

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

LEGISLATIVE RECORD

OF THE

# Ninetieth Legislature

OF THE

STATE OF MAINE



1941

KENNEBEC JOURNAL COMPANY

AUGUSTA, MAINE

**SENATE**

Wednesday, April 23, 1941

The Senate was called to order by the President.

Prayer by the Reverend L. E. Stiles of Augusta.

Journal of yesterday read and approved.

From the House:

Bill "An Act Relating to the Manufacture and Sale of Cider." (H. P. 1560) (L. D. 849)

(In the Senate on April 22nd indefinitely postponed in non-concurrence)

Comes from the House, that body having insisted on its former action whereby the bill was substituted for the "Ought Not to Pass" report, and passed to be engrossed, and now asking for a Committee of Conference, the Speaker having appointed as members of such a committee on the part of the House:

Representatives:

AYER of Cornish  
NEWCOMB of Carmel  
GOODRICH of Palmyra

In the Senate, on motion by Mr. Batchelder of York, that Body voted to insist on its former action and join with the House in a Committee of Conference. The President appointed as Senate members of such committee, Senators Bate of Kennebec, Batchelder of York, Elliot of Knox.

From the House:

The Committee of Conference on the disagreeing action of the two branches of the Legislature on Bill "An Act Relating to Taxation of Shore Property in Wild Lands," (H. P. 1599) (L. D. 924) have had the same under consideration and ask leave to report that the House recede and concur with the Senate in the indefinite postponement of the bill, as the subject matter is covered by Section 9 of Chapter 12, and Section 37 of Chapter 13 of the Revised Statutes.

Which report was read and accepted in concurrence.

**Joint Order**

From the House:

ORDERED, that the Senate concurring, that the Legislative Research Committee be instructed to investigate all actions of the State Tax

Assessor relative to valuations of shore lands in unorganized territory taken under the provisions of Section 9 of Chapter 12 and Section 37 of Chapter 13 of the Revised Statutes. (H. P. 1929)

In the House read and passed.

In the Senate:

Mr. CHAMBERLAIN of Penobscot: Mr. President, I move that the order be laid upon the table pending passage, and especially assigned for tomorrow.

A viva voce vote being doubted, a division of the Senate was had.

Two having voted in the affirmative and eleven in the negative, the motion to table did not prevail.

Thereupon, the order was passed in concurrence.

From the House:

Petition of the Bingham Townsend Club No. 1, of Bingham, urging the Legislature of the State of Maine to Memorialize Congress in favor of (H. P. 1036) known as the Townsend Bill. (H. P. 1926)

Which was read and ordered placed on file in concurrence.

From the House:

The Committee on Judiciary on Remonstrance of Hazel C. Lord and 114 other voters in Cumberland County against (L. D. 521) to transfer from the Personnel Board back to Heads of Departments the Exclusive Power over Promotion in the Classified Service, etc. (H. P. 1920), reported that the same be placed on file.

Which report was read and accepted in concurrence.

From the House:

The Committee on State Lands and Forest Preservation on Bill "An Act Approving the Purchase of Lamoine Coal Depot," (H. P. 446) (L. D. 185) reported that the same ought to pass as amended by Committee Amendment "A".

Comes from the House, report read and accepted and bill passed to be engrossed as amended by Committee Amendment "A" as amended by House Amendment "B" thereto.

In the Senate, the report was read and accepted in concurrence and the bill was given its first reading; Committee Amendment A was read and adopted in concur-

rence and House Amendment B to Committee Amendment A was read and adopted in concurrence.

Under suspension of the rules, the bill as amended by Committee Amendment A as amended by House Amendment B thereto was given its second reading and passed to be engrossed in concurrence.

#### First Reading of a Printed Bill

Bill "An Act Relating to the Administration of State Institutions." (S. P. 565) (L. D. 1167)

Which bill was read once and under suspension of the rules was read a second time and passed to be engrossed.

Sent down for concurrence.

#### Conference Committee Reports

The Committee of Conference on the disagreeing action of the two branches of the Legislature, on Bill "An Act to Provide Better Government for the Town of Bar Harbor," (H. P. 645) (L. D. 281) have had the same under consideration and ask leave to report that the Senate recede from its action whereby it passed the bill to be engrossed as amended by Senate Amendment "A," indefinitely postpone Senate Amendment "A" and concur with the House in passing the bill to be engrossed without amendment.

Which report was read and accepted and the Senate voted to recede from its former action whereby the bill was passed to be engrossed as amended by Senate Amendment A; Senate Amendment A was then indefinitely postponed and the bill was passed to be engrossed without amendment in concurrence.

The Committee of Conference on the disagreeing action of the two branches of the Legislature, on Bill "An Act Relating to the Duties of Superintending School Committees," (S. P. 331) (L. D. 825) have had the same under consideration and ask leave to report that the committee is unable to agree.

Which report was read and accepted.

Sent down for concurrence.

The Committee of Conference on the disagreeing action of the two branches of the Legislature on Bill "An Act to Provide for the Speedy and Inexpensive Adjudication of Small Claims," (H. P. 1517) (L. D.

858) have had the same under consideration and ask leave to report that they are unable to agree.

The Committee of Conference on the disagreeing action of the two branches of the Legislature, on Bill "An Act Relating to the Safety of Highways," (H. P. 1892) (L. D. 1107) have had the same under consideration and ask leave to report that the Committee is unable to agree.

Which reports were severally read and accepted.

Sent down for concurrence.

The Committee of Conference on the disagreeing action of the two branches of the Legislature, on Bill "An Act to Prevent Fraudulent Advertising," (S. P. 345) (L. D. 662) have had the same under consideration and ask leave to report that a majority of the Committee from each branch recommend that both branches recede from their former action, and that the new draft (S. P. 567) submitted herewith "Ought to Pass."

On motion by Mr. Hildreth of Cumberland, the bill and accompanying reports were laid upon the table pending acceptance of the Majority Report and especially assigned for later in the day.

#### Passed to Be Enacted

Bill "An Act Relating to Vital Records." (S. P. 409) (L. D. 822)

Bill "An Act to Incorporate the Patten School District." (S. P. 525) (L. D. 1089)

Bill "An Act Relating to the Liability of Relatives to Support Recipients of Public Assistance." (S. P. 861) (L. D. 668)

Bill "An Act to Aid Agriculture by Providing for the Organization of Rural Electrification Cooperatives." (H. P. 350) (L. D. 137)

Bill "An Act Relating to the Acceptance of Zoning Laws." (H. P. 1904) (L. D. 1135)

Bill "An Act Relating to Licensing of Dogs." (H. P. 1911) (L. D. 1144)

Bill "An Act to Incorporate the Wilton Water District." (H. P. 1916) (L. D. 1154)

Bill "An Act to Provide a Jointly-Contributory Retirement System for State Employees Except Teachers." (H. P. 1783) (L. D. 1033)

#### Finally Passed

"Resolve for the Purchase of Copies of 'The Old Man of the 103rd.'" (H. P. 1184) (L. D. 1113)

### Orders of the Day

The President laid before the Senate the first tabled and especially assigned bill, An Act Relating to Inheritance Tax Law, (H. P. 1285) (L. D. 551) tabled by Miss Laughlin of Cumberland on April 22nd pending consideration.

Miss LAUGHLIN: Mr. President, I believe this bill was tabled pending consideration of an amendment offered in the House. I move this House amendment be indefinitely postponed. I think we all have a copy on our desks. If not, I will say the rates established in that amendment on "Class B" which includes brother, sister, uncle, aunt, nephew, niece, and so forth, are raised to such an extent that, to my mind, it is out of line with decency and fairness.

For instance, we will suppose you leave \$2000 to your brother. He gets only a \$500 exemption. He then, under this bill, would pay eight percent on that small legacy. On \$2,000 he would pay \$120 in inheritance taxes. The same thing goes on right through in all the others.

I have been looking up the rates in other states in our neighborhood. If I go to other states I can get more discrepancy. For instance, take the New England states. I will begin alphabetically. Connecticut, — comparing with this—in the first place the exemption is \$3000 on which no tax is paid for brother, sister, uncle or aunt. Then the rate on that is 3% up to \$25,000; 4% to \$75,000 as compared with the rate which is suggested here of 8%. In the first place, as I said, the exemption is \$3,000 and then it would begin, so if you leave \$5,000 in Connecticut to a brother or sister, first there would be an exemption of \$3,000 and tax to be paid on \$2,000 which would be 3% of that, so that there would be a tax of \$60.00 on a \$5,000 legacy whereas in this bill it would be \$120 on a \$2,000 legacy, and if you gave a legacy of \$5,000 it would then be a tax of \$360 on \$5,000 as against \$60.00 in Connecticut.

Take Massachusetts next. Apparently there is no exemption but the tax up to \$10,000 is 3%. Up to \$25,000 it is 5%. It never goes up, even over a million dollars, to 9% whereas we get to 10% on a far smaller amount. I might say where we would pay \$360 on \$5,000 Massachusetts would pay \$150 as against \$360.

New Hampshire rates are not clear except for husband and wife. They are exempt up to any amount, which seems extraordinary. For others, the highest they get even for a million dollars is 8½%.

Take Rhode Island. In Rhode Island on the same relatives there is an exemption of \$1,000 as against our \$500. The tax of all above that up to \$25,000 is 5%, up to \$50,000 it is 6% as against what is proposed here of 8% and 9%.

Take Vermont. In Vermont the first is 5% for any amount up to over a million dollars.

So compared with these neighboring New England states,—and the discrepancy would be far more in some other states—the rates proposed are at least double.

We have heard a lot of talk about taxes on the poor man. There was talk yesterday that a poor man who earns \$850 a year must pay an additional tax of \$14.00 on cigarettes. I would call attention to the fact that he would not pay that additional tax unless he had already spent a hundred dollars for smoking, so the tax would not be much.

Here is a question of a poor person—if you leave a brother or sister \$2,000, under this bill he would have to pay \$120 out of that for inheritance taxes, and all these rates are along that same line. I might say here that taxes on husband, wife and children in the other states are far lower than we have established here in this state, but we voted that here. We raised the taxes above every other New England state on husband, wife and child.

When it comes to these exemptions of \$500; as I have said Connecticut has an exemption if \$3,000 and Rhode Island has an exemption of \$1,000; and we are raising the rates to about twice what they should be.

I do not care very much whether we raise the rates on matters of \$250,000 or something like that, but this, to my mind, is far worse than any tax that has been proposed. It is a tax on poor people who might get a legacy from a brother or sister.

