

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

Ninety-Sixth Legislature

OF THE

STATE OF MAINE

VOLUME II

1953

DAILY KENNEBEC JOURNAL

AUGUSTA, MAINE

SENATE

Thursday, April 23, 1953.

The Senate was called to order by the President.

Prayer by Lt. Lloyd Scott of the Salvation Army of Augusta. Journal of yesterday read and approved.

Mr. Broggi of York was granted unanimous consent to address the Senate.

Mr. BROGGI of York: Mr. President and members of the Senate, in the Senate Chamber this morning is a former Senator, Ernest Knight from York County. Senator Knight served in this Senate in the 94th legislature. He is a member of the minority party but he certainly represented York County very ably and I am sure that the present members from York County will be very happy if they can do as well as he did.

It is Mr. Knight's seventy-eighth birthday today and I think it would be appropriate for the Senate to recognize this former member of the Senate and give him a good hand on his birthday. (Applause)

House Papers

Bill "An Act Relating to Fees of Sheriffs and Deputies." (S. P. 534) (L. D. 1439)

(In Senate, on April 16, passed to be engrossed.)

Comes from the House, passed to be engrossed as amended by House Amendment "A" in non-concurrence.

(Amendment Filing 383)

In the Senate, on motion by Mr. Weeks of Cumberland, the Senate voted to recede and concur with the House.

The Committee on Appropriations and Financial Affairs on Bill "An Act Repealing Town's Share in Aid to Dependent Children Expenditures" (H. P. 1206) (L. D. 1378) reported that leave be granted to withdraw the same.

The same Committee on Bill "An Act to Provide Facilities for Expansion of Research and Study in the Fields of Agriculture and Industry and Student Housing and Appropriating Moneys Therefor," (H. P. 1034) (L. D. 1175) reported that the same ought not to pass.

(On motion by Mr. Parker of Piscataquis, tabled pending consideration of the committee report.)

The same Committee on Bill "An Act Relating to Classifications and Percentage Allocations for General Purpose Educational Aid," (H. P. 1163) (L. D. 1318)

The same Committee on "Resolve relating to Lost Persons," (H. P. 399) (L. D. 492) reported that the same ought not to pass.

The same Committee to which was recommitted "Resolve in Favor of State Soil Conservation Committee," (H. P. 790) (L. D. 907) reported that the same ought not to pass.

(On motion by Mr. Parker of Piscataquis, tabled pending consideration of the committee report.)

The same Committee on "Resolve Creating a Fund for Scholarships for Vocational and Technical Training," (H. P. 1037) (L. D. 1181) reported that the same ought not to pass.

The Committee on Business Legislation on Bill "An Act relating to Payments of Death Benefits by Fraternal Beneficiary Societies," (H. P. 1039) (L. D. 1183) reported that the same ought not to pass.

The Committee on Claims to which was recommitted "Resolve in favor of T. E. McSherry of Fryeburg," (H. P. 320) (L. D. 391) reported that the same ought not to pass.

The same Committee on "Resolve in favor of James L. and Christine O. Holbrook of Hallowell," (H. P. 1194) (L. D. 1361) reported that the same ought not to pass.

The Committee on Education on Bill "An Act to Amend the Charter of the City of Calais re Term of Office of School Committee," (H. P. 874) (L. D. 945) reported that the same ought not to pass.

The Committee on Highways on "Resolve in Favor of the Town of Dixfield," (H. P. 722) (L. D. 743) reported that the same ought not to pass.

The same Committee on Bill "An Act relating to Permits for Moving Heavy Objects and Loads Over Ways and Bridges," (H. P. 800) (L. D. 884) reported that the same

ought not to pass as it is covered by other legislation.

The same Committee on "Resolve in favor of the Town of Mexico," (H. P. 721) (L. D. 742) reported that the same ought not to pass.

The same Committee on "Resolve in Favor of the Town of Brooksville," (H. P. 801) (L. D. 885) reported that the same ought not to pass.

The same Committee on "Resolve in favor of Road Between Rockwood and Long Pond, Somerset County," (H. P. 1166) (L. D. 1321) reported that the same ought not to pass.

The same Committee on "Resolve to Repair State Aid Road to Greenwood," (H. P. 911) (L. D. 1012) reported that the same ought not to pass.

