

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

Ninety-Sixth Legislature

OF THE

STATE OF MAINE

1953

DAILY KENNEBEC JOURNAL
AUGUSTA, MAINE

SENATE

Tuesday, March 31, 1953.

The Senate was called to order by the President.

Prayer by the Rev. Arthur G. Christopher of Augusta.

Journal of Thursday, March 26, 1953 read and approved.

House Papers

Bill "An Act Accepting from Dorothea Dix Memorial Association a Deed of Gift of Dorothea Dix Park." (H. P. 1213) (L. D. 1386)

Which was received by unanimous consent and referred to the Committee on Public Buildings and Parks in concurrence.

House Committee Reports

The Committee on Welfare to which was recommitted Bill "An Act Relating to Hospital Aid," (H. P. 364) (L. D. 380) reported the same in a new draft (H. P. 1210) (L. D. 1381) under the same title, and that it ought to pass.

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

The Committee on Appropriations and Financial Affairs on Bill "An Act Relating to Salaries of Certain Department Heads," (H. P. 1035) (L. D. 1179) under authority of Joint Order, (S. P. 495) reported Bill "An Act Relating to Salaries of Public Utilities Commission," (H. P. 1211) (L. D. 1382) and that it ought to pass.

Which report was read and accepted in concurrence, and Bill "An Act Relating to Salaries of Public Utilities Commission" was read once and tomorrow assigned for second reading.

The Committee on Towns and Counties on Bill "An Act to Increase the Salary of the Sheriff of Waldo County," (H. P. 607) (L. D. 606) reported that the same ought to pass.

The Committee on Welfare on "Resolve, Relating to the Schoolhouse in Indian Township, Near Princeton," (H. P. 61) (L. D. 51) reported that the same ought to pass.

Which reports were severally read and accepted in concurrence, the bill and resolve read once, and tomorrow assigned for second reading.

The Committee on Claims on "Resolve, to Reimburse the Town of Jefferson for Conveyance of School Children," (H. P. 719) (L. D. 1368) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 104)

The Committee on Inland Fisheries and Game on Bill "An Act Relating to Driving of Deer," (H. P. 94) (L. D. 87) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 93)

The same Committee to which was recommitted "Resolve Regulating Fishing in Porter Lake, Franklin County," (H. P. 65) (L. D. 61) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 146)

The same Committee to which was recommitted Bill "An Act Relating to Closed Season on Deer on Cranberry Isles, Hancock County," (H. P. 410) (L. D. 459) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 145)

The Committee on Judiciary on Bill "An Act Relating to Preference in State Employment for Veterans," (H. P. 1093) (L. D. 1227) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 149)

The Committee on Natural Resources on "Resolve, Authorizing the Forest Commissioner to Convey by Sale Certain Interests of the State in Land in Hallowell, Kennebec County," (H. P. 1027) (L. D. 1148) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 147)

The Committee on Towns and Counties on Bill "An Act to Increase the Salary of the Recorder of the Brunswick Municipal Court," (H. P. 447) (L. D. 490) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 122)

The same Committee on Bill "An Act Relative to the Salary of the Judge of the Brunswick Municipal Court," (H. P. 446) (L. D. 489) reported that the same ought to pass as amended by Committee Amendment "A". (Amendment Filing No. 121)

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

Communication

STATE OF MAINE

House of Representatives

Augusta

March 26, 1953

Hon. Chester T. Winslow
Secretary of the Senate
96th Legislature
Sir:

The Speaker of the House today appointed the following Conferees on the part of the House on the disagreeing action of the two branches of the Legislature on Resolve to Repeal Certain Special Resolve Pensions (H. P. 612) (L. D. 732):
Mr. DICKEY of Brooks
Misses STEEVES of Lincoln
CORMIER of Rumford

Respectfully,

HARVEY R. PEASE

Clerk of the House

HRP/bl

Which was read and ordered placed on file.

Mr. REID of Kennebec: Mr. President, on the second day of March of this year, some two weeks after the cloture rule was enacted, there was a town meeting in the town of Bristol. Among other things, they voted to build a new school building. The vote in favor of the new school building was 169 to 9. Subsequent to that time, a small minority, that is a few out of the nine, examined into the town records and reported a defective return. The constable amended the return and then they raised the question as to whether or not the constable was duly authorized, having been appointed by one selectman.

In the opinion of the Assistant Attorney General, the amendment was valid, the whole proceedings were valid, the declaration being that the constable was at least a de facto officer. Regardless of that, the small minority furnished further action and that alone is sufficient to worry the attorney for the security house. Last Monday it was voted temporarily to take the town of Bristol out and still preserve their right to issue bonds, all of which would not be delivered if this small minority brings in any kind of a suit. I think the legislature should validate the procedure so that there will be no question of the Town of Bristol going ahead and getting a schoolhouse.

I therefore ask unanimous consent to introduce this bill.

Thereupon, Bill, An Act to Validate Acceptance by the Town of Bristol of a Contract with the Maine School Building Authority was received by unanimous consent; and on further motion by the same Senator, was referred to the Committee on Judiciary, ordered printed and sent down for concurrence.

Mr. TABB of Kennebec: Mr. President, I rise here to ask for practically the same as my colleague. Two of us from the same county asking at the same time is a hard proposition, possibly. Anyway, it seems that this Resolve was handed to me and I thought—you will notice I said "I thought"—that I gave it to our good friend Mr. Slosberg, and evidently it got lost, so I am willing to take the blame that I didn't give it to him in the first place, and I ask unanimous consent for the introduction of a resolve.

Thereupon, Resolve in Favor of Clarence G. Ricker of Clinton, was received by unanimous consent; and on further motion by the same Senator, the resolve was referred to the Committee on Claims and sent down for concurrence.

Mr. Dunham of Hancock was granted unanimous consent to address the Senate.

Mr. DUNHAM of Hancock: Mr. President, I read this morning in the Bangor Daily a very pertinent editorial. I don't mean to say

that every editorial which we read in the Maine papers should be read into the record, but this is so pertinent to the things which are coming up for discussion, and means so much to the State of Maine, that I would like to read it. It has to do with the Bar Harbor Ferry Tunnel. It is a short editorial and I shall read it.

"No matter what sort of mathematics you use, Maine would be a winner by legislative approval of the Bar Harbor Ferry Terminal bill.

There is a commonly quoted maxim about the impossibility of getting something for nothing. This is a case where we would.

The end cost to the State of Maine balance sheet is exactly zero, and that same amount—nothing—is what would be required in future appropriation measures.

The proposition is simple.

Our good Canadian friends have come to us with clean hands. They are building a fast, modern car ferry designed to make a round trip a day from Yarmouth, Nova Scotia, to Bar Harbor. They are constructing their own terminal facilities in Yarmouth. All this is costing them from six to eight million dollars. All they ask of Maine is that the State provide a suitable dock. That is, Maine is to construct the dock, but Canada will pay for it in equal annual installments over a period of years deemed reasonable by both principals.

