

# MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

Ninety-first Legislature

OF THE

STATE OF MAINE



1943

KENNEBEC JOURNAL COMPANY  
AUGUSTA, MAINE

## SENATE

Wednesday, March 10, 1943.

The Senate was called to order by the President.

Prayer by the Reverend Elmer D. Colcord of Gardiner.

Journal of yesterday read and approved.

## From the House:

## House Committee Reports

The Committee on Legal Affairs on Bill "An Act Relating to Election Clerks," (H. P. 799) (L. D. 381) reported that the same ought not to pass.

Which report was read and accepted in concurrence.

The Committee on Public Health on Bill "An Act to Authorize and Provide for the Temporary Admission to Practice in This State of Physicians and Camp Physicians to Protect the Health of the Civilian Population During the War Emergency Period," (H. P. 328) (L. D. 205) reported that the same ought to pass.

In the House, the report was read and accepted.

In the Senate, on motion by Mr. Farris of Kennebec, the bill was laid upon the table pending acceptance of the report in concurrence.

The Committee on Legal Affairs on Bill "An Act Relating to the Madison Water District," (H. P. 140) (L. D. 109) reported that the same ought to pass as amended by Committee Amendment "A" submitted herewith.

The same Committee on Bill "An Act to Confer Additional Rights and Powers upon East Branch Improvement Company," (H. P. 560) (L. D. 286) reported that the same ought to pass as amended by Committee Amendment "A" submitted herewith.

Which reports were severally read and accepted in concurrence, and the bills read once; Committee Amendments "A" were severally read and adopted in concurrence, and the bills as amended were tomorrow assigned for second reading.

## Order

Mr. Emery of Hancock presented the following Order and moved its passage:

## STATE OF MAINE

91st Legislature March 10, 1943

Whereas, there have been introduced in the House of Representatives of the 91st Legislature several bills appertaining to the issuance of certain state bonds which, if constitutional, would materially alleviate the financial problems of the State, and

Whereas, on June 1, 1947, \$1,000,000 of 4% Kennebec Bridge Bonds are callable, and

Whereas, it is now possible to sell the state's bonds at a rate of less than 2%, and

Whereas, it is possible to reinvest the proceeds of the sale of state bonds in federal government securities so that the state will be able to retire the Kennebec Bridge bonds in 1947 from the sale of the said federal government securities without any loss of interest, and thus replace the 4% bonds with 2% bonds, and

Whereas, it is vital to the state during this War period to conserve all of its resources and the Senate and the House of Representatives find, as a fact, that this is a solemn occasion, now therefore be it

ORDERED, the House concurring, that in accordance with the provisions of the Constitution of the State, the Justices of the Supreme Judicial Court are hereby respectfully requested to give this Legislature their opinion of the following questions:

(1) Is it constitutional for the Legislature to authorize the reissuance of the Kennebec Bridge bonds, so called, which have been retired, for the purpose of investing the proceeds thereof in federal securities which would become due and payable previous to the date on which outstanding bonus of the Kennebec Bridge Issue, so called, are callable; and to provide that the proceeds of the federal bonds so purchased, on their redemption by the federal government, shall be applied to the retirement of the said outstanding Kennebec Bridge bonds?

(2) Is H. P. 1069, L. D. 558, "An Act to Provide for the Issuance of Refunding Bonds of the State," as set forth herein, in its present form constitutional?

H. P. 1069, L. D. 558.

An Act to Provide for the Issuance of Refunding Bonds of the State.

**Emergency Preamble.** Whereas, the present world-wide state of war existing between the United Nations and the Axis Powers has brought about (a) a complete and unprecedented dislocation in the normal economic life of the United States, (b) a cessation of the importation of crude rubber into the United States, and (c) the establishment, by executive order of the President of the United States, of the War Production Board and the various administrative agencies therein which, in the performance of their duties with regard to defense and civilian supply, priorities and allocations have seriously curtailed the sale of new rubber tires, casings and tubes and have ordered the rationing of the available supply of gasoline for public consumption; and

Whereas, the foregoing facts have resulted in serious reductions, and are expected to result in further reductions, in the revenues received by the state from the gasoline tax, from the motor vehicle registration and drivers' licenses, and from other sources; and

Whereas, it may become necessary, in order to protect the credit of the state, to make provision for refunding immediately some of the outstanding bonds of the state, and the protection of the credit of the state is essential to the public peace, health and safety; and

Whereas, in the judgment of the legislature, the present excellent market for state and municipal bonds will permit the refunding of outstanding bonds of the state at lower interest rates, but such market may be seriously affected at any time by developments in the present World War; and

Whereas in the judgment of the legislature these facts create an emergency within the meaning of section 16 of Article XXXI of the constitution and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore

Be it enacted by the People of the State of Maine, as follows:

**Issuance of refunding bonds.** For the purpose of refunding like prin-

cipal amounts of bonds of the state which are now outstanding and which mature or are subject to redemption before June 30, 1947, the treasurer is hereby authorized, with the approval of the governor and council to issue from time to time refunding bonds of the state, such refunding bonds of each issue to bear interest at a rate or rates less than the rate now borne by the bonds to be refunded, to mature at such time or times, to be in such form, to be sold in such manner and at such price, not less than par and accrued interest and to be executed in such manner, as may be determined by the treasurer with the approval of the governor and council; provided however, that no such issue of refunding bonds shall be delivered more than 1 year prior to the maturity or the date of redemption of the bonds to be refunded unless (a) the proceeds of such refunding bonds shall be invested by the treasurer in securities which constitute direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government and which have a maturity prior to the maturity date or the redemption date of the bonds to be refunded and (b) the premium paid to the state for such refunding bonds shall be in excess of (i) the additional interest which the state will be required to pay during the period both the bonds to be refunded and the new refunding bonds will be outstanding and (ii) the premium which will be required to purchase such government securities. The treasurer shall hold such investment in a separate fund for the bonds to be refunded and shall use the proceeds of such investment in paying, either at the maturity date or dates or the redemption date, the bonds to be refunded. The holders of the refunding bonds of each such issue shall be subrogated to all the rights, powers and privileges of the holders of the bonds refunded thereby

**Emergency clause.** In view of the emergency set forth in the preamble, this act shall take effect when approved."

(3) Is H. P. 1072, L. D. 561, "An Act Authorizing a Reissuance of Bonds for the Purpose of Refunding Kennebec Bridge Bonds," as set forth herein, in its present form constitutional?

"H. P. 1072, L. D. 561.

**An Act Authorizing a Reissuance of Bonds for the Purpose of Refunding Kennebec Bridge Bonds.**

Be it enacted by the People of the State of Maine, as follows:

**Sec. 1. Issue of bonds to refund outstanding bonds; terms.** The treasurer of state is hereby authorized, under the direction of the governor and council, to enter into contract or contracts with and authorize a reputable investment house to act as refunding agent for the purpose of refunding the \$500,000 issue of January 1, 1927 and/or the \$1,000,000 issue of June 1, 1927 of Kennebec Bridge bonds which are now outstanding. The contract or contracts shall designate said investment house as exclusive agent for the purpose of this act. The state shall furnish the investment house with the attorney-general's opinion as to the constitutionality of the issuance of said refunding bonds. The refunding bonds shall be made available for exchange for the original Kennebec Bridge bonds at a fiscal agency, and under terms and conditions both to be determined by the treasurer of state with the approval of the governor and council. The state shall pay no fee for services of the refunding agent, but may bear the cost of printing and shipping of the refunding bonds.

The investment house shall undertake to induce the holders of the present outstanding Kennebec Bridge bonds to exchange them for the refunding bonds. The refunding bonds shall bear 2 series of coupons. Series A coupons shall bear interest to the maturity date of the refunding bonds at a rate of interest to be agreed upon between the state and the investment house not to exceed 2% per annum in multiples of 1/4 or 1/10 of 1%, payable semi-annually. Series B coupons shall bear interest to the callable date of the respective original issues at a rate representing the difference between the rate of Series A coupons and a rate of 4%, payable semi-annually. Series B coupons shall be detachable.

The maturity schedule of the refunding bonds shall not extend longer than the present terms of the respective issues of original Kennebec Bridge bonds.

The treasurer of state is hereby authorized under the direction of the governor and council, to issue

from time to time the refunding bonds in the name and behalf of the state and whenever the outstanding bonds are available for exchange at the fiscal agency designated. No such bond shall be loaned, pledged or hypothecated in behalf of the state.

Said bonds shall bear the facsimile of the signature of the governor and shall be signed by the treasurer of state and attested by the state auditor, with the seal of the state affixed. The coupons attached to said bonds shall bear the facsimile of the signature of the treasurer of state. Said bonds shall be designated as "Kennebec Bridge Refunding Bonds" for the purposes set forth in this act, and shall be deemed a pledge of the full faith and credit of the state.

**Sec. 2. Records of bonds issued to be kept by the state auditor and treasurer.** The state auditor shall keep an account of such bonds, showing the number and amount of each the date of countersigning, the date when payable and the date of delivery thereof to the treasurer of state, who shall keep an account of each bond, showing the number thereof, the name of the person to whom sold, the amount received for same, the date of sale and the date when payable.