The PRESIDENT: The pending question is on the motion of the Senator from Cumberland, Senator Laughlin, that House Amendment "A" be indefinitely postponed. Is the Senate ready for the question? All

in favor of the motion to indefinitely postpone, will say "aye".

A viva voce vote being doubted, a division of the Senate was had.

Eight having voted in the affirmative and sixteen opposed, the motion to indefinitely postpone House Amendment "A" did not prevail.

Mr. BISHOP of Sagadahoc: Mr. President, I would like to ask a question, through the Chair, of the Senator from Cumberland, Senator Laughlin.

The PRESIDENT: The Senator from Sagadahoc, Senator Bishop, desires to ask a question through the Chair of the Senator from Cumberland, Senator Laughlin. He may do so and that Senator may reply if she sees fit.

Mr. BISHOP: Mr. President, I understood the Senator to speak of \$5,000 exemption. The amendment which I have here gives a figure of \$500.

Miss LAUGHLIN: That is correct. It is only \$500 exemption, so I say if you got a legacy of \$2,000 you would have \$500 exempt and would pay a tax on \$1500 at the rate of 8%, which would be \$120.

Mr. FARRIS of Kennebec: Mr. President, may I inquire through the Chair, what the pending question is on Legislative Document 551?

The PRESIDENT: The Chair will state that the pending question is on the adoption of House Amendment "A", in concurrence.

Thereupon, on motion by Mr. Farris, House Amendment "A" was adopted in concurrence.

Senate Amendment "B" was indefinitely postponed in concurrence; and the bill, as amended by Senate Amendment "A" and by House Amendment "A" was passed to be engrossed in concurrence.

The President laid before the Senate the second tabled and today assigned bill, An Act Relating to Payments of Accounts to the State (S. P. 46) (L. D. 22) tabled by Mr. Chamberlain of Penobscot on April 22nd pending consideration.

Mr. CHAMBERLAIN: Mr. President, I do not recall what the consideration is.

The PRESIDENT: The Secretary will read the endorsements.

The SECRETARY: In the Senate, engrossing had been reconsidered and on April 22nd it was laid

upon the table and for the 23rd assigned. In the House, the bill was read a third time and passed to be engrossed as amended by Senate Amendment "A" as amended by House Amendment "A" in non-concurrence.

Mr. CHAMBERLAIN: Mr. President, I think I shall have to ask some advice as to what motion I should make.

The PRESIDENT: If the Senate should adopt House Amendment "A" to Senate Amendment "A" the Senate would be in concurrence with the House.

Mr. CHAMBERLAIN: Mr. President, I move the Senate adopt House Amendment "A" in concurrence.

Mr. BRIDGES of Washington: Mr. President, may I ask for the reading of Senate Amendment "A"?

The Secretary read Senate Amendment "A".

The PRESIDENT: The pending motion is on the adoption of House Amendment "A".

The Secretary read House Amendment "A".

Mr. BRIDGES: Mr. President, as I understand this House amendment which has just been read, it means that in case the state and a town are in dispute as to whether the state owes the town some money the state cannot withhold the money but must send it to the town if the town officers insist. Now, that comes down to this situation. Let's assume that the state is honestly in doubt as to whether it owes the town anything. Where is the proper place for the money to lie, pending a settlement of the dispute? Isn't the best place in the treasury of the state of Maine? Or must the money be sent back to the town, many of which are over their debt limit and pauperized, and then in case the state was right and the town wrong, what chance has the state to obtain the money back? It doesn't seem to me the amendment is a wise amendment, and therefore, I move it ought not to be adopted.

Mr. SANBORN of Cumberland: Mr. President, I think perhaps the Senate may be entitled to a brief account of the history of this measure. It was originally a bill which was introduced by the Senator from Lincoln, Senator Stilphen, at the instigation of the so-called Code Committee. It is a matter, I am

sure, of tradition if not of actual history that whenever special vacation committees of the legislature have been appointed, charged with the duty of making any inquiry whatever, reporting to a succeeding legislature, that succeeding legislatures have pretty generally disregarded whatever they may have recommended; and the Code committee are not disappointed at all in what has happened to more or less of their work during the last vacation. This measure was offered in response to a suggestion made by the department that it had always been a practice on the part of the state in remitting to towns money that was due them, to deduct from their remittance any sum due from the town to the state. It was suggested that there was no authorization in law for the practice. It had been practiced almost universally but without legal sanction and the Treasury department felt they should have some legal authorization to continue the practice.

In discussing the matter and working it out with the committee, we could see no reason and did see no reason at the time, why it should be limited to towns, why it should not apply to a county or to corporations, nevertheless as originally drawn, it provided the state might withhold, when sending to anyone, whether municipality, individual or corporation, any sums due from individual, corporation or municipality to the state. That bill was introduced and referred to the Committee on Legal Affairs. The Committee on Legal Affairs had before it, as the committee thought, a well considered and pointed objection to one phase and that was this: If it were the case of a corporation or individual you might find yourself, or the state might find itself in this situation which I can perhaps illustrate by a supposed example. Let's suppose in the Highway department a contractor is engaged in a piece of road building work, and according to the contract there comes a time when there is due him, according to figures returned to the department, we will say \$3,500. But during the past couple of months while it has been accruing—or perhaps a shorter time—he has asked for the use of equipment owned by the state. He has been allowed to use it at an agreed rental. The State Highway officials of clerks,

whoever they may be, have returned to headquarters the proposition that the contractor owes the state \$1,500 for the use of the equipment. Now, as this bill was drawn, the state would send a check for \$2,000 on this basis, saying, "We owe you \$3,500 and you owe us \$1,500; therefore you get a check for \$2,000."

But it might still be a case in which the contractor would say honestly and perhaps correctly, "No, I do not owe \$1,500. You have overcharged me. There was a certain amount of time the equipment was not in use. There is only \$900 owed you."

If this law were passed, the Treasurer withholds \$1,500 while the contractor honestly believes he is entitled to \$600 more and perhaps is actually so entitled; but I ask you, what is his remedy? He cannot sue the state. The only thing he can possibly do is go to some succeeding legislature with a claim before the Committee on Claims, and we all know something about what may happen to those claims. So it was pointed out that it would be unfair and unjust to include corporations and individuals. That was amended out. I think it might have been a committee amendment, but I am not sure.

Then over in the House, or somewhere, I do not know but what it was in the Senate as I do not recall the detailed history, the question was raised, "Why would not the same thing be true of towns?" So this last amendment was proposed which, as I understand it—and I am ready to be corrected if my understanding is wrong—but according to my understanding it means simply this, if the state is in a position where it should send a town \$2,000 and says the towns owes the state \$500, if there is no question between the two, as amended this act would authorize withholding \$500 and sending \$1,500. If the town notifies the state, "We do not understand we owe you \$500; we think it is \$300", the same rule would apply because if the money is held in the state treasury, the town cannot sue the state and would be remedyless until the matter is adjudicated. But if the money is sent and they still contend more is due they still have remedy for enforcement.

I do not argue the wisdom or unwisdom of the changes but I am undertaking to set forth my under-

standing—and I hope I understand correctly—as to just what was the history of the case and what led up to the amendments proposed, and where the matter now stands.

If the bill is passed with the amendment it would authorize this offset in any and all cases where there is no dispute on the rights of the two parties, but if there was dispute it would leave it open to the party, the party outside the state, whether individual, corporation or town, to have the matter adjudicated.

Mr. BRIDGES: Mr. President, in the light of the explanation, I withdraw any objection.

Thereupon, House Amendment "A" was adopted in concurrence, and the bill as amended by Senate Amendment "A" and by House Amendment "A" was passed to be engrossed in concurrence.

The President laid before the Senate the third tabled and especially assigned matter, House Report from the Committee on Taxation "Ought Not to Pass" on bill, An Act Amending the Gasoline Tax Act (H. P. 1239) (L. D. 500) tabled by Mr. Chamberlain of Penobscot on April 22nd pending acceptance of the report.

Mr. CHAMBERLAIN of Penobscot: Mr. President, I now move that the bill be substituted for the report and on that motion I would like to say a few words. The bill, as originally introduced into the legislature came before the Taxation Committee and after due consideration and hearing in the House in regard to the matter, we determined and reported it out "Ought Not to Pass." It seemed to carry within it matters that would be detrimental to the welfare of the state and the interests of the state. When it appeared in the House it was laid on the table for some considerable time and finally was removed from the table and the bill was substituted for the report, under certain agreements or understandings and then was amended. The amendment that the House adopted did remove much of the objections that were in the original bill. The serious matter in the consideration or in controversy between oil companies and the state was in the matter of evaporation of oil and gasoline. They maintained that oil or gasoline evaporated so

quickly that sometimes they were selling vapor or being charged a tax on vapor instead of liquid. Therefore, I think it would be very proper to substitute the bill for the report.

The motion prevailed and the bill was substituted for the report in concurrence.

The Secretary read House Amendment "A".

Mr. Chamberlain presented Senate Amendment "A" and moved its adoption:

"Senate Amendment 'A' to House Amendment 'A' to L. D. 500, An Act Amending the Gasoline Tax Act. Amend said amendment by inserting the deleted words 'within the state' in the 32nd and 33rd line, third paragraph thereof."

Mr. CHAMBERLAIN: Mr. President, just a word in regard to this matter. As the Secretary read House Amendment "A" one could, on the face of it, imagine it was a wholly new amendment. That is not so. The first part of the amendment simply changes the day on which the return shall be made to the state tax assessor. That is all it does. Next it goes down until we come to this part, "An allowance of not more than one per cent from the amount of fuel received by the distributor into the state, plus one percent on all transfers in vessels or tank cars by a distributor in the regular course of his business from one of his places of business to another." That is in the present law. House Amendment "A" deletes "within the state" so that he could receive oil in Portland and transfer to Portsmouth and get an allowance of one percent. That seemed to me should be taken out, and by agreement again, it has been taken out and that is the Senate amendment. The only other amendment to the law, as it stands today, is the state tax assessor shall make an additional allowance for losses sustained by the distributor if the same is necessary to save the distributor from paying the above tax on gasoline neither sold nor used by such distributor within the state. That would be the vapor.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Penobscot, Senator Chamberlain, to adopt Senate Amendment "A" to House Amendment "A". Is the Senate ready for the question?



The motion prevailed and Senate Amendment "A" to House Amendment "A" was adopted in non-concurrence.

