

# MAINE STATE LEGISLATURE

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**LEGISLATIVE RECORD**

**OF THE**

***One Hundred and Ninth***

***Legislature***

**OF THE**

**STATE OF MAINE**

**SECOND REGULAR SESSION**

**January 2 to April 3, 1980**

**THIRD SPECIAL SESSION**

**May 22, 1980**

**THIRD CONFIRMATION SESSION**

**July 17, 1980**

**FOURTH CONFIRMATION SESSION**

**July 24, 1980**

**FIFTH CONFIRMATION SESSION**

**September 12, 1980**

**REPORT, HEARING TRANSCRIPT AND  
RELATED MEMORANDA OF THE JOINT  
SELECT COMMITTEE ON INDIAN LAND  
CLAIMS**

## HOUSE

Tuesday, March 25, 1980

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

Prayer by Father Albert Colpitts of St. Mary's Church, Augusta.

Father COLPITTS: Let us bow our heads in prayer. God, our Father, you are the creator of origin of all that we are and all that we are called to be. With the talents and opportunities we have, how may we serve you best and the people we represent? Please guide our hearts and minds; let us open ourselves to the needs of our state and help us to choose wisely and practically and for all the good of all those whose lives we touch. Throughout this day, may your mercy be our defense, your praise our gladness, your word the treasurer of our hearts; let your blessing descend on each of our actions. Let it accompany us and help us reach that great morning which knows no night when we will praise your love unceasingly, through Jesus Christ, our Savior and Brother, in unity of the love of the Holy Spirit for ever and ever.

The journal of yesterday was read and approved.

**Papers from the Senate  
Non-Concurrent Matter  
Tabled Unassigned**

Joint Order relative to Creating a Joint Select Committee on the Regulation of Foreign Trucking Companies (H. P. 1958) which was Read and Passed in the House on March 14, 1980.

Came from the Senate Read and Passed as amended by Senate Amendment "A" (S-491) in non-concurrence.

In the House: On motion of Mrs. Mitchell of Vassalboro, tabled unassigned pending further consideration.

**Messages and Documents**

The following Communication:

March 21, 1980

The Honorable John Martin  
Speaker of the House of Representatives  
State House

Augusta, Maine 04333

Dear Speaker Martin:

The Committee on Local and County Government is pleased to report that it has completed all business placed before it by the second regular session of the 109th Maine Legislature.

Total Number of Bills: 8

Unanimous Reports 7

Ought to Pass 1

Ought to Pass as Amended 4

Leave to Withdraw 2

Ought Not to Pass 0

Divided Reports 1

Respectfully yours,

S/NORMAN LaPLANTE

House Chairman

The Communication was read and ordered placed on file.

The following Communication:

March 21, 1980

The Honorable John Martin  
Speaker of the House of Representatives  
State House

Augusta, Maine 04333

Dear Speaker Martin:

The Committee on Aging, Retirement and Veterans is pleased to report that it has completed all business placed before it by the Second Regular Session of the 109th Legislature.

Bills received in Committee 7

Unanimous Reports 5

Ought to Pass 0

Ought Not to Pass 0

Leave to Withdraw 1

Ought to Pass as Amended 4

Ought to Pass in New Draft 0

**Divided Reports**

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Sincerely,  
S/Representative MERLE NELSON

House Chairman

The Communication was read and ordered placed on file.

**Orders**

**Tabled Unassigned**

On motion of Mrs. Prescott of Hampden, the following Joint Order (H. P. 2032) (Cosponsors: Mrs. MacBride of Presque Isle, Mr. Brennerman of Portland and Mr. Matthews of Caribou)

WHEREAS, dental disease has been identified in numerous statewide health plans as one of the most pervasive health problems existing in Maine; and

WHEREAS, diseases of the teeth and oral tissues are largely preventable, and such prevention can be accomplished in an extremely effective manner, particularly among the younger members of the state's population; and

WHEREAS, some dental health programs which combine resources in both the public and private sectors have been passed in previous sessions of the Legislature; and

WHEREAS, there is a need to evaluate the continued effectiveness of these programs and to determine specific types of problems and their incidence of all areas of the State; and

WHEREAS, a statewide study of dental needs has never been conducted in Maine; now, therefore, be it

ORDERED, the Senate concurring, that the Maine Dental Health Council, an organization created by the 107th Legislature in 1975, evaluate current dental health programs, enumerate existing dental health problems and recommend methods of correcting these problems, and continuing or modifying these programs; and be it further

ORDERED, that this study be accomplished at no cost to the Legislature through utilization of the Office of Dental Health in the Department of Human Services; and be it further

ORDERED, that the Maine Dental Health Council report its recommendations, to the Joint Standing Committee on Health and Institutional Services of the 110th Legislature no later than January 31, 1981; and be it further

ORDERED, that the members of the committee be kept informed of and participate in the progress of the study and that the committee make a full report to the 110th Legislature.

The Order was read.

On motion of Mrs. Mitchell of Vassalboro, tabled unassigned pending passage.

**Special Sentiment Calendar**

In accordance with House Rule 56, the following items (Expressions of Legislative Sentiment) Recognizing,

The Caribou High School Boy's Basketball Team, winner of the Sportsmanship Award at the 1979-80 Eastern Maine Class A tournament (H. P. 2029) by Mr. Peterson of Caribou. (Cosponsors: Mr. Matthews of Caribou and Senator McBreairey of Aroostook)

Evelyn Young, who is retiring as Town Clerk of Newburgh, after serving with tireless dedication from 1972-1979; (H. P. 2033) by Mrs. Prescott of Hampden. (Cosponsor: Senator Emerson of Penobscot)

The oldest resident of Dixmont, Mrs. Merle Braley, who has received the Gold Cane Award at age 94, (H. P. 2034) by Mrs. Prescott of Hampden. (Cosponsor: Senator Emerson of Penobscot)

In Memory of:

The Honorable Raymond J. Spruce, of Milford, member of the 82nd Legislature; (H. P. 2035) by Mr. Norris of Brewer. (Cosponsors: Mr. Pearson of Old Town, Mr. Davies of Orono and Senator Devoe of Penobscot)

There being no objections, these Expressions of Legislative Sentiment were considered

passed or adopted and sent up for concurrence.

**House Reports of Committees  
Ought to Pass with  
Committee Amendment**

Mr. Brennerman from the Committee on Taxation on Bill "An Act to Provide a State Income Tax Credit for Installation of Renewable Energy Systems" (H. P. 1770) (L. D. 1900) reporting "Ought to Pass" as amended by Committee Amendment "A" (H-972)

Report was read and accepted and the Bill read once. Committee Amendment "A" was read and adopted and the Bill assigned for second reading later in today's session.

The following paper appearing on Supplement No. 1 was taken up out of order by unanimous consent:

**Divided Report**

Ten Members of the Committee on Taxation on Bill "An Act to Exempt from Maine Income Tax Interest Earned on Accounts in Maine Financial Institutions" (H. P. 1722) (L. D. 1826) report in Report "A" that the same "Ought to Pass" as amended by Committee Amendment "A" (H-973)

Report was signed by the following members:

Mr. CHAPMAN of Sagadahoc

Ms. CLARK of Cumberland

Mr. TEAGUE of Somerset

— of the Senate.

Messrs: CARTER of Bangor

COX of Brewer

IMMONEN of West Paris

TWITCHELL of Norway

Mrs. POST of Owl's Head

Messrs: LEONARD of Woolwich

WOOD of Sanford

— of the House.

Two Members of the same Committee on same Bill report in Report "B" that the same "Ought to Pass" as amended by Committee Amendment "B" (H-974)

Report was signed by the following members:

Messrs. BRENERMAN of Portland

KANE of South Portland

— of the House.

One Member of the same Committee on same Bill reports in Report "C" that the same "Ought Not to Pass"

Report was signed by the following member:

Mr. MARSHALL of Millinocket

— of the House.

Reports were read.

The SPEAKER: The Chair recognizes the gentlewoman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, I move acceptance of the Majority "Ought to Pass" Report "A".

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

Mr. BRENERMAN: Mr. Speaker, Members of the House: This is one of the few times that the Committee on Taxation has differed in its opinion of how a bill should be phrased. In this case, two of us, the gentleman from South Portland, Mr. Kane, and myself, feel that the way the bill is phrased now is not fair and before I tell you the difference between the two reports, I think you should understand a couple of factors about the bill. One is that an average couple would have to have a lot of money in a savings account to get a maximum benefit from this bill, and the maximum benefit would be probably about \$40, and that would be for the people with the highest incomes. So, the average tax break on this bill would probably be about \$10.

The difference between the two bills, the two reports, is that the Majority "Ought to Pass" Report includes an increase in the amount that a person can get as an exemption for dividends, plus the interest that they can get from savings or any type of savings accounts.

Mr. Kane and I feel that we should not increase the amount that a person gets from dividends as an exemption—I should explain

that. The exemption for dividends is already \$100. This would allow a person to take up to \$200 and a couple to take up to \$400. It would allow people to take a combination of dividends and interest as an exemption.

We feel that if the public wants to get maximum benefits from this bill, and most people don't have their money in stocks, then we should vote for Report "B", which would allow people to take \$200, if it is an individual, or \$400 for a couple, for interest on their savings account only. We don't feel that there should be any increase in the amount of the exemption that people get for dividends at this time, so I would ask you to vote against the Majority "Ought to Pass" Report and vote for the Minority "Ought to Pass" Report.

The SPEAKER: The Chair recognizes the gentleman from Millinocket, Mr. Marshall.

Mr. MARSHALL: Mr. Speaker, I move this bill and all its accompanying papers be indefinitely postponed.

There is one overriding item why I voted against this bill, although I agree with it in philosophy, and it is the cost. The cost is \$2,700,000. At this point in time, I think this is not in the interest of the economy of the State of Maine to pass such legislation as this, and I hope you will concur with that judgment.

Mr. Kelleher of Bangor requested a roll call vote.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Mr. Carter.

Mr. CARTER: Mr. Speaker, Ladies and Gentlemen of the House: I hope you will not go along with the motion to indefinitely postpone this bill, I think it is a step in the right direction. We hear a great deal about tax reform but we do very little about it, and this is a chance to have some meaningful tax reform.

It has been argued that there isn't enough money in the till to finance this, and that may very well be true, but I don't think that is the question which we should be considering right now and on which we should be basing our vote. I think we should base our vote on the merits of the proposition itself, and then the larger issue of whether or not it can be funded, I regard as a separate issue.

The bill would allow a deduction for taxable income of \$200 on a single return and \$400 on a joint return. It has been argued that this would benefit the higher income people more than it would the low income people, but this really is not the case due to the interplay of the federal tax and the state tax.

For example, to get the maximum amount, and our top rate of our state income tax is 10 percent, so on a joint return, 10 percent of \$400 would be \$40. However, for anyone to be in a 10 percent bracket for the state income tax, they would be in a 50 percent or greater bracket on the federal, which would mean the deduction that they get for state taxes would be reduced by half, so the effective rate for anyone who enjoyed a 10 percent credit at the state, or 10 percent of \$400 would be \$40. The effective rate after the interplay of the federal tax would be \$20. So, this goes a long way to equalizing the benefit between the higher income tax and lower income tax.

Finally, by defeating the motion before the House and going with the report which integrates the credit with the existing dividend received credit, I think we would have a very fair and very egalitarian bill, if I could use that word.

The bill, as it was originally written, would have added a credit of \$400 on top of the \$200 which is now available for dividends only. The proposition that I would support would add only \$200 on top of the \$200 which is available for dividends. So, those who do have dividends and have been using the \$200 dividend received credit would have a deduction of only another \$200; whereas, the people, and these are usually the lower income people, who depend upon their savings and do not have dividends, these

people could enjoy a \$400 deduction.

I think it is a very fair and equitable approach to it and I hope you will defeat the motion to indefinitely postpone.

The SPEAKER: The Chair recognizes the gentleman from Woolwich, Mr. Leonard.

Mr. LEONARD: Mr. Speaker, Ladies and Gentlemen of the House: There has been some sort of mistake here in that my name appears on the Majority "Ought to Pass" Report and I should have been with Mr. Marshall on the Minority "Ought Not to Pass" Report and I would just tell you why.

Our income tax system here on the state level is in sync with the federal income tax. That means that anytime we fall out of sync with the federal tax, that a certain amount of the savings, for example, under this bill, would automatically be passed on to the federal government. Basically, what happens here is exactly that, that while we cost the state coffers something on the order, according to which particular report that you look at, of \$2 million to \$3 million. In fact, about a third of that, roughly, would automatically be passed onto the federal government, so it wouldn't really be saved by the taxpayers in the State of Maine. That bothers me somewhat, because I think, frankly, if I had a choice, I would certainly not give the federal government any more money than they are getting at the present time. I would rather take other areas of tax relief that wouldn't automatically pass that on to the federal government.

I think it is irresponsible of this House to show the people in the State of Maine that they are, in fact, in favor of tax reform as it may exist in this legislation when, in fact, we all know \$2 million or \$3 million taken away from the state coffers at the present time is unrealistic and certainly won't pass in the appropriations area.

So, I hope you will go along, act responsibly at this point, regardless of whether you think that the bill has merit or not, act responsibly, realizing the realities of the situation, and vote to indefinitely postpone.

The SPEAKER: The Chair recognizes the gentleman from Lisbon Falls, Mr. Tierney.

Mr. TIERNEY: Mr. Speaker, Men and Women of the House: I would like to point out, as I have to do occasionally, that this is certainly not a party issue. We have never had a caucus and we don't intend to.

As the gentleman from Woolwich, Mr. Leonard, and I wind down our legislative careers, I would like to do it on a happy note and I agree with him very, very much. I am going to vote for indefinite postponement. I think we have played a lot of games with three reports and I think there is no need of it.

I am going to do it for a slightly different reason, I think, because obviously we don't have the money but, frankly, I have voted for a number of things in this House which we don't have the money to fund because that is the way our budgetary process goes. For example, I voted for a retirement increase yesterday in hopes that perhaps we could salvage something off the table for them, but this is a different issue. I am voting against it because if we had \$3 million for tax relief, let's assume that we do have it, I personally do not feel that this is the way to go.

There are a lot of things we could do to reform our income tax. We can go from \$1,000, for example, on our personal deductions up to \$1200, the way we did a couple of years ago when we had the money, or we could reduce the fundamental rate itself. We don't have enough money to actually index our income tax, but there are some things we could do to lower the fundamental income tax rate that our people are paying, especially between the areas of \$15,000 a year and \$25,000 a year—that is where our state income tax becomes expressly burdensome. If we had the \$3 million to reform our income tax, those are the places where I would

put the money. It is absurd to have people, to tax them on their income, have what they have left over in the bank, let them keep the money in the bank for a whole year, get the interest and then give them a credit against the interest, or not tax the interest, when you could have not taxed the money in the first place.

This is not the way to go, this is not good reform of our income tax structure. If we had the \$3 million, we ought to lower the tax itself. I am going to go with Mr. Leonard and Mr. Marshall and I hope that the rest of you do too.

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

Mr. BAKER: Mr. Speaker, Ladies and Gentlemen of the House: I fully concur with my good friend Mr. Marshall from Millinocket and my good friend Mr. Leonard from Woolwich, and I intend to act responsibly on this piece of legislation this morning. This piece of legislation interests me because I know there has been a move to have similar legislation passed on the federal level; therefore, when I saw it on the state level, I decided to do some checking.

I went over to the Bureau of Taxation to try to determine what the benefits would be based on one's income and how much one had in the bank. What I am about to present to you, I must state that this is approximately, because this is the way it was explained to me over at the Bureau of Taxation.

I asked over at the Bureau of Taxation, how much benefits would be given for a couple filing jointly earning \$45,000 a year, taking the standard deduction, this is assuming that they take the standard deduction, getting the maximum benefit of a reduction of their interest on \$400, which is maximum? They computed it out and found that it would be approximately \$36.

I then asked, what would happen for a couple earning jointly \$15,000 a year, taking the same standard deduction and assuming they had several thousand dollars put away in the bank, which that in itself would be difficult to do in these times, but assuming that they did have that money in the bank, would be over \$3,000, claiming the same maximum deduction of \$400, they computed it out and they told me over there, they would get a break of about \$12—approximately.

So, the very nature of the bill, rewarding the highest benefit to the wealthier saver, as opposed to helping the poorer saver, who I believe is really in need of tax reform, has led me to the conclusion that this is a bad reform proposal. In addition to the fact that I do not think we can afford this kind of tax relief at this time, I concur with Mr. Marshall and I concur with Mr. Tierney, and I hope you will go along and indefinitely postpone this bill.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Mr. Carter.

Mr. CARTER: Mr. Speaker, Ladies and Gentlemen of the House: I would just like to make two points, one regarding the area of tax reform itself. It is true that there are many areas in which our tax laws can and should be reformed, but there is one point that hasn't been brought up and I think I would mention that here, that one of the problems facing our economy today is the lack of saving. The saving ratio in the United States is less than that of any of the other industrial countries of the west.

One of the reasons for this particular bill is the incentive that it would give to people to increase and maintain their savings accounts. I think that that is something that we should keep in mind in considering the broad area of tax reform.

To answer the point made by the gentleman from Portland, Mr. Baker, he mentioned the couple filing a return with an income of \$45,000 and suggested that they would be taking the standard deduction. I think that this is a fallacy in his figures, because the couple with the \$45,000 income would be paying a state tax of around \$3,000, and with what other deductions

they would have for possibly medical, contributions, other taxes that they pay and so forth, obviously, they would not be using standard deduction, they would be itemizing deductions, so the net effect of the credit that they receive at the state level would be offset by an increase in their tax exemption at the federal level.

The SPEAKER: The Chair recognizes the gentleman from Wiscasset, Mr. Stetson.