So Maine, in effect, merely ties up \$1,250,000 of presently existing surplus. An agency of the Canadian government has guaranteed the repayment of every cent of this capital so advanced. In return for this cooperative gesture from the State of Maine, the new ferry service opens up new paths of economic progress to all of Maine.

Visualize an out-of-state family scanning the vacation maps and imagine the unlimited possibilities offered by this new travel route.

The scenic shore route from Kittery to Bar Harbor, the car ferry trip across the Bay of Fundy, a visit along the Nova Scotia south shore through Lockport, Lunenburg, Halifax, and even up the Bras d'Or Lakes to Sidney or maybe back to Digby via the Annapolis

Valley and on into St. John and Calais.

Or still another trip that goes into Fredericton and back into Maine at Houlton or some other northern Aroostook point. Maybe the Gaspé trip appeals, with the return trip via Quebec and Jackman.

And all this is reversed in attracting our Canadian friends for a return visit.

If the Legislature doesn't buy this one, then let's fold up the tent and stop talking about platforms and pledges and candidate platitudes that give great promise of development of our state.

Bar Harbor has assumed more than her fair share in the proposal. The town has acquired the site and her people have negotiated an excellent deal with the Canadians that brings a new international traffic route into the middle of Maine.

The bill should have no fewer than 184 affirmative votes in the two branches of the Maine Legislature, and we should be about the job of making the facility ready to assure an early opening of what we predict would be one of the greatest transfusions ever poured into the economic bloodstream of the State of Maine."

I read that editorial, my friends, because it portrays this picture much better than I could do it, or, I think, many of us could do it. Inasmuch as I intend one of these days to talk on this same subject, I would like very much to have you think over this editorial.

The PRESIDENT: The Senator from Franklin, Senator Butler, has called the attention of the Chair to the fact that our guests in the balcony at this time, are students of the 7th and 8th grades at Mallard School, Farmington State Teachers' College in Farmington. In behalf of the Senate we are happy to welcome you here this morning, and hope that you have an enjoyable visit here at the State House.

Senate Committee Reports

Mr. Fuller from the Committee on Agriculture on Bill "An Act Regulating the Manufacturing and Sale of Soft Drinks, Syrups and Non-

Alcoholic Beverages," (S. P. 417) (L. D. 1127) reported that leave be granted to withdraw.

Mr. Cummings from the Committee on Business Legislation on Bill "An Act Providing a Uniform Deposit Law for Insurance Companies," (S. P. 447) (L. D. 1261) reported that leave be granted to withdraw.

The same Senator from the same Committee on Bill "An Act Relating to Filing Proof of Insurance Policy under Workmen's Compensation Act," (S. P. 411) (L. D. 1103) reported that leave be granted to withdraw.

Mr. Dow from the Committee on Sea and Shore Fisheries on Bill "An Act Relating to Digging Clams and Marine Worms in Wiscasset, County of Lincoln," (S. P. 88) (L. D. 195) reported that leave be granted to withdraw.

Mr. Broggi from the Committee on Towns and Counties on Bill "An Act Relating to Salary of County Commissioners of Waldo County," (S. P. 423) (L. D. 1129) reported that leave be granted to withdraw the same as it is covered by other legislation.

Which reports were severally read and accepted.

Sent down for concurrence.

Mr. Dow from the Committee on Sea and Shore Fisheries on Bill "An Act Relating to Interstate Transportation of Shellfish," (S. P. 441) (L. D. 1208) reported that the same ought not to pass.

Mr. Broggi from the Committee on Towns and Counties on Bill "An Act Closing Offices in Somerset County Court House on Saturdays in Summer," (S. P. 338) (L. D. 839) reported that the same ought not to pass.

Mr. Weeks from the same Committee on Bill "An Act Relating to Line Budget for County Estimates," (S. P. 335) (L. D. 840) reported that the same ought not to pass.

(On motion by Mr. Boucher of Androscoggin, tabled pending consideration of the report.)

Which reports were severally read and accepted.

Sent down for concurrence.

Mr. Broggi from the Committee on Education on Bill "An Act Relating to Renewal of Certificates by

Certain Teachers," (S. P. 97) (L. D. 232) reported the same in a new draft (S. P. 511) under the same title, and that it ought to pass.

Mr. Chase from the Committee on Taxation on Bill "An Act Suspending Sardine Tax on Certain Cases of Sardines," (S. P. 190) (L. D. 427) reported the same in a new draft, (S. P. 512) under the same title, and that it ought to pass.

Which reports were severally read and accepted and the bills in new draft laid upon the table for printing under joint rule No. 10.

Mr. Dennett from the Committee on Liquor Control on Bill "An Act Relating to Disposition of Liquor Seized by Federal Government," (S. P. 181) (L. D. 422) reported the same in a new draft (S. P. 513) under a new title, Bill "An Act Relating to Disposition of Liquor Seized or Forfeited," and that it ought to pass.

Which report was read and accepted, and the bill in new draft and in new title was laid upon the table for printing under Joint Rule No. 10.

Mr. Dow from the Committee on Agriculture on Bill "An Act Prohibiting Moving of Poultry from Quarantined Areas," (S. P. 386) (L. D. 1094) reported that the same ought to pass.

Mr. Dennett from the Committee on Business Legislation on Bill "An Act Relating to Acts of Employees of a Partnership as Insurance Agents," (S. P. 435) (L. D. 1202) reported that the same ought to pass.

Mr. Harding from the Committee on Public Utilities on Bill "An Act to Incorporate the Kittery Sewer District," (S. P. 184) (L. D. 425) reported that the same ought to pass.

Mr. Squire from the same Committee on Bill "An Act Relating to Members of Penobscot Valley Water Commission and Extension of Powers," (S. P. 377) (L. D. 1040) reported that the same ought to pass.

Mr. Carter from the Committee on Taxation on Bill "An Act to Exempt Automobiles Used in Driver Education Program from the Sales and Use Tax," (S. P. 457) (L. D. 1271) reported that the same ought to pass.

Mr. Weeks from the Committee on Towns and Counties on Bill "An Act Relating to Salaries of County Officers in Androscoggin County," (S. P. 444) (L. D. 1153) reported that the same ought to pass.

The same Senator from the same Committee on Bill "An Act Relating to Aroostook County Law Library," (S. P. 192) (L. D. 440) reported that the same ought to pass.

Mr. Broggi from the same Committee on Bill "An Act Relating to Tuition Contracts Between Towns," (S. P. 419) (L. D. 1132) reported that the same ought to pass.

The same Senator from the same Committee on Bill "An Act Relating to Salary of County Attorney of Knox County," (S. P. 420) (L. D. 1131) reported that the same ought to pass.

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

Mr. Tabb from the Committee on Agriculture on Bill "An Act Relating to the Packing of Sardines," (S. P. 440) (L. D. 1209) reported that the same ought to pass as amended by Committee Amendment "A".