House Amendment "A" was adopted in concurrence, and the bill was given its first reading.

Thereupon, under suspension of the rules, the bill, as amended by House Amendment "A" as amended by Senate Amendment "A", was given its second reading and passed to be engrossed in non-concurrence. Sent down for concurrence.

On motion by Mr. Hildreth of Cumberland, the Senate voted to take from the table, Senate Report from the Committee of Conference on bill, An Act to Prevent Fraudulent Advertising (S. P. 345) (L. D. 662) tabled by that Senator earlier in today's session pending acceptance of the report.

Mr. HILDRETH: Mr. President, I move the majority report of the committee be accepted.

The motion prevailed and the majority report of the committee was accepted and the new draft (S. P. 567) was laid upon the table for printing under the joint rules.

On motion by Mr. Fellows of Kennebec, the Senate voted to take from the table, Resolve Providing Pensions for Soldiers and Sailors and Dependents and other Needy Persons (S. P. 545) (L. D. 1131) tabled by that Senator on April 10th pending assignment for second reading.

Mr. FELLOWS: Mr. President, I move this resolve be given its second reading.

Mr. SNOW of Piscataquis: Mr. President, I offer Senate Amendment "A" and move its adoption and I would like to speak very briefly on the amendment. We all make some mistakes and probably I make most of anyone here, but I feel that the Pension Committee made a mistake on one pension which was reported out "Ought to Pass" due, probably, to information which they did not receive.

There is a young gentleman's name I wish to have removed, who lives in the town of East Corinth. His father is a practicing physician and I feel that somewhere in the family there is considerable money. I know last year he was driving a special coupe which cost \$300 above

the average price of an ordinary car and at the present time he is driving a special Packard coupe and I feel the ordinary citizen who will have to pay this pension is not able to drive a special Packard coupe.

The Secretary read Senate Amendment "A":

"Senate Amendment 'A' to S. P. 545, L. D. 1131. Amend said resolve by striking therefrom the line which reads as follows: 'Alfred Skofield, East Corinth, \$12.00 per month'."

Mr. FRIEND of Somerset: Mr. President, I wish to say on the part of the Pension Committee, the information which was brought to the committee showed this person, Skofield, was very deserving of the pension, but through the efforts and knowledge of the Senator from Piscataquis, Senator Snow, and information presented to the Senate and given to me and the committee since, which was not given at the hearing, we find this person is certainly not deserving of the pension and I hope the amendment will be adopted.

Thereupon, Senate Amendment "A" was adopted, and the resolve was given its second reading and passed to be engrossed, as amended by Senate Amendment "A".

Sent down for concurrence.

From the House, out of order and under suspension of the rules:

The Committee of Conference on the disagreeing action of the two branches of the legislature, on bill An Act Imposing an Additional Gasoline Tax (H. P. 1475) (L. D. 615) have had the same under consideration and ask leave to report that the committee is unable to agree.

Comes from the House, the report rejected, and the House having asked for another Committee of Conference, the Speaker having appointed as members of such a committee on the part of the House:

Representatives:

ROLLINS of Greenville  
DOWNS of Rome  
BREWER of Presque Isle

In the Senate:

Mr. SNOW of Piscataquis: Mr. President, I move that we reject the report of the Committee and join the House in a new Committee of Conference.

Mr. HINMAN of Somerset: Mr. President, once before I have ob-

jected to a second committee of conference and if I am wrong in my reasoning I have no objection to that committee but it seems to me that when this legislature in fairness appoints a committee of conference and that committee of conference is not able to agree that it is rather unfair to expect that we are going to sit back and continually accept new committees of conference.

I assume that the idea is that eventually there may be a committee that will be of a mind to agree with the proposition and although I have no desire to interfere with good procedure, I think that this is a case of attempting to carry on that which is fairly on the way out and I hope that the motion of the Senator from Piscataquis (Senator Snow) will not prevail.

Mr. CHAMBERLAIN of Penobscot: Mr. President, I want to second the motion of the Senator from Piscataquis, Senator Snow, that we agree with the House in another Committee of Conference. It is nothing but a courtesy that should be extended to the other branch of this legislature.

In reply to what the Senator from Somerset, Senator Hinman has said, I think that when he says that there might be found a committee which would do this or that or the other, that it is wholly within the province of the Senate as to whether that be accepted.

Mr. SNOW: Mr. President, I ask for a division.

The PRESIDENT: The Chair understands that the question before the Senate is on the motion of the Senator from Piscataquis, Senator Snow, that the Conference Committee report be rejected. Is that correct, Senator Snow?

Mr. SNOW: It is, Mr. President.

The PRESIDENT: The question then is on the rejection of the Committee of Conference report. Is the Senate ready for the question?

A division of the Senate was had.

Twelve having voted in the affirmative and thirteen opposed the motion did not prevail.

The PRESIDENT: The question now before the Senate is on the acceptance of the disagreeing report of the Committee of Conference. The Chair awaits a motion.

Mr. HINMAN: Mr. President, I

move that the report of the Committee of Conference be accepted.

Mr. FINDLEN of Aroostook: Mr. President and members of the Senate, this is a matter of very great importance to the small towns. It is proposed under the original bill that we set up a one-half cent gasoline tax for snow removal and maintenance. Now, this will relieve small towns of this ever-increasing burden of snow removal and maintenance. We find that this problem of snow removal is so great that eventually it will bankrupt all the small towns, almost. They need extra money for snow removal and unless they get it, it will be a tremendous burden.

I think it is only fair that the people who use the roads help with the snow removal. The smaller towns are absolutely unable to provide equipment and to pay for this snow removal by themselves. I believe the gas tax money should do it. This bill is hooked up with the so-called Holman bill which provides for that sort of thing. If we defeat this measure it will be the last chace we will have to relieve small towns of their burden of taxation.

I think we should consider this very seriously before we send it down to defeat. We can relieve real estate in small towns of this burden by means of setting up this one-half cent tax for a period of two years.

I certainly hope that the motion of the Senator from Somerset, Senator Hinman, will not prevail.

Mr. HINMAN: Mr. President, I am not arguing the merits or demerits of this bill. I submit to you that this has all gone on record in no uncertain terms, I think something like twenty-seven to four or five as opposed to this measure.

I am not arguing on the bill. I am arguing on the fact that I do not believe that it is good legislation to look for a loop-hole through which we may bring back and force upon the legislature something that at least one branch of the legislature has declared in no uncertain terms that they do not want.

Mr. BISHOP of Sagadahoc: Mr. President, because I did not understand the question just voted upon I did not vote either way. Last week I spoke in opposition to a further tax on gasoline and I felt justified in so doing. But in anticipation, ap-

parently, of a coming tax the gasoline companies have advanced their prices and where we were paying for gas at the rate of seven for a dollar it jumped to six for a dollar and last week I paid six for \$1.15 so apparently we are paying not a half cent increase but three or four cents, in some cases increase, and the gasoline companies apparently have a monopoly of the business and the price control and I think that in as much as we are definitely faced with the tremendous burden on real estate and that this includes removal of snow and summer and winter maintenance, that we are now justified in receding from our last week's decision and imposing that half-cent gasoline tax. I don't know whether it is possible to reconsider a vote that was just taken but in as much as I did not vote I would now like to vote.

Mr. DOW of Oxford: Mr. President and members of the Senate, somewhat similar to the Senator from Sagadahoc, Senator Bishop, I did not vote upon that last measure but the reason for it was that I am one of the fellows that is being fired, and that is all right with me. I didn't want want to vote to keep myself in office on the Committee of Conference, neither did I want to fire myself. That would be for the rest of the Body to do.

We held at least one meeting of that Committee of Conference and I don't know whether we had another meeting or not but we had at least one meeting of that committee. And after we had our disagreement which seemed to result in a deadlock, I was given some information which I think the Senate should be in possession of, if it is correct, and if it is not correct I think it should be explained.

It was believed that the Holman bill, with which I am in sympathy, could be financed from the money that would come in under increased revenue from the tax on gasoline and the use fuel tax, or if not wholly, at least almost. I thought that was a good solution and that the increased revenue from the gas tax and the use fuel tax and other things was going to give us as much money as was necessary to carry out the Holman bill. And why increase the present gas tax? If my information is wrong I will be corrected but I understood that the increase would take care of the Hol-

man bill if the legislature saw fit to allocate it under that particular bill. I would like to have that explained. Why impose another half-cent if the additional revenue is going to take care of it?

Mr. FRIEND of Somerset: Mr. President, in answer to the question of the Senator from Oxford, Senator Dow, I would say that there is a difference of opinion on the part of the Ways and Bridges, I believe, which allocates gas registration license money, as to whether that fund can spare any money for the Holman bill.

I will say that personally, in my opinion, it will stand it, that the items included in the general highway bill will stand very readily the cutting of about \$400,000. Already a bill has been passed by this legislature which has reduced the towns' cost of maintaining third class roads from 3% down to 2%, saving the towns about \$100,000 and that is included in the Holman bill although it has already been covered by another bill which has been presented in the legislature.

If the Holman bill passes as is, it would save the towns and cities property taxes of about \$932,000. Now, it is my opinion that in addition to the \$100,000 that has already been saved to the towns on maintenance of third class roads, that another \$400,000 could be taken out of the general highway fund which would make it possible for the state to take over the maintenance charges of state highways and state aid highways. And the maintenance cost to the towns for maintenance of bridges here under the Bride Act, saving the towns an additional \$400,000 a year and making the total saving under the Holman bill of \$500,000 a year out of the \$932,000 that this bill calls for.

I think that is the absolute maximum that the general highway fund could spare although I do believe that there is a difference of opinion as to that. I don't think there is anyone who thinks the fund will stand more than the \$500,000 but I believe there was some thought that it will not stand that much.

I will say that if this gas tax does not go through I think the Holman bill would be reported out, possibly, from committee in a divided report calling for, say, \$400,000 to take care of part of the Holman bill.

Mr. BROWN of Aroostook: Mr. President, as a member of the Committee on Ways and Bridges I want to bear out and elaborate a little mite on what the Senator from Somerset, Senator Friend, has said.

There is a considerable division in the committee as to just how we can report out the Holman bill and in just what form. As the Senator has explained, it may be possible by cutting other items which we have already set up as a part of our program, to get enough money to about finance one-half of the bill, but cutting those other items means a cutting of maintenance and a cutting of the amount of money which we can spend for tar on the roads.