Mr. STETSON: Mr. Speaker, Ladies and Gentlemen of the House: Let's stop and look at some realities here. The realities are these—rich people are not putting their money in savings accounts where the double digit inflation is outstripping the interest rate. Poor people cannot afford to buy equities namely stocks, which may, to some extent, keep pace with inflation. This bill tries to equalize that disparity because it encourages the people in the lower economic levels to put their money in a savings account where they can earn interest and that interest will not be eroded by the tax collector. It is already eroded by inflation, but one of the greatest weapons we have against inflation is to cut out this credit financing, the use of credit, the use of deficit spending by individuals as well as by government, and to encourage thrift, to encourage savings. So I say to you, if you believe in fighting inflation, if you believe in giving the poorer man a chance, I say, defeat this motion, pass this bill, give them a break so that they will be encouraged to deposit their savings, to earn interest on their savings, and not have that interest eroded by the tax collector.

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

Mr. BAKER: Mr. Speaker, Ladies and Gentlemen of the House: I simply would like to comment a little on what Mr. Carter said. I used the idea of the standard deduction just to get an idea of how the nature of this tax would work. Of course, people use all sorts of deductions. Our tax code is full of all sorts of itemizations and deductions in here and what have you. The reason that I used that figure is just to get an idea of how this tax would work, to show that it is basically benefiting the wealthier saver, that is exactly what it would do.

The second point I would like to answer about some of these other western industrialized countries which have a higher rate of savings—I would attribute that to a little different factor. First of all, you know that most of the western industrialized countries of Europe, they have higher income taxes and yet they have a higher rate of savings. I might say that that is probably because they don't have to put out the kind of out-of-pocket payments that we do for health care and certain educational benefits.

I would also like to suggest in closing, if you take a trip to Austria, you would be pleased to know that here is a country with 2 percent unemployment running a growth rate of about 9 percent, and the gross national product with an inflation rate of about 2 percent.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Mr. Tarbell.

Mr. TARBELL: Mr. Speaker, Ladies and Gentlemen of the House: I think this is one of the most important measures before us the whole session. The reason that this bill is here is because of inflation. It is one of the few bills that really approaches an economic policy that is before us this session.

Government is gobbling up almost every spare dime of our consumers and our people. Consumers have less impact in the money market and in private sector and in the decisions that are made in the market place than ever before in the history of this country.

Government deficit spending is borrowing up all the money in the private sector so there is no money left for the private sector to borrow and use and, as a result, the prime interest rates are soaring, inflation rate is soaring, the savings is down. We have the lowest savings

rate of any industrialized country in the world.

I would like my good friend from Portland to turn his head from western Europe to Japan. Japan is hit by energy costs higher than any other industrialized country in the world and yet Japan has the highest savings rate. Yet, they have a high inflation rate, but it is not as high as ours, and they are hit by higher inflationary energy costs by the OPEC countries than we are or any other industrialized nation in the world; yet, they have the highest savings rate.

I submit to you, our government policies, both at the federal and state level, run completely contrary to what good government policies ought to be. There is no incentive to save. The reason there is no incentive to save is because inflation is outstripping our pocketbooks so rapidly that people are going out into the market place and they are spending. They are spending as soon as they receive the money because they know that the costs of a washing machine, a dryer, a new automobile, a furnace that works more efficiently, you name it, just durable consumer goods, are all rising at such a rapid rate that they know it is outstripping their ability to pay for them later on and they had better buy now. Until we start to turn the trend to saving and bringing the inflation rate under control, we are proceeding along the lines of recession if not depression.

Now, the good gentleman in the opposite corner says this is not a party issue and it, in fact, is not a party issue. He urges that we adopt other more responsible measures of tax reform, but I would just like to put the people of the House on notice that we have many, many bills coming before this session is over, and I would submit to you that they are going to cost more and more money, they are going to mean that the state government of Maine is spending more and more money and ultimately it is going to have to increase taxes if it doesn't break the trend.

So, if my good gentleman in the opposing corner wants to break the trend and help bring about tax reform, I urge him to let this measure go on the table as we have let a lot of other measures go on the table, even knowing that we don't have the money to fund them all, and also to join hands with me in reversing the trend and reversing the tide of increase government expansion, which we have before us here today, or the opportunity to do, in a myriad of bills that we are about to see.

The SPEAKER: The Chair recognizes the gentleman from Lisbon Falls, Mr. Tierney.

Mr. TIERNEY: Mr. Speaker, Men and Women of the House: Although the gentleman from Bangor and I may agree or disagree upon occasions, I assure him that I am in no hurry to join hands with him this morning under any circumstances.

More to the point, we have heard from the economic theories of the gentleman from Bangor, Mr. Tarbell, we heard the economic theories of the gentleman from Portland, Mr. Baker, but there is one gentleman in this body who has, on many occasions, urged us all to take a course in economics and I would like to pose a question to my good friend, the gentleman from Harrison, Mr. Leighton, and ask him, how is he going to vote on this bill?

The SPEAKER: The Chair recognizes the gentleman from Harrison, Mr. Leighton.

Mr. LEIGHTON: Mr. Speaker, Ladies and Gentlemen of the House: Politics does, indeed, make for strange bedfellows and today I am in bed with the gentleman down in the right-hand corner and, strangely enough, the gentleman from Portland, Mr. Baker.

I agree that there is a shortage of funds in our savings banks and savings and loans associations and I regret that but this is not the way to tackle it. The way to tackle it is to balance the federal budget.

What this does is not attach the basic problem but attacks the symptoms of the problem.

What it does is to discriminate in treatment of different kinds of income. In other words, income is income and what this does is say that interest income on savings accounts is somehow different from rental income, royalty income, wages, salaries, dividends and what have you. Some people have made the comparison with dividends and pointed to the exclusion on the federal tax form for excluding a certain amount of dividend income, but the rationale behind that exclusion was simply because dividends are doubly taxed, taxed when the corporation pays on them and they are taxed again when the recipient receives them so the dividend exclusion is an attempt to take care of that inequity. What this does is go beyond that and (1) put our tax form out of sync with the federal, and (2) it takes one type of income and treats it differently from others.

I urge your support for the motion of indefinite postponement.

The SPEAKER: The Chair recognizes the gentleman from Brewer, Mr. Norris.

Mr. NORRIS: Mr. Speaker, Ladies and Gentlemen of the House: I am not going to give any lessons in economics, I am going to give you a message from over 1,000 of my constituents—get your hands off my savings, that is what the message was they sent to me. Those folks have sense enough to save a little money and they want us to keep our hands off it. I hope you vote against indefinite postponement of this bill.

The SPEAKER: The Chair recognizes the gentleman from Wiscasset, Mr. Stetson.

Mr. STETSON: Mr. Speaker, Ladies and Gentlemen of the House: I would just like to respond to the gentleman from Harrison, that strange bedfellows often make for illegitimacy, and I would like to say that this bill smacks of illegitimacy for the reasons stated by those who would kill it. In other words, the arguments, I mean, smack of illegitimacy in a sense that you are trying to argue that we can't afford it. I say we can't afford not to pass this legislation. We need this kind of legislation to stop the galloping inflation in the State of Maine and we need it to help the other citizens because those are the people who are trying to tuck away a dollar into the savings account and are getting ripped off by the tax collector.

The SPEAKER: The Chair recognizes the gentleman from Millinocket, Mr. Marshall.

Mr. MARSHALL: Mr. Speaker, Ladies and Gentlemen of the House: I would defer, of course, to my gentleman friend from Wiscasset, Mr. Stetson. He has been around a little bit longer than I, so he probably is more familiar with illegitimacy than I am, but I would point out, in reality this is a savings of only between \$1 and \$36, and the \$36 can be attained only by those who invest a substantial amount in savings. I submit that those who have that amount of money are not going to be influenced by this \$36, that the average savings will be between \$1 and \$8. Yet, the costs to the State of Maine are \$2.7 million, so I hope that you will vote to indefinitely postpone this and if not, when that bill goes before the Appropriations Table and should that pass, I wish to compare the roll for those who will support the tax increase to pay for the measure.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

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

The SPEAKER: The Chair recognizes the gentlewoman from Falmouth, Mrs. Huber.

Mrs. HUBER: Mr. Speaker, Members of the House: If the gentleman from Harrison is bemused by his bedfellows this morning, he can imagine how I must feel.

I support the motion and I have a series of questions I would like to pose through the Chair

to anyone who might care to answer.

First of all, does the interest rate paid by banks have anything to do with people's willingness to put their money into savings accounts?

Secondly, you are, through the state, in effect, subsidizing this interest rate, as we would be doing by passage of this bill, and why don't banks, in fact, raise their interest rates, which might have the effect of attracting savings?

My last question, will Maine track the federal provisions, which I believe will start in 1981 giving us the same loss of revenue, only a year later?

**THE SPEAKER:** The gentlewoman from Fal-mouth, Mrs. Huber, has posed a series of questions through the Chair to anyone who may care to respond.

The Chair recognizes the gentlewoman from Owl's Head, Mrs. Post.

**Mrs. POST:** Mr. Speaker, Men and Women of the House: Unfortunately, it is impossible because of Federal regulations for the banks to raise their rates above the ceiling which is set by the federal government and there has been discussion of taking off that ceiling, although it has not happened, and I, myself, would support that. Unfortunately, it is a decision that is going to be made again at the federal level.

If, in fact, the federal government does put this in their Federal Internal Revenue Code next year, it will take an affirmative action of this Legislature before that becomes integrated into our system and we could, at that time, just adopt their procedures and repeal our own separate exclusion. Contrary to the feeling that has been expressed earlier, it won't automatically become part of our income tax until we take an affirmative action to have it do so.

I have had a lot of people ask me some questions about the bill and the difference in the amendments, and I would like to state that Committee Amendment "A" is actually better for middle-income people in that higher income people who are presently getting some of the exclusions for dividends would only be able to realize an additional either \$100 or \$200 in addition to what they are already getting, so those people in the higher income brackets would not be able to take advantage of the whole \$200 or \$400 because they are already claiming dividend exclusion.

In terms of how and where we are with this particular motion, I guess if you don't like the bill at all, then you ought to vote for indefinite postponement. I think if you like the bill in principle but you think it is up to the House to not pass things on to the Appropriations Table and that we don't have enough money and that is the decision made later when we take a look at the whole Appropriations Table, then I guess you can vote for indefinite postponement. If you like the concept of the bill and think we ought to be passing these types of bills on to take a look at our financial picture at all of the bills all at once, then you can vote against indefinite postponement and vote for one of the Committee Reports. So, it really is, in this instance, an individual matter.

**THE SPEAKER:** The Chair recognizes the gentlewoman from Waterville, Mrs. Kany.

**Mrs. KANY:** Mr. Speaker, Members of the House: A couple of questions have come to me. I was under the impression that we basically piggybacked on the federal government's income tax figure and that consequently we would not need to make an affirmative action in order to have this go into effect beginning after December 31, 1980. I do have a copy of the Crude Oil Windfall Profit Tax Act of 1980 and the conference agreement, and I wonder if Representative Post would explain a little further about why we would need to make such an affirmative action?

**THE SPEAKER:** The gentlewoman from Waterville, Mrs. Kany, has posed a question through the Chair to the gentlewoman from

Owl's Head, Mrs. Post, who may respond if she so desires.

The Chair recognizes that gentlewoman.

**Mrs. POST:** Mr. Speaker, Members of the House: Every year we do, in fact, pass a bill which adopts all the amendments to the revenue code that have been made on the federal level. We have done that already. It is usually seen as a housekeeping measure, and until that happens, none of those changes that are made automatically find their way into the Maine state income system, until we, in fact, do take an affirmative action.

**THE SPEAKER:** The Chair recognizes the gentleman from Madawaska, Mr. McHenry.

**Mr. McHENRY:** Mr. Speaker, Ladies and Gentlemen of the House: I do hope you kill this measure. I, for one, feel that I have a conflict. I feel that this is a monetary gain for myself so I would ask the Chair to be excused from voting.

**THE SPEAKER:** The Chair would advise the gentleman that he is a member of a larger class and if he wanted to be excused from voting, he should have questioned whether or not he had a conflict with the Commission on Governmental Ethics. The Chair will not allow him to disqualify himself at this time since there would be no one left in this body to vote.

The Chair recognizes the gentleman from Monmouth, Mr. Davis.

**Mr. DAVIS:** Mr. Speaker, Ladies and Gentlemen of the House: I would just make this one statement. We have frequently heard that this body doesn't listen to what is spoken to us from the outside and we certainly have been spoken to on this bill. I have been by phone and on the street by retirees and working people. This is one break they feel that we can give them without creating another agency to take care of them. I think if we don't vote for this bill, in other words, if we don't defeat this motion that is on the floor, we just aren't listening.

**THE SPEAKER:** A roll call has been ordered. The pending question before the House is on the motion of the gentleman from Millinocket, Mr. Marshall, that this Bill and all its accompanying papers be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

#### ROLL CALL

**YEA —** Bachrach, Baker, Berry, Bowden, Brodeur, Connolly, Davies, Doukas, Fenlason, Fillmore, Howe, Huber, Hughes, Jackson, Leighton, Leonard, MacEachern, Marshall, McHenry, McKean, Michael, Mitchell, Morton, Nelson, M.; Payne, Roope, Small, Smith, Tierney, Torrey, Violette.

**NAY —** Aloupis, Austin, Barry, Beaulieu, Benoit, Berube, Birt, Blodgett, Bordeaux, Brannigan, Brennerman, Brown, A.; Brown, D.; Brown, K.L.; Brown, K.C.; Bunker, Call, Carrier, Carroll, Carter, D.; Carter, F.; Chonko, Churchill, Conary, Cox, Cunningham, Curtis, Damren, Davis, Dellert, Dexter, Diamond, Dow, Drinkwater, Dudley, Dutremble, D.; Dutremble, L.; Elias, Fowlie, Garsoe, Gavett, Gillis, Gowen, Gray, Gwadosky, Hall, Hanson, Hickey, Higgins, Hobbins, Hunter, Hutchings, Immonen, Jacques, P.; Jalbert, Joyce, Kany, Kelleher, Kiesman, Lancaster, LaPlante, Lewis, Locke, Lougee, Lowe, Lund, MacBride, Mahany, Martin, A.; Masterman, Masterton, Matthews, Maxwell, McMahon, McPherson, McSweeney, Nadeau, Nelson, A.; Nelson, N.; Norris, Paradis, E.; Paul, Pearson, Peltier, Peterson, Post, Prescott, Reeves, J.; Reeves, P.; Rolde, Rollins, Sewall, Sherburne, Simon, Soulas, Sprowl, Stetson, Stover, Strout, Studley, Tarbell, Theriault, Tozier, Tuttle, Twitchell, Vincent, Vose, Wentworth, Whittemore, Wood, Wyman, The Speaker.

**ABSENT —** Boudreau, Cloutier, Jacques, E.; Kane, Laffin, Lizotte, Paradis, P.; Silsby.

Yes, 31; No, 112; Absent, 8.

**THE SPEAKER:** Thirty-one having voted in the affirmative and one hundred twelve in the negative, with eight being absent, the motion does not prevail.

The Chair recognizes the gentleman from Portland, Mr. Brennerman.

**Mr. BRENNERMAN:** Mr. Speaker, Members of the House: Now that we see where most members stand, I would ask you to vote for the correct report, and that is Report "B". I don't see any reason to encourage people to put their money into stocks and bonds, as Report "A" would have you do. I don't see any reason to increase the tax credit for those people.

**Mr. Stetson** said it before, that most lower and middle income people can't buy stocks, their money is in savings accounts. I see no reason to increase the tax credit for stockholders when we could put our money in a better place, and that is with people with savings accounts.

I ask you to not vote for Report "A" but to support Report "B".

**THE SPEAKER:** The Chair will order a vote. The pending question before the House is on the motion of the gentleman from Owl's Head, Mrs. Post, that "Ought to Pass" Report "A" be accepted. Those in favor will vote yes; those opposed will vote no.

108 having voted in the affirmative and 29 in the negative, the motion did prevail.

The Bill was read once. Committee Amendment "A" (H-973) was read by the Clerk and adopted.

On motion of Mr. Baker of Portland, the House reconsidered its action whereby Committee Amendment "A" was adopted.

**Mr. BAKER:** Mr. Speaker, first of all, I would like to ask if the House is in possession of — I just got this on my desk — House Paper 1722, House Amendment to Committee Amendment "A"?

**THE SPEAKER:** The Chair would inquire if the gentleman signed the amendment and presented it to the Clerk's Office?

**Mr. BAKER:** No, it isn't. We will just let the thing go for now.

On motion of Mr. Higgins of Scarborough, tabled pending adoption of Committee Amendment "A" and later today assigned.

The following papers appearing on Supplement No. 2 were taken up out of order by unanimous consent:

#### Non-Concurrent Matter

Bill "An Act to Provide Funds for Residential Energy Conservation" (S. P. 766) (L. D. 1963) which was Passed to be Enacted in the House on March 20, 1980.

Came from the Senate passed to be engrossed as amended by Senate Amendment "A" (S-465) as amended by Senate Amendment "B" (S-513) thereto in non-concurrence.

In the House: The House voted to recede and concur.

By unanimous consent, ordered sent forthwith to Engrossing.

#### Non-Concurrent Matter

Bill "An Act to Empower the Board of Trustees of the Maine Veterans Home to Borrow Funds and to Issue Bonds, Notes and Other Evidences of Indebtedness" (Emergency) (H. P. 1781) (L. D. 1892) which was passed to be engrossed as amended by Committee Amendment "A" (H-933) in the House on March 18, 1980.

Came from the Senate passed to be engrossed as amended by Committee Amendment "A" (H-933) as amended by Senate Amendment "B" (S-516) thereto in non-concurrence.

In the House:

**THE SPEAKER:** The Chair recognizes the gentleman from Winslow, Mr. Carter.

**Mr. CARTER:** Mr. Speaker, I move that we recede and concur.

**THE SPEAKER:** The gentleman from Winslow, Mr. Carter, moves that the House recede and concur.

The gentleman may proceed.

