920, which is 90 days after the legislature adjourns, because it deals with the two same sections. Other than that, it has no real bearing on it, except in this bill we do go to 5 per cent and 7 per cent, as 1920 also changes, but ours will supersede that one in answer to the taxation problems on both. So it does have that relationship.

Secondly, as far as revenue is concerned, in referring to Senator Clifford's remarks, Mr. Johnson over in Taxation, with a group of people interested in this bill, went over it very carefully. The projected income at the state level will be in the area of \$10,400,000. We will require approximately \$4½ million of funding three years from now on the state level for purposes of answering the present status of the inventory tax that the towns collect.

I do agree with Senator Richardson from Cumberland in that I don't think we should commit that legislature to fund the communities back dollar for dollar. I feel it ought to be done at that time by the wisdom of that legislature and perhaps on a revenue sharing basis.

What Senator Berry from Cumberland mentioned relative to the big industries or big warehouses, he is 100 per cent correct, because when I was going through law school I worked for a warehouse here in the State of Maine, and

during the months of February and March all they did at these warehouses was reduce their stock right down to nothing for the April 1st deadline date. But the small storeowner in your neighborhood wasn't able to do this. He had to keep the stock to keep the people happy in his neighborhood. The big boys, the ones who could afford to, reduced their stock to almost nothing for April 1st, and therefore escaped a major part of your inventory tax.

It is inequitable in a lot of ways, and I could go on and on and on and tell you of the inequities of the inventory tax. These people, the storeowners, for instance, use their profit to dump back into the inventory, on which they pay an income tax, upon which they pay an inventory tax, and it is tax upon tax upon tax. One of the most inequitable things, next to the poll tax, as I mentioned last week, we repealed in this legislature was the alienation of affections law in our statutes, which was good. Following that, we repealed the poll tax, so those were two bills we repealed which I am thankful for, and now, hopefully, we will repeal the third.

Also, Mr. President, I would ask for a roll call on the motion.

The PRESIDENT: A roll call has been requested. The pending motion before the Senate is the motion of the Senator from Aroostook, Senator Cyr, that Bill, "An Act Reforming the Administration of the Property Tax and Replacing the Tax on Inventories with an Increased Corporate Income Tax," be indefinitely postponed.

The Chair recognizes the Senator from Aroostook, Senator Cyr.

Mr. CYR: Mr. President, I would like to ask a question through the Chair of the good Senator from Penobscot, Senator Tanous. This corporate tax which will be returned to the communities, will it be the corporate tax collected within that community or will it be just a state fund, the general fund?

The PRESIDENT: The Senator from Aroostook, Senator Cyr, has posed a question through the Chair which the Senator from Penobscot may answer if he desires.

The Chair recognizes the Senator from Penobscot, Senator Tanous.

Mr. TANOUS: Mr. President and Members of the Senate: During the period of three years, under this amendment, there isn't one community that is going to lose a penny, based on their April 1, 1973 assessment. They may get more out of this, but no community will lose out, and this is partly funded under the increase in the corporate tax.

The PRESIDENT: The pending motion before the Senate is the motion of the Senator from Aroostook, Senator Cyr, that Legislative Document 1862 be indefinitely postponed. A roll call has been requested.

The Chair recognizes the Senator from Oxford, Senator Fortier.

Mr. FORTIER: Mr. President, I do not wish to prolong this discussion, but I believe that the good Senator from Penobscot has said that if we should pass 1920, the increase in corporate tax, that one bill would supersede the other so as to keep the maximum corporate tax at 7%. So if you pass both bills, your maximum corporate tax is 7%, then your loss is not \$15 million, but your loss is \$19 million; 15 under one bill and four under the other. I simply wanted to make this a matter of record.

The PRESIDENT: A roll call has been requested. In order for the Chair to order a roll call, under the Constitution, it requires the affirmative vote of a least 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 pending motion before the Senate is the motion of the Senator from Aroostook, Senator Cyr, that Bill, "An Act Reforming the Administration of the Property Tax and Replacing the Tax on Inventories with an Increased Corporate Income Tax", be indefinitely postponed. A "Yes" vote will be in favor of indefinite postponement; a "No" vote will be opposed.

The Secretary will call the roll.

ROLL CALL

YEAS: Senators Clifford, Cyr, Fortier, Huber, Minkowsky.