Mrs. Chapman from the Committee on Business Legislation on Bill "An Act Relating to Building and Loan Associations," (S. P. 469) (L. D. 1312) reported that the same ought to pass as amended by Committee Amendment "A".

Which reports were severally read and accepted and the bills read once; Committee Amendments "A" were severally adopted without reading and the bills as amended were tomorrow assigned for second reading.

The Majority of the Committee on Judiciary on Bill "An Act Relating to Powers of Attorney General," (S. P. 172) (L. D. 438) reported that the same ought to pass.

(signed) Senators:

REID of Kennebec
HARDING of Knox
WARD of Penobscot

Representatives:

TRAFTON of Auburn
FULLER of Bangor
MARTIN of Augusta
CIANCHETTE of Pittsfield

FITANIDES of Saco
LOW of South Portland

The Minority of the same Committee on the same subject matter reported that the same ought not to pass.

(signed) Representative:

McGLAUFFLIN of Portland

On motion by Mr. Ward of Penobscot, the Majority Report "Ought to Pass" was accepted, the bill read once and tomorrow assigned for second reading.

Mr. Chapman from the Committee on Business Legislation on Bill "An Act Relating to the Executive Office," (S. P. 434) (L. D. 1203) reported that the same ought to pass.

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

Passed to be Engrossed

Bill "An Act Relating to Entrances to Highways." (H. P. 720) (L. D. 772)

Bill "An Act Relating to Time of Sessions of Bath Municipal Court." (H. P. 821) (L. D. 852)

Bill "An Act Relating to Knox County General Hospital." (H. P. 823) (L. D. 864)

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

Bill "An Act Relating to the Laws of Divorce." (H. P. 44) (L. D. 45)

Bill "An Act Relating to Registration as Voters of Physically Disabled Persons." (H. P. 524) (L. D. 562)

Bill "An Act to Provide Fire Protection for Townships of Sliver Ridge and Albany." (H. P. 1203) (L. D. 1371)

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

Bill "An Act Creating a December Term of Superior Court in Hancock County." (S. P. 178) (L. D. 414)

Bill "An Act Relating to Carrying Weapons by Private Detectives." (S. P. 303) (L. D. 919)

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

The PRESIDENT: The Chair announces at this time that H. P. 943, L. L. 1258, Resolve in Favor of

W. Lawrence Doble of Milo, has been recalled from the Governor in pursuance with Joint Order passed on March 26, and is now in the possession of the Senate.

Thereupon, on motion by Mr. Haskell of Penobscot, the Resolve was laid upon the table pending consideration.

Orders of the Day

The President laid before the Senate, Senate Report from the Committee on Taxation "Ought to Pass in New Draft" (S. P. 509) (L. D. 1388) on Bill, An Act Relating to the Sales Tax on Motor Vehicles (S. P. 90) (L. D. 227) tabled on March 26th by Mr. Chase of Cumberland pending consideration of the report.

Mr. CHASE of Cumberland: Mr. President, I move acceptance of the report of the committee. In support of this motion I shall leave the speaking to the active of the measure and confine myself to an explanation of the report of the Committee on Taxation.

That committee was united in an opinion that the principle involved in this bill has received thorough consideration by this legislature, especially in view of certain assurances which have been given and certain misunderstandings which appear to have existed in the past. The committee further agreed that the form of the bill to be reported would be determined by vote of the majority of the committee and it is so reported.

My own position is in favor of a narrower definition. If the report of the committee is accepted it would be my hope or intent that an amendment would presently be presented to confine the impact of this measure to passenger automobiles. There is no point in discussing that issue until the time arrives, if it does, when such an amendment can be presented. The definition of "motor vehicles" as it appears in the new draft is somewhat broader, I should say, than the definition in the original bill, but the Committee thought that the definition in the original bill would be defective, and in any event a new definition would be required.

The PRESIDENT: The question before the Senate is on the motion

of the Senator from Cumberland, Senator Chase, to accept the "Ought to Pass in New Draft" report of the committee.

Mr. COLLINS of Aroostook: Mr. President and members of the Senate, this exemption on car sales to bring the tax down to the net sale amount is no doubt the most important single item in reducing income for the next two years. Its passage will undoubtedly have to be reflected in changes in the Appropriation bill. It seems to me, therefore, that we are not discussing a tax exemption as such, but rather, we have the problem to decide how much revenue do we require in the next two years.

I agree with the Senator from Cumberland, Senator Chase, that the definition of "motor vehicles" in this instance I think is too broad because under this definition you not only would exempt passenger cars but trucks, tractors and other vehicles not designed to run on the rails.

Now, if we pass this tax exemption the loss, as I understand it, would be approximately \$900,000 a year. This may be offset in part if casual sales were taxed, but from what I hear, even then the net loss would be from \$700,000 to \$750,000 a year, and if that is true under the appropriation bill the operating gain would be wiped out in both years by approximately \$200,000 the first year and by \$500,000 the second year, and if we are to leave some fair sum to take of worthwhile bills we would have to cut back the Appropriation bill by at least \$700,000 for each year. In other words, this tax exemption is so closely allied to the Appropriation bill I think you must consider both bills at the same time; and while we do not know the fate of the Appropriation bill in the other branch of the legislature I think that perhaps it should be taken into consideration. So I would like to ask you to consider where the cuts will be made in the Appropriation bill if you pass this exemption measure.

Now, some might say, "Well, let's slash \$500,000 per year from the University of Maine. Let's cut back aid to hospitals \$200,000 a year." True, that would cut off

\$700,000, but at what cost? I will tell you at what cost. I think that in the case of the University of Maine it would definitely lower the standards of the University. It would be at the cost of every boy and girl who goes to Maine, who fails to get an education that is worthy of our State institution. By slashing the University of Maine figures you would help to destroy the morale of those fine men and women who are carrying on the instruction to our youngsters. Already they are receiving lower minimum and maximum salaries than any of the six New England State Universities with the exception of Vermont. In 16 states with a population of less than a million people the average pay of professors at the University of Maine is 12th on that list of 16. For associate professors it is 13th on the list; for assistant professors it is in 16th place and for instructors it is in 9th place.

But the University of Maine does more than teach the arts and sciences, agriculture and engineering. It performs valuable research for agriculture and industry. It provides an extension service for agriculture. 23% of the appropriated dollar goes to extension and research. Now, in 1930 the State of Maine provided a subsidy of \$425 per student after you took out extension and research. In 1952 that level was brought down to \$319; and you can remember that there is a vast amount of difference in the purchasing price of the dollar from 1930 to 1952, which makes the difference even greater.

Now, I dislike to dwell on the University of Maine in what may seem to be something unrelated to this bill, but I know full well that there are many who will attempt to make the cut if it is necessary to do it.

Now, as for the hospitals, I feel that they too, have a very excellent case, and I am quite confident that the Senator from Penobscot, Senator Haskell, may have something to say in regard to that.