So unless you provide this extra money you are just taking away from the maintenance and the tar which we had set up. We have a very fine program and we need it, after the lack of maintenance and the lack of tar which we have had in the last two years owing to the use of some of the road money and diverting it for relief purposes. So if we are to tar the roads which are ready for tar it is a saving proposition to the state and if we are to carry on the maintenance as needed we cannot take out any money for the Holman bill. But believing that that is one of the measures, and probably the only measure, by which we can relieve the property tax, I for one am very anxious to see that entire Holman bill go through and that enough money is provided for it and therefore I am in favor of another half cent tax because if we pass it without that tax we are simply robbing the maintenance and tar money to take the place of it.

I think that if this half-cent tax should go through then you would have a unanimous report of the committee "Ought to Pass." The only question of the committee is how to finance it and if we don't have the tax it can only be to the extent of half that amount and then that is taken away from maintenance and tar and one or two other small items. I think that is right.

Mr. HINMAN: Mr. President, I want to make myself plain in that I am not opposing the Holman Bill and I am not opposing relief to the towns or any municipality that may

benefit. I am simply taking the stand that we have a Ways and Bridges Committee that was competent, we have a Highway Department that we assume is reasonably competent and I think that this matter should be taken care of out of the highway funds, if it is to be taken care of and that if there is to be any increase in the gas tax it should go into the general gas tax and that we shouldn't have to allocate it to a special purpose in order to have this matter handled.

Mr. FINDLEN: Mr. President, when this gas tax money is allocated to towns it is very evident that small towns are unable to get their share, their legitimate share of this money, and that is the reason for this special tax for the maintenance and snow removal, the reason being that the distribution of this money is based on certain things, namely, valuation, population, the amount of roads and the number of cars. Now the smaller towns have neither the valuation nor the population nor the number of cars but they do have the roads. These roads we are building from year to year, we are taking some money, each one of us, for our several projects, those projects have to be built under the specifications of the Highway Department and after that piece of road is built, or those numerous pieces already are built, they are not tarred because there is no money for that purpose. They are not maintained.

Now, it just seems to me to be common sense that if we are going to build roads we should maintain them by tarring them. There is no other way to do it so far as I know, and this problem of snow removal, as I said before, is bankrupting these smaller towns. I don't know by what parliamentary procedure we might arrive at a different conference committee but I feel that when this matter came up in the Senate before, in the rush of affairs, it didn't get proper consideration, due to our own fault, and now I just hope that in some way or another we may try once more with a different conference committee.

Mr. CHAMBERLAIN: Mr. President, let us have the report of the Committee on Conference again.

The Secretary read the report of the Committee of Conference.

Mr. CHAMBERLAIN: Mr. President, as I understand it, the Senate has rejected the report of the committee.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Somerset, Senator Hinman that the "Unable to Agree" report of the Committee of Conference be accepted. Previously a motion had been made to reject the report of the Conference Committee and that motion failed of passage. In the natural course, the next motion would be to accept the report of the Committee of Conference and that is the motion now pending before the Senate.

Mr. CHAMBERLAIN: Mr. President, on that motion I would like to speak. It seems to me that we should take such action instead of beating around the bush as to whether we should have a gasoline tax or not. Let that come later. It seems to me that we should confine ourselves, not to whether we should have a gasoline tax or not but to what we should do with this matter that is before us.

Mr. HILDRETH: Mr. President, I rise to a point of parliamentary information. Having voted not to reject the committee report and the motion now being whether we should accept the committee report, if that motion were likewise lost, then would it be possible to make a motion that another committee of conference be appointed?

The PRESIDENT: The Senate may be at ease.

Mr. HILDRETH: Mr. President, I now understand that if this motion before the Senate, which is to accept the report of the Conference Committee, is defeated, then anyone who voted with the majority on the previous vote, by which we failed to reject the report of the Committee of Conference, may vote to reconsider and the question may be thrown open thereby.

The PRESIDENT: That is correct.

Mr. CHAMBERLAIN: Mr. President, that being true, I trust that the Senate will fail to vote in favor of the motion of the Senator from Somerset, Senator Hinman.

The PRESIDENT: The question before the Senate is on the acceptance of the Committee Report.

Mr. HINMAN: Mr. President, I ask for a division.

A division of the Senate was had. Nine having voted in the affirmative and eighteen opposed, the motion to accept the committee report did not prevail.

Mr. MORSE of Waldo: Mr. President, I move that the Senate reconsider its action whereby it failed to reject the report of the Conference Committee. I understand that there is quite a prospect of this money being tied in with the Holman bill, so-called, and that is the purpose of my motion.

Mr. FINDLEN: Mr. President, I hope that the motion of the Senator from Waldo, Senator Morse, prevails.

Mr. CHAMBERLAIN: Mr. President, let us have a division on the vote.

The PRESIDENT: The question before the Senate is the reconsideration of the action of the Senate earlier in today's session whereby the Senate failed to reject the disagreeing report of the Committee of Conference. A division has been called for. Is the Senate ready for the question.

A division of the Senate was had.

Twenty-two having voted in the affirmative and nine opposed, the motion to reconsider prevailed.

Mr. FINDLEN: Mr. President, I now move that we join with the House in another Committee of Conference.

A viva voce vote being had, the motion to join prevailed.

The PRESIDENT: The Senate members of the Committee of Conference will be announced later.

#### Senate Committee Reports (Out of Order)

Mr. Elliot from the Committee on Public Health submitted its Final Report.

Mr. Sanborn from the Committee on Legal Affairs on Bill "An Act to Provide a Police Commission for the City of Biddeford," (S. P. 197) (L. D. 288) reported that leave be granted to withdraw the same.

Which reports were severally read and accepted.

Sent down for concurrence.

On motion by Mr. Chamberlain of Penobscot, the Senate voted to take from the table, bill "An Act Creating a Tax on Cigarettes" (H. P. 1925) (L. D. 1164) tabled by that

Senator yesterday pending consideration; and that Senator yielded to the Senator from Kennebec, Senator Farris.

Mr. FARRIS of Kennebec: Mr. President, I move that the Senate reconsider its action of yesterday whereby it failed to accept Report A of the Committee on Taxation on this document.

The PRESIDENT: The Chair will inquire which way the Senator voted on the question?

Mr. FARRIS: I will state to the Chair that I voted in the negative.

I hope, Mr. President, that my motion to reconsider prevails. This matter can lie on the table until the Committee on Taxation can prepare an amendment which will be satisfactory to the other members of the Senate so that we can go into conference on it.

Mr. LIBBY of Cumberland: May I inquire of the Chair if the pending question before the Senate is now that we reconsider our former action?

The PRESIDENT: The Senator is correct.

Mr. LIBBY: Mr. President and members of the Senate, I am unqualifiedly opposed to the motion of the Senator from Kennebec, Senator Farris. I listened in some amazement here yesterday afternoon to the, I won't say arguments, but to the reasons advanced by the proponents of this bill.

My colleague from Cumberland, Senator Hildreth, stated that it wasn't our fault that the government was already taxing a package of cigarettes 6½ cents and proposing another cent and a half, making a total of eight cents. He said, "That isn't the fault of the state of Maine" and there isn't any reason why we shouldn't exact again our pound of flesh from the cigarette smoker. In other words, while he is groggy and hanging on to the ropes we should go in and clip him another two cents making a total of ten cents. It doesn't make a great deal of difference where that ten cent tax goes. He is a good deal in the same position as the man in jail whose lawyer told him, "They can't put you in jail for this" and he said, "I seem to be in jail."

The Senator said the federal government should tax them that much, but they are taxing him and

he is paying it and he is confronted with the fact and not with a theory of taxation.

The Senator from Sagadahoc, Senator Bishop said that we have this law on the books and we have this waiting list. He said, "I know this is a selective sales tax and I don't like it but we have got to get the money somewhere, so let's get it this way and pay the assistance cases that are now on the waiting lists."

I didn't hear one sound, logical reason for the passage of this tax bill. The only things I heard advanced were reasons of expediency so that we could provide this money and go home. Now, that is not, at least in my judgment, a proper foundation for the imposition of any tax. It further taxes the small wage earner, the waitress, the stenographer, and they pay fourteen cents a week, or fourteen cents plus, to contribute to these waiting cases of old age assistance. It would take a fellow in college who is trying to make both ends meet and clip him fourteen cents or more a week. And then take that chap who is learning a new trade for Uncle Sam now and getting the princely wage of \$21.00 a month; every time a soldier buys a package of cigarettes in the state of Maine, other than at the quartermaster store, he pays this two cents a package.

Why take this sixty or sixty-two cents a month out of his money to help pay these cases of old age assistance? Why take it away from him? He can't kick. He is in the army now, and I think there are a lot of you Senators who remember the rest of the words of that song.

It seems to me that we are here, that we have this problem and that we should consider it carefully from every standpoint of common sense and logic. If we pass this bill we are saying to all those people that we are going to take this way out of our dilemma, "Clip you two cents on every package of cigarettes you buy and go on our way rejoicing," and after we have done that and adjourned then we can go home and we can wander around our estates or the comfortable rooms of our homes which we own and in which we live and chuckle to ourselves, "There is no increased mill tax on this, this year, for old age assistance."

And next fall, when the tax collector comes around we will keep that twenty or thirty or forty or a hundred dollars in our pockets instead of contributing it to the old age assistance. And then we can light our expensive cigars and chuckle again and say, "No extra pennies from us for old age assistance." And we can go to our haberdasher and get a new suit or buy new fishing equipment or golf clubs and pay nothing extra for those.

We have nothing to pay and the little fellow pays it on his ten cent cigarettes. If we take that way out and impose this tax on that class then I say that we will go down into history as one of the meanest, most cowardly and most contemptible legislatures in the history of Maine, and not a single one of us will deserve ever to be elected to the Maine legislature in the future.

Mr. President, this is a matter of supreme importance and I think the vote of every Senator should be perpetuated in the record this morning. I therefore ask that when the vote is taken it be taken by the Yeas and Nays.

Mr. FINDLEN: Mr. President, I believe in a cigarette tax for old age assistance, and my reasons are these: I have been a member of this legislature for four sessions. I remember very well in the first session when I was here we attempted to set up a program for old age assistance and in the last hours of that session that bill was defeated by means of a veto and we failed to have enough to put that measure over the veto. That bill set up certain liquor monies for old age assistance. Then we tried again in the next session and we set up a tax for sales and income, a combination sales and income tax, which to my mind was one of the finest set-ups we have ever had offered to this legislature or to any legislature. That failed of passage because the monied interests, I may say, defeated the income tax end of it. And the people back home said, "If the monied man does not pay his share then we won't pay ours." And so they threw that back into our laps about three to one.

