

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

Ninety-Third Legislature

OF THE

STATE OF MAINE

1947

DAILY KENNEBEC JOURNAL
AUGUSTA, MAINE

SENATE

Tuesday, March 18, 1947.

The Senate was called to order by the President.

Prayer by the Reverend Alfred Earle of Augusta.

Journal of Friday, March 14th, 1947 read and approved.

Papers from the House referred in concurrence.

House Committee Reports

The Committee on Education on "Resolve in Favor of Anson Academy," (H. P. 1055) reported that the same be referred to the Committee on Appropriations and Financial Affairs.

Which report was read and adopted in concurrence.

The Committee on Judiciary on Bill "An Act Relating to Alternative Method for the Enforcement of Liens for Taxes on Real Estate," (H. P. 1178) (L. D. 775) reported that the same ought to pass.

The same Committee on Bill "An Act Permitting Trustees of Berwick Academy to Issue Bonds," (H. P. 1293) (L. D. 900) reported that the same ought to pass.

The same Committee on Bill "An Act Relating to Fees in the Small Claims Law," (H. P. 1299) (L. D. 906) reported that the same ought to pass.

The Committee on Taxation on Bill "An Act Relating to Tax Exemption of Property," (H. P. 1325) (L. D. 894) reported that the same ought to pass.

The Committee on State Lands and Forest Preservation on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Somerset County to Leo Tessier of Rockwood," (H. P. 272) (L. D. 195) reported that the same ought to pass.

The same Committee on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Piscataquis County to Bradbury Memorial Hospital of Belfast," (H. P. 1218) (L. D. 857) reported that the same ought to pass.

The same Committee on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in the Unorganized Territory," (H. P. 1221) (L. D. 858)

reported that the same ought to pass.

The same Committee on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Aroostook County to George Lagasse of Guerette, Maine," (H. P. 133) (L. D. 89) reported that the same ought to pass.

The same Committee on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Washington County to Ernest Stover of Lambert Lake," (H. P. 127) (L. D. 83) reported that the same ought to pass.

The same Committee on "Resolve Authorizing the Treasurer of State to Convey the Interest of the State in Certain Land in Bangor to Fred M. Cousins," (H. P. 886) (L. D. 498) reported that the same ought to pass.

The same Committee on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Washington County to Roland Hayward of Lambert Lake," (H. P. 128) (L. D. 84) reported that the same ought to pass.

The same Committee on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Washington County to Mrs. Lester Hayward of Lambert Lake," (H. P. 189) (L. D. 153) reported that the same ought to pass.

The Committee on Taxation on Bill "An Act Relating to Taxation of Domestic Fowl," (H. P. 1096) (L. D. 708) reported that the same ought to pass.

Which reports were severally read and adopted in concurrence, the bills and resolves read once and tomorrow assigned for second reading.

The Committee on Judiciary on Bill "An Act Amending the Financial Responsibility Law," (H. P. 1301) (L. D. 908) reported that the same ought to pass as amended by Committee Amendment "A".

The same Committee on Bill "An Act Relating to Qualifications for License to Sell Real Estate," (H. P. 1392) (L. D. 998) reported that the same ought to pass as amended by Committee Amendment "A".

The same Committee on Bill "An Act Relating to Power of Certain Corporations to Hold Property," (H. P. 1294) (L. D. 901) reported that

the same ought to pass as amended by Committee Amendment "A".

The Committee on Mercantile Affairs and Insurance on Bill "An Act Relating to the Licensing of Life Insurance Agents," (H. P. 1026) (L. D. 666) reported that the same ought to pass as amended by Committee Amendment "A".

The Committee on State Lands and Forest Preservation on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Franklin County to Ivan U. Baker of Kingfield," (H. P. 350) (L. D. 219) reported that the same ought to pass as amended by Committee Amendment "A".