So, I say to you, "Which is fairer, to charge the automobile owners of the State of Maine an

additional \$30 say once in two or three years when they can afford to buy a new car, or is it better to cut down the services of the State?" True, there may be other places where we can cut services, but in most cases we are only lowering standards either by neglecting people who are badly in need of help, or doing something that we should not do. So I say that in considering this bill it is better for the State of Maine to leave the tax on cars as it is at present. In the long run the people of Maine will be better off, their institutions will be better for it, and no one will be unduly hurt.

BROGGI of York: Mr. President and members of the Senate, it seems to me probably the proper action right now without putting the cart before the horse would be to let this bill go on its merry way, and at some time and at some stage stop or table it and find out what the legislative body wants to do with the appropriations package. Like my colleague, the Senator from Aroostook, Senator Collins, I certainly would not like any cut back in the University of Maine appropriation and certainly would not want any in the subsidy program. I think if we do table it at some later stage and see what the legislature wants for services, at that time we can then decide whether or not we want to keep status quo on the sales tax on automobiles or pass this bill that was reported "ought to pass" by the Taxation Committee. Like the Senator from Aroostook, Senator Collins, I feel that the eleven weeks work of the Appropriations Committee is excellent and shows a lot of thought, they have added appropriations for many needed things. I think all of us realize the increased appropriation for schools in unorganized territories is excellent. The 96% of subsidy is excellent. The appropriation for the University of Maine which will not necessitate an increase in tuition is excellent. So are many other advantages as reported out in the Appropriations bill, and if it becomes the majority opinion of this legislature that this Appropriations package is necessary,

then we will have to stand up and be counted and pass this bill out "ought not to pass".

Mr. WEEKS of Cumberland: Mr. President and members of the Senate, like my good friend, the Senator from York, Senator Broggi, I go along wholeheartedly with the remarks made by the Senator from Aroostook, Senator Collins. I would not have a thing happen in the matter which he has related. None of those cuts would meet with favor with me. The Taxation and Appropriations Committee are approaching the problems which are, in my opinion, the biggest problems we have, in most thorough and cautious and open minded fashion, and should be complimented by everybody. They have a problem and they have made a report here which reflects sincere thinking. They have also openly stated, whether it should be in this form, and many I know think it should be changed a little bit more. Now, assuming that we proceed on a program of feeling our way along, as indicated by the Senator from York, Senator Broggi, and I feel it is what we would be doing, assume we wait the time when we knew the national sales bill, if it should receive passage, and it has been estimated it would produce \$100,000 or \$150,000; and assume possibly that this bill in its present form should be amended to make it refer to passenger cars only so that trucks and other vehicles would be not exempt, then can you cut your loss which the Senator from Aroostook, Senator Collins, estimated at \$900,000, and I think probably that is an excellent figure, it would cut that loss approximately one third or possibly a little bit more, and then you would have the loss cut possibly to a half of \$900,000.

The other factor that might be considered is that during 1952 the reported sales of passenger cars was approximately 17,400 and that, as you might know, was 12,000 cars less than in 1950. The reports indicate that more cars will be sold this year than last year. As you remember, the steel strike had a substantial effect upon sales. With the increasing number of new cars

being sold the members of the trade will tell you for every new car sold it usually means a sale of four used cars, so that you would be increasing the volume there.

It is possible that the Senator from Aroostook, Senator Collins, is somewhat cautious in the approximation of the loss involved, and these exemptions might be reduced substantially down to a point so we would not be faced with the problem of cutting any of these services. I firmly know I would not be willing to cut any service. I would pare them a little bit, but certainly not the University of Maine. I think possibly if we feel our way along we may arrive at a compromise which may cause some tax exemption but also maintain these services that we all want. With that in mind, I'd like to see Senator Broggi's suggestion adopted that the measure be allowed to proceed. I have an amendment to offer which makes the bill an emergency measure, which I will offer at this time, and will move its adoption after we have acted upon the pending question.

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, I had had no intention of speaking on this measure this morning. I arise only because two issues, one minor and one major, have been raised. The minor issue is the point spoken of by the Senator from Aroostook, Senator Collins, and relates to the hospitals. The proposition is very simple. The State of Maine gives its citizens the luxury of the hospital aid statute, which statute in effect says that the person who normally is able to take care of his expenses and who is faced with the impact of a hospital bill, may apply for and be eligible for hospital aid, in which case the hospital performs such services as he or a member of his family requires, and the hospital bills back to the State a charge per day that results from dividing the total number of hospital days, which is currently about 135,000 into whatever the legislature may appropriate. Currently that works out in the order of \$6.50 a day on costs of \$14.50 a day.

I hold no brief whatsoever for hospitals. The hospitals can well take care of themselves, and so far as I am concerned, the plea of hospitals falls on deaf ears. My sympathy lies with that great group of Maine citizens who have the misfortune to require hospital services and who must by the rates charged by the hospital make up whatever the deficiency is between the cost to the hospital of hospital aid patients and the sum received by the State. The committee, I think, was well satisfied that rendering 135,000 hospital days service costs not less than \$2,000,000, and the hospitals have asked the State to take 60% of the cost, leaving 40% or \$800,000 as a charge against the paying patient. I think the paying patient is paying as much as he should pay when he takes up \$800,000 on the state tab. That is why I was very happy to go to \$1,200,000 in the budget.

The second and more serious issue that has been raised here this morning is a very unpopular position to debate, whether or not we should go along with the general acceptance of the theory of this bill and see what can be done with cuts. I think I disagree with that theory, and it seems to me that this debate and this vote this morning may well be one of the most important in the legislature and may well determine the vote on the appropriation measure and even the date of adjournment. By voting for the million-five or the million-eight, however the amendment may work out, we are still voting for some sum of money — and parenthetically, those are biennium figures, of course — they are in excess of the million-one which represents the amount of money put in the appropriation measure by the Appropriations Committee for the University and for hospitals, over and above the budget document. In round figures, \$700,000 added to the University of Maine appropriation, and in exact figures \$400,000 was added to the hospital aid program. I honestly can't believe that unless all or substantially all of those dollars are taken out that there are other reasonable places to take it from the budget.

Now, I think there has been some unfair misunderstanding of what the committee did. It is true that the appropriations measure is in excess of the Governor's recommendation, but the first \$800,000 of that excess is in the \$400,000 per year that the Governor recommended for the one step increase for State employees. He argued logically, and I think the committee accepted logically that state employees having had no wage gains in 24 months were entitled to the modest raise of 4½%. It has not been too clearly pointed out, I think, that the appropriation measure included in round figures \$450,000 to finance for two years the cost of the L Ds that increase old age assistance and aid to the blind by \$5.00 per month; so that if those are taken out the increase is much more modest.

I don't think it has been pointed out too clearly that another \$100,000 of that increase was in World War assistance, and I think I am privileged to say that the Governor agreed with the committee that World War assistance had been cut a little bit too low. From there on you get a smaller sum, increase from \$100 to \$150, the cost of burial for old age assistance recipients; certainly not an unreasonable thing to do.