**Sec. 3. Interest, maturity, retirement, how met.** Interest, maturity and retirement obligations accruing on all bonds issued under the provisions of this act shall be paid by the treasurer of state from the funds received under chapter 89 of the private and special laws of 1925."

(4) Is the following proposed new draft of H. P. 1072, L. D. 561, constitutional?

"An Act Providing for a Reissue of Retired Kennebec Bridge Bonds and to Provide for the Retirement of Outstanding Kennebec Bridge Bonds.

**Retirement of outstanding Kennebec Bridge bonds provided for.** In addition to the Kennebec Bridge bonds heretofore issued in the name and behalf of the state, the treasurer of state is hereby expressly authorized under the direction of the governor and council to reissue from time to time during the fiscal year ending June 30, 1944, and the fiscal year ending June 30, 1945, serial coupon bonds in the name and behalf of the state to an amount not exceeding \$1,000,000, payable serially

at the state treasury within 20 years from date of issue at a rate of interest not exceeding 2% per year, interest payable semiannually, and signed by the treasurer of state, and bearing the facsimile of the signature of the governor and attested by the state auditor with the seal of the state affixed, for the purpose of obtaining funds for the retirement of outstanding Kennebec Bridge bonds. The coupons attached to said bonds shall bear the facsimile of the signature of the treasurer of state; and such bonds and coupons shall be of such denominations and form and upon such terms and conditions not inconsistent herewith as the governor and council shall direct. Said bonds, together with the proceeds thereof, shall be designated as State of Maine Kennebec Bridge Bond Reissue for the purpose set forth in this act, and shall be deemed a pledge of the faith and credit of the state, and when paid at maturity or otherwise retired shall not be reissued.

The state auditor shall keep an account of such bonds, showing the number and amount of each, the date of countersigning, the date when payable and the date of delivery thereof to the treasurer of state, who shall keep an account of each bond, showing the number thereof, the name of the person to whom sold, the amount received for the same, the date of sale and the date when payable.

The treasurer of state may negotiate the sale of such bonds by direction of the governor and council, but no such bond shall be loaned, pledged or hypothecated in behalf of the state. The proceeds of the sales of such bonds, which shall be held by the treasurer of state and paid by him upon warrants drawn by the governor and council, are hereby appropriated to be used solely for the purposes set forth in this act. The proceeds of said bonds may be expended during the fiscal year ending June 30, 1944, and the fiscal year ending June 30, 1945, but any balance unexpended shall not lapse but shall be carried forward to the same account to be used only for the purposes set forth herein.

The proceeds of all bonds reissued under the authority of this act shall at all time be kept distinct from other moneys of the state and shall

not be drawn from or be available for any other purpose than the purposes of this act. The proceeds of the reissue provided for herein shall be invested by the treasurer in securities which constitute direct obligations of, or obligations, the principal and interest of which are unconditionally guaranteed by, the United States Government and which have a maturity prior to the maturity date or the redemption date of the Kennebec Bridge bonds and the premium paid to the state for such reissued bonds shall be in excess of the additional interest which the state will be required to pay during the period both the bonds to be retired and the new reissued bonds will be outstanding and the premium which will be required to purchase such government securities.

On maturity of the securities above mentioned, the amounts received by the state from their redemption shall be used by the treasurer of state under direction of the governor and council to redeem the "Kennebec Bridge Bonds" so called, which are callable on June 1, 1947.

Interest due or accruing upon any bonds issued under the provisions of this act shall be paid by the treasurer of state from any money in the state treasury not otherwise appropriated; upon warrants drawn by the governor and council therefor."

On motion by Mr. Varney of York, the Order was laid upon the table pending passage.

#### Senate Committee Reports

Mr. Hall from the Committee on Salaries and Fees on Bill "An Act to Increase the Salary of the Clerk of Courts of Washington County," (S. P. 264) (L. D. 470) reported that the same ought to pass.

The same Senator on Bill "An Act Clarifying the Law Relating to Clerk Hire in the Office of Register of Deeds in Washington County," (S. P. 371) (L. D. 633) reported that the same ought to pass.

Which reports were severally read and accepted, the bills read once, and tomorrow assigned for second reading.

Mr. Buck from the same Committee on Bill "An Act Relating to Salary of Register of Deeds of Kennebec County," (S. P. 368) (L. D. 636)

reported that the same ought to pass as amended by Committee Amendment "A" submitted herewith.

Which report was read and accepted, and the bill was given its first reading.

The Secretary read Committee Amendment A:

"Committee Amendment A to S. P. 368, L. D. 636, bill, An Act Relating to Salary of Register of Deeds of Kennebec County. Amend said bill by inserting after the enacting clause "Sec. 1." Further amend said bill by adding at the end thereof the following paragraph:

**"Sec. 1. Limitation of act.** This act shall remain in force for a period of 2 years only. It is the intent of the legislature to change the present statute for a period of 2 years only, after which period the statute shall return to full force and effect."