The same Committee on "Resolve Authorizing the State Tax Assessor to Convey Certain Interest of the State in Lands in Oxford County to Leon Millett of Bethel," (H. P. 271) (L. D. 194) reported that the same ought to pass as amended by Committee Amendment "A".

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

The Committee on Inland Fisheries and Game on Bill "An Act Relative to Bounty on Bobcat, Loupcervier and Canada Lynx," (H. P. 434) (L. D. 296) reported the same in a new draft (H. P. 1624) (L. D. 1284) under the same title, and that it ought to pass.

Which report was read and adopted in concurrence, and the bill in new draft read once and tomorrow assigned for second reading.

Report "A" from the Committee on Legal Affairs on Bill "An Act to Incorporate the Reef Point Gardens Corporation," (H. P. 119) (L. D. 96) reported that the same ought not to pass.

(Signed)

Senators: **BATCHELDER** of York
BLANCHARD

of Aroostook

BAKER of Kennebec

Representatives:

ANDERSON

of New Sweden

WEEKS

of South Portland

Report "B" from the same Committee on the same subject matter reported that the same ought to

pass as amended by Committee Amendment "A".

(Signed)

Representatives:

SNOW of Auburn

PAYSON of Union

ATHERTON of Bangor

RANKIN of Bridgton

WOODWORTH

of Fairfield
Comes from the House, recommended to the Committee on Legal Affairs.

In the Senate, on motion by Mr. Batchelder of York, the report and accompanying papers were recommended to the Committee on Legal Affairs in concurrence.

The Committee on County Estimates on "Estimates of the Several Counties," reported a Resolve under title of "Resolve for the Laying of the County Taxes for the Years Nineteen Hundred Forty-seven and Nineteen Hundred Forty-eight," (H. P. 1623) (L. D. 1283) and that it ought to pass.

Which report was read and adopted in concurrence and the resolve read once and tomorrow assigned for second reading.

Referred to Committee

The following bill was received, and on recommendation by the Committee on Reference of Bills, was referred to the following Committee:

University of Maine

Mr. Welch of Aroostook presented Bill "An Act Relating to Trustees of the University of Maine," (S. P. 466)

(Ordered printed.)

Sent down for concurrence.

First Reading of a Printed Bill

Bill "An Act Relating to Protection of Interest of Employees, Beneficiaries or Joint Annuitants Under Group Annuity Contracts and Pension Trusts," (S. P. 462) (L. D. 1297)

Which was read once and tomorrow assigned for second reading.

Senate Committee Reports

Mr. Batchelder from the Committee on Legal Affairs on Bill "An Act Relating to Pari-Mutuel Harness Racing," (S. P. 403) (L. D. 1152) reported that leave be granted to withdraw the same.

Which report was read and adopted.

Mr. Cross from the Committee on Ways and Bridges on Bill "An Act to Provide for Issuance of State Highway Bonds," (S. P. 227) (L. D. 566) reported the same in a new draft (S. P. 467) under the same title, and that it ought to pass.

Which report was read and adopted, and the new draft laid upon the table for printing under the joint rules.

Mr. Welch from the Committee on Ways and Bridges on "Resolve to Correct Error in 1945-46 Road Resolve Appropriation," (S. P. 74) reported that the same ought to pass.

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

Mr. Hopkins from the Committee on Mercantile Affairs and Insurance on Bill "An Act Relating to Rights of Creditors and Beneficiaries Under Policies of Life, Endowment, or Accident Insurance, and Under Annuity Contracts," (S. P. 286) (L. D. 803) reported that the same ought to pass.

Which report was read and adopted, the bill read once and tomorrow assigned for second reading.

Passed to be Engrossed

Bill "An Act Relating to Transportation of Deer Beyond Limits of the State," (H. P. 826) (L. D. 529)

"Resolve Establishing the Opening Date for Fishing for White Perch in Wassokeag Lake in Dexter in the County of Penobscot," (H. P. 829) (L. D. 530)

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

Bill "An Act to Regulate Eligibility of Premises for Which Liquor Licenses May be Granted," (H. P. 1101) (L. D. 676)

Which was read a second time and passed to be engrossed as amended in concurrence.