**Mr. CARTER:** Mr. Speaker and Members of

the House: The amendment that has been added to this bill is the result of a compromise hammered out by both sides, and I am pleased to report that they are both in agreement, so I would hope that you would support the motion to recede and concur.

**THE SPEAKER:** The Chair recognizes the gentlewoman from Portland, Mrs. Beaulieu.

**Mrs. BEAULIEU:** Mr. Speaker, Ladies and Gentlemen of the House: I have some serious reservations about Senate Amendment "B" to Committee Amendment "A" and we would like to have a full explanation.

The way I read this amendment, I consider it to be one of the most anti-labor amendments I have ever seen, and I would like to know why we are going to pass a law that is going to say that no employees shall be state employees. If I could have that explanation, it may help me to change my mind about asking for the indefinite postponement.

**THE SPEAKER:** The Chair recognizes the gentleman from Winslow, Mr. Carter.

**Mr. CARTER:** Mr. Speaker, in answer to the good lady from Portland, the original bill that created the Maine Veterans Home had a stipulation that the employees would come under the State Personnel Board. The number of employees was 150.

It was the feeling of some people that requiring these people to come under the State Personnel Board would be an additional cost to the state of approximately \$600,000 a year, because the scale paid to state employees would be higher than the scale paid to the employees of the best nursing home in the state located in Portland, St. Joseph's Nursing Home. Consequently, the requirement that the employees of the Veterans Home come under the State Personnel Law is being repealed by the Senate Amendment.

**THE SPEAKER:** The Chair recognizes the gentleman from Cumberland, Mr. Garsoe.

**Mr. GARSOE:** Mr. Speaker, Ladies and Gentlemen of the House: I am glad the gentlelady from Portland brought this piece of business to at least a temporary plateau, because I have questions too. I am beginning to feel uneasy about this whole operation.

It seems to me this thing has been dribbled by us, I think this is the third time now, starting with a bond issue and then action in another session and now this time two issues, one to allow borrowing and another one to turn over some property that would be used for equity.

Could someone take us through and erase the feeling of unease that is beginning to gather in my bones about what we might have created here?

I am hearing this problem with the certificate of need. Is this operating and beginning to move as it was presented to us when we originally authorized the bonds, or are we seeing the beginning of a fiscal fiasco? I would really feel assured if someone who is knowledgeable about this could set my mind at ease on this subject.

**THE SPEAKER:** The Chair recognizes the gentlewoman from Portland, Mrs. Nelson.

**Mrs. NELSON:** Mr. Speaker, Men and Women of the House: Perhaps I could go through it simply for you. This bill came before our committee.

As you all know, a referendum was sent out to the people of the State of Maine that the Board of Trustees of the State of Maine could allow \$2.1 million bonds to match the \$3.9 million federal money for an intermediary nursing home for veterans in the State of Maine. That was passed. This money was set aside for the building of this 200 bed intermediary nursing home for veterans.

As I understand it, there was no up-front money to begin to pay for architects, to remove a sewer that was in one place for the nursing home. So, as I understand it, the trustees went before the legislature and said, we need some start-up money, this is a one time start-up

money, and a bill was introduced, I think the amount at that point was \$300,000. It came, I think, ultimately, before the Appropriations Committee and they, instead of \$300,000, said I will give you \$165,000 but no more, and the trustees said, okay, if you give us that, that will pay for our director, we will be able to pay for an architect, we can get things going with the start-up money. But one thing led to another and the \$165,000 just wasn't enough, but because of the nature of the board of trustees — and also I should say that some of that money was in putting forward the planning and implementation of our certificate of need process, which is an expensive process.

Now, they had to have a certificate of need before they could begin because that is what the state requires; you must prove there is a need for this kind of facility. Well, they had \$165,000 but they couldn't, at that point, borrow anymore and they couldn't go back to the state to get any money, so they asked our committee to give them, the trustees, to change their powers, to give them the right to borrow money.

It seems that they didn't have any collateral, so you can't go to a bank and borrow money if you don't have anything, and so the hope was they could use the land as collateral to allow the trustees to borrow the money. In order to do that, they had to change the powers of the trustees and they had to get permission to move the land, that is from one agency to another, to allow the trustees to do that. So they came before our committee and asked us if we, indeed, would allow them to change their powers, and that is basically what that amendment was, the ability for the trustees to change their power. We had to get permission, and the many Attorney General opinions were passed around, whether it was from the federal government or the state government, to allow trustees to change their powers, which is perfectly within their right; also, that the land could be transferred. We spoke with the Governor's Office, we spoke with the Planning Office, and all these things were cleared up, and in the process, our committee did indeed, statutorily, try to change the powers of the trustees so they could get this startup money, borrow the money and begin to start building this nursing home — I am sorry, intermediary care home. That is what this is all about.

Now we have in the committee report allowed the trustees to do that, but in reading over that committee report, there were some people that felt that some restrictions should be placed on this nursing home, such as, as you read about the administrator and then borrowing funds. These are all powers, as I understand it from our Clerk, that if you change the powers of the trustees, they can do this, and now there is some concern about the employees.

We were told at our hearing that \$600,000 would be saved if, indeed, the trustees did not have to hire state employees. That is why that was put in there.

Yes, there is some concern about the certificate of need, but there is not much we can do about that. The concern was this with the certificate of need, that the guidelines for the certificate of need and the basis of which the trustees went ahead with the process were about to be changed through rules and regulations of the department, and what they were saying is that the rules were going to be changed in the middle of the game so that ultimately, maybe, if they changed the rules, the board of trustees in this home could not afford to have this nursing home not only built but maintained. So this way, this amendment is to protect the rights of the trustees to borrow money and also to help them so it would not cost them that \$600,000 be mandated that every person hired in that home be a state employee. So now they can go ahead, assuming that the certificate of need process be continued.

I don't know if I answered your questions, Representative Garsoe, if I confused you, it is a confusing matter because there are many things involved in this process, but that is basically what the committee amendment did and basically what the Senate Amendment did. I think it is a good amendment. I think it clears it up, I think it is very helpful to the progress of this veterans home.

**THE SPEAKER:** The Chair recognizes the gentlewoman from Portland, Mrs. Beaulieu.

**Mrs. BEAULIEU:** Mr. Speaker, Ladies and Gentlemen of the House: I have no problem with this bill whatsoever, or the bonding and all the other issues Mrs. Nelson addressed, except I can't understand why it is so absolutely necessary that we write into the law that the employees shall not be deemed employees of the state.

I know, and it has been explained to me carefully, that it is a tool that could wind up saving the state monies, but I can't support cost savings because of the kind of employees. What I am going to be concerned about is the level of care that the people who are going to use this veterans' home are going to get, and I am thinking seriously, and you should all be thinking, about the many nursing homes where low pay creates such a turnover in staff that the care does suffer. Is that what we want to imply, that we are going to hire low pay employees for this particular veterans' home and think of it only in the light of economics and not pay too much attention as to what the level of care is going to be? Why can't it be left to the discretion of the administrator as outlined in this Senate Amendment, to use his discretion and the board of directors discretion to recruit the best possible person, be they state employees or not?

I can't remember in the four years that I have been here seeing a bill come before us for a state institution or something that we want for our citizens that tells us that we are not going to employ a certain kind of employee. I think that is wrong. There are other ways to do it and I can't help, Mr. Speaker, but ask for the indefinite postponement of this amendment for that simple reason. I don't think that we have a right to put into law that we are going to employ people just because of the different pay scale and that we are going to disenfranchise the potential of having another group of employees serve the citizens that are going to take advantage of this veterans' home.

**THE SPEAKER:** The Chair recognizes the gentlewoman from Lewiston, Mrs. Berube.

**Mrs. BERUBE:** Mr. Speaker, I would really like to ask, is this veterans' home, when and if it is completed, will this be self-sustaining or will they be coming before this legislative body for more funding to operate? Is this taken care of?

**THE SPEAKER:** The gentlewoman from Lewiston, Mrs. Berube, has posed a question through the Chair to anyone who may care to answer.

The Chair recognizes the gentlewoman from Portland, Mrs. Nelson.

**Mrs. NELSON:** Mr. Speaker, as Chair of the committee, I will tell you that we have four or five work sessions on this bill and met with the trustees, and that is the intent, that is the absolute thrust of this whole thing, that they will be self-sufficient. Any money that they make will be diverted directly to the General Fund. They will be on their own. We were told that every single veterans' home throughout the United States has been, indeed, self-supporting and strong and able, and they will not be coming back to the State of Maine for anymore financial help.

**THE SPEAKER:** The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

**Mr. JALBERT:** Mr. Speaker, Ladies and Gentlemen of the House: I think the gentlelady from Lewiston, Mrs. Berube, asked a very, very pointed and very serious question that we

ought to take under consideration. If this home, which I supported wholeheartedly — as a matter of fact, I don't know why, but I was supposed to be the sponsor of this thing and I didn't sign it in time when it was presented — but if this is going to be self-sustaining, and that is solidly said by the gentlelady from Portland, Mrs. Nelson, then, if these people are state employees, who supports them? If they are state employees, they are going to come under collective bargaining; if they are state employees, they are going to have to go through the Personnel Department; if they are state employees, we pick up the tab, or is there an agency in government that are state employees or under the MSEA or any other union that is not responsible to us? I think she has a very valid point because, actually, if they are state employees, they belong to us. If they belong to us, we pick up the tab; it is as simple as that.

The SPEAKER: The Chair recognizes the gentleman from Winslow, Mr. Carter.

Mr. CARTER: Mr. Speaker and Members of the House: I will try to answer briefly several of the questions that have been raised. First of all, let me state very clearly that this is an independent body, independent corporate body similar to the Maine Maritime Academy. As a result of the Senate Amendment, there are no state employees involved, none whatsoever.

The reason for going through what we are going through is that the original creation of the veterans' home was set up with operating monies included in the bond issue, and according to the Constitution, this is not proper, so that portion of the fund was amended out.

Here is an organization created by an act of the legislature with no monies to operate. They cannot receive the federal grant of \$3.9 million, which is on the line, until the home is constructed, or until the plans have been approved for construction. They can't get the certificate of need until the plans are drawn, and unless they have the authority to operate independently through means of borrowing or operating, they cannot receive a certificate of need.

A companion bill, L. D. 2020, is now on the Governor's table which gives them the collateral that they need as an independent group, and that, combined with this bill, giving them the authority to borrow, will enable them to get the home off the ground.

Now, the amendment put on in the Senate enhances the certificate of need process, it makes the project more viable and less expensive for all concerned. It is in line with trying to prevent unnecessary inflationary costs in health care by tightening up this piece of legislation. It is a very good bill and it is vitally needed, and I would hope that you would support the motion to recede and concur.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

Mr. JALBERT: Mr. Speaker, I just spoke to the authorship of the amendment, who informs me that if this amendment does not pass they will become state employees.

Also, I have been told that this could save us hundreds of thousands of dollars. Of course, we will have to pay some 30 percent of the cost of the operation of the program, but in view of that fact, if this amendment does not pass, that they will become state employees, I will go along with the amendment, coupled with the fact that it is my understanding that the Veterans Administration, and Mr. Carter could probably answer that better than I can, they are for this amendment.

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

Mr. WYMAN: Mr. Speaker, Ladies and Gentlemen of the House: I very strongly support creation of a Maine Veterans Home in this state, have from the time of the idea of its inception and still very strongly do. However, I have some serious reservations about the amendment which was attached in the other body, and I would like to tell you why.

It is true what the gentleman from Winslow, Mr. Carter, and the gentleman from Lewiston, Mr. Jalbert, have said in terms of this amendment saving the state money. It is going to save the state money at the expense of the employees who are going to be hired to staff this nursing home, and I don't believe that we ought to be saving money at the expense of employees. I think it is pretty self-evident truth that anytime you hire cheap labor, you are going to be saving money, but I am opposed to that approach, I am opposed to that philosophically in principle, and for that reason, ladies and gentlemen, I would urge you very strongly to oppose the pending motion to recede and concur so that we might adhere, we might eliminate this objectionable amendment, pass this very needful bill without that amendment.

The SPEAKER: The Chair recognizes the gentleman from Old Town, Mr. Pearson.

Mr. PEARSON: Mr. Speaker, Ladies and Gentlemen of the House: I have got as good a labor record in this House as does Mr. Wyman, but I think he is absolutely wrong in this case and I will tell you why.

There is nobody in here that has said anything about cheap labor; I don't think that was mentioned; I don't even think it was implied. I think what they were saying is that people who are going to receive the services are going to be paying for it and not the state, and there is the difference. I hope that the people who work there get a decent wage, as I do in everybody's case in Maine, but I don't think that this state should have to pay for every person's wage in every institution, and certainly not in this one when it can be done a different way.

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

Mr. WYMAN: Mr. Speaker, I would pose a question to the gentleman from Old Town, Mr. Pearson.

I would like to ask him if what he is telling us is that there is a guarantee with this amendment that the employees who are hired to staff the Maine Veterans Home are going to be paid prevailing wages for state employees. It is my understanding that they are not and that the purpose of saving the money is that these employees can be hired for less, that these employees for the veterans home would be hired for less than state employees. If I am misunderstanding that, then I would certainly appreciate a clarification and would stand corrected.

The SPEAKER: The Chair recognizes the gentleman from Old Town, Mr. Pearson.

Mr. PEARSON: Mr. Speaker, Ladies and Gentlemen of the House: I think the burden of proof is on Mr. Wyman. I think the burden is that the bill doesn't say anything about what kind of wages people are going to receive. I think if the labor organizations of this state are effective, they will probably organize and they will probably get a good wage in those institutions.

The SPEAKER: The pending question is on the motion of the gentleman from Winslow, Mr. Carter, that the House recede and concur. All those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

87 having voted in the affirmative and 8 having voted in the negative, the motion did prevail.

#### Non-Concurrent Matter

Bill "An Act to Clarify the Board of Environmental Protection's Responsibility to Regulate Roads under the Site Location Law" (S. P. 696) (L. D. 1832) which was passed to be enacted in the House on March 20, 1980.

Came from the Senate passed to be engrossed as amended by Senate Amendment "B" (S-514) in non-concurrence.

In the House: The House voted to recede and concur.

#### Non-Concurrent Matter

Bill "An Act to Reorganize the Department of Mental Health and Corrections" (H. P. 1786) (L. D. 1904) on which Report "A" "Ought to Pass" in New Draft (H. P. 1956) (L. D. 2006) Report of the Committee on State Government was read and accepted and the Bill passed to be engrossed in the House on March 17, 1980.

Came from the Senate with the Bill and Accompanying Papers Indefinitely Postponed in non-concurrence.

In the House: On motion of Mrs. Kany of Waterville, the House voted to insist and ask for a Committee of Conference.

By unanimous consent, all matters appearing on Supplement No. 2 were ordered sent forthwith to Engrossing or to the Senate.

The following papers appearing on Supplement No. 3 were taken up out of order by unanimous consent:

The following Communication: (S. P. 813)

March 24, 1980

Honorable Howard M. Trotzky  
Honorable Laurence E. Connolly  
Chairmen, Joint Standing  
Committee on Education  
State House  
Augusta, Maine 04333

Please be advised that Governor Joseph E. Brennan is nominating Paul M. Stebbins of Biddeford for appointment to the Board of Trustees of the Maine Maritime Academy.

Pursuant to 1941 P & SL Chapter 37, this nomination will require review by the Joint Standing Committee on Education and confirmation by the Senate.

Sincerely,  
S/JOSEPH SEWALL  
President of the Senate  
S/JOHN L. MARTIN  
Speaker of the House

Came from the Senate read and referred to the Committee on Education.

In the House, the Communication was read and referred to the Committee on Education in concurrence.

#### Non-Concurrent Matter

Bill "An Act to Increase Trapping Fees" (H. P. 1833) (L. D. 1937) (C. "A" H-890) which was passed to be Enacted in the House on March 18, 1980.

Came from the Senate, Failing of Passage to be Enacted in non-concurrence.

In the House:

The SPEAKER: The Chair recognizes the gentleman from Lincoln, Mr. MacEachern.

Mr. MACEachern: Mr. Speaker, I move that we insist and ask for a Committee of Conference.

The SPEAKER: The Chair recognizes the gentleman from Sanford, Mr. Paul.

Mr. PAUL: Mr. Speaker and Members of the House: I move that we recede and concur and would speak to my motion.

The SPEAKER: The gentleman from Sanford, Mr. Paul, moves that the House recede and concur.

The gentleman may proceed.

Mr. PAUL: Mr. Speaker, Ladies and Gentlemen of the House: This is the bill that would increase the trapping fees selectively, I think, discriminating against about 4,000 sportsmen. There aren't going to be any fee increases for anyone else, but they are proposing to go up on the trapping fees, and I am not too happy about it. I hope that we can recede and concur and put this bill to its rest, where it properly belongs.

One of the reasons I would give for voting to recede and concur would be that the department presently is beginning to undergo some changes, changes which had to be made five years ago, reorganization changes, prioritizing some of their programs, and I think if you vote for a bill like this and you give them more revenue over there, they are going to continue the

look for ways to spend it and not to the necessary things that they ought to be doing now, and that is the old belt tightening and getting their department headed in the right direction.

I hope that you will recede and concur and I would ask for a roll call.

**THE SPEAKER:** For the Chair to order a roll call, it must have the expressed desire of one-fifth of the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

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

**THE SPEAKER:** The pending question is on the motion of the gentleman from Sanford, Mr. Paul, that the House recede and concur. All those in favor will vote yes; those opposed will vote no.