Committee Amendment A was adopted, and the bill as so amended was tomorrow assigned for second reading.

The Majority of the Committee on Temperance on Bill "An Act Permitting the Sale of Liquor in the State by the State Liquor Commission Only," (S. P. 136) (L. D. 98) reported that the same ought not to pass.

(Signed)

Senators: Townsend of Penobscot  
Boucher of Androscoggin

Representatives: Littlefield of Alfred  
Davis of Montville  
Harvey of San-  
gerville  
Pierce of Bucks-  
port  
Prince of Harps-  
well  
Combs of Bel-  
fast

The Minority of the same Committee on the same subject matter, reported that the same ought to pass.

(Signed)

Senator: Good of Aroostook  
Representative: Bubar of Weston

Mr. GOOD of Aroostook: Mr. President, I notice the absence of Senator Boucher and Senator Townsend who signed the Majority

Report, and therefore I now move you that both reports lie on the table and be especially assigned for tomorrow morning.

The motion prevailed and the bill and accompanying reports were laid upon the table pending acceptance of either report, and especially assigned for tomorrow morning.

### Passed to Be Engrossed

Bill "An Act Relating to the Determination of Profits and the Working Capital of the State Liquor Commission." (H. P. 767) (L. D. 461)

"Resolve in Favor of Knox Memorial Association, Inc. for Support and Maintenance of 'Montpeller'." (H. P. 770) (L. D. 413)

Bill "An Act Relating to Costs of Tax Deeds." (H. P. 955) (L. D. 535)

Bill "An Act Relating to Hunting and Trapping Bobcats." (H. P. 87) (L. D. 79)

Bill "An Act to Provide for the Appointment of a Board of Commissioners of Police for the City of Augusta." (H. P. 558) (L. D. 297)

Bill "An Act Relating to a Bond for Town Clerks." (H. P. 629) (L. D. 371)

Which bills and resolve were severally read a second time, and passed to be engrossed in concurrence.

Bill "An Act Relating to the Salary of the Sheriff of Lincoln County." (S. P. 150) (L. D. 183)

Bill "An Act Relating to Sirens on Automobiles." (S. P. 326) (L. D. 529)

Bill "An Act to Define the Meaning of the Word 'Municipality'." (S. P. 342) (L. D. 517)

Bill "An Act Defining the Word 'Plate' in the Motor Vehicle Laws." (S. P. 344) (L. D. 519)

Bill "An Act Relating to Clerk Hire in the Office of the Register of Deeds in Kennebec County." (S. P. 367) (L. D. 637)

Bill "An Act Relating to Special Deputy Sheriffs in Cumberland County." (S. P. 392) (L. D. 680)

Bill "An Act Relating to Fraternal Beneficiary Associations." (S. P. 436) (L. D. 754)

Bill "An Act Providing for the

Payment of a Filing Fee for Statements of Domestic and Foreign Insurance Companies." (S. P. 437) (L. D. 753)

Bill "An Act Relating to Disposal of Confiscated Ammunition and Small Arms." (S. P. 439) (L. D. 763)

Bill "An Act Increasing Salary and Compensation of the State Police." (S. P. 72) (L. D. 7)

Bill "An Act Relating to the Salary of the County Treasurer and Clerk Hire for the County of Kennebec." (S. P. 269) (L. D. 457)

Which bills were severally read a second time and passed to be engrossed.

Sent down for concurrence.

#### **Orders of the Day**

On motion by Mr. Sterling of Somerset, the Senate voted to take from the table, bill "An Act Relating to Audit and Use of Funds of Maine Forestry District (H. P. 1070) (L. D. 559), tabled by that Senator on February 19th pending reference; and on further motion by the same Senator the bill was referred to the Committee on Appropriations and Financial Affairs in concurrence.

On motion by Mr. Peters of Androscoggin, the Senate voted to take from the table, Senate Report from the Committee on Salaries and Fees "Ought to Pass, as amended by Committee Amendment 'A' on bill, "An Act Relating to Salary of Judge of Probate for Androscoggin County" (S. P. 166) tabled by that Senator on March 9 pending acceptance of the report; and on further motion by the same Senator, the report of the committee was accepted and the bill was laid upon the table for printing under the joint rules.

The PRESIDENT: The Chair would like to call the attention of the Senate to the fact that the journal of this morning and yesterday morning was exceedingly light. I trust the chairmen of the committees will, with all possible despatch, get out some additional reports so that the Senate may have more on the calendar in the immediate future.

On motion by Mr. Elliot of Knox  
Adjourned until tomorrow morning at ten o'clock.