The same Committee on "Resolve in Favor of the Town of Plymouth," (H. P. 582) (L. D. 624) reported that the same ought not to pass.

The Committee on Labor on Bill "An Act relating to Unemployment Compensation with Regard to Paid Holidays," (H. P. 343) (L. D. 360) reported that leave be granted to withdraw the same.

The same Committee on Bill "An Act Providing for the Method of Payment of Wages by Check or Draft," (H. P. 660) (L. D. 703) reported that the same ought not to pass.

The same Committee on Bill "An Act relative to Partial Compensation in Vacation Periods Under Employment Security Law," (H. P. 929) (L. D. 994) reported that the same ought not to pass.

The Committee on Legal Affairs to which was recommitted Bill "An Act relating to Public Dances," (H. P. 669) (L. D. 712) reported that the same ought not to pass.

The Committee on Taxation on Bill "An Act relating to Inheritance Taxes on Joint Property," (H. P. 35) (L. D. 29) reported that the same ought not to pass.

The Committee on Welfare on "Resolve Providing for State Pension for Pheby Gardner of Thordike," (H. P. 60) (L. D. reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Melvin S. Belden of

Palermo," (H. P. 82) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Almira Coffin of Mechanic Falls," (H. P. 295) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Annette Cyr of Van Buren," (H. P. 307) reported that the same ought not to pass.

Mr. HASKELL of Penobscot: Mr. President, the thought just occurred to me that unless there is some Senator who wishes to table one of this long list of "Ought Not to Pass" resolves, from the Committee on Welfare, it might be expedient if the chairman of that committee would care to make a motion that reading of these resolves be dispensed with.

Mr. DUNHAM of Hancock: Mr. President, I will be glad to make such a motion if there is no objection. With the exception of Item 6 which I move to have laid upon the table, I move that the "Ought Not to Pass" reports on these several resolves be accepted in concurrence, without reading.

The PRESIDENT: The Chair would inquire if any Senator wishes to have time to read through these resolves?

There being no objection, the "Ought Not to Pass" reports on the following resolves were accepted in concurrence, without reading.

The same Committee on "Resolve Providing for State Pension for Louis Sirois of Caribou," (H. P. 374) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Mabel McLane of Bowdoinham," (H. P. 376) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Edmund A. Sawyer of Farmingdale," (H. P. 385) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Ruth Holway of Mr. Vernon," (H. P. 391) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for

Adra Minnette of Bridgton," (H. P. 393) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Chester Simpson of Monson," (H. P. 455) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Christie Davis of Jonesboro," (H. P. 465) reported that the same ought not to pass.

Which reports were severally read and accepted in concurrence.

The same Committee on "Resolve Providing for State Pension for Mary Hendrickson of Caswell Plantation," (H. P. 557) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Roderick Paradis of Fort Kent," (H. P. 560) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Laurence Bouchard of St. Agatha," (H. P. 781) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Nancy Simmons of Windsor," (H. P. 956) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Omer Ouellette of Van Buren," (H. P. 1009) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Nettie Johnson of Brownfield," (H. P. 131) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for John Commeau of Orono," (H. P. 155) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Fred Dore of Kennebunk," (H. P. 304) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Ernest A. Rounds of Mechanic Falls," (H. P. 365) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an increase in State

Pension for Alwood E. Howard of Mexico," (H. P. 474) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Rita Lebel of Hamlin Plantation," (H. P. 53) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Mary R. Mason of Monmouth," (H. P. 302) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Sidney Wright of Woodland," (H. P. 387) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Albert Fuller of Searsmont," (H. P. 702) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Pearl Crummett of Newcastle," (H. P. 772) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Susie Ramsdell of North Leeds," (H. P. 882) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Olive Leonard of Grand Isle," (H. P. 1162) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Francis Cormier of Cyr Plantation," (H. P. 1177) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Everett B. Crabbe of Mars Hill," (H. P. 124) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Harold H. Weymouth of St. Albans," (H. P. 126) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Magloire D. Michaud of Madawaska," (H. P. 395) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Ethel Merry of Waldoboro (H. P. 458) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Colby Harding of Albion," (H. P. 468) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for James Arthur McAnaney of Van Buren," (H. P. 796) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Ruth Flewellyn of Bridgewater," (H. P. 125) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Edith Woodard of Morrill," (H. P. 246) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Wesley Patterson of Caribou," (H. P. 375) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Eugenia Tetreault of Madawaska," (H. P. 394) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Daniel McCurdy of China," (H. P. 466) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Owen Robinson of Ashland," (H. P. 709) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Guy Pulsifer of Turner," (H. P. 953) reported that the same ought not to pass.