NAY: Senators Aldrich, Anderson, Berry, Brennan, Cianchette, Conley, Cox, Cummings, Danton, Graffam, Greeley, Hichens, Joly, Katz, Kelley, Marcotte, Morrell, Peabody, Richardson, Roberts, Schulten, Sewall, Shute, Speers, Tanous, Wyman, MacLeod.

ABSENT: Senator Olfene.

A roll call was had. Five Senators having voted in the affirmative, and 27 Senators having voted in the negative, with one Senator being absent, the motion did not prevail.

Thereupon, the Bill, as Amended, was Passed to be Engrossed in non-concurrence and, under suspension of the rules, sent down forthwith for concurrence.

The President laid before the Senate the matter tabled earlier in today's session by Mr. Berry of Cumberland:

An Act Establishing the Maine State Student Incentive Grants Program. (L. D. 1758)

Pending — Motion by Mr. Speers of Kennebec to Reconsider.

Thereupon, under suspension of the rules, the Senate voted to Reconsider Passage to be Engrossed.

Mr. Katz of Kennebec then presented Senate Amendment "C" and moved its Adoption.

Senate Amendment "C", Filing No. S-290, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

The President laid before the Senate the matter tabled earlier in today's session by Mr. Sewall of Penobscot:

An Act Appropriating Funds for Public Housing Authorities for Operating Subsidies. (L. D. 1821)

Pending — Enactment.

Mr. Sewall of Penobscot then moved that the Bill and Accompanying Papers be Indefinitely Postponed.

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

Mr. BRENNAN: Mr. President, I oppose that motion. I am not sure we discussed that bill. I understand there was going to be some discussion among leadership in reference to whether or not that would be funded, but at any rate, we are here on the merits in reference to it.

As I understand it, because the federal government over the past year or so has been somewhat reluctant to assist public housing, public housing in the State of Maine has found itself in somewhat dire straits. Now this bill, I think, calls for \$103,000 to assist public housing agencies, and what it would do, in effect, in a situation where say a welfare mother or somebody receiving ADC lives in a public housing project, and the maximum the public housing authority or the people running it can charge is 25 per cent of their income — for example: If some woman has \$98 a month in ADC, the most the public housing authority can charge is \$23.50 for rent. If this bill passes, an effort could be made to add to that some \$10.

Frankly, I think it is also geared at deterring urban blight. What will happen now, since the public housing authorities won't get that assistance, is that some of these houses will not be maintained the way they should be. Frankly, I think it is a measure that makes an awful lot of sense. Again, if we are seriously interested in public housing in this state, and I think we ought to be, or if we are seriously interested in helping the people that need some help, I don't think this is the proper type bill to try to kill.

I would strongly urge you to vote against the motion of the good Senator from Penobscot, Senator Sewall, and I would ask for a roll call.

The PRESIDENT: A roll call has been requested.

The Chair recognizes the Senator from Cumberland, Senator Berry.

Thereupon, on motion by Mr. Berry of Cumberland, tabled, pending the motion by Mr. Sewall of Penobscot that the bill be Indefinitely Postponed.

The President laid before the Senate the matter tabled earlier in today's session by Mr. Richardson of Cumberland:

An Act to Organize the Unorganized and Deorganized Territories of the State and to Provide for Management of the Public Reserve Lands. (L. D. 1812)

Pending — Enactment.

Thereupon, on motion by Mr. Berry of Cumberland, retabled, pending Enactment.

Papers from the House

Out of order and under suspension of the rules, the Senate voted to take up the following:

Communications

STATE OF MAINE

House of Representatives

Augusta, Maine 04330

July 2, 1973

Hon. Harry N. Starbranch

Secretary of the Senate

106th Legislature

Dear Sir:

The Governor having returned to the House: Bill "An Act Revising the Reorganization of the Department of Manpower Affairs" (H. P. 1613) (L. D. 2030) together with his objections to same, the House proceeded to vote on the question: Shall the Bill become a law notwithstanding the objections of the Governor?

According to the provisions of the Constitution, a yea and nay vote was taken. Voting in the affirmative were 70 and voting in the negative were 56; accordingly, the veto was sustained.

Respectfully,

Signed:

E. LOUISE LINCOLN

Clerk

House of Representatives

Which was Read.

The PRESIDENT: Is it now the pleasure of the Senate that this communication be placed on file?

The Chair recognizes the Senator from Kennebec, Senator Speers.