#### ROLL CALL

**YEA** — Aloupis, Austin, Bachrach, Barry, Berube, Blodgett, Bowden, Brown, A.; Brown, D.; Brown K.L.; Bunker, Call, Carrier, Carroll, Carter, F.; Connolly, Cox, Curtis, Damren, Dexter, Drinkwater, Dutremble, D.; Dutremble, L.; Fenlason, Fillmore, Garsoe, Gowen, Gray, Hanson, Higgins, Hunter, Hutchings, Immonen, Jackson, Leonard, Lewis, Lund, MacBride, Marshall, Martin, A.; McMahon, McSweeney, Mollon, Nelson, N.; Paul, Payne, Prescott, Rortin, Sherburne, Silsby, Small, Smith, Sprowl, Stover, Studley, Tarbell, Torrey, Tuttle, Wentworth, Whittemore, Wood.

**NAY** — Baker, Beaulieu, Benoit, Berry, Brannigan, Brennerman, Brodeur, Brown, K.C.; Carter, D.; Chonko, Churchill, Cloutier, Conary, Cunningham, Davies, Davis, Dellert, Diamond, Doukas, Dow, Dudley, Elias, Gavett, Gwadosky, Hall, Hickey, Hobbins, Howe, Huber, Hughes, Jacques, E.; Jacques, P.; Jalbert, Joyce, Kane, Kany, Kelleher, Kiesman, Lancaster, LaPlante, Locke, Lougee, Lowe, MacEachern, Mahany, Masterman, Master-ton, Matthews, Maxwell, McHenry, McKean, McPherson, Michael, Mitchell, Nadeau, Nelson, A.; Nelson, M.; Norris, Paradis, E.; Paradis, P.; Pearson, Peterson, Post, Reeves, J.; Reeves, P.; Rolde, Roope, Sewall, Simon, Soulas, Strout, Theriault, Tierney, Tozier, Vincent, Violette, Vose, Wyman.

**ABSENT** — Bordeaux, Boudreau, Gillis, Laffin, Leighton, Lizotte, Peltier, Stetson, Twitchell.

Yes, 62; No, 79; Absent, 9.

**THE SPEAKER:** Sixty-two having voted in the affirmative and seventy-nine in the negative, with nine being absent, the motion does not prevail.

Thereupon, on motion of Mr. MacEachern of Lincoln, the House voted to insist and ask for a Committee of Conference.

#### Non-Concurrent Matter

Bill "An Act to Improve Governmental Remedies for Violations of the Antitrust Laws" (H. P. 1975) (L. D. 2014) which was passed to be engrossed as amended by Senate Amendment "A" (S-490) in the House on March 24, 1980.

Came from the Senate with that Body having Adhered to its former action whereby the Bill was passed to be engrossed as amended by Senate Amendments "A" (S-490) and "B" (S-500) in non-concurrence.

In the House: On motion of Mr. Howe of South Portland, the House voted to adhere.

#### Special Sentiment Calendar

Recognizing,

The 1979-80 Brunswick High School Math Team, coached by George H. Millay, winners of their 10th consecutive Pi-Cone math league championship, capturing all top awards (S. P. 812)

There being no objections, this item was considered passed in concurrence.

All matters appearing on Supplement No. 3 were ordered sent forthwith.

#### (Off Record Remarks)

The following paper from the Senate appearing on Supplement No. 7 was taken up out of order by unanimous consent:

The following Joint Resolution: (S. P. 815)

#### STATE OF MAINE

Joint Resolution in Honor and Recognition of Mrs. ELLA G. ANDREWS

WHEREAS, few women have given so much of their lives in the service of the Maine Legislature as Mrs. Ella G. Andrews of Hallowell; and

WHEREAS, Mrs. Andrews has provided technical support in the Office of Legislative Research with the deepest sense of dedication since 1957; and

WHEREAS, she is a person of unflinching good cheer, who, with untiring enthusiasm has served the members of 12 State Legislatures; and

WHEREAS, her efficient skill and professional manner in dealing with the intricacies of the law has proved a vital link in the legislative process; and

WHEREAS, now in her 25th year of state service, Ella, as she is fondly known, has announced plans to retire prior to another regular session; now, therefore, be it

RESOLVED, that We, the Members of the Senate and House of Representatives of this, the 109th Legislature now assembled in Second Regular Session, join in this special honor and tribute to Mrs. Ella G. Andrews for her many years of loyal public service with the Maine Legislature and to express our sincere best wishes and good luck on retirement; and be it further

RESOLVED, upon adoption of this Joint Resolution, that a suitable copy be presented to Mrs. Andrews in token of our esteem.

Came from the Senate read and adopted.

In the House, the Resolution was read.

**THE SPEAKER:** The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

**MR. JALBERT:** Mr. Speaker and Members of the House: A good majority of the people that were with Ella are employees in the Legislative Research Office. Of course, I was here when Ella came aboard, and before she came aboard there were two people, Sam Slosberg and her and no one else.

I know Ella personally, I always attend the Christmas parties that are held in the Research Office. We are going to miss her, she is a charming lady who is always willing and delighted and happy to do you a turn. Godspeed and God bless you.

Thereupon, the Resolution was adopted in concurrence.

On motion of Mr. Wyman of Pittsfield, Recessed until the sound of the gong.

#### After Recess

12:30 P.M.

The House was called to order by the Speaker.

The following items appearing on Supplement No. 4 were taken up out of order by unanimous consent:

#### Passed to Be Enacted Emergency Measure

An Act to Amend the Maine Guarantee Authority Act (S. P. 780) (L. D. 1972) (S. "B" S-495)

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

**THE SPEAKER:** The Chair recognizes the gentlewoman from Waterville, Mrs. Kany.

**Mrs. KANY:** Mr. Speaker, I would ask for a roll call. We debated this measure at length before, you remember it? It is "An Act to Amend the Maine Guarantee Authority Act."

That is the bill and yet we are being asked to raise the individual guarantee limit from \$2.5 million to \$7 million. In addition, we are being asked to raise from \$40 million to \$50 million the potential liability of the state on guarantees.

This has been one program which has had a lot of attention, a lot of publicity over the years. This has to do with the infamous sugar beet refinery and all, and the state legislature, in its wisdom, has chosen to reduce that potential liability of the state by lowering the amount at which the individual guarantees can be made, the dollar amount, and, in addition, lowering the total amount for potential guarantees that can be outstanding.

I hope you vote against enactment. Obviously, we have many liabilities that are continuing, the Maine State Retirement System we have all heard so much about, and this is not just a one-time thing like a bond and which we pay it off. It is a totally different concept in that this would be continuing potential liability of the state. I hope you keep that in mind as you vote, so please do vote against the pending motion, which is enactment. It will take 101 votes and I hope that it does fail.

**THE SPEAKER:** The Chair recognizes the gentlewoman from Brunswick, Mrs. Bachrach.

**Mrs. BACHRACH:** Mr. Speaker, Men and Women of the House: I would like to remind you that the top limits that the Maine Guarantee Authority used to have was \$80 million. It was then reduced to \$40 and this is going to raise it to \$50, which is nowhere near what it was even two years ago, so I don't think there is a tremendously important change.

I do think that all of these loans are paid off gradually. I don't understand the implication that it would not be paid off. It would be paid off in time, and I am sure that the company that is particularly concerned in this would like to pay off as quickly as they can. This would be true of any other company.

I am not sure if the point was made clearly enough in the last discussion of this legislation that this is not a bill actually designed just for one company, as was some of the previous legislation we have seen. Others would be able to use it, if they qualified; and the other thing you must realize is that this loan would only be issued with the approval of the Maine Guarantee Authority, and that Authority has had several new people added to the board and is not the same at all as the ones that issued the original loans that we are so worried about. This particular board hasn't issued any new guarantees since 1977, so you can see that they are not overly anxious to put the state's guarantee behind any businesses. I feel that as much as we need new jobs, we should go ahead and support this legislation.

**THE SPEAKER:** A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

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

The Chair recognizes the gentlewoman from Waterville, Mrs. Kany.

**Mrs. KANY:** Mr. Speaker, Members of the House: I would like to submit to you that this legislation is before us just because of one company. I think that is quite obvious when a company has been around the halls for quite a long time. I am sure that you have met two of the officers, and I would like to let you know that this particular company or any other company, now has available to it up to \$10 million in revenue bonds, tax exempt revenue bonds. Actually, we have no limit, it is only the IRS that limits that to \$10 million. In addition, our state law now would allow a \$2.5 million guarantee on part of that. So please keep that in your mind.

There is no reason why this family-owned

company cannot go out and sell shares on the market, no reason at all why they can't look for equity financing, why they can't get more partners and therefore have less long-term liability in which they are heavy on.

So, I submit to you, in your best judgment, is this really what you want the State of Maine to do? The Maine Guarantee Authority has four programs, this has been the loser, this has been the bad one. Let's not enlarge it any further, let's stick with the good ones, the revenue bonds, community industrial buildings and, please, let us not do this. I don't think our state deserves it.

The SPEAKER: The Chair recognizes the gentleman from York, Mr. Rolde.

Mr. ROLDE: Mr. Speaker, Ladies and Gentlemen of the House: I am sorry to prolong the debate but I did want to make a couple of points.

The arguments of the opponents are that the Spencer Press, which is proposing to come into Wells, can get other financing, at least theoretically, without having to have this bill before you. The other types of financing that have been mentioned by the gentlelady are equity financing or revenue bonds.

Let's look at equity first. What is equity? That is simply when you go out and sell stock in your company, allow someone to take a piece of your company. Can the Spencer Press float a stock issue? Possibly they could. Would anybody buy it? Maybe that stock issue would be bought, maybe it wouldn't. Will they do it? No, because they are a family-owned company, they do not want to open up their company to outside investors. So how, you say. Okay, here is a company that could float a stock issue if it wished to but it won't; therefore, we shouldn't then give it any state help to settle here. If they are not willing to make that concession, we don't want them.

But in effect what we are then doing is sending up a message that we are not going to assist any family owned businesses from coming to Maine, not unless they are willing to give up control or part of the control they have with their companies.

It seems to me that when we try to get industry and jobs into the state, we do try to tailor our efforts to the company's needs, if possible. We try to find appropriate sites for them, work force, even financing, and, of course, in doing this, we are in competition with 49 other states. One of the strongest needs of the Spencer Press, whether you agree with it or not, is to remain a family-owned business.

It seems to me that the gentlelady from Waterville has sort of a thing about equity financing. In a previous bill that I brought before her committee to expand the Maine Capital Corporation, she was, at first, I think, reluctant to go along with it because it would have allowed the Maine Capital Corporation to go beyond equity financing and have direct loans. I am everlastingly grateful that she did not bring those objections out into the open and she did support the bill, but I know that she has a very strong feeling about equity financing.

In the state, of course, we have various different means for dealing with industrial development and trying to create jobs. We have the MGA, which, deals on a large scale, we have the Maine Capital Corporation, which, when it gets into place, after it sells its bonds, will deal with medium-sized companies, we have the Veterans Small Business Loan Authority and the Small Business Loan Authority, which is a program I have worked on with the gentlelady from Waterville. I have also worked on other programs with her, such as instituting an Alabama Plan into the state. But the point I want to make is that Maine, in comparison with other states, does not have that many tools for attracting industry to the state.

The second item was revenue bonds that the gentlelady mentioned, that these could be issued but the question with these is, what in-

terest would they go out at? Approximately somewhere around 10 to 11 percent. Would anybody buy them? I understand, and I have been led to believe that the Maine Housing Authority is having such trouble selling its bonds that it is not even going into the bond market because bonds are selling at 14, 15 and 16 percent interest and if government bonds aren't selling, why would anybody buy bonds issued by The Spencer Press Company?

Again the question arises, would the company do this even if they could sell them? Again, the answer is no, because of financial reasons.

So, we come down to a question of credibility. The gentlelady from Waterville says that we can defeat this bill and the company will still come to Maine. The treasurer of the company, who is a member of the family that owns it, said that if the bill is defeated, the company cannot financially feasibly go through with the project. The gentlelady from Waterville is saying in effect that we should go ahead and call the bluff of the family that owns the company.

In my experience in business, you work out the financial aspects of a project and then go ahead with it if the figures are feasible, and you don't do it if they are not. Speaking with the treasurer of the company, he has said that this bill allows them to finance the project at a cost that is feasible given today's money market. Since they first planned this project, interest rates have risen approximately 6 to 7 percent, and I should note that here we are talking about long-term financing, the type of interest rates they will have to pay for many, many years. Short-term money, such as for working capital, they will have to get at prevailing rates and they can do that, but for long-term financing, they need this guarantee or they can't afford the cost of the long-term money that they would have to borrow.

To give you a sense of the magnitude of the project and to explain the second part of the bill, why they are increasing an individual project from \$2.5 million to \$7 million, they have told me that just one piece of equipment that they have to order for this expansion, a certain kind of four colored press, which would be the first of its type in the United States, there are several still in Europe, would cost \$2.5 million alone, just for one piece of equipment.

I said the other day that we had lost close to 2,000 jobs in this state in the first three months of this year. Here we have a Blue Chip company. Among their clients are the National Geographic, they print all the catalogues for the Carroll Reed stores, they are really an excellent company. They are non-polluting and they want to expand in Maine. They are not moving their operation here from Massachusetts to escape taxes or high wages or strong anti-pollution laws, they simply have an opportunity to expand and they would like to expand in Maine, and they want to take advantage of a government service that we already have in place, which is the Maine Guarantee Authority. You can say whatever you want about the Maine Guarantee Authority, we have heard a lot of atrocious stories.

It struck me that the opponents of this bill should have come out with a second report which would have abolished the MGA, if they felt so strongly about it, as an economic development tool, but the MGA is still in place and probably they will be for some time to come. I am sure that part of the reason it has survived is that there are more success stories than there are failure stories and that it has helped create jobs in the state, jobs that we badly need.

As you vote on this particular measure, I think you should ask yourselves, if you are going to vote against it, if you can be certain that The Spencer Press will still come to Maine. I believe that they will not because they cannot, and I also believe that this is the type of company that we want and need in Maine;

therefore, I am voting for the bill and I hope you will too.

The SPEAKER: The Chair recognizes the gentleman from Kennebunk, Mr. McMahon.

Mr. McMAHON: Mr. Speaker, Ladies and Gentlemen of the House: I would like to pose one question through the Chair to the previous speaker or anyone else. Why is the ability of this company to sell its revenue bonds contingent upon our raising this ceiling?

The SPEAKER: The gentleman from Kennebunk, Mr. McMahon, has posed a question through the Chair to anyone who may care to respond.

The Chair recognizes the gentlewoman from Waterville, Mrs. Kany.

Mrs. KANY: Mr. Speaker, Ladies and Gentlemen of the House: I rise only because Representative Rolde chose not to.

Any revenue bond, basically, you have to find a buyer, which means that someone thinks it is a perfectly good investment. All we have basically is the word of this company, which states that they have to have this guarantee. I think somebody just thought this up as a great way to help them out a little bit and we have no evidence that they cannot float revenue bonds.

The SPEAKER: The Chair recognizes the gentleman from Cumberland, Mr. Garsoe.

Mr. GARSOE: Mr. Speaker, Ladies and Gentlemen of the House: I am surely not speaking here in any capacity of the minority floor leadership but as an individual who is going to vote for this act before us today, and I would like to give you some of the reasons because I think there has been some distortion of the facts, especially of the question asked by Mr. McMahon.

It is my understanding, and I want you to know that I received this understanding from the principals in this question, but the reason they can't go municipal revenue bonds is that they are such a small company with such a low credit rating that the bonds are, for intents and purposes, unsalable. I am certainly no expert in the finance market but I do read the papers from time to time and I have noted that the bond market has gone wild. You can get Triple A bonds with yields that no one a year ago would have ever anticipated.

My reason for feeling somewhat secure in voting for this proposal is that the word "risk" doesn't give me any fits. The Maine Guarantee Authority was set up to take risks that couldn't be addressed in the more normal financial channels. Certainly it is a risk and we are pledging the credit of the State of Maine, but I don't believe that we are going to see many situations come down the pike for Maine Guarantee to consider that are better protected than this one.

These folks are not establishing a new technology of making sugar out of beets. They are experienced in their business. They are bringing their background and their expertise to this state and providing 300 jobs. That is what we ought to be looking at, 300 jobs, and I don't believe that the Maine Guarantee Authority has, in the immediate past, received a proposal that is as well collateralized as this one. I understand that they have assets in Hingham, and the assets that they have, of course, on the ground in this state are pledged, as well as their personal assets, and these are restrictions, restraints and guarantees that the Maine Guarantee Board will have to satisfy themselves are adequate in light of what we do here today.

I have another slight interest in this. We just lost a substantial printing business adjacent to my district, the Dingly Press has lost the L.L. Bean catalogue printing and there are printers that I have already received calls from that are out looking for jobs. It is my hope that these jobs will be available if we take this action.

The last remark I would make is that these people were all set to go, without bothering us in any way whatsoever, to the extent of already

having invested a million dollars of their own in the situation, and I don't think it takes an expert in the financial market to agree that the prime rate, bond market and all of these other financial operations have taken on an entirely new cast within the last year and a half. I am sure had they been able to foresee this, we perhaps wouldn't be facing this question today. In fact, this is one of the hazards that we are being faced because of the prime rate, the lack of firms willing to take on expansions.

So, I say, bully for them, they are ready to go, and I am going to give them my vote.

The SPEAKER: The Chair recognizes the gentleman from York, Mr. Rolde.

Mr. ROLDE: Mr. Speaker, Ladies and Gentlemen of the House: Sorry, I was slightly distracted by a note that was passed to me when the gentleman from Kennebunk asked his question. I would like to read a response from the statement given at the hearing by the treasurer of the company and possibly that will answer his question.

The treasurer says, "Without a guarantee program, this bond and its success for marketability are in serious question. There is a comparison differential in a straight industrial revenue bond without the guarantee, if successful at all, I have prepared a schedule that I would like to offer to this committee at this time in support of the overall cumulative savings of the 3 percent rate differential. In other words, that is the differential that we estimate between the two revenue bond approaches, 3 percent on an assumed \$7 million bond level. As you can see, \$210,000, which is 3 percent of the differential savings between guarantee and non-guarantee programs, compounds over the 20 year period, the term of the bond to maturity to a total savings of \$14,104,138.52, based on the assumption of a 10 percent per annum return on the annual amount invested each year. That works out to twice the actual amount borrowed, the original \$7 million, just in cost savings alone."