The same Committee on "Resolve In Favor of Cora G. Myers of Danforth," (H. P. 1178) reported that the same ought not to pass.

The same Committee on "Resolve Providing for State Pension for Clyde Spaulding of Hartland," (H. P. 128) reported that the same ought not to pass.

(On motion by Mr. Dunham of Hancock, tabled pending consideration of the Committee Report.)

The same Committee on "Resolve Providing for State Pension for Sadie Crush of Wilton," (H. P. 130) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Geneva Gay of Fairfield," (H. P. 467) reported that the same ought not to pass.

The same Committee on "Resolve Providing for an Increase in State Pension for Lucille Marquis of Van Buren," (H. P. 705) reported that the same ought not to pass.

The same Committee on "Resolve, Providing for State Pension for Hollis Small of Belfast," (H. P. 200) reported that the same ought not to pass.

The same Committee on "Resolve, Providing for an Increase in State Pension for Louis Soucie of Hamlin Plantation," (H. P. 700) reported that the same ought not to pass.

The same Committee on "Resolve, Providing for an Increase in State Pension for Edgar Jandreau of St. Francis Plantation," (H. P. 885) reported that the same ought not to pass.

The same Committee on "Resolve, Providing for an Increase in State Pension for Phillippa Jandreau of St. Francis Plantation," (H. P. 886) reported that the same ought not to pass.

The same Committee on "Resolve, Providing for State Pension for Durgin of Waterford," (H. P. 1008) reported that the same ought not to pass.

The same Committee on "Resolve, Providing for State Pension for Harold Blake of Houlton," (H. P. 1010) reported that the same ought not to pass.

The following 10 Reports from the Committee on Appropriations and Financial Affairs were reported under authority of Joint Order (S. P. 495)

The Committee on Appropriations and Financial Affairs on Bill "An Act relating to Salaries of Certain Department Heads," (H. P. 1035) (L. D. 1179) reported Bill "An Act Relating to Salary of Bank Commissioner," (H. P. 1255) (L. D. 1469) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salary of Commissioner of Agriculture," (H. P. 1256) (L. D. 1470) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salary of Secretary of State," (H. P. 1257) (L. D. 1471) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salaries of the Liquor Commission," (H. P. 1258) (L. D. 1472) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salaries of the Industrial Accident Commission," (H. P. 1259) (L. D. 1473) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salary of Insurance Commissioner," (H. P. 1261) (L. D. 1475) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salary of Adjutant General," (H. P. 1262) (L. D. 1476) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salary of Legislative Research Director," (H. P. 1263) (L. D. 1477) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Commission of Inland Fisheries and Game," (H. P. 1264) (L. D. 1478) and that the same ought not to pass.

The same Committee on the same subject matter reported Bill "An Act Relating to Salaries of Employment Security Commission," (H. P. 1265) (L. D. 1479) reported that the same ought not to pass.

Which reports were severally read and accepted in concurrence.

The Committee on Welfare to which was recommended "Resolve, to Repeal Certain Special Resolve Pensions," (H. P. 612) (L. D. 732) reported that the same ought to pass as amended by Committee Amendment "A".

(Amendment Filing No. 78)

Comes from the House, passed to be engrossed as amended by Committee Amendment "A", as amended by House Amendment "A"

(Amendment Filing No. 91) thereto.

In the Senate, on motion by Mr. Boucher of Androscoggin, the Senate voted to insist upon its former action taken on March 19 whereby the resolve was passed to be engrossed as amended by Committee Amendment A.

Sent down for concurrence.

Report "A" of the Committee on Welfare on Bill "An Act Creating a Division of Indian Affairs," (H. P. 245) (L. D. 226) reported that the same Ought to Pass as amended by Committee Amendment "A".