So after it is all said and done I honestly believe that this legislature, and I certainly respect the rights of the majority, have this very simple proposition before them: Do you want motor vehicles taxed on the gross? I certainly won't go into the merits of whether or not airplanes and washing machines and what have you should have the same treatment. Whether motor vehicles should be taxed on gross to finance those services that some of us, at least, think are reasonably essential at the University of Maine, and reasonably essential not to private hospitals, but to Maine citizens who use private hospitals, is the question. I feel rather firmly that while this is an extremely unpopular position to debate, I feel that many of those who might pay 2% on the gross amount rather than 2% on the difference might, if seriously con-

fronted and if given an opportunity to decide for themselves, might themselves say that the impact upon their own pocketbook is not too severe when taken in the light of the cuts that must be made to give them that reduction in taxation. If I had any feeling that any such program, taking 5% or 10% across the board could be worked out, I would feel that way, but I may be prejudiced in having lived with that general fund through October and November of budget preparation, and through appropriation hearings, and I may be prejudiced by the faith that I have in Ray Mudge and Maurice Williams, who, without imposing themselves to the slightest degree upon the rights of the legislature, and who having been asked on almost every measure, "Is there any fat in this one?", have convinced me that fat doesn't exist.

I believe you have before you, and I deny pride of authorship, an appropriations measure only sufficient to finance those things which this and prior legislatures have written into our statutes. It seems to me you ought to put in one hand the things those dollars would do for your constituents. On the other hand consider the pleasure and satisfaction you are going to give that number of your constituents who do buy an automobile, and let your decision rest on that.

I predict the vote will be overwhelmingly in favor of accepting the "ought to pass" report of the committee, but I don't believe those who vote that way, hoping some miracle will be accomplished by means of which they can have an appropriation measure that will satisfy their consciences and a tax cut that will satisfy their desires, can be accomplished. I shall vote against the motion, purely on the principle that I don't have belief that you can accomplish a balanced general fund budget without substantial cuts in the things I don't want to cut, and I honestly believe the majority of this Senate do not want to cut. To do any other way I am sure would be misunderstood by maybe some members of this body and certainly many other members of the other body, and

certainly by that good group of Maine citizens, those who are in the motor vehicle business and those who purchase motor vehicles.

That is the reason, Mr. President and members of the Senate, why I probably will be voting all alone against this measure.

Mr. DOW of Lincoln: Mr. President, there is one angle of this act which I feel needs amending. For several months I have felt that the tax on the full amount of a new car was unjust. However, if a man buys a car for cash without a trade-in he is expected to pay the tax. I feel that the man with a trade-in is in actuality using that trade-in as so much cash, and therefore, is not being hurt or discriminated against by paying the tax on the full amount of the new purchase. I may go along with the exemption, but I would like to have someone explain to me where an inequality now exists in relation to the automobile sales tax.

Mr. DUNHAM of Hancock: Mr. President and members of the Senate, I want to pay my respects to the Appropriations Committee. I know they wish they could perform miracles like the Master when he fed the multitude on five loaves and two fishes, and then they went around and picked up 12 basketsfull afterwards. I assure the good Senator from Penobscot, Senator Haskell, that he is not going to be alone in his vote because I cannot help from measuring the amount that is going to be saved, by the things that this money would do. For instance, I see on the table here, put on by the Senator from Aroostook, Senator Collins, An Act Relating to Aid to the Disabled, which will cost the taxpayers about a half a million dollars. I cannot help measuring it to just the little harm it might do to the citizens of Maine who buy an automobile. I say to you I would not have a great deal of pride in saving \$50 or \$60 on the price of a new automobile when I think of the services which might be taken away from needy people. So I try to balance this thing in my own mind, and I am sorry, but I am not going to vote for any exemptions of this nature.

Mr. SQUIRE of Kennebec: Mr. President and members of the Sen-

ate, I didn't intend to say anything at this time. I think there is another factor enters in here that we should give consideration to. Some time ago I put in a bill in behalf of the Maine Merchants Association, and it is tabled by the way, I understand, An Act to Exclude from Sale Price under Sales Tax Law the Fair Market Value of Trade-ins. Now, that included automobiles and everything, washing machines, refrigerators, and what have you, the real necessities of life. The Maine Merchants Association was in favor of going along with automobile exemptions but felt there were other necessities in life that came in the same category, and as a merchant I don't think you can blame me for feeling the same way. However, if we are going to pass an act and give credit for trade-ins against the sales tax when trading automobiles, it seems definitely logical that we should go further. I know what that means. This is worse and more of it. But, ladies and gentlemen, it seems to me we should be fair on the application of taxes. What we do for one we should do for the other. If we are going to do it we should go all the way. I want to give you a little example. This is the truth and it is not something I am cooking up. I can give you the gentleman's name. He came into my store last Saturday night and he said, "Russ, are you fellows down there going to pass that bill to give credit against the sales tax on trade-ins?" He said, "I am going to trade my Cadillac for a new one and it is going to mean a difference of \$40 to me." After he went out I stopped to think about Mr. Average Citizen and Mr. John Doe who perhaps have a large family and Mamma needs a new cook stove, a little larger, and he is skimping and striving to raise money, not enough to pay for it, but to make the down payment. He comes in and asks you, and we say, "No, we cannot do anything for you. You are not going to get any credit. That is definite." I expect to lose this anyway, gentlemen. But this gentleman who is going to buy a Cadillac, we are going to give him consideration. Now I ask you. In my book that is not quite fair. I am against unfairness and I am

against inequality. As I recall it, the walls of the Senate Chamber are still ringing with that cry of Discrimination we heard last Thursday afternoon. I am certainly opposed to discrimination, and above all I am opposed to creating special privileges for any group. Consequently, ladies and gentlemen of the Senate, I think we should give this due consideration because there may be a bigger impact to this than you think.

Mr. BOUCHER of Androscoggin: Mr. President, I would feel remiss in my duty if I did not enter into this debate. I feel that a great deal of truth has been said here but to me it has no relation to the important issue. It seems that the Appropriations Committee and the Taxation Committee are married. I think they should be divorced not married. So far throughout this session of the Senate they have been working hand in hand and nothing can be done unless both the committees agree that it is the proper thing to do.

If the Appropriations Committee needs money, the Taxation Committee must find it. There are ways and means of finding the money. On Sunday, March 22nd I took a trip to Castine on a boat and I found a great taxation source that the Committee on Taxation had forgotten. I saw millions and millions of gallons of water in the Atlantic Ocean that they have forgotten to tax.

How that happened I don't know. I was dumbfounded. I believe the Taxation Committee will find ways and means of raising the money which will be appropriated by the Appropriations Committee. I have been here probably too long because I have learned too much from the good Republican party which has always whimpered and cried that they are bankrupt, they were so poor they couldn't do this or that because they had no money. My friend the Senator from Penobscot, Senator Haskell, who has another certain title that I understand I can't mention, has told us and agrees with me that there is still twelve million dollars of good State of Maine money that to me lies idle, just hanging around, for someone to grab it. I am going to ask a

question of the Taxation Committee: Why don't they grab that money before some other committee tries to get hold of it, and use it for good purposes for the State of Maine.