So, that is the financial impact of the difference between going to a straight industrial revenue bond and a guaranteed one.

Just to make one final point about the Dingily Press—I have been told The Spencer Press is in running for the contract from L.L. Bean, they and the Donley Company of Chicago. So if we vote against this bill and we keep Spencer Press from coming to Maine, that contract will go to Chicago to the Donley Press.

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

Ms. LUND: Mr. Speaker, Ladies and Gentlemen of the House: I think I have had the hardest time with this bill of almost anything that has come before my committee and before this Legislature. My family is in the paper business, so you can see that this is an attractive business to me. It is clean, it uses Maine paper, it would employ people, it is a good business. The members of the family who have been here and of the business have been courteous, have answered any questions that we have given them, have been really very, very pleasant to work with.

However, I am going to vote against the bill and I want to tell you why. My objection is not the individual business. This is as fine a business, I think as we could have come before us. My objection is to the concept of changing the Maine Guarantee Authority in answer to a person who is here before us. The Maine Guarantee Authority has had over the past \$85 million of guaranteed loans; of those, \$25 million have defaulted; that is almost one in three dollars that we lose.

What precedent does this set if we raise the amount from \$2.5 million at this point to \$7 million? The MGA has not loaned \$2.5 million under this revenue act. It has not even tried this program before, and before it even tries it, we are saying to them, okay, instead of \$2.5, the State of Maine will go the whole \$7 million

for this company.

It troubled me a great deal that the State Development Office came hand in hand with the Maine Guarantee Authority. It seems to me that the State Development Office, who wants very much to bring industry to the state, is not going to be as careful in looking at the financial picture as we would wish a disinterested party to be. It seems to me that the Maine Guarantee Authority would fall over backwards to work with the State Development Office, and that troubles me. I think that is really all I need to say.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

Mr. JALBERT: Mr. Speaker and Members of the House: I was delighted to hear the gentlelady from Augusta, Ms. Lund, speak kindly of the people who have been around our halls for a few weeks. It has been my pleasure to have known both her father and grandfather, and I can assure you that her people are the same type of people as these people are that are coming here.

This bill passed with a 97 vote count at the last session. There has been some talk about removing the emergency, for the situation there is this—that Wells is a summer resort area, and by doing that, I am sure the bill could pass, but it would delay because Wells, being a summer area, it would give these people the time of April, May and June to really plow in before the summer business really starts in Wells.

This company here has chosen the area of the Maine Guarantee Authority. I know them well, I was hoping they would come in my area. I know that they refused work that is not up to par. They have invested their own private fortunes in this thing, it is a family affair. There have been several comments made that I don't want to go into right now concerning them, but if I had been sitting listening to them being made, it might have possibly angered me.

I think this is as sound a piece of legislation as we could ever have before us, and I see no reason why we wouldn't give it the 101 votes and more if necessary. It is going to help Maine.

Believe it or not, we have several industries in my area that are hanging by their nails, so to speak. There is a person here that can attest to that from the City of Auburn, whose husband is an officer in one of these companies and they are hanging by a thread. We have another company in Auburn that is possibly on its way out. We have a major company that has already started to go down south and they may go down south the whole way.

This just gives them, and they have gone this route, the writing is as simple as this, the high money at a lower rate of interest than they would if they had to go to the bank, which would make it impossible for them to come here. I think that is a proper area. They are solid, they are sound, their \$14 million in assets, both in Maine and in Massachusetts, are on the line on this thing. There is no way at all that they could leave here once they come here. I want them to come here. I wanted them to come to my area. I know these people and I am proud to know them. I want them as my friends and I beseech you people and plead with you, and I am flexible, just because I lost a bond issue on VTI's, that didn't make me go against VTI's. When they amended the bill in the other body, I went along with it, I am still fighting for it over there. Let's be fair about the situation along this line here, four votes is what we need, at least, to make it 101 votes, and I urge you very humbly to go along.

Mrs. Kany of Waterville was granted permission to speak a third time.

Mrs. KANY: Mr. Speaker and Members of the House: I just wanted to point out that I, too, think this is a fine company and really tried to go along with it, really wanted and tried to see my way clear to do it, but just simply could not

go along with this particular program in which the State of Maine and the taxpayers of Maine are the ones that are being asked to take all the risks. I don't think that company would choose not to come, not with their million dollar investment and other financing routes available to them. I hope we don't choose to expand our guarantee program.

The SPEAKER: A roll call has been ordered. The pending question before the House is on passage to be enacted. Those in favor will vote yes; those opposed will vote no.

#### ROLL CALL

YEA — Bachrach, Baker, Barry, Beaulieu, Benoit, Berube, Birt, Blodgett, Bordeaux, Bowden, Brannigan, Brenerman, Brodeur, Brown, A.; Brown, K.L.; Brown, K.C.; Call, Carroll, Carter, F.; Chonko, Churchill, Cloutier, Conary, Cox, Cunningham, Damren, Davies, Dellert, Dexter, Diamond, Dow, Drinkwater, Dutremble, D.; Elias, Fenlason, Fillmore, Fowlie, Garsoe, Gillis, Gowen, Gwadnosky, Hall, Hanson, Hickey, Hobbins, Howe, Hutchings, Immonen, Jacques, E.; Jacques, P.; Jalbert, Joyce, Kane, Kiesman, Lancaster, LaPlante, Locke, Lowe, MacBride, MacEachern, Mahany, Martin, A.; Masterman, Matthews, Maxwell, McKean, McPherson, McSweeney, Michael, Mitchell, Nadeau, Nelson, M.; Nelson, N.; Norris, Paradis, E.; Paradis, P.; Paul, Pearson, Peltier, Prescott, Reeves, P.; Rolde, Rollins, Sherburne, Small, Soulas, Strout, Studley, Tarbell, Theriault, Tierney, Torrey, Tozier, Tuttle, Twitchell, Vincent, Violette, Vose, Wentworth, Wood, Wyman, The Speaker.

NAY — Alopis, Austin, Brown, D.; Bunker, Carrier, Carter, D.; Connolly, Curtis, Davis, Doukas, Dudley, Gavett, Gray, Higgins, Huber, Hughes, Hunter, Jackson, Kany, Leighton, Leonard, Lewis, Lougee, Lund, Marshall, Masterton, McHenry, McMahon, Morton, Nelson, A.; Payne, Peterson, Post, Reeves, J.; Roope, Sewall, Silsby, Smith, Sprowl, Stover, Whittemore.

ABSENT — Berry, Boudreau, Dutremble, L.; Kelleher, Laffin, Lizotte, Simon, Stetson.

Yes, 102; No, 41; Absent, 8.

The SPEAKER: One hundred two having voted in the affirmative and forty-one in the negative, with eight being absent, the Bill is passed to be enacted.

Signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith to the Senate.

#### Finally Passed Emergency Measure

RESOLVE, for Laying of the County Taxes and Authorizing Expenditures of York County for the Year 1980 (H. P. 2023) (L. D. 2032) (H. "A" H-971)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure and a two-thirds vote of all the members elected to the House being necessary, a total was taken. 122 voted in favor of same and none against, and accordingly the Resolve was Finally Passed signed by the Speaker and sent to the Senate.

#### Emergency Measure Later Today Assigned

RESOLVE, for Laying of the County Taxes and Authorizing Expenditures of Cumberland County for the Year 1980 (H. P. 2022) (L. D. 2031)

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

The SPEAKER: The Chair recognizes the gentleman from Portland, Mrs. Nelson.

Mrs. NELSON: Mr. Speaker, Ladies and Gentlemen of the House: I have some good news. Portland, that is Cumberland County and not Portland, Cumberland County has a surplus of over \$380,000 in the budget. As a result, we would like to amend out some of the money of our budget and we would like to have permis-

sion to table this measure so we can do it properly.

The SPEAKER: Has anyone figured out that this is the 50th Legislative Day?

The pending question is on passage to be enacted. This being an emergency measure, it requires a two-thirds vote of all the members elected to the House. All those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

Ms. Benoit of South Portland requested a roll call.

The SPEAKER: For the Chair to order a roll call, it must have the expressed desire of one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

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

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

Mr. BRENERMAN: Mr. Speaker and Members of the House: The reason that we wanted to delay this action for a few moments was because we wanted to add the surplus into our revenue account and we didn't want to give the commissioners the authority to do what they wanted with our surplus.

I am not sure what I want members of the House to do. I voted to pass this bill to be enacted. If somebody would move to table this until later in today's session, maybe we could get that amendment on.

The SPEAKER: The Chair would advise the gentlemen from Portland, Mr. Brenerman, that we have not failed of enactment and a roll call was ordered prior to the announcement of the vote.

The Chair recognizes the gentleman from Kennebunk, Mr. McMahon.

Mr. McMAHON: Mr. Speaker, a question? What would be the effect of this bill failing of enactment on this vote? Would it automatically come back?

On motion of Mr. Leighton of Harrison, tabled pending passage to be enacted and later today assigned.

An Act to Clarify the Inland Fisheries and Wildlife Laws of Maine (H. P. 1879) (L. D. 1962) (H. "A" H-930; H. "B" H-956 and H. "A" H-925 to C. "A" H-919)

An Act to Require Registers of Deeds to Provide Copies from the Records within a Reasonable Time (S. P. 785) (L. D. 1981) (C. "A" S-506)

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

An Act Increasing the Minimum Handling Fee for Returnable Beverage Containers from 1¢ to 2¢ (H. P. 1973) (L. D. 2012)

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

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

Mr. HOWE: Mr. Speaker, Ladies and Gentlemen of the House: I would like to ask for a roll call on enactment of the increase in the handling fee on the bottle bill.

This has turned into a very big-bucks issue, as I am sure you have noticed by all of the pressure on both sides of the issue that the Legislature is being subject to. It is, indeed, a big bucks issue and as has been pointed out before, to the tune of \$5 million or more which will ultimately be paid by consumers of Maine.

The redemptions centers, it is my recollection, first asked the Committee on Business Legislation for the increase in the handling fee under the belief that it was necessary for their survival. Then, it seems to me, the retailers jumped on the bandwagon that was rolling along on these pennies a little bit later when

they saw it coming and saw it would benefit them as well if passed.

What this is going to do is to require distributors to pay to redemption centers or retailers an extra penny and if you don't think that the distributors as a result, are going to raise their wholesale prices, I think you are in dreamland.

I think Mr. Dutremble, last time, said somehow he thought this increase in the penny was going to eat into the float, as it is called, that the distributors have been collecting, allegedly, as a result of unredeemed deposits, but that amount of money simply goes into their total budget, like anything else, and they are not about to absorb this cost and neither is the retailer who gets it passed on to him as a result of increased wholesale prices, and it will ultimately be passed on to the consumer.

No law is necessary to tell retailers that they can raise their prices when their overhead or handling costs increase, they have been doing it ever since this law was enacted and there is nothing different now. It seems to me to be much better to let retailers raise their prices on their own, when they then can keep that penny, rather than doing it when wholesale prices are passed along to them which is going to eat up that penny.

This bill is going to cost Maine citizens \$5 million, plus whatever markup the retailers put on it. It is unnecessary, it is expensive and I hope you will have sense enough to vote against it.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of one-fifth of the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

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

The SPEAKER: The Chair recognizes the gentleman from Auburn, Mr. Hughes.

Mr. HUGHES: Mr. Speaker and Members of the House: I will try not to repeat arguments which have been made against this bill already in previous debates, but there are several points which I feel need stressing and which have not been covered in debate in this House.

There is some kind of feeling that the consumer pays in the end anyway for this kind of measure. I have heard that expressed by members of the House. I think this is a case where that may not, indeed, be true. Let me explain why.

The stores of Maine, all throughout the state, have adopted price levels at whatever level they felt was necessary to guarantee them a certain moderate amount of income, a certain percentage income. They have adopted those prices, they haven't been waiting for us to pass legislation to tell them what they should charge. The price has been adopted; they are making money at whatever price they are at now.

Now, the prices are not standardized on soft drinks, they vary all across the board. In fact, I did a little survey in my hometown. I chose the product closest to my heart, Coca Cola, surveyed about 20 stores on the price of Coca Cola to find out what storeowners are charging now. The bottle cost them, incidentally, 23-1/3 cents to buy from the Coca Cola Bottling Company; they sell it for prices which vary from a low of 30 cents to a high of 42 cents; a profit on variation of the rate of return on cost from 29 cents for the supermarkets up to 80 percent for some of the Mom and Pop stores. That kind of variation is typical in the trade, it is what has been going on for years. We all know Mom and Pop stores are more expensive and they are more expensive because they are less efficient but they offer a convenience and many people are willing to pay for that convenience of having a handy store in which to buy their beverages, but your prices will vary considerably. They

are going to continue to vary, and that is the name of the game.

The stores may set the price wherever they feel it ought to be set and they are doing it now, they have done it, prices are in effect, they are making money at whatever price they choose to set this at.

Now, the reason this price is going to be passed right through to the consumer is because this is something in addition to whatever they have been putting into their own personal computations of profit. This is a new cost item to be passed right through with a markup for the stores. So, the proper title for this bill is a \$6¼ million tax increase on distributors to supplement the income of storeowners and as a by-product of that, about 27 redemption centers which are still in business around the state. Half the money, approximately, will go to supermarket chains, some of the rest to Mom and Pop stores, and about a half a million or so to redemption centers to double their operating income.

I think everything else has been said. If you think the best price setting mechanism for this kind of business enterprise is the storeowner himself making his own personal decision, then you will vote against enactment of this bill. If you think the best price setting mechanism for this kind of operation is here in the House of the Maine State Legislature, then you will vote for it. I urge you to vote against enactment of this \$6¼ million tax increase.

The SPEAKER: The Chair recognizes the gentleman from Farmington, Mr. Morton.

Mr. MORTON: Mr. Speaker, I want to be consistent today. I voted against this bill the first time we had it, I voted for it the second time and I am going to vote against it today. The reason why I am is because I, too, did a little survey with some small stores and I was told exactly the same thing that the gentleman from Auburn found out. The storeowner, the particular one that I talked with, said, we will raise the prices that are necessary. Another store that I checked with hadn't even heard of the bill, a Mom and Pop store.

I think the bill was put in basically to set up the redemption centers and keep them viable. I don't necessarily support that, and I believe very strongly that this is going to be directly assessed, if the bill is passed, whereas it may not necessarily raise prices if it is not passed; therefore, I urge you to vote against the bill.

The SPEAKER: The Chair recognizes the gentleman from Madawaska, Mr. McHenry.

Mr. McHENRY: Mr. Speaker, Ladies and Gentlemen of the House: This is the ideal bill to show you that business comes down here to tell us to do something for business and then they tell us—keep your nose out of our business. Let's vote against this.

The SPEAKER: A roll call has been offered. The pending question is on passage to be enacted. All those in favor will vote yes; those opposed will vote no.

#### ROLL CALL

YEA — Austin, Barry, Beaulieu, Blodgett, Bordeaux, Bowden, Brenerman, Brown, D.; Brown, K.C.; Bunker, Carrier, Chonko, Churchill, Cloutier, Cunningham, Curtis, Damren, Dellert, Dexter, Dow, Drinkwater, Dutremble, D.; Elias, Fowle, Garsoe, Gillis, Gray, Hall, Higgins, Hobbins, Hunter, Hutchings, Immonen, Jacques, P.; Kany, Kiesman, LaPlante, Locke, Lougee, Lowe, MacBride, MacEachern, Mahany, Martin, A.; Masterman, Matthews, Maxwell, Mitchell, Nelson, A.; Nelson, N.; Norris, Paradis, P.; Paul, Pearson, Peltier, Peterson, Post, Prescott, Reeves, P.; Rolde, Rollins, Roope, Sewall, Sherburne, Silsby, Smith, Sprowl, Strout, Theriault, Tierney, Tozier, Tuttle, Twitchell, Violette, Vose, Wood, Wyman, The Speaker.

NAY — Aloupis, Bachrach, Baker, Benoit, Berry, Berube, Birt, Brannigan, Brodeur, Brown, A. Brown, K.L.; Call, Carroll, Carter, D.; Carter, F.; Conary, Connolly, Cox, Davies,

Davis, Diamond, Doukas, Fenlason, Fillmore, Gavett, Gowen, Gwadosky, Hanson, Hickey, Howe, Huber, Hughes, Jackson, Jaques, E.; Jalbert, Joyce, Kane, Lancaster, Leighton, Leonard, Lewis, Lund, Marshall, Masterton, McHenry, McKean, McMahon, McPherson, McSweeney, Michael, Morton, Nadeau, Paradis, E.; Payne, Reeves, J.; Small, Stover, Studley, Tarbell, Torrey, Vincent, Wentworth, Whittemore.

ABSENT — Boudreau, Dudley, Dutremble, L.; Kelleher, Laffin, Lizotte, Nelson, M.; Simon, Soulas, Stetson.

Yes; 78; No, 63; Absent, 10.

The SPEAKER: Seventy-eight having voted in the affirmative and sixty-three in the negative, with ten being absent, the Bill is passed to be enacted.

Signed by the Speaker and sent to the Senate.

By unanimous consent, all Enactors appearing on Supplement No. 4 were ordered sent forthwith to the Senate.

The following Enactors appearing on Supplement No. 5 were taken up out of order by unanimous consent:

An Act Relating to the State Valuation of the Town of Patten (H. P. 2031) (L. D. 2035)

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

The SPEAKER: The Chair recognizes the gentleman from East Millinocket, Mr. Birt.

Mr. BIRT: Mr. Speaker, I would like to point out that there is one small technical error in the Statement of Fact. I don't think it has any effect on the bill, it relates to the fact that the fire actually occurred on March 20 and the Statement of Fact says March 30, but I would like to put in the record that it has no effect on the bill itself.