In the last session of the legislature they offered a cigarette tax or a tobacco tax. We tried for that, hard. We worked night and day to get a tobacco tax through the last legislative session and in the final moment we failed on that also.

Now, I wonder. We are deadlocked at the present time, the other Body having passed it and we in that deadlocked position, fifteen to fifteen on yesterday's vote.

Now, gentlemen, it just seems to me that the time has arrived when we should do something, we should do something for the old people of this state. We have been beating them around from pillar to post long enough. Some say this is a poor man's tax. I just wonder if we are worrying so much about the poor man as we are about ourselves. If we take the poorest type of man, the man who gets \$12.00 a week, if he really wants a smoke, a smoke is provided for him without the use of cigarettes. The ordinary fellow who buys cigarettes spends his money. He doesn't care. It isn't he that is worrying. I just believe it is ourselves. We are playing politics with human misery. We are denying the old people of this state their old age assistance and we are quibbling on a deadlock.

Now they tell me that 80% of the people in the country over the age of eighteen years smoke. I can't prove that, but I just believe it is a fact. I don't know of any tax that would be more equitable or better distributed around through our population. Everybody expects this bill to pass. The people back home expect it. The tobacco interests themselves expect it. And I just believe it is up to us to do this job now.

Somebody has suggested that we go back home but it seems to me that would be a cowardly thing to do, to go back home like a dog with his tail between his legs and everybody asking us what we did and we having to say that we were unable to do anything. That is a cowardly thing, gentlemen, for us to do.

Comparing ourselves with all the other states in the east, they all have a tobacco tax, states which produce tobacco, states which manufacture tobacco, and here we are, a state that has no interest in it except for smoking. I see no logical reason why we shouldn't pass the cigarette tax. The expense of going home would take care of a hundred aged people, perhaps two hundred. I just haven't figured it out.

I just believe that if we could pass the cigarette tax at this time, possibly with amendments, as Senator Farris has said, that we would

all go home happy. We would feel as though we had accomplished something. And, Mr. President, I hope that we do that.

Mr. BISHOP of Sagadahoc: Mr. President and Members of the Senate: I will attempt to analyze the noble words of our Senator from Cumberland, Senator Libby, who with a tear in his eye told us of the little shop-girl and the waitress and the boy in college and the boy in the army and that they would contribute perhaps fourteen cents a week.

I can remember, only a few years back, when that same little shop-girl and that same waitress, when that same boy in college, were contributing directly to the support of their aged mother or neighbor. Now that burden has been shifted to the people. We have shaken that from our shoulders as individuals and left it to the state. And with the masses using tobacco, something of a necessary luxury, that shifts the burden back again to us, where it belongs. So it is a very equitable and, I believe, a very small tax upon any one individual for the support and maintenance and health of the deserving and of the needy aged.

Mr. HINMAN of Somerset: Mr. President, I do not rise to influence or change a single vote in this Senate. In fact, I don't know of any tax that you could enact, as far as I personally am concerned, that would be any better for me. But I am in the position where I feel like taking a balance and I would like to put on one side the wishes of my constituency and the needs of the aged and any other worthy cause that we may have, but I cannot stop there, and say that I am going to grab at this or that or another thing to take care of that side of the balance. I have got to put on the other side what I am doing to take care of that need and if I truly and conscientiously feel that when I have put into the balance on the other side that means by which I intend to balance those scales and I find what I am putting into the other side so far outweighs what I have had on the opposite side that I have no choice except to take that stand which seems to affect the position best under the conditions.

I say to you that although it is immaterial to me which way this

legislature votes I feel better to go on record in no uncertain terms decidedly against a tax of this kind.

Mr. BOUCHER of Androscoggin: Mr. President, I voted against the tax on cigarettes, not for my selfish reasons but because I don't believe it is a fair tax. I am the father of a family of ten. Nobody in my family smokes cigarettes. So this tax wouldn't hit me in any fashion. But I believe that this tax is a tax against the poor man, the working man, the man who cannot afford to pay the tax.

I believe in old age assistance. I have spoken here previously on a lottery bill hoping that it might go thorough to help out old age assistance. For the sake of old age assistance I probably would go along with a general tax of some kind but not a tax to be paid by just a group of individuals, and that group is the poor man and the workingman.

I have heard a lot about taxes in this session. Everybody seems to talk about the taxes. But I haven't heard a single word, Mr. President, about economy. I believe that this state could get along without additional taxes if economy were carried on. I was told yesterday, on good reliable information, that in one department of the state \$200,000 a year could be cut out without injuring anybody, and this source of information was very reliable.

I also have heard some say that they are against a tax on cigarettes. But they want to vote for it in order to go home. Well, I don't think that is a fair thing to the electorate of this state. I will vote for a sales tax, Mr. President, if they will put a referendum on it and send it back to the people and see if they want a tax on cigarettes or not. If that is what the people want for old age assistance I shall vote for it. Otherwise than that I don't see why I or anybody else in this Senate could vote for a cigarette tax.

Mr. LIBBY of Cumberland: Mr. President, it seems to me that the Senator from Aroostook and the Senator from Sagadahoc have inadvertently put their finger on the pulse of this whole situation.

Now, we have had this law on the books for some time. It has been suggested that the people of Maine want to see how honest we are. We passed an old age assistance law and the minute you ask



them to pay for it by some fair method of taxation they hold up their hands in holy horror. Did you mention a new income tax. No. Did you mention a sales tax where everybody would pay according to what he spends? No. They want the law on the books but they don't want to pay for it.

Now both Senators called it an equitable tax. The rich man who buys his Havana cigars pays nothing, the man who buys his fifty cent Pall Malls pays ten cents and the poor man who buys his ten cent package of Marvels pays two cents just the same. If that is an equitable tax then in my opinion Adolf Hitler is a public benefactor.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Waldo, Senator Morse, that the Senate reconsider its action of yesterday whereby it failed to accept the "Ought to Pass" report, Report A, of the Committee on Taxation and the Senator from Cumberland, Senator Libby has asked for a roll-call. In order to have a roll call vote, one-fifth affirmative vote of the membership of the Senate is required. Is the Senate ready for the question?

A division of the Senate was had.

Obviously more than one-fifth having arisen in the affirmative, a roll-call was ordered.

The Secretary called the roll:

YEA: Bate, Bishop, Boothby, Bridges, Chamberlain, Dorr, Dow of Oxford, Elliot, Emery, Farris, Fellows, Findlen, Friend, Harkins, Haskell, Hildreth, Laughlin, Melvin, Morse, Sanborn, Stilphen, Tompkins—22.

NAY: Batchelder, Boucher, Brown, Chase, Dow of Franklin, Harvey, Hinman, Libby, Snow—9.

ABSENT: Hodgkins.

Twenty-two having voted in the affirmative and nine opposed, the motion to reconsider prevailed.

Thereupon, on motion by Mr. Elliot of Knox, the bill and reports were laid upon the table pending consideration of Report A and this afternoon assigned.

On motion of Mr. Friends of Somerset

Recessed until this afternoon at four o'clock.

### After Recess

The Senate was called to order by the President.

The President announced the Senate members of a Committee of Conference on the disagreeing action of the two branches of the legislature on bill, An Act Imposing an Additional Gasoline Tax (L. D. 615), as follows: Senators Snow of Piscataquis, Brown of Aroostook, Bridges of Washington.

### First Reading of Printed Bill:

"Resolve Permitting the Use of the Eastern State Normal School Plant as a Nautical Training School." (S. P. 566) (L. D. 1168)

Which resolve was read once, and under suspension of the rules, read a second time and passed to be engrossed.

Sent down for concurrence.

### Senate Committee Reports

#### Final Reports

Mr. Sanborn from the Committee on Legal Affairs submitted its Final Report.

Mr. Chamberlain from the Committee on Library submitted its Final Report.

Which reports were severally read and accepted.

Sent down for concurrence.

### Conference Committee Report

The Committee of Conference on the disagreeing action of the two branches of the Legislature on "Resolve, Proposing Amendments to the Constitution Repealing the Constitutional Provisions Relating to the Office of Treasurer of State and Ratifying and Approving a Legislative Enabling Act Providing for Appointment of the Treasurer upon Approval of this Resolve." (S. P. 75) (L. D. 49) have had the same under consideration, and ask leave to report that the Committee is unable to agree.

Which report was read and accepted.

Sent down for concurrence.

Mr. CHASE from the Committee on Appropriations and Financial Affairs, Acting under Authority of Joint Order (H. P. 1618, ask leave to report a Bill, under the title of

"An Act Making Supplemental Appropriation for Overdrafts already Incurred Due to Insufficient Appropriations and Anticipated Overdrafts and Other Obligations for which no Legislative Appropriations have been made." (S. P. 568)

Which report was read and accepted, and the bill laid upon the table for printing under the joint rules.

**First Reading of Printed Bill:  
(Out of Order)**

Bill "An Act to Prevent Fraudulent Advertising." (S. P. 567) (L. D. 1169)

Which bill was read once, and under suspension of the rules read a second time and passed to be engrossed.

Sent down for concurrence.

On motion by Mr. Brown of Aroostook, the Senate voted to take from the table, House Report from the Committee on Taxation; Report "A" Ought to Pass in New Draft "A" (L. D. 1146); Report "B", Ought Not to Pass; Report "C" Ought to Pass in New Draft "B" (L. D. 1147) on bill, An Act Exempting Homesteads from Taxation (H. P. 1558) (L. D. 827) tabled by that Senator on April 17th pending acceptance of Report "A" or "C" in non-concurrence.

Mr. BROWN of Aroostook: Mr. President, I now move adoption of Report "C". I wish to say first that in picking out Report C, when there were two reports, and the minority of the two reports was Report C, I wish to give my reasons for moving to accept Report C rather than Report A. Both bills are redrafts of the same bill and are for the same purpose. They both impose a sales tax and both drafts provide how it shall be allocated, but they are entirely different methods of collection. Report A provides for the card system of collection whereby the merchant buys cards and everyone has to carry cards with him; and the other provides for a gross store tax paid by the merchant and the merchant must account for it to the State and it allows him to collect it from the consumer down to the last mill and that by token. Tokens would be used only for that purpose, to pay the fractional part of a cent. By that method a merchant can collect fairly and equi-

tably the tax due him. The merchant has no call to say he has to assume the tax.