Bill "An Act Relating to the Licensing of Eating and Lodging Places," (H. P. 1310) (L. D. 889)

(On motion by Miss Clough of Penobscot tabled pending passage to be engrossed.)

Bill "An Act Relating to Persons Maintaining Children's Homes," (H. P. 1311) (L. D. 890)

(On motion by Miss Clough of Penobscot tabled pending passage to be engrossed.)

Bill "An Act Relating to Work Permits for Children," (S. P. 51) (L. D. 23)

"Resolve Closing Tributaries to Moose River to All Fishing," (S. P. 344) (L. D. 977)

"Resolve Closing Tributaries of South Branch of Penobscot River to All Fishing," (S. P. 345) (L. D. 978)

"Resolve Closing the South Branch of Penobscot River to All Fishing After Certain Date," (S. P. 346) (L. D. 979)

Bill "An Act Relating to Maintenance of Third Class Roads," (S. P. 458) (L. D. 1288)

Which were severally read a second time and passed to be engrossed. Sent down for concurrence.

Bill "An Act Relating to Taxation of Insurance Companies," (S. P. 92) (L. D. 143)

Bill "An Act Relating to Trespasses on Public Reserved Lots," (S. P. 301) (L. D. 792)

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

Sent down for concurrence.

Orders of the Day

On motion by Mr. Greeley of Waldo the Senate voted to take from the table Bill, An Act to Incorporate the Town of Lincolnville School District (H. P. 927) (L. D. 561) tabled by that Senator on March 14th pending passage to be enacted.

This being an emergency measure a division of the Senate was had.

Twenty-six having voted in the affirmative and none opposed the bill was passed to be enacted.

On motion by Mr. Bishop of Sagadahoc the Senate voted to take from the table Bill, An Act to Incorporate the Georgetown School District (H. P. 847) (L. D. 503) tabled by that Senator on March 14th pending passage to be enacted.

Mr. BISHOP: Mr. President, I move this bill be passed to be enacted.

This being an emergency measure, a division of the Senate was had.

Twenty-eight having voted in the affirmative and none opposed the bill was passed to be enacted.

Mr. Hopkins of Kennebec was granted unanimous consent to address the Senate.

Mr. HOPKINS: Mr. President and members of the Senate, it has been said that money is the supreme test of domestic tranquility. I suspect before we leave Augusta following final adjournment we will hope that is all money is, but I suspect we will find it is many other things besides that. Money is really a medium of deferred value and as such, among other things, it is the measure of public debt. You notice I said "among other things" it is a measure of public debt.

A number of years ago the famous economist, Irving Fisher, said there were only three people in the United States who understood money, and since at the time he was one of the recognized authorities on money he was probably limiting it to two others besides himself.

Money is indeed an extremely complicated thing. I want to speak very briefly as I am speaking with your permission, on the subject of public debt, and I want to attempt to introduce a resolve with your permission.

There is perhaps some agreement that if in this country we can avoid future war and if we can get back to honest and efficient production of the things people need and desire, and if we can make progress with some of the many serious social problems that confront us—if we can do all that then the control of public indebtedness more than any other single factor will determine whether or not we, in the United States, will continue in the future with a sufficiently stable economy to permit us and our children to enjoy traditional American personal freedom.

To a considerable extent public indebtedness on all levels of government is one and the same problem and it must be controlled, and if we recognize it as one problem we must face control of indebtedness on all levels of government. No government such as ours would possibly survive a complete financial collapse. Our very very complicated civilization would preclude that. If we do permit complete financial collapse we shall have authoritarian government in America and our so-called American system of government will have been lost by default.