The SPEAKER: The pending question is on passage to be enacted. This being an emergency measure, it requires a two-thirds vote of all the members elected to the House. All those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

120 having voted in the affirmative and none in the negative, the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

An Act to Provide a Cost-of-Living Adjustment for Fiscal Year 1980-81 to Members of the Maine State Retirement System (S. P. 677) (L. D. 1784) (H. "A" H-970 to C. "A" S-508)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure and a two-thirds vote of all members elected to the House being necessary, a total was taken. 110 voted in favor of the same and 13 against, and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

The following papers appearing on Supplement No. 8 were taken up out of order by unanimous consent:

The following Communication:

March 25, 1980

The Honorable John Martin  
Speaker of the House  
State House  
Augusta, Maine 04333

Dear Speaker Martin:

The Committee on Taxation is pleased to report that it has completed all business placed before it by the Second Regular Session of the 109th Legislature.

Bills received in Committee	16
Unanimous Reports	14
Ought to Pass	1
Ought to Pass as Amended	9
Ought Not to Pass	3
Leave to Withdraw	1
Divided Reports	2
Recommittals	2

Sincerely,

S/BONNIE POST  
House Chairman

The Communication was read and ordered placed on file.

#### Special Sentiment Calendar

Recognizing,

Mike Caramihalis, of Sanford, a high school "all-American" wrestler and winner of 103 consecutive matches during his 4-year career at Sanford High School, (H. P. 2036) by Mr. Tuttle of Sanford. (Cosponsors: Mr. Wood of Sanford, Mr. Paul of Sanford and Senator Lovell of York)

The Sanford High School Wrestling Team, coached by Richard Faulkner, 1979-80 State Class "A" champions, it's second consecutive title; (H. P. 2037) by Mr. Tuttle of Sanford. (Cosponsors: Mr. Wood of Sanford, Mr. Paul of Sanford and Senator Lovell of York)

There being no objections, the above items were considered passed and sent up for concurrence.

The Falmouth High School Boys' Swim Team, winner of the State Class B Swim Championship for 1979-80 (H. P. 2039) by Mrs. Huber of Falmouth.

On the request of Mrs. Huber of Falmouth, was removed from the Special Sentiment Calendar.

The Order was read.

The SPEAKER: The Chair recognizes the gentlewoman from Falmouth, Mrs. Huber.

Mrs. HUBER: Mr. Speaker and Members of the House: Certainly, I am very proud to present this order today, and I do call the Clerk's attention to the fact for the first time this session, I have been given the wrong title.

Thereupon, the Order received passage and was sent up for concurrence.

In Memory of,

Joseph C. Cavallaro, Jr., of South Portland, who gave his life in the service of the Portland Fire Department; (H. P. 2038) by Mrs. Beaulieu of Portland. Mr. Brenerman of Portland, Mr. Kane of South Portland and Mr. Cloutier of South Portland)

No objections being noted, the above item was considered adopted and sent up for concurrence.

By unanimous consent, the preceding Orders were ordered sent forthwith to the Senate.

The following papers appearing on Supplement No. 10 were taken up out of order by unanimous consent:

#### Consent Calendar

##### First Day

(H. P. 2027) (L. D. 2033) Bill "An Act to Provide Compensation and Benefits Agreed to by the State and the Maine Teachers' Association for Employees in the Bargaining Unit of Instructors at the Vocational-technical Institutes"—Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-976)

(H. P. 2028) (L. D. 2034) Bill "An Act to Provide Compensation and Benefits Agreed to by the State and the Maine Teachers' Association for Employees in the Bargaining Unit of Administrators at the Vocational-technical Institutes"—Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-977)

There being no objections, under suspension of the rules, the above items were given Consent Calendar Second Day notification, passed to be engrossed as amended and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The following paper appearing on Supple-

ment No. 6 was taken up out of order by unanimous consent:

Bill "An Act to Provide a State Income Tax Credit for Installation of Renewable Energy Systems" (H. P. 1770) (L. D. 1900) (C. "A" H-972)

Was reported by the Committee on Bills in the Second Reading and read the second time.

The SPEAKER: The Chair recognizes the gentleman from Woolwich, Mr. Leonard.

Mr. LEONARD: Mr. Speaker, Ladies and Gentlemen of the House: I just want to call your attention to this particular bill, again one that was signed out at the last minute out of our committee and one, had I given sufficient thought to it, would not have been on the Majority "Ought to Pass." It is a bill to allow people tax credits against the installation of any renewable energy systems. This year we are stepping it up to include wood stoves and furnaces and what have you, but I just think in concept maybe this is the wrong kind of legislation.

The intent is great, the intent being that people in the State of Maine should convert their existing systems, whether they be wasteful or dependent upon oil, should convert those over to renewable systems. That is commendable, but I think, frankly, standing here as a supporter of the free enterprise system and what have you, I think with the energy costs the way they are, in fact, that problem will take care of itself. I know I bought a wood stove, I know many of my neighbors have bought wood stoves, they have converted to wood furnaces in many instances, a lot of solar panels are now showing up. I don't think that we have to start getting into the tax credit area in order to provide the incentive. I think it is just adding a little bit more bureaucracy to get people to do something they would have done anyway.

Therefore, Mr. Speaker, I move the indefinite postponement of this bill and all its accompanying papers.

The SPEAKER: The gentleman from Woolwich, Mr. Leonard, moves that this Bill and all its accompanying papers be indefinitely postponed.

The Chair recognizes the gentlewoman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, Men and Women of the House. This bill essentially does a couple of things. One is, you may remember, we passed a bill last year for state income tax credits for installation of renewable energy systems, and in the process of trying to carry out the intent of that legislation, the Office of Energy Resources and the Bureau of Taxation came back to us with several questions and clarifying amendments to the bill because there seemed to be a great deal of difficulty as they tried to come up with rules and regulations and standards with some of the legislation that we had passed last year. So, that bill does this to some extent; it clarifies exactly what we mean and what kinds of things will be eligible for the credits which are already on the books.

In addition to that, it adds a wood hot water heater, which is not presently allowable under the law, but anybody who has done any investigation into the cost of energy realizes very quickly that one of the highest costs of energy within a home is the cost of heating the hot water itself. There has been some interest in hot water heaters. They are relatively expensive at this point, so we decided to include them in the present state income tax credit.

I want to make one thing clear, this does not include free-standing wood stoves. The only time that wood stoves are included under this amendment is when wood stoves are purchased and used as part of a wood furnace system, and that is when they are hooked up to ducts and that type of thing, because we have found that the Bureau of Taxation was disallowing some kinds of systems that people were appropriately using as wood furnaces, and in some instances they may have been less expensive than some of the other types of more elaborate

wood furnaces that we were finding.

In addition to that, it also increases the percentage of the total cost from 20 percent to 25 percent.

I think it is true that in many instances wood stoves are becoming economically feasible, but at the present time, some of the more expensive types of systems, especially the wind energy systems, solar energy systems, the wood furnaces are very expensive and people need this assistance in changing over to a new form of energy supply.

One thing that this bill does do, though, is that we all realize this is a temporary thing and should not stay on the books forever, so this bill does add a sunset to our present tax credits for the wood energy systems, and this bill will sunset January 1, 1985.

I think if Mr. Leonard has some particular problems with increasing to 25 or the wood hot water heater or the more expanded definition of wood furnace, he ought to deal with those particular issues, perhaps in an amendment if he wishes, but I would hope that in any event the whole bill not be indefinitely postponed, because the Bureau of Taxation and the Office of Energy Resources need it to enforce, more strictly enforce the present law.

The SPEAKER: The Chair recognizes the gentleman from Old Town, Mr. Paradis.

Mr. E. PARADIS: Mr. Speaker, Ladies and Gentlemen of the House: I support the move to indefinitely postpone, and I will tell you why.

This past year, I have placed a wood furnace in my home. It cost me \$2,300. Now, the provisions of the bill which you folks passed last year gave me a hundred dollar rebate which I could take under the current mill rate in my town and apply that, and that gave me a tax abatement for two years. What you are proposing to do here is to tax abate off these improvements for even longer.

The tax assessor was out to my house, you see, and he taxed me right away. Within a week he had me on the roster for that improvement. But the state, in accordance with what the municipalities have been asking you to do, is that each time you pass a bill here, you don't shift it downstairs to the municipalities, and for once you did it with this bill, by giving the individual the tax abatement.

I think the amount we currently have on the books is sufficient to hold us, and I believe that we should support the indefinite postponement.

The SPEAKER: The Chair recognizes the gentlewoman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, Men and Women of the House: This bill has absolutely nothing to do with property taxation and nothing to do with abatements of property taxation, and this bill in no way affects the property taxes or is it in any way a shift of cost on to municipalities. It is strictly a state expenditure to try to encourage people to move on to alternate energy systems.

The SPEAKER: The Chair recognizes the gentleman from Harrison, Mr. Leighton.

Mr. LEIGHTON: Mr. Speaker, Ladies and Gentlemen of the House: Addressing myself to one of the earlier remarks of the gentlewoman from Owl's Head, I think hooking a wood furnace up to a duct constitutes cruel and unusual punishment.

But, more seriously, I think there is a tendency to clutter up our tax laws with various deductions and exclusions that they are designed to achieve certain purposes, and sometimes they do achieve those purposes, sometimes they flatly achieve them and sometimes they don't achieve them at all.

In this case, I agree with Representative Leonard, who has said that the aim of achieving energy savings through this type of tax legislation isn't necessary. Natural market forces will do the job, I think we all know it, and I urge you to support the motion for indefinite postponement.

The SPEAKER: The Chair recognizes the

gentleman from Sanford, Mr. Wood.

Mr. WOOD: Mr. Speaker, Ladies and Gentlemen of the House: I would remind you that this law is currently on the books and that if Mr. Leonard had felt strongly about it in committee, he could have repealed the whole law.

There is no increased bureaucracy, it did not cost anymore staff to interpret and enforce this law last year, it won't cost anymore this year. We are simply clarifying the law to make it easier to enforce.

I would argue that this law has been extremely effective not only in Maine but in Vermont where this law is modeled after. It applies not only to homeowners but to small businesses, and if you are serious about conserving energy, some of the methods and means are rather expensive, and this is one way of cushioning that blow to our businesses and our homeowners who want to install these devices.

I would urge you not to indefinitely postpone this bill because the law is already there. We are simply modifying it, and I would urge you to vote against the motion to indefinitely postpone.

The SPEAKER: The Chair recognizes the gentleman from Woolwich, Mr. Leonard.

Mr. LEONARD: Mr. Speaker, I just wanted to defend myself a bit. This bill has been sitting in our committee for three months. I have asked repeatedly to have it out of committee, as I repeatedly asked on other bills. It comes out today with certain amendments, or certain changes, and now they call it clarification of the law, and I can only think that maybe those people who wanted to expand this were doing this by design, the last day, minimum time to prepare any amendments.

Frankly, we were living under the existing law and it is working quite fine. There probably is need of clarification. The clarification could easily have come under the Errors and Inconsistencies Bill. If there is need of clarification in the future, I think it can be done later on. I don't think we necessarily have to expand the program, and I think frankly, that is what is trying to be done, as would be witnessed by the \$200,000 price tag on the bottom of the bill.

The SPEAKER: The Chair recognizes the gentlewoman from Falmouth, Mrs. Huber.

Mrs. HUBER: Mr. Speaker and Members of the House: We have heard a lot this session about the onerous regulations and problems that the bureaucrats put on us. I guess I would suggest to you this morning that in fact this bill is an incentive, it is not a regulation, and it is really one of the two ways we can go if we think it is the job of state and federal governments to speed up the timetable under which the market place will see these adjustments made.

I think the price tag will have to be looked at closely by leadership and appropriations, and I think the principle is a sound one and hope you will defeat the pending motion.

The SPEAKER: The Chair will order a vote. The pending question is on the motion of the gentleman from Woolwich, Mr. Leonard, that this Bill and all its accompanying papers be indefinitely postponed. All those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

31 having voted in the affirmative and 67 having voted in the negative, the motion did not prevail.

Thereupon, the Bill was passed to be engrossed as amended by Committee Amendment "A" and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The preceding papers appearing on Supplement No. 5 were ordered sent forthwith by unanimous consent.

#### Finally Passed Emergency Measure

RESOLVE, for Laying of the County Taxes

and Authorizing Expenditures of Hancock County for the Year 1980 (H. P. 2004) (L. D. 2024)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 113 voted in favor of same and none against, and accordingly the Resolve was finally passed, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

RESOLVE, for Laying of the County Taxes and Authorizing Expenditures of Franklin County for the Year 1980 (H. P. 2005) (L. D. 2026)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 116 voted in favor of same and none against, and accordingly the resolve was finally passed, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

#### Orders of the Day

The Chair laid before the House the first item of Unfinished Business:

An Act to Establish the Municipal Cost Components for Services to be Rendered in Fiscal Year 1980-81 (Emergency) (H. P. 1985) (L. D. 2018)

Tabled—March 24 (Till Later Today) by Mrs. Post of Owl's Head.

Pending—Passage to be Enacted.

The SPEAKER: This being an emergency measure, it requires a two-thirds vote of all the members elected to the House. All those in favor of this Bill being passed to be enacted will vote yes; those opposed will vote no.

115 having voted in the affirmative and none in the negative, the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

The Chair laid before the House the second item of Unfinished Business:

An Act to Clarify the Status of a Certain School Renovation Project in the City of Waterville under the Education Laws and to Validate Proceedings Authorizing the Issuance of Bonds or Notes by that City (Emergency) (S. P. 790) (L. D. 1989)

Tabled—March 24 (Till Later Today) by Mrs. Mitchell of Vassalboro.

Pending—Passage to be Enacted.

The SPEAKER: This being an emergency measure, it requires a two-thirds vote of all the members elected to the House. All those in favor of this Bill being passed to be enacted will vote yes; those opposed will vote no.

A vote of the House was taken, and 119 having voted in the affirmative and one in the negative, the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

#### (Off Record Remarks)

On motion of Mr. Jacques of Waterville, Rescinded until three o'clock in the afternoon.

#### After Recess 3:00 P.M.

The House was called to order by the Speaker.

The following items appearing on Supplement No. 11 were taken up out of order by unanimous consent:

The following Communication: (S. P. 816)

March 25, 1980

Honorable Samuel Collins  
Honorable Barry Hobbins  
Chairmen, Joint Standing  
Committee on the Judiciary  
State House  
Augusta, Maine 04333

Please be advised that Governor Joseph E. Brennan is nominating Jessie H. Briggs of Milo to be a Superior Court Justice.

Pursuant to Title 4 MRSA Section 152, this nomination will require review by the Joint Standing Committee on the Judiciary and confirmation by the Senate.

Sincerely,  
JOSEPH SEWALL  
President of the Senate  
JOHN L. MARTIN  
Speaker of the House

Came from the Senate read and referred to the Committee on Judiciary.

In the House, was read and referred to the Committee on Judiciary in concurrence.

#### Special Sentiment Calendar

Recognizing, the Waterville High School Hockey Team, 1979-80 State Class "A" Champions, their 2nd consecutive state title (S. P. 817)

There being no objections, this Expression of Legislative Sentiment was considered passed in concurrence.

The following items appearing on Supplement No. 12 were taken up out of order by unanimous consent:

The following Communication:

March 25, 1980

The Honorable Edwin H. Pert  
Clerk of the House  
109th Maine Legislature  
Augusta, Maine 04333  
Dear Clerk Pert:

The Senate voted to Insist and Join in a Committee of Conference on Bill "An Act to Increase Trapping Fees", (H. P. 1883) (L. D. 1937)

The President today appointed the following conferees:  
Senators:

REDMOND of Somerset  
PIERCE of Kennebec  
USHER of Cumberland

Respectfully,  
MAY M. ROSS  
Secretary of the Senate

The Communication was read and ordered placed on file.

The following Communication:

March 25, 1980

The Honorable Edwin H. Pert  
Clerk of the House  
109th Legislature  
Augusta, Maine 04333  
Dear Clerk Pert:

The Senate today voted to Adhere to its former action whereby it Indefinitely Postponed Bill, "An Act to Reorganize the Department of Mental Health and Corrections", (H. P. 1786) (L. D. 1904)

Respectfully,  
MAY M. ROSS  
Secretary of the Senate

The Communication was read and ordered placed on file.

The following Communication:

March 25, 1980

The Honorable Edwin H. Pert  
Clerk of the House  
109th Legislature  
Augusta, Maine 04333  
Dear Clerk Pert:

The Senate today voted to Adhere to its former action on Bill "An Act to Establish a Single Maine Estate Tax Based Upon a Percentage of the Federal Gross Estate", (H. P. 1769) (L. D. 1899)

Respectfully,

MAY M. ROSS

Secretary of the Senate

The Communication was read and ordered placed on file.

The Chair laid before the House the following matter:

RESOLVE, for Laying of the County Taxes and Authorizing Expenditures of Cumberland County for the Year 1980 (Emergency) (H. P. 2022) (L. D. 2031) which was tabled earlier in the day and later today assigned pending passage to be enacted.

The SPEAKER: The pending question before the House is on passage to be enacted. This being an emergency measure and a two-thirds vote of all the members elected to the House being necessary, a total was taken.

122 voted in favor of same and 2 against, and accordingly the Resolve was finally passed, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith to the Senate.

The Chair laid before the House the following matter:

Bill, "An Act to Exempt from Maine Income Tax Interest Earned on Accounts in Maine Financial Institutions." (H. P. 1722) (L. D. 1826) which was tabled earlier in the day and later today assigned pending adoption of Committee Amendment "A".

Mr. Baker of Portland offered House Amendment "A" to Committee Amendment "A" and moved its adoption.

House Amendment "A" to Committee Amendment "A" (H-978) was read by the Clerk.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Mr. Kelleher.