Mr. SPEERS: Mr. President, before this communication is placed in the legislative files, I would like to register my disappointment in the fact that this bill has been returned to the legislature with a gubernatorial veto.

This particular bill was referred to the Committee on State Govern-

ment and, indeed, was introduced into the legislature in an attempt to alleviate a dire situation which now exists in the Department of Manpower Affairs. I think we all know of the roadblock that exists in the current situation, the very difficult situation that does exist in the current department in trying to administer the affairs of the department, and in particular the Employment Security Commission.

This particular bill, as I mentioned, was referred to the Committee on State Government, and we worked very hard on this particular issue trying to find some way to break the log jam and come up with some kind of a solution to relieve the situation that now exists.

We passed this particular bill which would have removed the Commissioner of Manpower Affairs from being the chairman of the Employment Security Commission as well, which is the situation as it now exists under the law and which is creating the problems that we have in that department. I know this is not the solution that many would have desired, but it was the solution that the committee unanimously decided upon and that the legislature had accepted. I am very sorry to see that the Governor has elected to retain the stagnation that exists at the present time rather than accepting this solution that we had all hoped would break that log jam.

The PRESIDENT: Is it now the pleasure of the Senate that this communication be placed on file?

Thereupon, the Communication was Ordered Placed on File.

Order

On motion by Mr. Berry of Cumberland,

ORDERED, that Sergeant Roger E. Drake, Security Officer of the Senate, be and hereby is authorized to attend the Security Seminar to be conducted by the Association of Police Chiefs in Hartford, Connecticut; and be it further

ORDERED, that the said Roger E. Drake be allowed his necessary expenses, including seminar fees, if any.

Which was Read and Passed.

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

Resolution, Proposing an Amendment to the Constitution to Provide for Annual Sessions of the Legislature and to Limit the Matters which May be Considered in the Second Regular Session; to Provide for Single Member Districts in the House of Representatives; to Provide for Reduction of the Number of Representatives and Reapportionment of the House of Representatives and the Senate in 1983; to Establish an Apportionment Commission to Plan for all Reapportionments of the House of Representatives and Senate; to Abolish the Executive Council and Reassign Certain Constitutional Powers to a Council of Confirmation; and to Provide that Oaths and Subscriptions of Office of the Governor shall be Taken before the Chief Justice of the Supreme Judicial Court. (S. P. 673) (L. D. 2040)

Tabled — June 29, 1973 by Senator Berry of Cumberland.

Pending — Final Passage.

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

Mr. BERRY: Mr. President and Members of the Senate: It is my purpose to offer an amendment a little bit later as soon as it is ready, but in order to save a little time, I would like to suspend the rules and reconsider our action whereby this bill was passed to be engrossed.

The PRESIDENT: The Senator from Cumberland, Senator Berry, moves that under suspension of the rules the Senate reconsider its action whereby this bill was passed to be engrossed. Is this the pleasure of the Senate?

The motion prevailed.

On further motion by the same Senator, the Senate voted to reconsider its prior action whereby Senate Amendment "B" was Adopted and, on subsequent motion by the same Senator, Senate Amendment "B" was Indefinitely Postponed.

Thereupon, on further motion by the same Senator, tabled, pending Passage to be Engrossed.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

An Act Providing for a Study to Determine the Feasibility and Location of a New Bridge across the Penobscot River. (L. D. 307)

The PRESIDENT: The Senator has the floor.

Mr. GREELEY: Mr. President, for the purpose of offering an amendment which would correct an error in the bill, I move we reconsider our action whereby this bill was passed to be engrossed.

The PRESIDENT: The same Senator now moves that under suspension of the rules the Senate reconsider its action whereby this bill was passed to be engrossed. Is this the pleasure of the Senate?

The motion prevailed.

The same Senator then presented Senate Amendment "A" and moved its Adoption.

Senate Amendment "A", Filing No. S-292, was Read and Adopted and the Bill, as Amended, Passed to be Engrossed in non-concurrence.

Thereupon, under suspension of the rules, sent down forthwith for concurrence.

On motion by Mr. Greeley of Waldo, the Senate voted to take from the Special Highway Appropriation Table the following:

An Act to Amend the Snowmobile Laws. (L. D. 1039)

An Act Increasing State Aid for the Construction of Highways. (L. D. 1173)

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

On motion by Mr. Sewall of Penobscot,
adjourned until 9:00 tomorrow morning.