I want to speak on public indebtedness on three levels, but primarily on the level of state and community. On the national level we are just coming to the end of a peri-

od of more than 15 years of continuous debt accumulation as you well know. Today with a debt in excess of 260 billion dollars or nearly \$2000 for every man, woman and child in the country we have an annual debt charge in excess of five billion dollars or more than the total annual budget of the federal government at the beginning of the period I mentioned. Effort is now being made to reduce expenditures on the federal level to 34 1-4 billion dollars and to balance the budget next year and begin a reduction of indebtedness. It is interesting to think that only a few months before the end of the war some of the best economists in the country were predicting a post-war federal budget of only slightly over half the figure I have mentioned.

But at least we are recognizing that we must balance the federal budget and reduce indebtedness or at least start to reduce indebtedness.

On the State level the matter of indebtedness is not so disturbing nationally as during the war most states greatly reduced their indebtedness, some entirely eliminated it and some accumulated a substantial amount of surplus. Maine made a modest reduction in its debt during the war years and is now, frankly, not in as good condition as we wish it were regarding indebtedness. The rising costs and increased demands for new and extended service present a problem which will be difficult for us to solve but one which we must solve before the final adjournment of the legislature.

On the community level just as on the state level there was a general improvement in the debt situation during the war. Many large cities in the country paid off all their indebtedness, some accumulated substantial surpluses.

It is of interest that the fourteen towns taken over by the Emergency Municipal Finance Board of the State of Maine between the years 1937 and 1941 all were returned to local control or had been deorganized before 1945. These towns averaged to owe only 18½% of their valuation when taken over and this amount varied from 8% to 48%. It appears to have been a long established policy that the state is responsible, to some degree at least, for keeping the cities and towns out of financial difficulty. I think the constitutional debt limit which con-

trolled municipal debt for many years has protected many municipalities and prevented them from being in serious financial difficulty at one time or another.

But the towns, like the state, are now demanding new services which are reflected in many requests which are made before the legislature. Of course the towns, because of the limit which the state holds on their indebtedness have been obliged to make substantial increases in taxation. I believe the Senator from Penobscot, Senator Haskell, speaking in Waterville yesterday on a study he is making indicated that the tax rates from municipalities in the state might average to go up 6½ mills this year or a total of some 4½ millions of dollars.

We realize that the requests being made are legitimate. It is pretty well established that every town is entitled to have pure water, to have a sewerage district, to have good schools, and in some cases to have adequate bridges, and that the cities are entitled to have parking districts. All of these things are being reflected in requests being made before this legislature.

Some of the charters being considered now provide for the right to incur indebtedness up to 25% of the valuation of the area served. Of the 28 school district bills which are before this legislature the average request as far as indebtedness is concerned is authorizing indebtedness of 10¼% of the valuation of the area served and the amount varies from 5% to over 20%.

No attempt has been made to

analyze the charters of water districts, sewer districts and parking districts but from serving on the Public Utilities Committee I am aware that some of the public utilities charters provide for indebtedness in excess of 25% of the valuation of the area served. It is important that there be some overall control of this indebtedness. I think that if it is not done that at some future date we shall be in serious difficulties in many of our towns within the state. It is not an easy problem to solve. In fact, I think it will give us considerable difficulty to arrive at a solution of it if we do arrive at a solution.

I should like the permission of the Senate to introduce a Resolve proposing a Constitutional Amendment to place a control on indebtedness and I hope that my request will be granted and that the matter will be given the consideration of the Senate.

Unanimous consent was thereupon granted to the Senator from Kennebec, Senator Hopkins, to introduce Resolve Proposing an Amendment to the Constitution to Limit the Indebtedness on Municipalities by Public or Quasi Municipal Corporations to 20% of the State Valuation; the Resolve was received and on further motion by the same Senator was referred to the Committee on Judiciary.

Sent down for concurrence.

On motion by Mr. Williams of Penobscot

Adjourned until tomorrow morning at ten o'clock.