Mr. KELLEHER: Mr. Speaker, I move the indefinite postponement of House Amendment "A".

Mr. Baker of Portland requested a division.

The SPEAKER: The Chair recognizes the gentleman from Old Town, Mr. Pearson.

Mr. PEARSON: Mr. Speaker, Ladies and Gentlemen of the House: I think Mr. Baker should explain how much this costs and what he is intending to do.

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

Mr. BAKER: Mr. Speaker and Members of the House: It just occurred to me that since the sentiment was the way it was this morning on this bill and the sentiment was that we cannot afford to act on this bill, it occurred to me that a whole loaf is better than half a loaf. Therefore, I decided that if we are really going to be serious about granting this exemption, I should take the ceiling off and treat all the income made from interest equally. Why stop at \$400? Why not go to \$500, why not \$600? Why not really induce people to put their money in savings, why not really induce some kind of capital formation? So that was the idea of this amendment.

To answer Mr. Pearson, this amendment has a fiscal note of \$19,052,000. Now, many of you probably will say that this is the most irresponsible thing you have probably ever seen and I would agree. However, I feel it is no more irresponsible than to act the way we did this morning in passing legislation that would create a deficit of close to \$3 million, considering we have a tight budget.

I realize that politically it looks very nice to vote for this bill. After all, there is nothing more sacred, next to God, motherhood and apple pie, than savings. However, I think sometimes we have to do something that is not politically expedient. I think there are times you have to act on the best judgment and make some hard choices and be honest with people, be perfectly honest with them about the way we feel about it. So, it is my feeling if we are really going to feel this way, the sentiment the

way it was, let's just go ahead with the whole thing. That is my feeling about this bill.

The SPEAKER: The Chair recognizes the gentleman from Scarborough, Mr. Higgins.

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: The good gentleman from Portland is right; this is probably one of the most irresponsible things I have ever seen. I just wanted to assure the House that I in no way was conspiring with the gentleman this morning when I tabled this bill and I intend to vote for indefinite postponement.

The SPEAKER: The Chair recognizes the gentleman from Brewer, Mr. Norris.

Mr. NORRIS: Mr. Speaker, Ladies and Gentlemen of the House: I appreciate the young gentleman from Portland and his amendment, but he shows us that this young man may be going places, he is learning how to play the game. I have seen in my 12 years many irresponsible, so to speak, amendments come before this body on a bill in an attempt to kill it. So, he is just using a little finesse in trying to kill the bill and I don't hold that against him. All we have to do is just kill the amendment and go on with our business as usual.

The SPEAKER: The Chair recognizes the gentleman from Falmouth, Mrs. Huber.

Mrs. HUBER: Mr. Speaker, I would like to pose a question through the Chair to Mr. Higgins.

According to my figuring, this bill is nine times as irresponsible as the original L. D. Would he care to comment?

The SPEAKER: The gentleman from Falmouth, Mrs. Huber, has posed a question through the Chair to the gentleman from Scarborough, Mr. Higgins, who may respond if he so desires.

The Chair recognizes the gentleman from Scarborough, Mr. Higgins.

Mr. HIGGINS: Mr. Speaker, I don't care to respond.

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

Mr. BAKER: Mr. Speaker, Ladies and Gentlemen of the House: Very, very briefly, I would like to mention that I have taken my lessons very well from the good gentleman over here to my right and I would just like to comment that when they said, "Augusta—hands off my savings," they didn't say some of my savings, they said all of my savings, okay?

The SPEAKER: The Chair will order a vote. The pending question before the House is on the motion of the gentleman from Bangor, Mr. Kelleher, that House Amendment "A" to Committee Amendment "A" be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

72 having voted in the affirmative and 49 in the negative, the motion did prevail.

Thereupon, Committee Amendment "A" was adopted.

Under suspension of the rules, the Bill was read a second time.

The SPEAKER: The Chair recognizes the gentleman from Lisbon Falls, Mr. Tierney.

Mr. TIERNEY: Mr. Speaker and Members of the House: I would like to pose a question through the Chair to anyone on the Appropriations Committee who is supporting this piece of legislation.

It appears to me that with the death of an excellent piece of legislation sponsored by myself dealing with inheritance tax, that we now have about \$1.3 million to deal with all of the bills on the Appropriations Table. This particular bill, obviously, in its present form, will cost more than the total amount that we have on the table; therefore, I would like to ask the question, perhaps to Mr. Higgins or any other member of the Appropriations Committee, how are you going to be able to fund, even under optimum conditions, a bill that costs \$3 million with \$1.3 millions?

The SPEAKER: The gentleman from Lisbon

Falls, Mr. Tierney, has posed a question through the Chair to any member who may care to respond.

The Chair recognizes the gentlewoman from Augusta, Ms. Lund.

Ms. LUND: Mr. Speaker, Ladies and Gentlemen of the House: I would suggest that we apply to the Maine Guarantee Authority.

The SPEAKER: The Chair recognizes the gentleman from Scarborough, Mr. Higgins.

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I will preempt my good friend from Lewiston's remarks. I guess if one wants to rationalize why they could vote for this bill today, I think we could vote for it in the same situation in which we voted for the state employees yesterday. That was another situation which the good chairman of the committee stood up and said, this is going to cost the state \$1.7 million and we don't have it. I think all we are doing is saying to the people back home, that yes, we are in favor of this legislation and who knows, if we keep raising revenue estimates or whatever, maybe we will have some extra money to fund this program.

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

Mr. HOWE: Mr. Speaker and Members of the House: It seems to me that the logic that Mr. Higgins just applied to the bill without Mr. Baker's amendment could as easily have applied to the bill with Mr. Baker's amendment. I would like to take this opportunity to applaud Mr. Baker for his courage. I tend to think that we should have adopted this amendment, because I think what we have engaged in here today is something of a charade by passing this bill knowing or at least hoping that the Appropriations Table will see its demise. So, we might as well have done that with a full loaf as a ninth of a loaf.

I have been voting against this bill all along and I will continue to do so, even though I not only may experience the wrath of a number of constituents but my own wife, who is an officer with a savings bank, who has written to about 32 of you - perhaps Mr. Garsoe will remember responding to her letter addressing her as Mr. "Thankful" Howe.

In any case, I think we might as well have engaged in a \$9 million charade as a \$2.7 million charade. Either way, I think we ought to fess up and stop this bill right now and be honest with ourselves and our constituents.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

Mr. JALBERT: Mr. Speaker and Members of the House: I stopped a few weeks ago from getting up and getting myself all blood by stopping measures from going to the Appropriations Table, but one thing that has not been brought out on this bill here is this—the wealthy people and the poor people have been battered around from pillar to post and I would like to tell you who the people are that are poor. The people that are poor are those who have a wife at home with three children, one in college, one in high school waiting in the wings to go to college, and another one in grammar school that is going to go to high school and then go to college and "pays" for all these programs. The very, very wealthy, lawyers and accountants in different areas and ways and means, they don't pay too much in taxes and naturally the person with the large family, the person who is on welfare or AFDC, unfortunately or fortunately, when you come to think about some people draw as much as \$30,000 a year that are drawing welfare, I don't consider them as poor as my next door neighbor who has three kids and two of them in college. That is the fellow I call poor. He is paying through both nostrils day in and day out, month in and month out, year in and year out. I am voting for this bill.

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

Mr. BAKER: Mr. Speaker, Men and Women

of the House: I won't keep you very long. I am going to add some new information. I had a conversation when I was being lobbied on this bill by a friend of mine who happens to be a bank manager, and we had quite a conversation for about a half hour. After we were done, he finally admitted to me over the phone, Howard, you are right, this bill really doesn't do very much.

The SPEAKER: The Chair recognizes the gentleman from Yarmouth, Mr. Jackson.

Mr. JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: I don't think we have answered Mr. Tierney's question and although I don't agree with the answer, we hear the answer here every day on the floor and I think it should be run over quickly.

"We, in the House, should look at the content of the bill and not be concerned about the price tag, that is for the table to decide at the end of the session. We should consider the merits of the bill and only the merits of the bill."

The SPEAKER: The Chair will order a vote. The pending question before the House is on passage to be engrossed as amended by Committee Amendment "A". Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken. 95 having voted in the affirmative and 27 in the negative, the Bill was passed to be engrossed and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The following paper appearing on Supplement No. 13 was taken up out of order by unanimous consent:

#### Special Sentiment Calendar

Recognizing, the Bangor and Aroostook Railroad Company for transfer of their ownership in the model train used at Montreal World's Fair to the State of Maine; (H. P. 2040) by Mrs. Post of Owl's Head.

There being no objections, the above item was considered passed and sent up for concurrence.

Reference was made to (H. P. 1833) (L. D. 1937) Bill "An Act to Increase Trapping Fees."

In reference to the action of the House Tuesday, March 25, 1980 whereby it Insisted and asked for a Committee of Conference, the Chair appointed the following members on the part of the House as Conferees:

Messrs. DOW of West Gardiner  
MacEACHERN of Lincoln  
CHURCHILL of Orland

On motion of Mr. Tierney of Lisbon Falls, the Chair laid before the House the first tabled and unassigned matter:

Bill, "An Act to Appropriate Money for the Maine Energy Resources Development Fund and to Permit the use of Those Funds for Demonstration Projects" (H. P. 1713) (L. D. 1819)

—In House, Minority "Ought to Pass" as Amended by Committee Amendment "A" (H-811) Report Accepted and the bill Passed to be Engrossed on March 4, 1980.

—In Senate, Majority "Ought Not to Pass" Report Accepted.

Tabled—March 12, 1980 by Mr. Tierney of Lisbon.

Pending—Further Consideration.

On motion of Mr. Blodgett of Waldoboro, the House voted to insist.

By unanimous consent, ordered sent forthwith to the Senate.

On motion of Mr. Blodgett of Waldoboro, the House voted to insist.

By unanimous consent, ordered sent forthwith to the Senate.

On motion of Mrs. Mitchell of Vassalboro, the Chair laid before the House the second tabled and unassigned matter:

An Act Relating to Bonds and Notes Issued by Sanitary Districts (H. P. 1588) (L. D. 1808)

Tabled—March 17, 1980 by Mrs. Mitchell of Vassalboro.

Pending—Passage to be Enacted.

Thereupon, the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

The SPEAKER: Would the gentleman from Millinocket, Mr. Marshall, please approach the rostrum.

Mr. MARSHALL: I am very glad to be here to make this presentation today. It is an honor for me as a legislator and a member of the Republican party.

This presentation which I am about to make is to the senior ranking member of the legislature in the Republican party, Walter Birt, of East Millinocket, who was my guiding light as a freshman and has been my mentor these four years I have served.

Could we have the Sergeant-at-Arms escort the gentleman from East Millinocket to the rostrum.

Thereupon, Mr. Birt of East Millinocket was escorted to the rostrum amid applause of the House, the members rising.

Mr. MARSHALL: I would like to read the words that are inscribed on this plaque, given in extreme admiration to the service that Mr. Birt has provided, the citizens of my community and East Millinocket and his fellow legislators in general. It states: "Presented to Walter A. Birt of East Millinocket by his fellow Republican legislators for 18 years of service, 1963 through 1980; former Assistant Majority Leader of the House; senior ranking Republican. Dated: March 25, 1980, State House, Augusta, Maine."

Thereupon, Mr. Birt was escorted back to his seat on the floor amid applause of the House, the members rising.

The SPEAKER: The Chair would like to thank the gentleman from Millinocket, Mr. Marshall.

#### (Off Record Remarks)

The following paper appearing on Supplement No. 14 was taken up out of order by unanimous consent:

#### Tabled Unassigned

On motion of Mrs. Berube of Lewiston, the following Joint Order (H. P. 2041) (Cosponsors: Mr. Tarbell of Bangor, Mr. Brown of Livermore Falls and Mr. Davies of Orono)

WHEREAS, the Home Winterization Program is funded by both the State and the Federal Governments; and

WHEREAS, the taxpayers of the State of Maine pay both federal and state taxes; and

WHEREAS, the Home Winterization Program is the primary source of insulating and weatherizing the homes of low-income families; and

WHEREAS, the cost of heating oil has more than doubled in the past 12 months; and

WHEREAS, Governor Brennan declared in his Legislative Message of January 2, 1980, that it is the goal of his administration to see to the "weatherization of every Maine home" by 1990; and

WHEREAS, winterization of Maine homes will save both state and private funds and will reduce our reliance on imported oil; now, therefore, be it

ORDERED, the Senate concurring, subject to the Legislative Council's review and determinations hereinafter provided, that the Joint Standing Committee on Audit and Program Review shall study the operation and progress of the Home Winterization Program administered by the Division of Community Services; and be it further

ORDERED, that the committee report its findings and recommendations, together with all necessary implementing legislation in ac-

cordance with the Joint Rules, to the Legislative Council for submission in final form at the First Regular Session of the 110th Legislature; and be it further

ORDERED, that the Legislative Council, before implementing this study and determining an appropriate level of funding, shall first ensure that this directive can be accomplished within the limits of available resources, that it is combined with other initiatives similar in scope to avoid duplication and that its purpose is within the best interests of the State; and be it further

ORDERED, upon passage in concurrence, that a suitable copy of this Order shall be forwarded to members of the committee.

The Order was read.

The SPEAKER: The Chair recognizes the gentlewoman from Lewiston, Mrs. Berube.

Mrs. BERUBE: Mr. Speaker, I would like to say on the record that there will be no need of appropriating any sort of funding.

On motion of Mr. Tierney of Lisbon Falls, tabled unassigned pending passage.

The following paper appearing on Supplement No. 15 was taken up out of order by unanimous consent:

The following Communication:

March 24, 1980

Senator Joseph M. Sewall, President of the Senate and

John L. Martin, Speaker of the House  
Dear Sirs:

In accordance with 12 MRSA 6024, subpar. 2, I hereby submit an annual report of research activities and plans by this department.

This report was reviewed by the department's Advisory Council on March 12, 1980, and approved unanimously.

The Council directed me to forward the plan to the Legislature, as required.

Sincerely Yours,  
S/SPENCER APOLLONIO  
Commissioner

The Communication was read and with accompanying Report ordered placed on file.

The following paper appearing on Supplement No. 18 was taken up out of order by unanimous consent:

The following Communication:

March 25, 1980

The Honorable John Martin  
Speaker of the House  
State House

Augusta, Maine 04330  
Dear Speaker Martin:

The Committee on Audit and Program Review is pleased to report that it has completed all business placed before it by the Second Regular Session of the 109th Legislature.

Bills received in Committee 1  
Divided Reports 1

The Committee has also held fourteen public hearings in preparation for its report to the 110th Maine Legislature under the requirements of the Maine Sunset Law.

Sincerely,  
S/Rep. GEORGETTE B. BERUBE  
House Chairman

The Communication was read and ordered placed on file.

The following paper appearing on Supplement No. 20 was taken up out of order by unanimous consent:

Special Sentiment Calendar

Recognizing,

Clarence H. "Slim" Prescott, life-long resident of Dexter, who recently retired as Chief of the Dexter Fire Department after 38 years of dedicated service; (H. P. 2045) by Mr. Sherburne of Dexter. (Cosponsor: Senator Emerson of Penobscot)

There being no objections, the above matter was considered passed and sent up for concurrence.

By unanimous consent, all matters acted upon requiring Senate concurrence were ordered sent forthwith.

On motion of Mr. Jalbert of Lewiston, Recessed until the sound of the gong.

After Recess  
6:00 P.M.

The House was called to order by the Speaker.

The following paper appearing on Supplement No. 16 was taken up out of order by unanimous consent:

On motion of Mr. Garsoe of Cumberland, the following Joint Order (H. P. 2042)

ORDERED, the Senate concurring, that in accordance with emergency authority granted under Title 3, section 2 of the Maine Revised Statutes the 2nd Regular Session of the 109th Legislature shall be extended by 3 additional legislative days to be held on March 26, 1980 and on April 2 and 3, 1980.

The Order was read.

Mr. Leonard of Woolwich requested a roll call vote.

The SPEAKER: For the Chair to order a roll call, it must have the expressed desire of one-fifth of the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

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

The SPEAKER: The pending question is on passage of this Order. This requires a two-thirds vote of all those present and voting. All those in favor of this Order receiving passage will vote yes; those opposed will vote no.

ROLL CALL

YEA — Aloupis, Bachrach, Baker, Beaulieu, Benoit, Berube, Birt, Blodgett, Bordeaux, Bowden, Brannigan, Brennerman, Brown, D.; Brown, K.C.; Call, Carroll, Carter, D.; Carter, F.; Chonko, Churchill, Cloutier, Connolly, Cox, Cunningham, Curtis, Diamond, Dow, Drinkwater, Dudley, Dutremble, D.; Elias, Fenlason, Garsoe, Gillis, Gowen, Gray, Gwadosky, Hanson, Hickey, Higgins, Hobbins, Howe, Hughes, Hutchings, Jackson, Jacques, P.; Jalbert, Kane, Kany, Kelleher, Kiesman, LaPlante, Lizotte, Locke, MacBride, MacEachern, Mahany, Marshall, Martin, A.; Masterman, Masterton, Matthews, McKean, McSweeney, Michael, Morton, Nadeau, Nelson, A.; Nelson, N.; Norris, Paradis, P.; Paul, Payne, Pearson, Peterson, Post, Prescott, Reeves, J.; Reeves, P.; Rolde, Rollins, Roope, Sewall, Sherburne, Small, Smith, Soulas, Stover, Strout, Studley, Tarbell, Theriault, Tierney, Torrey, Tozier, Tuttle, Twitchell, Vose, Wentworth, Wood, Wyman, The Speaker.

NAY — Austin, Barry, Brodeur, Brown, A.; Brown, K.L.; Bunker, Conary, Damren, Delert, Doukas, Fillmore, Fowlie, Gavett, Hunter, Jacques, E.; Leighton, Leonard, Lewis, Lougee, Lowe, McHenry, McPherson, Peltier, Silsby, Sprowl, Vincent.