On the other hand, there is a great deal of cumbersome inefficiency in regard to a tax system and I have here a letter which I will read to you from Alton Maxim who was a former member of this legislature and a member of the Taxation Committee, and who is generally recognized throughout the State as being one of the best tax authorities and a man who is thoroughly in sympathy with my bill, the Homestead bill, and as the legislative agent of the Maine Realty Association, appeared before the committee. He wrote this letter which was received by me soon after the divided report came out: "I am bothered, however, by two aspects of the matter; one, the recommendation of five members of the Committee that the tax be collected by the sale of tax cards sold by the state, and punched by the vendor. I am sure this is a most unwise procedure, which may make the administration of the sales tax most difficult and result in a collection of only a minor portion of the amount which ought to be derived from the tax. If we were living in a society composed entirely of honest, well-intentioned and systematic persons, a plan of this sort might work; but in the society we have in which countless individuals would be eager to escape paying the tax and others to escape collecting it, the results, I am afraid would be very disappointing. The tax card method of collection takes out of your plan, as I understand it, all the necessity on the part of the vendor for keeping books, and all possibilities on the part of the state of auditing books to ascertain whether the proper amount of tax has been paid on a given volume of sales. If I am right in thinking this, I can only call the plan visionary and cockeyed. The state would not think of collecting inheritance taxes, real estate taxes, taxes on railroad and other public utilities, on the say-so of the taxpayer, on any plan which would make it impossible for the state to ascertain definitely what the tax liability was. The American states have had enough experience with collection of the sales tax to have found out the necessity for auditing books in order to ascertain definitely how much the vendor should pay. Any plan which leaves

out of account such an audit, no matter if penalties for noncompliance are set up, will, in my judgment, prove entirely inadequate."

For that reason, I have moved acceptance of Report C, which provides for collecting, as most states do, collecting from the retailer and making the retailer responsible for the tax, but providing a method by which he can collect every cent of the tax.

Now, I do not need to go into great length in arguing the virtue of a sales tax except to say that this sales tax as embodied in my bill is practically the same sales tax which was passed four years ago. That had a great deal of careful consideration and study and I believe was well thought out.

Now, what are the purposes of a sales tax? Or what is the purpose, as used in my bill, or this homestead exemption or relief for real estate? The purposes are to distribute the burden of taxation fairly upon the people of the state. As I said the other day, we have the highest tax on real estate of any state in the United States. It is a glaring indictment against our tax system. It has become a penalty to own homes, and homes are the basis of our civilization.

I have here the Maine Real Estate Association Bulletin for February, 1941, the official bulletin of the Maine Real Estate Association, in which they say, "The ancient defective property tax in Maine is robbing us of our first line of defense, our homes. It is a failure and a travesty upon our taxing system; once designed to be just, it has become today an outrage and disgrace to the State. General dissatisfaction with this archaic tax system is evidenced by the multiplicity of tax measures confronting the legislators this session. However, there is encouragement in that the Joint Committee on Taxation never has had a better opportunity to show ability and statesmanship in selecting and recommending those measures that relieve the tax on homes—the foundation, security, and assurance of our American way of life. We look for action that will serve the **Homes of Maine.**"

Further, under "Legislative Measures for 1941" appears this, "Resolved that we approve the legislative measure reducing tax on homes advocated by Senator George

Brown of Caribou, and use our influence to have it become a law."

I am reading this just to show you there are people who are interested in real estate in Maine and homes, who actually think this is a good bill.

Now, what do we propose to do? We propose to get at the root of the trouble and exempt a certain amount of property from taxation when it is a home of a resident of the state of Maine. That may be a home in town or it may be a home out on a farm, but it is a class of property which is the most highly taxed. It is a matter of knowledge and that is backed up by a statement of the United States government that low priced property is always taxed more in proportion than high priced property for the reason that assessors might go out and assess and might be able to judge fairly the piece of property, home or house worth two, three or five thousand dollars, but in most cases they are not able to assess correctly a house costing \$100,000 or \$150,000. I know of a case in the state of Maine where a home cost around \$130,000—between \$130,000 and \$150,000—a beautiful home and it is carried on the rolls as \$30,000. Other homes in that same town which cost around \$3,000 are assessed at \$2,000. It is always the low priced homes, the homes of the people which bear the burden of taxation.

Now, that same thing holds true when you come to other classes of real estate. When they locate a manufacturing plant in your town, they usually make some arrangement with the assessors or selectmen of your town that they shall be assessed at a nominal valuation for a while. I know this is true everywhere, and after the mill or factory is running there is always the threat if they are taxed too much they are going to move out. So I say of all property, the burden of taxation always bears most heavily on the homes of our people, these homes which need protecting.

We are rapidly becoming a state of homeless people, moving from place to place. Now since I talked the other day on this matter there comes from Washington this report, "Maine Loses 3,073 Farms in Five Years. A general decrease in the number of Maine farms, their property and crop value and in the

amount of stock raised on them in the five year period ending Dec. 31, 1940, was noted in the Maine census report for 1940 of the U. S. Department of Commerce. There are 3,073 fewer Maine farms today than there were five years ago, nearly 500,000 acres less of farm area, and of the 41,415 acres harvested as cropland in 1935 more than 5,500 acres were not used in 1940."

That is just to bear out the statement I am making that it is no longer profitable to own homes and farms in Maine. What are we going to do about it? Other states have found the method by shifting the burden of taxation upon all people, and I wish to say in connection with this, quoting from Dr. Gans' book, "Tax Trends"—he is Director of Research of Farm Credit Administration, Springfield, Massachusetts. What have other states done about it? I showed the other day where we had increased the property tax 30½% in ten years, relatively, according to the value of our property, other states had decreased 30 to 50%. How have they done it? Now, I will quote from Dr. Gans' book: "The state of Ohio. A 3% general sales tax was enacted, with food now exempt, as well as a large number of items used in production. This latter provision exempts many of the usual items of farm expense. Sales tax revenue, plus increased revenue from motor vehicle and gasoline taxes, covered approximately one-half the reduction in property taxes." In other words, Ohio adopted a 3% sales tax together with other taxes to make up their deficiency in property taxes. They reduced property taxes 50% while we increased our 30½%.

"Indiana. A gross income tax of ¼% was placed on manufacturers, wholesalers and jobbers and a 1% gross income tax on public utilities, financial institutions, professional services and retail sales." So, in addition to a ¼% gross tax on manufacturers, wholesalers and jobbers, they had a 1% gross sales tax and 1% gross income tax.

"Michigan. A 3% retail sales tax was enacted, together with taxes on chain stores, liquor sales and horse racing. In 1938, revenue from these new taxes covered two-thirds of the reduction in property taxes."

"Washington. New taxes included a retail sales tax of 2% and a gross income tax of ¼% to ½%.

In addition, excise taxes were placed on public utilities, horse racing, liquor sales, cigarettes, admissions, automobiles and fuel oil. In 1939, yields from these new taxes, plus profits of the State Liquor Board, amounted to 87% of the reduction in property taxes since 1931."

I might go on and give several of these other states, but I think it is enough to show the trend of the times and give a basis for my idea of real estate relief is by adopting measures other states adopted from five to ten years ago which have been successful in those states in reducing taxes upon homes of the people.

"The changes in relative importance of property taxes as a source of revenue, which resulted from addition of these new taxes, are summarized in Table 5. In 1938, property taxes represented less than 54% of total tax revenues in Ohio, Michigan and Washington, compared with approximately three-fourths of the total in 1930. In contrast, property taxes continue to represent nearly two-thirds of total tax revenues in Maine, New Hampshire and Massachusetts."

It is not only in Maine but also in other states where property is taxed too heavily, and where they are recognizing the fact and attempting to do something about it.

Here is an article coming from Washington: "HOLC, as one of the nation's biggest landlords, recently made a study of its own tax problems and found that in many cities the real estate taxes had been lifted so high that the percentage of HOLC houses it was selling was deplorably low as compared with those it had to take over because of failure of the owner to make payments. In Jersey City and Newark, it reported that it had sold only 26.6 and 27.9 per cent, respectively, as many houses as it had to take back. That is, it had to take over three houses for each one it sold. Other cities in the study did not run quite so high. Another survey of a fairly general field showed about a third of the monthly payments on houses going for taxes. 'Such figures speak for themselves,' said Dr. William H. Husband, a member of the Federal Home Loan Bank Board. 'In one city in New York State, for instance, the real estate tax rate is \$6.20; just outside the city it is \$2.60. HOLC sales inside the city amount to 39.1 per cent of acquired

properties; in the county outside the city, the figure is 60.2 per cent.' He argued that cities by excessive taxes, were stifling the real estate market and suggested that they reappraise the properties on a realistic basis. The tax reform arguments have been running for years, but outside of studies, debates and resolutions, not a great deal has been done about reform itself."

Well, what does this home relief bill plan to do? It originally provided a 2% retail sales tax, a 2% use tax being imposed and that the money received from that tax should be paid into a special homestead fund and then, that the money should be allocated back to the towns and municipalities in proportion to the amount of property exempted.

How do they arrive at that figure? After the tax has been collected a year they will know how much money it is going to amount to. The selectmen of the various municipalities go out and levy and assess the tax as they are doing today under our present system, then after the first day of April, after the taxes have been assessed, each person who owns a home will make application to his selectmen or his local assessors for an exemption from tax on his home on blanks properly prepared for it. Before the first day of May these claims for exemption must all be filed with the local assessors and after the first day of May they will be sent to the State Tax Assessor, and then with the amount of tax collected on the one hand and the amount of exemption claimed on the other hand, the state tax assessor will determine the amount of exemption which this amount of money will cover, and having determined that, the money will be sent, if it is enough to cover \$1500 exemption, it will be the amount of exemption of every home in the state; if it is \$2000, which is the limit under this bill, then if \$2000 is the amount, that money will be sent to the treasurer in each town, city and municipality. Then the tax collector will write receipts and if those tax assessments falls below the amount granted by the state, then the property tax bills will be receipted in full. If your property, or house or farm is valued at \$5,000 and the exemption is \$2,000 then the receipt will be for \$2,000 and you will pay the remainder of the tax.

Now, this does several things. First, it means 100% collection to towns and municipalities on low priced homes, those in the greatest distress. It means reduction of taxes on all homes because your towns and municipalities will not be having to take so many pieces of property for taxes, and it will help increase the value of all property.