I have heard this morning about discrimination. Yes that is a wonderful word, depending on who uses it against whom. I have already paid one tax on a new car and I know the car I traded in will probably be taxed three or four times before it is put on the junk pile. I call that discrimination because I paid the tax on that car in full when I bought it. I usually buy a car every year, not because I want to nor because I would like to, not because I enjoy myself doing it, but to earn my living with. I can't afford to have a truck so I use my car as a truck and passenger car on everything that I can transport in that car, so in the course of a year, driving from twenty-five or thirty thousand miles, it gets to the point where it should be renewed. I hate to think that for the rest of my life every year I am going to have to pay a two percent sales tax on the full amount of that car regardless of what I turn in.

I think that is discrimination. If that is the proper way to do it, then let's not tax used cars because on those used cars the sales tax has been paid by the original purchaser. I believe we should let this bill go along this morning. I am going to vote for it. There are a lot of taxation exemptions I will probably vote for, most of them, but I think this is a very valuable piece of legislation and shouldn't be killed off this morning. Let's wait and see how badly off we are at the end of the session. Of course our vote will be sound because so far very good expediency has been shown. As for me, I am willing to close up shop any time you are. I am willing to take this off the table and discuss it and go home and leave the people of the State of Maine is a fair way to earn an honest living and not be taxed to death.

We have taxed water, we have taxed beer, a tax upon a tax. Let us at least give them a little bit of free air and take the curse off the

tax on the full amount of the purchase price of the automobile.

Mr. REID of Kennebec: Mr. President, it is customary that a short breathing period be furnished before the divorce take place. It seems to me that our problem now is the balancing of equity and we can probably do it at a later date when other proposed amendments to the sales tax come from the various places in which they now are to a focal point and I would like to go along with the prevailing motion that this report be accepted. I feel more or less like Senator from York, Senator Broggi that it will come back in the future and can then be laid upon the table and considered in connection with the other measures.

Mr. WARD of Penobscot: Mr. President and members of the Senate, I have been over here several sessions and since 1945 at every session that I have attended we have assembled here and worked more or less under considerable tension to find ways and means of financing the state government. Two years ago we enacted this sales tax. We came over here in January, most of us at least, feeling that at this session, and for a few sessions to come at least, general fund revenues would be quite well taken care of. Yet as this session has proceeded, members of the Taxation Committee have made statements to the effect that if the costs of state government continue it won't be but a matter of a very short time before we will again be faced with the problem of finding more revenue for the State of Maine and that will mean either an increase from two to three or four percent on the sales tax or it will mean an attempt to enact an income tax or it will mean that we will go back again to the old system of levying a tax on real property.

The Appropriations Committee spent considerable time in weighing the needs of the State and they have passed out an appropriation bill. I do not believe there is any question but that it is going to hasten the day when we are going to be obliged either to increase the sales tax or to find additional means of taxation. I have talked with a great many people since last

fall in regard to this matter and other matters and practically without exception every person I have talked with has told me that in their opinion the sensible and sane thing for the legislature to do at this particular session is to leave the tax measures exactly as they are.

When we come to the point of tax exemptions, or going back and giving more benefits if we have too much money, and having been a member of that legislature which enacted the tobacco tax during the closing moments of the legislative session when it was pulled out of committee and passed by both branches and became a law almost before you could get the cellophane wrapper off a cigar, I think perhaps that measure deserves considerable attention when we find, as I say, that we have more revenue than we know what to do with. As far as this particular measure is concerned it almost seems to me—and I could be in error—that if this law is enacted the courts would consider it to be unconstitutional.

I realize that in setting up a tax program the legislature has authority to go a considerable distance into the matter of deciding on exemptions and getting down to the exact proposition of what we are going to tax. I believe that our present Constitutional provision provides that when you reach that point then the tax that you shall assess shall be equal. What this measure in effect proposed to do is to set up in the sales tax law a second definition of what a retail sale is. We now have written into our present law a definition of a retail sale and we say that when you make that sale at retail you shall charge a tax of two percent on it and pay it to the State of Maine. You now come in with this particular provision and you set up another definition of a retail sale and you say in this particular instance this particular retail sale shall bear a two percent tax, and we know that those two definitions are not equal provisions. They are unequal. And it is my opinion that under the provisions of our Constitution with respect to taxes that that particular provision will be found to be held to be unconstitutional.

It is my understanding that in states where they wish to regulate with respect to a sales tax and taxes on automobiles and treating all personal property alike they set a ceiling which is for the benefit of all tax payers that that tax shall be two percent or three percent but in no case shall exceed so many dollars, and I believe in most cases that is the way the situation is handled. And as I have said before, what this bill does in substance is to set up a second definition of retail sales and if it becomes law I think you will then have two definitions of retail sales not treating all tax payers equally.

Mr. JAMIESON of Aroostook: Mr. President and members of the Senate, I will not take up much of your time but I understand a considerable sum of money has been set up for new buildings in addition to the buildings they already have at the University of Maine. Now I have been told that if they could have a men's dormitory they could get along without those other additional buildings for another two years and that might give us a substantial sum to help us make up some of the loss if this exemption in the sales tax were passed.

Mr. COLLINS of Aroostook: Mr. President and members of the Senate, I don't think we should get confused here as to the difference between the general fund and the unappropriated surplus. Any money that is appropriated for capital expenditures in general comes from the unappropriated surplus and as the Senator from Androscoggin, Senator Boucher, has said there is some money in the unappropriated surplus. I wouldn't quite agree with him as to the total amount he says is in that fund but I think we can safely assume that there is, say at the end of this fiscal year, between nine and ten million dollars in unappropriated surplus. Now there are bills in the legislature and requests for funds of the unappropriated surplus amounting approximately around eleven million dollars, so there seems to be plenty of demand for using these funds.

But what we are talking about is revenue on a pay-as-you-go basis to carry out the expenditures during the next two years, and that certainly should come out of our in-

come. So don't get confused by the fact that there is some money in unappropriated surplus because I think it is the thinking of the people who are most interested in the finances of the State that we should not transfer from surplus money that we are going to need for regular operating expenses, and I think that policy, of course, is very sound.

And, Mr. President, I should ask that when the vote is taken it be taken by division.

Mr. BOUCHER of Androscoggin: Mr. President and members of the Senate, I dislike to debate these small matters of a couple of million dollars difference but I think this should be taken up as a matter of effort for the good of the cause. The Senator from Aroostook, Senator Collins, has referred to unappropriated balance and I go along with him on that but he forgets that two years ago a certain Senator from Penobscot put about two million dollars into a revolving fund and I am counting that in.