ABSENT — Berry, Boudreau, Carrier, Davies, Davis, Dexter, Dutremble, L.; Hall, Huber, Immonen, Joyce, Laffin, Lancaster, Lund, Maxwell, McMahon, Nelson, M.; Paradis, E.; Simon, Stetson, Violette, Whittemore. Yes, 103; No, 26; Absent 22.

The SPEAKER: One Hundred three having voted in the affirmative and twenty-six in the negative, with twenty-two being absent, the motion does prevail.

By unanimous consent, ordered sent forthwith to the Senate for concurrence.

The following paper appearing on Supplement No. 19 was taken up out of order by unanimous consent:

Tabled Unassigned

On motion of Mrs. Nelson of Portland, the following Joint Order, (H. P. 2044) (Cosponsor: Mr. Morton of Farmington)

WHEREAS, the Joint Select Committee to study the Maine State Retirement System has reported to the 109th Legislature presenting a comprehensive review and analysis of the system; and

WHEREAS, the study report has indicated that there are several potential areas of concern which may have a deleterious effect on the Maine State Retirement System; and

WHEREAS, the study report has specifically indicated that:

1. The Maine State Retirement System is not being funded on a realistic or prudent basis;

2. Major benefit deficiencies exist in the system which are either overly generous, overly restrictive or poorly designed;

3. The system should seriously consider integrating with the United States Social Security System; and

4. Certain problems exist in the composition of the board of trustees and its responsibility in relation to the selection of actuarial assumptions; and

WHEREAS, it is necessary that the Legislature evaluate this report and its recommendations to determine if some action should be taken to improve the Maine State Retirement System; now, therefore, be it

ORDERED, the Senate concurring, that a joint select committee be created to evaluate the findings and recommendations of the Joint Select Committee to Study the Maine State Retirement System, particularly the areas of funding, benefits, integration with the United States Social Security System and the composition and responsibilities of the board of trustees; and be it further

ORDERED, that this committee shall be composed of the following 5 members: One public member and one member of the Senate appointed by the President of the Senate, one public member and one member of the House of Representatives appointed by the Speaker of the House of Representatives, and one member of the executive department appointed by the Governor. The public members shall receive reimbursement for the necessary expenses incurred in carrying out the performance of their duties. All executive departments are directed to assist the committee to the extent the committee deems necessary. The Legislature shall provide such other staff support as necessary and the committee is authorized to use expert assistance; and be it further

ORDERED, that the committee report its findings and recommendations, together with all necessary implementing legislation in accordance with the Joint Rules, to the Legislative Council for submission in final form by December 1st.

The Order was read.

On motion of Mr. Tierney of Lisbon Falls, tabled unassigned pending passage.

The following paper appearing on Supplement No. 21 was taken up out of order by unanimous consent:

Bill, "An Act to Make Further Revisions to Salaries of Certain County Officers" (Emergency) (H. P. 2046) (Presented by Mr. LaPlante of Sabattus) (Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 27)

Committee on Local and County Government was suggested.

Under suspension of the rules, the Bill was read twice, passed to be engrossed without reference to any committee and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The following paper appearing on Supplement No. 22 was taken up out of order by unanimous consent:

imous consent:

#### Non-Concurrent Matter

Bill "An Act to Amend Allocations from the Highway Fund for the Fiscal Years from July 1, 1979 to June 30, 1980 and from July 1, 1980 to June 30, 1981, Decrease the State Aid Bonus from 40% to 20%, and Revise Drivers' License and Examination Fees" (Emergency) (H. P. 1723) (L. D. 1827) which was passed to be engrossed as amended by Committee Amendment "A" (H-812) as amended by House Amendments "E" (H-868) and "G" (H-947) thereto in the House on March 19, 1980.

Came from the Senate passed to be engrossed as amended by Committee Amendment "A" (H-812) as amended by Senate Amendment "L" (S-520) thereto in non-concurrence.

In the House:

Mr. Carroll of Limerick moved that the House recede and concur.

The SPEAKER: The Chair recognizes the gentleman from Lincoln, Mr. MacEachern.

Mr. MacEACHERN: Mr. Speaker, I asked the same question in caucus, and I would like to ask it again. I don't think it has been thoroughly explained. What the connection of Fisheries and Wildlife and Marine Resources is on the money that the highway budget is taking from the boat and snowmobile funds.

The SPEAKER: The gentleman from Lincoln, Mr. MacEachern, has posed a question through the Chair to anyone who may care to answer.

The Chair recognizes the gentleman from Madison, Mr. Elias.

Mr. ELIAS: Mr. Speaker and Members of the House: In response to the gentleman's question, the snowmobile fund has a surplus in it of around \$8,000; the boat facility fund has a surplus of about the same. Not a dime of that will be touched. What will be touched is, first of all, in the snowmobile fund you have one half of one percent of the gas tax that comes into the department goes into the snowmobile account. On the boat facility fund, you have one and one half cents of the gas tax that goes into this fund. For one year, that percentage in both the boat facility fund, as well as the snowmobile fund, will be touched; that is what will be taken away for one year. So, the surpluses that are in existence won't be touched.

In addition to that, I don't necessarily agree with that, I think that there is one area in this proposal that hasn't been really looked at close enough, and that area is the state police budget.

In the first amendment that we presented, we cut \$300,000 from the state police, and by cutting \$300,000 from the state police, they told us that they will close the Criminal Justice Academy for one year for state troopers. It will be open for the rest of the law enforcement officers. Each individual state trooper costs the State of Maine \$34,000. Those are figures that come from the Finance Office. That totals up to be \$1,020,000. In this amendment, the total cut from the state police is \$400,000. You match that with the 75-25 cut out of the General Fund, and the total cut would be \$500,000, which would leave \$520,000 in a surplus account in the state police, which they said they will need to use for an increase in the fuel costs over the next year.

What you have is a decision of the legislature to decide whether or not to leave this \$520,000 in the state police budget to gobble up the fuel increase or use it in some other area like maybe the snowmobile fund or the boat facility fund. That decision is up to the legislature. We have made that proposal on numerous occasions but it seems to be set aside each time.

I hope I have answered your question.

The SPEAKER: The Chair recognizes the gentleman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, Men and Women of the House: I think the question was answered but not fully.

Essentially what happened is what is supposed to be dedicated as far as the gasoline tax is concerned is excise taxes from fuels that are used on highways. The legislature, in the past, has made findings of facts that a certain amount of internal combustion fuel is not used on highway, it is used in these two instances we are talking about, it is either used by boats or it is used by snowmobiles.

The way the process works, it is a legislative finding of fact and the legislature finds that 1.25 percent of the total amount of gasoline that is used in the state is used by boats and that .5 percent of the total amount of gasoline that is used in the state is used by snowmobiles. That may be an arbitrary decision, but that is the legislative finding of fact.

What this bill intends to do for that one year is to cut in half that previous legislative finding of fact and say that we are only going to give .75 by boats in the allocation and only .25 to the snowmobile allocation.

The way it works with the Marine Resources is, out of that amount of money, when you have the 1.25 percent of the gasoline tax, that is an amount of money and then they pay refunds on gasoline that is used on commercial fishing boats. Of that amount that is left, the balance of that, 20 percent goes to the Department of Marine Resources for research and 80 percent goes into the boat facilities fund. You don't have to think very much that if you in fact cut that percentage to half, by the time you get through paying the refunds, it is very likely there is not going to be anything left for the Department of Marine Resources, and the same thing is true with the Inland Fisheries and Wildlife Department. Of that .25 percent which the legislature has said previously is used by snowmobiles, 10 percent of it goes to the Department of Inland Fisheries and Wildlife. If you cut the amount set aside in half, then the amount that is going to the Fisheries and Wildlife has to be cut by half. Then the rest of the 90 percent goes to the snowmobile trail refund.

As far as I am concerned, this money is not used on highways in either the case of snowmobiles or in the case of boats, it is not used on highways, it is totally inappropriate to dedicate it to the use of highways, and it is no different than taking money out of the General Fund.

Therefore, I ask that you oppose the recede and concur motion.

The SPEAKER: The Chair recognizes the gentleman from Presque Isle, Mrs. MacBride.

Mrs. MacBRIDE: Mr. Speaker, Ladies and Gentlemen of the House: The Presque Isle City Council has gone on record as being opposed to anything that would cut the state aid construction. This is really a very drastic cut, so I wish someone could tell me just what effect it is going to have on municipalities such as that. Also, I am concerned about the winter maintenance program and what effect that will have on our roads up north.

The SPEAKER: The gentleman from Presque Isle, Mrs. MacBride, has posed a question through the Chair to anyone who may care to answer.

The Chair recognizes the gentleman from Limestone, Mr. McKean.

Mr. McKEAN: Mr. Speaker, Ladies and Gentlemen of the House: In answer to the question just posed, under this particular amendment it will have very little effect, Representative MacBride. The state aid bonus was left up to 40 percent, as it has been in the past. What they have done is put in a delay, a built in delay. Whether or not you will experience much delay up in our part of the woods, I couldn't tell you, but the deal will be minimal, however.

I think you are mainly interested in the state aid bonus, and I believe that is where the problem comes from with the city councils. As far as the winter maintenance, yes, I have a problem there also, I have a big problem there. They propose to take a million and a half out of

winter maintenance, and they are telling you, we have saved so much money because of the light winter that we have had, notwithstanding the snowstorm that we just saw here a week or so ago.

The best calculations I can find, I think we have saved approximately a million dollars; therefore, a million dollars coming out of the 1979-80 budget I could go along with and I think that is fine, but we are betting that next year we can drag a half a million out of there and still plow the roads that need to be plowed.

I have been in the State of Maine a number of years, and there is nothing that tells me you are not going to have a barn burner next October, and I don't like to make that kind of a wager. This last snowstorm, we had one person killed. Are we going to bet that we may have 10 killed next year? I can't make those kind of wagers, I can't stand those kind of odds when we are talking about human lives on the highways.

As far as the snowmobile and the boat funds go, we are all going to have to suffer some. The only problem I have with that—we made a commitment, not this legislature but a previous legislature made a commitment under Title 36, and I have a copy right here. People do tell you, yes, there has been less activity with snowmobiles this year; therefore, we shouldn't drag that much money out. There has been less gas bought also this year, so there hasn't been that much money going into the fund as there was in previous years. This is what they kind of forget to tell you.

I have told them that I would not get up and oppose this amendment, I may not vote for it. I am giving you facts, I am not opposing it, I am not going for it, I am just giving you some facts.

The SPEAKER: The Chair recognizes the gentleman from Cumberland, Mr. Garsoe.

Mr. GARSOE: Mr. Speaker, Ladies and Gentlemen of the House: I just learned in our caucus that this still has the emergency on it, and I would like to make a prediction that this bill is not going nowhere. Every speaker you have heard here tonight has been against it, and they should be, because this is delay and deferral. Your questions are all very well put. I don't want to hear again the term 'surplus' used when you talk about the snowmobile fund, because it is not a surplus, it is a working reserve. I don't want to hear the term 'surplus' in the state aid account either, because that money is all committed, specifically committed to individual communities.

So, what we are doing if we accept any such compilation as is before us right now is dumping this problem, unaltered, in fact exaggerated, into the laps of the 110th Legislature—most unwise. So I would like to get it out of here with its majority vote, but when it comes back for a two-thirds vote, I am predicting it hasn't got a prayer.

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

Mr. JACQUES: Mr. Speaker and Members of the House: The only one big problem that I have with this is that not too long ago the Fish and Game came here and we had a few different proposals and one of them included going to appropriation for what we felt were services provided by Fish and Game that they thought they should be reimbursed for. This legislature, both bodies, gave us a very clear message that they didn't want that to happen.

Basically, what I felt was told was, you guys have your problem in Fish and Game, you take care of it in Fish and Game. That is the message that I got.

Here we go and say, well, Fish and Game is going to get their \$125,000—big deal. We are going to get it anyway. We are not getting anything out of this. I think this is a sleazy way of getting some money, I will tell you that, and if the snowmobile fund and the boat facilities fund have what you call a surplus, or whatever

you want to call it, more power to them. I haven't seen too many places that have that this year.

The thing that bothers me is, it is just like Mrs. Post said—it is no different than going to the General Fund for something to bail out a department. We did not go along with that for Fish and Game, and I don't see why we should go along with this. It is no different, Transportation or Fish and Game.

I am going to vote against this and I hope you all go with me.

The SPEAKER: The Chair recognizes the gentleman from Lisbon Falls, Mr. Tierney.

Mr. TIERNEY: Mr. Speaker, Men and Women of the House: I rise with some trepidation with regards to the details of the highway fund and the snowmobile fund, but I would just like to reemphasize something that my good friend from Madison, Mr. Elias, said, and that is that the money in both those funds will stay in those funds and stay committed to the purposes for which they were raised, and I think you have heard some rhetoric here that implies the contrary.

What this amendment does is to slow down the future rate of accumulation in both of those funds. I hope everyone understands the difference, because it is a distinction with a difference.

I would also like to comment on the record at this time about two items which are not in this bill and which are not implied in any way of this bill whether you vote to adhere, insist or recede and concur, and those two items are (1) that there is no commitment on the part of anyone in this House, certainly House leadership, to a future study which would be funded either from Highway Funds or General Funds in regards to a consulting firm to reanalyze the department in regards to future efficiencies and (2) there is no commitment on the part of leadership from the people on the Transportation Committee in this House in regards to any special session which we would be recalled prior to next November. I just wanted to make sure that those two facts were clear on the record.

Mr. Higgins of Scarborough requested a roll call vote.

The SPEAKER: For the Chair to order a roll call, it must have the expressed desire of one-fifth of the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

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

The SPEAKER: The pending question is on the motion of gentleman from Limerick, Mr. Carroll, that the House recede and concur. All those in favor will vote yes; those opposed will vote no.

The Chair recognizes the gentleman from Scarborough, Mr. Higgins.

Mr. HIGGINS: Mr. Speaker, I ask leave of the House to pair my vote with the gentleman from Lewiston, Mr. Jalbert. If he were voting, he would be voting yea and I would be voting nay.

#### ROLL CALL

YEA — Bachrach, Baker, Beaulieu, Benoit, Berube, Birt, Brennerman, Brodeur, Brown, D.; Brown, K.C.; Call, Carroll, Carter, D.; Carter, F.; Churchill, Cloutier, Connolly, Cox, Dutremble, D.; Hickey, Hobbins, Howe, Huber, Jacques, E.; Joyce, Kane, Kany, Lizotte, Mahany, Marshall, Martin, A.; McPherson, McSweeney, Michael, Mitchell, Morton, Nadeau, Nelson, M.; Norris, Paradis, P.; Prescott, Reeves, P.; Rolde, Small, Soulas, Stover, Theriault, Tierney, Tuttle, Violette, The Speaker.

NAY — Aloupis, Austin, Barry, Blodgett, Bordeaux, Bowden, Brannigan, Brown, A.; Brown, K.L.; Bunker, Chonko, Conary, Cunningham, Curtis, Damren, Dellert, Dexter, Diamond, Doukas, Dow, Drinkwater, Dudley, Elias, Fenlason, Fillmore, Fowlie, Garsoe,

Gavett, Gillis, Gowen, Gray, Gwadosky, Hanson, Hughes, Hunter, Hutchings, Jackson, Jacques, P.; Kelleher, Kiesman, Lancaster, LaPlante, Leighton, Leonard, Lewis, Locke, Lougee, Lowe, Lund, MacBride, MacEachern, Masterman, Masterton, Matthews, McHenry, McKean, Nelson, A.; Nelson, N.; Paradis, E.; Paul, Payne, Pearson, Peltier, Peterson, Post, Reeves, J.; Rollins, Roope, Sewall, Sherburne, Silsby, Smith, Sprowl, Studley, Tarbell, Torrey, Tozier, Twitchell, Vincent, Vose, Wentworth, Wood, Wyman.

ABSENT — Berry, Boudreau, Carrier, Davies, Davis, Dutremble, L.; Hall, Immonen, Laffin, Maxwell, McMahon, Simon, Stetson, Whittemore.

PAIRED — Higgins-Jalbert.

Yes, 51; No, 84; Absent, 14; Paired, 2.

The SPEAKER: Fifty-one having voted in the affirmative and eighty-four in the negative, with fourteen being absent and two paired, the motion does not prevail.

Thereupon, on motion of Mr. Tierney of Lisbon Falls, the House voted to insist.

By unanimous consent, ordered sent forthwith to the Senate.

#### (Off Record Remarks)

The following paper appearing on Supplement No. 23 was taken up out of order by unanimous consent:

##### Non-Concurrent Matter

Bill "An Act Relating to Agricultural Development" (H. P. 1719) (L. D. 1830) which was passed to be engrossed as amended by Committee Amendment "A" (H-843) in the House on March 11, 1980.

Came from the Senate passed to be engrossed as amended by Committee Amendment "A" (H-843) as amended by Senate Amendment "A" (S-503) thereto in non-concurrence.

In the House: On motion of Mr. Mahany of Easton, the House voted to recede and concur.

By unanimous consent, ordered sent forthwith to Engrossing.

The following paper appearing on Supplement No. 24 was taken up out of order by unanimous consent:

##### Special Sentiment Calendar

Recognizing, Cora Horton of Blue Hill, on the 90th anniversary of her birth; (S. P. 818)

There being no objections, the above item was considered passed in concurrence.

On motion of Mrs. Mitchell of Vassalboro, the Chair laid before the House the fourth tabled and unassigned matter:

JOINT ORDER—Relative to the Joint Select Committee studying the Maine State Retirement System (H. P. 2006)

Tabled—March 24, 1980 by Mrs. Mitchell of Vassalboro.

Pending—Passage.

On motion of Mrs. Nelson of Portland, the Order was indefinitely Postponed.

#### (Off Record Remarks)

On motion of Mr. Jackson of Yarmouth, adjourned until nine o'clock tomorrow morning.