We had one town in Aroostook where we had 70 pieces of property on which they had liens and tax deeds. That means when that much property is taken over by the town, is taken off the tax rolls, the remainder of the real estate pays that much more tax. That has been the cause of many of our towns being taken over by the state because we could not pay real estate taxes. I understand there are about a million dollars of taxes in Aroostook in arrears, and even in Cumberland County about half a million dollars. That is true of every county. So why keep on levying taxes on property which you cannot collect?

Some say this is a kind of wild-eyed scheme and it cannot be done. First, let me say there are 13 states in the United States which have complete home exemption. I mean not only exempt from taxes but exempt from debt. A man cannot be sued and have his home taken away from him. There are other states with conditional home exemption and Maine is one of them. I believe we have just passed a home exemption bill up to a certain amount for veterans of the World War. We have exemptions for soldiers and sailors of other wars and so forth and so on, so the idea of exemption is nothing new.

We have a sales tax in 24 states of the Union. Let me say here the state of Iowa has exactly this same system of taxation, or of real estate relief which I have outlined here and carrying in this bill. They have a sales tax, a use tax and chain store tax and after deducting \$6,000,000 for old age assistance, the balance of it goes into a homestead fund and is apportioned among different towns, cities and municipalities according to the amount of exemption claimed and according to the amount of tax, as this bill provides. Any of you can go to the library and get the Iowa tax law of 1935 and 1937 and read it for yourself.

Now, as to the opposition which the merchant has against the sales

tax, and a great deal of it is very unreasonable—I know that two papers in the State, urged on by certain people in the state, large wholesalers or large store keepers, have urged the chamber of commerce to fight this tax. You will remember in the Portland Press Herald there was a big editorial to block the sales tax, without argument or reason or without looking into the provisions of this measure, without referring to other states to see what they are doing, just to block the tax. I would suggest for a motto for the paper, "To hell with the facts — block the tax." Another paper opposing it is the Lewiston Evening Journal. I was much surprised to read this editorial last Sunday on "Tax Program" in which they were commenting on a new tax bill which we would get from the administration. It says, "President Roosevelt is all for the proposed plan to raise \$3,500,000,000 more in taxes in the coming year. Typically, however, he says he has not the slightest idea how the money is to be raised. That admission, one would naturally assume, would imply that he would leave the ways and means to others; that he would not shut the door on any type of tax until all the possibilities had been explored. But no, the president immediately goes on to say that he does not care very much for the idea of a sales tax." That says, by inference, at least, that a sales tax would be desirable in national government. Let's go down this editorial a little farther, "The so-called excise taxes could be extended to cover more items; the rates are already high on the items touched. However, to get any substantial part of the sums needed this field would have to be extended so greatly that one might as well call these taxes, as extended, by their right name; a selected sales tax. That would certainly be far worse than a general sales tax, and a general sales tax, apparently, is out of the picture because of the opposition of the president."

That comes from one of the papers opposing the sales tax, that it would be far better to have a sales tax than to have higher excise taxes.

Another argument which stores and merchants have used has been that it puts them at a disadvantage, competing with stores outside the State, mail order houses, etc., and

they would not be paying taxes, but the state of Iowa found a way of doing it under a use tax. On the 14th of February this year, after the original home relief bill was drawn, the Supreme Court of the United States handed down a decision that Iowa law under which they were taxing Sears, Roebuck Co., and Montgomery Ward Company for business they did in the state of Iowa, was legal. The case was carried to the Supreme Court by Sears, Roebuck and Montgomery, Ward Company. That was by a use tax, and that use tax is in this bill to protect local merchants. Under the use tax it provides, if you will turn to the bill. Under Title II you will find the Use Tax. Collection by retailer, under article 6. "Every retail maintaining a place of business in this state and making sales of tangible personal property for use in this state, not exempted under the provisions of subsection III, shall at the time of making such sales, whether within or without the state collect the tax imposed by subsections I to XX from the purchaser, and give to the purchaser a receipt therefor in the manner and form prescribed by the state tax assessor, if the state tax assessor shall, by regulation, require such receipt. Each such retailer shall require such receipt. Each such retailer shall list with the state tax assessor the name and address of all his agents operating in this state and the location of any and all his distribution or sales houses or offices or other places of business in this state."

In other words, any foreign retailer who has a place of business—and it describes the place of business whether office, or agency taking orders, it is a place of business as ruled by the United States Supreme Court and any sales made by that company in the state, the retailer must pay a tax thereup whether made inside the state or whether the sale is completed outside the state.

Section VII, Foreign retailers. This says, "The state tax assessor may, in his discretion, upon application authorize the collection of the tax, herein imposed, by any retailer not maintaining a place of business within this state who, to the satisfaction of the said assessor furnishes adequate security to in-

sure collection and payment of the tax."

In other words, they must pay for the privilege of doing business in the state and must secure a license or permit or franchise to do business in the state and after they have done that they must file bond that they will pay a tax on the goods they ship in.

Of course, the method of compelling this tax is the indirect method. Nevertheless, it is effective. For the purpose of using an article in the state, bought outside the state, there shall be paid a Use Tax of 2%. It puts it upon the man who buys but to protect the business, the outside firm must assume the tax. No one is going to buy of them and turn around and pay a use tax. Under that method they are very effectively collecting taxes on business of mail order houses.

I realize this is an important time and an important step in Maine legislation. It is at a time when all home owners and property owners in the state of Maine are crying for relief. Five thousand small homes gone, farm homes gone in the last five years out of the state; property and houses being torn down in our cities because they cannot afford to pay taxes upon them. Young men are not able to buy homes because they cannot pay the necessary payment on top of the taxes which they now have to pay; mortgages being foreclosed because people who own homes cannot pay both mortgage and taxes; but if they were relieved of taxes, the money they are now paying for taxes could be used to pay interest and retire mortgages. This would help every mortgage company in the state, every savings bank, every loan association which has a mortgage upon a piece of property because when you reduce taxes on the property you increase the opportunity of the man to pay interest and his mortgage.

That is the question which is fairly confronting us—are we going to continue with the present system of taxes which are driving people out of the state with the highest tax of any state in the Union, making it impossible for young people to own homes. Are we going to continue that burden upon people, or look matters in the face and say that the time has come for revision in the tax system such as other states adopted eight or ten years ago? Are

we going to begin to shift the burden upon all people, and not put it upon a person because he owns property?

That was the average, as I said, on 216 farms where they kept books. If I should make on my farm—if you will pardon me for a personal allusion—if I should make \$1,000 on my farm in one year—and I would be fortunate if I made that much clear—and my tax was \$1000 it would take a hundred percent of my income to pay the tax.

Is there any justice in that system of taxation? We should get away from the idea of taxing property merely because it is property and we should tax it on the income which it earns. And that, after all, is the only fair system of taxation.

And so I believe that this is a very momentous time. Are we going home and say to the people, "We cannot do anything to help you, we can go along and devise a new sales tax, a new method of taxes for part of the people but you have still got to contribute most of your income to pay taxes."

I believe this is a thing which requires serious thought on the part of everyone. I know when I go home I am going to be able to look every man in the face and say, "I did everything I could to relieve your home taxation." I can see no justice in taxing the aged home owners, people who have occupied their homes all their lives and earn now only a poor living, tax them out of their homes, put them out on the street and then turn around and tax somebody else to raise money for old age assistance to pay to those same people who if they had been allowed to remain in their own homes could have continued to take care of themselves.

So I say it is time for the people of the state of Maine to wake up to the conditions which are confronting us and realize that something must be done about it or else there is going to be one grand holler from the people back home.

I believe it is the paramount issue before this legislature, even more important than relief for old age. And I believe it is relief for the home owners of the state because they need it.

Now I know that this bill is not perfect. There are several things which should be corrected or must ways, will you do something

be corrected, and if you accept this report, why then, there would be opportunity to amend it. I believe you have the picture fairly before you and that it is up to the people of this legislature to decide. And whichever way you decide I will be satisfied because after all it is for you to say. But I hope you will think the matter over seriously and consider it carefully.

Mr. LIBBY of Cumberland: Mr. President, the Senator from Aroostook, Senator Brown, has stated that it is going to be necessary to raise some tax money here and while his bill isn't perfect there is a nucleus here which by proper amendments could be worked out as a fair, just and equitable tax. For that reason I hope the motion of the Senator from Aroostook, Senator Brown prevails.

Mr. DOW of Oxford: Mr. President, I feel that I want to go on record as being opposed to this tax and because of that, I would like to have everybody else go on record and I ask that when the vote is taken it be taken by the Yeas and Nays.

Mr. BRIDGES of Washington: I wonder, Mr. President, if there is any Senator present who, having heard the exposition as made by the Senator from Aroostook, Senator Brown, has any doubt left in his mind that a situation exists in this state with reference to the farmers and home owners that doesn't need some relief.

I would like to have any Senator in this Chamber who says that the home owner in the state of Maine doesn't need some relief, to stand up. I want to get a look at him. I think we are unanimous, Mr. President, upon that conclusion, that we all admit that some relief is necessary. If that be true what solution has any member of this Senate offered to alleviate that condition which so loudly demands alleviation? Who among us, except the Senator from Aroostook, Senator Brown, has offered any solution? Is there any Senator in this Chamber who denies that the solution offered by Senator Brown has worked successfully in other states?

I have heard no refutation of that fact. If that be true, why isn't it reasonable and proper that we should try a solution which, from its experience and practice in other states, has been satisfactory?

Now, we have the premises. Here is the need. Here is a solution, reasonable, satisfactory. Why do we sit here any longer? Why not adopt it? Why not give to that hero in drab with the heart of gold from the rolling fields of Aroostook a chance, if you please, to see to the people with this bill to see if they will not place their stamp of approval upon it.

I challenge every red-hearted Senator in this room to do down the line with that man and give him a break. I do not know how you campaigned to get here. I know what I had to do. I went to those people in whose ranks I live and from whose loins I was born, the laboring class of people, I went into their homes up and down the dotted hills of Washington County. I saw them. I saw their need. I heard the heart-break expressed in plaintive tones, and time and time again in hundreds of homes, along the by-ways of my county, people said to me "Tom, if we send you up there, will you do something to relieve the pressure upon us? There are two, three, four tax liens against this little home of mine. Today I am taking away the brush and banking and with my trowel I am loosening up the earth trying to coax again from the reluctant soil of nature a blossom or two. I don't know, Tom, that I will be here in this home next year. They will be coming soon, perhaps to put me off."