I agree that we shouldn't take unappropriated surplus for current expenses but I want to ask him a question through the Chair and he can answer it or not as he chooses: How was our unappropriated surplus? I would like the Senator to answer that.

Personally, I believe it was created by collecting too much from our citizens. When I was mayor of the City of Lewiston if we were faced with a surplus at the end of the year the first thing we did was to put that into the next year's budget and if we needed any money to build any permanent structures we issued bonds which were paid over the course of the years. Apparently the State of Maine does not operate that way. They have one system only; get the money, get it any old way, but get it right off now, pay as you go and pay it in advance; be sure you have it and then you can spend it.

I don't like that system. I don't think it is fair to John Q. Public. In other words, I don't think we should pay now, today, for what is going to be used by the next generation and the generation after that. I believe that whoever gets the benefit of anything should pay their fair share of it. That has been my

experience in government in the last twenty years. I may be wrong, and if I am I will stand corrected, but I have figured out for myself that "pay-as-you-go" meant that you collect enough money to pay current expenses, but not to create surpluses to put up for someone else's expenses, that pay-as-you-go is borrowing money for a school or even an addition to the State Capitol, and paying for it in the next fifteen or twenty years. That is what I call pay-as-you-go. That is what I have to do in my own small business. That is what I think the State of Maine should do its very big business of a hundred million dollars every two years.

The PRESIDENT: The Chair believes that the Senator from Androscoggin, Senator Boucher, has asked a question of the Senator from Aroostook, Senator Collins who may answer the question if he wishes.

Mr. COLLINS: Mr. President and members of the Senate, the question, I think, was obscured to some extent by the further statements of the Senator from Androscoggin, Senator Boucher, but I would say in general that the unappropriated surplus, as I understand it, is accumulated by the State as a result of where income exceeded estimates and, particularly, that this last two years we have set up a surplus because the State benefited by the real estate tax in the first year on the passage of the sales tax bill and that coupled with the fact that the revenue from the sales tax was greater than the estimate, is the reason why you have that sizeable unappropriated surplus. And that is the only source, as I understand it, for making these capital improvements unless you do go into deficit financing and sell bonds. It would be very proper, in my estimation, if the legislature saw fit, to issue bonds for certain capital expenditures. I think myself that perhaps during the past two years we have gotten behind in our capital expenditure program and that is the reason why it looms up so large at the present moment. I think we might be justified sometime if the need were great enough to issue bonds but that is not the point we are discussing.

We are discussing the fact that this unappropriated surplus exists because the revenue we received exceeded the estimate. I would venture to say that two years from now that surplus will be very much reduced because in the first instance the property tax feature will be out and I think the Tax Commissioner has been very realistic in estimating revenue, so that I feel that as far as surplus in the future goes it may be very much closer to the estimate than it has been in the past.

I don't know, Mr. President, whether that answers the Senator's question or not but at least that would be my interpretation of why we have that unappropriated surplus at this time.

Mr. BROGGI of York: Mr. President and members of the Senate, I think it is somewhat regrettable that the capital expenditures have been brought into this discussion because they have no part in it at all. In my humble opinion the surplus we have now will be used up by the capital expenditures recommended and our surplus will be, in my humble opinion, around zero.

I think the discussion now is whether income is sufficient under present taxation measures to meet necessary expenditures. I personally bought L. D. 1316, which is the committee's appropriation report, in its entirety. As Chairman of the Committee on Education I am sure that the Appropriations Committee were very fair to the cause of education and as a legislator who has served on the Institutions Committee for two terms I feel that L. D. 1316 was very fair to the cause of the institutions. I believe that it is probably advisable at this stage to let this go along and then if the two Branches are in concurrence we can consider the whole matter and at that stage decide the proper course. In other words, I think we should pass this measure this morning temporarily and if the other Branch is in concurrence with the appropriations bill I certainly shall oppose this bill in the final stages if it is going to prevent the passage of the appropriations measure in its entirety. So I do not think this discussion has anything to do with capital expend-

itures but it is simply whether there is sufficient income to the state to meet the needs of government as brought out by the appropriations report.

Mr. BOUCHER: Mr. President and members of the Senate, I am very sorry to find myself with any difference of opinion from my good friend the Senator from York, Senator Broggi. It is very seldom that he and I can't agree. But this is a question that to me is important. I realize that what he has said is true to some extent but I don't think he has applied the full meaning of the whole story.

To me, this money that we collect, this revenue that we have to the state—I don't intend to accuse anyone, but they are always very low in comparing what the net results are so they create this unappropriated surplus and that leads into the other thing, the capital improvement. It is all a question of money. It all originates with John Q. Public, in the course of years. I haven't been convinced yet. Of course, the majority party of this State is conservative and I think they are ultra conservative as far as figuring revenues is concerned but I still feel that we could take just a little chance and I think Republicans throughout the country are swinging into line throughout the years that at least they might try it out once and see how they come out and how badly it will hurt them. I don't think it will hurt the State of Maine if we go out of this legislature facing a possible small deficit. I would like to see that actually happen. In the last twenty years I haven't seen it happen but I would like to see it come about just to convince us what a small deficit would amount to and if we then didn't have enough money I would say to the Senator from Penobscot, "Give us a revolving fund so we can pay our bills."

Mr. WIGHT of Penobscot: Mr. President, I hesitate to rise to speak against my two colleagues from Penobscot County but I do feel obliged to say that I will vote for this measure. As we look back five sessions of the legislature we find that the expenditures of this state have continually gone up. In

1945 a major tax measure was proposed and was defeated and because the money was not there the expenditures of the state were controlled. The same thing happened in 1947. We did not have the money so the budget was pared down to fit, and a major tax was not enacted. In 1949 the same thing was repeated. A very similar situation which we face here today, existed in 1951, two years ago. In 1951 I voted for the sales tax.

I voted for the sales tax because I thought that was the only way to make the average man feel that he was paying a tax and the only way to control the expenditures of this state. At that time we relieved the towns of 7¼ mill tax and it was felt that it would benefit the towns. How much more money is there in those town treasuries today? How much have the people gained by lower taxes in those towns because of the relief from that 7¼ mill tax? It seems to me that the only way we can control the expenditures of the state is by not having the money here in Augusta. Otherwise it goes on and on and up.

The automobile is under consideration today in this bill. The average person trades his auto every two or three years, which is much more often than he trades other types of merchandise and he pays a much higher tax than on any other type of merchandise.

It happens that I just traded cars and I was told that that car already has paid eight hundred dollars in tax and \$88 in sales tax on top of that. So I feel that history is repeating itself and the only way we can control expenditures of the state and keep within bounds is to limit the amount of money we have. The more we have the more we spend and certainly the day should come when we limit our expenditures. I realize that many of these requests for money are justified but where are we going to draw the line. I will support this measure.

Mr. CUMMINGS of Sagadahoc: Mr. President and members of the Senate, if I may be facetious in my opening remarks, I would say that unbeknownst to this Senate, I have been a Committee of One to in-

vestigate this matter, not since last October as Senator Haskell of Penobscot has said, but I have investigated ever since the tax has been on the books, well over a year, and I will say that I am heartily in favor of a sales tax. I believe that we must have income if we are to give to the people the services that they seem to require.

I am not going to take the time that I would like to take—about two or three hours—to go over this thoroughly. But the question has been asked, "Why is the automobile in a separate category?" I think that is a pertinent question but the answer is elementary. The automobile — if you will go back with me historically — I think most of us can go back forty years — some of the members of this Senate may find that a bit difficult — but if you will think of the automobile and all the taxes that have been thrust upon it ever since 1910. We started out by charging for a plate, or an identification number and as we have come down through the past forty years, we have seen fit to charge a rather tremendous tax that is put in the gas tanks. We did this on the theory that we had roads to build. Then the automobile owner was seized upon by local communities to pay an excise tax and they didn't treat the automobile as they did other merchandise. They made it compulsory that before you could register your car you had to go to the town tax collector and produce papers and documents to substantiate the amount at which the car was to be valued and pay a precise and definite tax to the town. The state placed a rather substantial tax in the form of registration fees upon the automobile. In the meantime the Federal Government had not been sleeping.

They place a manufacturer's excise tax upon the automobile and then the State of Maine some two years ago placed a two percent sales tax on the auto. I think the automobile is in the foremost ranks in a separate category when it comes to comparing the auto with various other taxable items.

The automobile industry is a peculiar one because trade-ins are an integral part of the business. There is no other industry in which trade-ins are handled as they are in the automobile industry. To answer my good friend the Senator from Kennebec, Senator Squires and others, I would say, "Point out, if you can in your minds, any other industry which has to hire city lots and vacant lots and acres of land to display their trade-ins." Trade-ins in the automobile industry are far above the trade-ins in any other industry. They are major trade-ins, in value worth up to two or three thousand dollars. In other industries, trade-in values would be one to two hundred dollars.

And remember as we think of these things which I have called to your minds, that the automobile is a necessity of life. Maybe just as essential in times as bread and water. Remember the people who live in these tar-paper houses on the outskirts of our industrial centers, look at the houses and you will remember that that automobile is the life stream of the people living there. Without the auto they would not have bread, water or anything else. It is imperative that we think of the average man. I have no sympathy nor do I intend to dwell on the man who buys a Cadillac or a DeSoto or a Packard or any of the other fine but high priced cars of America. I am talking today about the low priced car that the average man has to buy. The cars that comprise sixty to seventy percent of the automobiles sold in America. And we find that one third of the sale price is already made up of taxes, amounting to six or seven hundred dollars.

Now, to be brief, I will just call your attention to the fact that the Chief Executive of our nation only yesterday said that he was heartily against taxes on taxes. I think it is pertinent that at this time we hesitate to place a two percent tax upon a tax of \$700 on the low priced automobile. I might also state that the Executive Department of this state has already stated that he believes this tax should be changed. I be-

lieve that many of us have made commitments to our constituents that we believe that this tax is cruel and unjust, not because of the principle, but because of the degree of the tax.

I submit that when you ask the average man to pay taxes of forty or fifty dollars in a lump sum in addition to all the other taxes that the years have thrust upon him, and his automobile, that we are getting away from the theory of a sales tax. I believe the theory of a sales tax is to place a tax of a rather small amount which is collected in many, many transactions which in the aggregate will help the state treasury.

I believe that a sales tax on automobiles under the present form, is contrary to that principle. Let us be realistic in voting on this measure this morning and remember the background of the automobile and remember the automobile purchaser asks for one privilege, that he be allowed to pay a two percent sales tax on the amount of money he finances, the amount that he actually pays. He is perfectly willing to pay the sales tax thereon but in the automobile business we have a theoretical sale price oftentimes. The purchaser objects to paying a tax on some theoretical price. This is important. The Internal Revenue Department has recognized that it is impossible to collect a tax from the average working man with overalls and dirty hands, in the amount of forty to fifty dollars in a lump sum. They initiated a pay as you go plan which in theory is somewhat similar to the theoretical idea behind the sales tax in that it is on small amounts rather than major amounts.

In closing I would like to ask you to bear in mind that the Taxation Committee of this legislature has heard all the arguments more thoroughly than we can go into them this morning, and they have come in with an ought to pass report of the entire committee. I believe in behalf of the stated principles of the Executive Department and of the principles of those of us who are committed to our constituents that we should support this committee and at least for the

present accept the majority report on this bill.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Cumberland, Senator Chase, that the Senate accept the "Ought to Pass in New Draft" report of the committee; and the Senator from Aroostook, Senator Collins, has asked for a division.

A division of the Senate was had. Twenty-three having voted in the affirmative and eight opposed, the motion prevailed; the "Ought to Pass in New Draft" report of the committee was accepted and the bill read once.

Thereupon, Senator Weeks of Cumberland presented Senate Amendment A and moved its adoption.

Which amendment was adopted without reading, and the bill as so amended was tomorrow assigned for second reading.

Mr. Haskell of Penobscot was granted unanimous consent to address the Senate.

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, the legislative schedule for this week is set up for Tuesday, and Wednesday, with hearings scheduled for Thursday morning and a session for Thursday afternoon. I don't mean to imply that both branches might not unanimously agree to a Friday session if that seems necessary but next Friday is Good Friday. Thursday's schedule of hearing in the morning and a session in the afternoon appears to be such that there might be no good reason for going into Friday of this week.

However, if the chairmen of the various committees see fit to do this, you could schedule what public hearings are left into Tuesday and Wednesday, leaving Thursday clear so far as public hearings are concerned, and if that you found it convenient to do, then the legis-

lature next week could decide whether or not to have Thursday morning session and Thursday afternoon Executive Committee sessions and possibly Friday morning a session again if that you want to do.

I am not at all certain that this represents the majority thought of the Senate, but at least that is what the presiding officer and the majority floor leader thought would be reasonable and I would ask you again to consider keeping Thursday next clear of hearings so that both branches of the legislature will be free to do what seems advisable as to Friday of next week.

Mr. Boucher of Androscoggin was granted unanimous consent to address the Senate.

Mr. BOUCHER of Androscoggin: Mr. President, for once I will concur with the Senator from Penobscot, Senator Haskell in his program. I think if we do intend to close this session of the legislature by the end of April, we must go to work and so I agree this morning with everything he has said and will be very willing to go along with his suggestion that we hold hearings on Tuesday and Wednesday and then on Thursday have an all day session and possibly another on Friday. I will concur in that.

Mr. Wight of Penobscot was granted unanimous consent to address the Senate.

Mr. WIGHT of Penobscot: Mr. President, I think that this suggestion is a good one. The Committee on Inland Fisheries and Game has something like sixty-two bills to consider after the hearing today. I think the schedule as outlined is a good idea.

On motion by Mr. St. Pierre of Androscoggin

Adjourned until tomorrow morning at ten o'clock.