Did you find anybody saying that to you as you campaigned up and down your county? And if you didn't say it did the situation that existed there cry out loudly the same sentiments? And did you say, every one of you, "Yes, I understand your need, I can see the situation and if I get down there with your help I will do something to help you."

What becomes of your promise today this twenty-third day of April, 1941? Are you going back to them and say, "We couldn't put it through because the other fellow wouldn't help us." Or are you going to say to those people on the farms back home, "I went down the line for you just as you went down the line for me. You kept your promise and registered your support for me and by the eternal God I kept my promise to you in the Senate of the state of Maine."

I made that promise in a thousand homes in my county and I am



here today, not having expected to speak on this matter, but I am here today keeping by promise to them and I will be able to go back and tell them that I kept my promise and if the majority of the county don't believe in the system I shall be satisfied because I shall have done my duty, and I shall be satisfied also because they shall have passed judgment upon me.

Then just this week there came rolling down from the plains of Aroostook the fact that nineteen more farmers on whose little homes the Federal Lands Bank at Springfield had a mortgage were walking out to become pariahs on the face of God's earth. The homes that had known them for years shall no longer know them and they will be pleading and applying for old age assistance. Who is to blame for that? We are to blame, if we don't do our part today to relieve that unendurable situation.

There is nothing novel about protecting homes. The law knows what a home is. It has recognized it for years and you have heard it said here that upon the statute books there is an exemption statute forbidding, up to a certain amount, the taking of a home for debt. You know that in the criminal law there is an exempting statute. You can't go into a man's barn and seize his cows or any other of his attachable property. You cannot go in and replevin anything. The law recognizes that there is something sacred about a home.

Well, men of Maine, you can take that home from a man just as surely by over taxation as you can by a writ of attachment, and we are doing it every day. I said when I came here that I would vote for the tax measure having the broadest base, the most easily collectible. This is the only tax presented to me in this Chamber with a broad base. It reaches everybody.

This problem for the relief of taxes upon the home is statewide. It isn't just a particular group. Sixty-five per cent of the homes bear the tax burden of the state. It is statewide and it is important. And being statewide, everybody in the state should get behind it. The rights which we have from our state go to everybody. The duties of citizenship to the state rest upon everybody. There is something in that flag, Mr. President, in that

little burnished eagle, that is more than emblematic. It is glorious. It is regal. It is glorious in the fact that it gives to every one of us certain God-given rights, freedom to work, freedom of speech, freedom to worship. It is regal in that it places its hand on the shoulder of every one of us and says, "You must do your duty to others."

And that is the beauty of this tax. It asks everyone to work, everyone to help, and by helping the home owners we help those who do not have homes. Why! The march from the homes of our state is so great, the increase in numbers is becoming so great that pretty soon the highways will be filled with people driven from their homes by taxes.

It reminds me of those words set upon the pages of the Holy Writ, "The birds of the air have nests, the foxes have their holes but the Son of Man hath not where to lay his head."

I am going to vote in support of this bill and I ask you other men who I believe, just as surely as I, made the promise, made also your promise to do something to relieve the little home owner in this the best state in the Union of states, I ask you to go down the line with this bill, to support that man who is fighting his life out for it and let us give the people, your masters and mine, the final word.

Mr. BATE of Kennebec: Mr. President, I didn't intend to speak on this matter but I cannot keep my seat after listening to the appeal here by the Senator from Aroostook, Senator Brown and the Senator from Washington, Senator Bridges. I feel that we are all in sympathy with the need that has been so ably pointed out here and that we respond to the solution offered but I wish to remind those able and eloquent Senators that the legislature of the state of Maine in 1937 did go down the line on this proposition and the people of Maine by a vote of nearly three to one said, "We don't want it!" And that is where we are on this proposition as I view it.

I think many of us here will agree that the sales tax is the most just, the most fair, the most equitable tax and that there is need of relief to the real estate tax payers, but I again repeat the people by

their mandate have said, "We don't want it."

Mr. CHAMBERLAIN of Penobscot: Mr. President, and members of the Senate who has moved up and down the highways and byways of his county or any other county in the state of Maine cannot help but realize that there are innumerable people owning homes who find it very difficult to pay the tax assessed upon them. The means of obtaining an income, a livelihood, among the people is constantly being lessened. We have seen conditions change in this state from active business along its rivers to such a condition that on the Penobscot it is almost like a painted river.

In the little town of Springfield away back east of Lincoln, the taxes are \$136 a thousand with no possible income from the property that those who live there possess. It is an intolerable situation in this state that we should levy upon the owners of real property not only the expenses of the town or city or municipality—I know there are incomes that the cities and towns receive from personal estates—but the main income of the town or city is from a levy upon real property. It is intolerable that these expenses should come almost entirely from real estate. And not only that, but the county comes in and says, "We desire also to assess upon you," and the great sovereign state of Maine comes again and says, "We want something also."

In such a situation as that, with the lessened opportunity to obtain a livelihood, especially in the rural sections, it is something that is so burdensome on the people of this state that—one can't predict a revolution—but we can predict almost a state of pauperization.

Roughly speaking, more than half the towns of this state ought to be deorganized. They can hardly exist as they go on. And for such a situation as that, as the Senator from Washington has said, the only relief we have had proposed in this legislature is this bill of the Senator from Aroostook, Senator Brown.

Certainly there is some opportunity for help. Whether that is the best bill that could have been made, we are not considering. We are not considering this bill and that bill as to which would be the best one. This is the only one we

have and it seems to me very suitable for the members of this Senate to give their vote in favor of this bill whatever the aftermath might be.

Mr. BROWN of Aroostook: Mr. President, just one more word and that in answer to the Senator from Kennebec, Senator Bate, who questions the political expediency of passing this measure. He didn't use those exact words but that is what he meant.

It is true that four years ago the people of Maine defeated a sales tax, but what was the purpose of the sales tax then? It was to put it into a common pot in the Treasury. And then afterwards, they began to talk, that they were going to use it for old age assistance and the people back home, my people, our people, and myself, thought it was just another tax, that we were going to continue to pay taxes and that the more taxes we raise the more they would spend down here at Augusta.

I should oppose the sales tax myself if it didn't carry with it relief to real estate because the home owner then would pay the same tax which he is paying now, and on top of that pay another tax. And the defeat of the sales tax four years ago more than anything else was the rural vote of the state of Maine. The Grange was solid as a unit against it. But in this bill the legislative agent of the Grange has been here continually working for it and the Master of the Maine State Grange signed this Report B and is heartily in favor of it. All other farm organizations are behind it.

The Maine Rural Tax Association endorsed it 100%. The Maine Farm Bureau is behind it and endorsed it. So the situation has changed. The least we can do at the present time is to say we are in favor of it and if it goes to a referendum and the people turn it down again, well it is up to them.

Mr. BISHOP of Sagadahoc: Mr. President, from the outset I have been sympathetic towards this homestead bill although I feel that the card system is the most simplified. But inasmuch as I have been rather ineffective in this legislature, I have been able to contribute very little. I have felt the pulse of the people out over the state far and wide, I have been out and spoken at Grange meetings. I have spoken

to service clubs and even from church pulpits. I have spoken as many as seven times in one week. I have attempted to discuss measures before us, especially taxation measures.

I have discussed or talked about this homestead exemption bill and invariably and always the people who four years ago voted against the sales tax, and I was one of those who did because it was just creating more revenue, those same people now feel the pressure that has come from this last four years of hard times and they have changed their opinion. And I have found invariably that the people are looking forward to the relief that this homestead bill will provide.

Mr. SNOW of Piscataquis: Mr. President and members of the Senate, I wish to register my approval of this bill of Senator Brown's to relieve real estate. I know that four years ago the sales tax was turned down but today a sales tax coming to relieve real estate I think would be accepted by the state of Maine. I know the people in my area would accept it and I know the merchants in my town are in favor of a sales tax to relieve real estate.

When the vote is taken I hope it is taken by the Yeas and Nays so that I can say to the folks back home that I voted the way they wanted me to.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Aroostook, Senator Brown, for the adoption of Committee Report C "Ought to Pass".

It has been moved that when the vote is taken it be taken by a Yea and Nay vote. To order a Yea and Nay vote the affirmative vote of one-fifth of the membership of the Senate is necessary. Is the Senate ready for the question?

A division of the Senate was had.

Obviously more than one-fifth of the membership having risen the Yeas and Nays were ordered.

The Secretary called the roll:

YEA: Batchelder, Bishop, Bridges, Brown, Chamberlain, Dow of Franklin, Emery, Findlen, Friend, Harvey, Haskell, Hinman, Laughlin, Libby, Morse, Sanborn, Snow—17.

NAY: Bate, Boothby, Boucher, Chase, Dorr, Dow of Oxford, Elliot, Farris, Fellows, Harkins, Hildreth, Melvin, Stilphen, Tompkins, Townsend—15.

ABSENT: Hodgkins.

Seventeen having voted in the affirmative and fifteen opposed, the motion to accept Report C prevailed.

Thereupon, the bill was given its first reading and under suspension of the rules was given its second reading.

On motion by Mr. Brown of Aroostook, the bill was then laid upon the table pending passage to be engrossed.

Mr. SANBORN of Cumberland: Mr. President, I am rising to move that the Senate adjourn until tomorrow morning at ten o'clock and I am going to ask that the rules be suspended in order that this motion, ordinarily not debatable, may be debatable for a moment.

The PRESIDENT: There being no objection, the Senator may proceed.

Mr. SANBORN: Mr. President and members of the Senate, there is a particular reason why I make this motion at the present time, or rather two reasons. First, there appears to be nothing more at the present time to which the Senate can profitably engage itself in session but there is something, I think, in which can pleasurably, if not profitably, engage itself immediately upon adjournment.

It has come to my knowledge that one of our members has a birthday today, one who by his zeal and interest in public welfare has won our esteem and who by his genial and lovable manner has won our affection. Unfortunately he is suffering a disappointment. He had a birthday cake awaiting him at his home but we, in our thoughtlessness have prolonged our session through yesterday and today so that he could not go home to enjoy his birthday cake. And I am going to suggest that upon adjournment we individually extend our felicitations to the senior Senator from Washington County, Senator Chase.

Mr. BRIDGES of Washington: Mr. President, I move to amend that motion this way: That any felicitations extended to Senator Chase should also be extended to me because this is my birthday.

Mr. SANBORN: Mr. President, I accept the amendment.

Thereupon, the Senate voted to adjourn until tomorrow morning at ten o'clock.