(Amendment Filing No. 370)

(Signed)

Senators:

BOUCHER of Androscoggin
PARKER of Piscataquis
DUNHAM of Hancock

Representatives:

LORD of Portland
LAWRY of Rockland

Report "B" of the same Committee on the same subject matter reported that the same Ought Not to Pass.

(Signed)

Representatives:

CLEMENTS of Belfast
LATNO of Old Town
BROCKWAY of Milo
RICH of Charleston
BIBBER of Kennebunkport

Comes from the House, Report "A" read and accepted, Committee Amendment A indefinitely postponed, and the bill passed to be engrossed.

In the Senate, on motion by Mr. Dunham of Hancock, Report A was read and accepted in concurrence and the bill read once; Committee Amendment A was indefinitely postponed in concurrence and the bill was tomorrow assigned for second reading.

Report "A" of the Committee on Appropriations and Financial Affairs on "Resolve in Favor of the Town of New Gloucester," (H. P. 960) (L. D. 1050) reported that the same Ought to Pass as amended by Committee Amendment "A".

(Amendment Filing No. 367)

(Signed)

Representatives:

JACOBS of Auburn

CAMPBELL of Guilford
 COLE of Liberty
 CATES of Machias
 DAVIS of Harrison

Report "B" of the same Committee on the same subject matter reported that the same Ought Not to Pass.

(Signed)

Senators:

COLLINS of Aroostook
 SINCLAIR of Somerset
 HASKELL of Penobscot

Representatives:

BURGESS of Limestone
 JALBERT of Lewiston

Comes from the House, Report "A" read and accepted, and the bill passed to be engrossed as Amended by Committee Amendment "A".

In the Senate, on motion by Mr. Weeks of Cumberland, the resolve and accompanying papers were laid upon the table pending consideration of the reports; and were especially assigned for later in today's session.

The Majority of the Committee on Inland Fisheries and Game on Bill "An Act Relating to Open Season on Muskrats in Cumberland County." (H. P. 804) (L. D. 888) reported that the same ought to pass.

(signed) Senators:

WIGHT of Penobscot
 WEEKS of Cumberland

Representatives:

WATSON of Moose River
 Pt.
 CURRIER of Caribou
 VAUGHAN of Hallowell
 HARNDEN of Rangeley
 BUTLER of Franklin

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

(signed) Representative:

WHITNEY of Bridgton

Comes from the House, the Majority Report accepted and the bill passed to be engrossed.

In the Senate, on motion by Mr. Weeks of Cumberland, the Majority Report "Ought to Pass" was accepted in concurrence, the bill read once and tomorrow assigned for second reading.

The Majority of the Committee on Highways on "Resolve for the Maintenance and Repair of Roads and Bridges," (H. P. 1) (L. D. 1) also requests for Allocation of Funds for Maintenance and Repair of Roads and Bridges pursuant to Joint Order (H. P. 21) reported that the same ought not to pass.

(signed) Senators:

DUNHAM of Hancock
 ROBBINS of Aroostook

Representatives:

LUDWIG of Hope
 TURNER of Auburn
 PULLEN of Oakland
 CARTER of Etna
 BOSTON of North Berwick

The Minority of the same Committee on the same subject matter reported a Consolidated Resolve (H. P. 1254) under the same title, and that it ought to pass.

(signed) Senator:

GREELEY of Waldo

Representatives:

DENBOU of Lubec
 NADEAU of Biddeford

Comes from the House, the Majority Report read and accepted.

In the Senate, on motion by Mr. Haskell of Penobscot, the resolve and accompanying papers were laid upon the table pending consideration of the reports.

The Majority of 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 Salary of Commissioner of Labor and Industry," (H. P. 1266) (L. D. 1480) and that it ought to pass.

(signed) Senators:

COLLINS of Aroostook
 HASKELL of Penobscot
 SINCLAIR of Somerset

Representatives:

BURGESS of Limestone
 DAVIS of Harrison
 JALBERT of Lewiston

The Minority of the same Committee on the same subject matter reported Bill "An Act Relating to Salary of Commissioner of Labor

and Industry," (H. P. 1266) (L. D. 1480) and that it ought not to pass. (signed) Representatives:

JACOBS of Auburn
CAMPBELL of Guilford
COLE of Liberty
CATES of East Machias

Comes from the House, the Minority Report "Ought Not to Pass" read and accepted.

In the Senate, on motion by Mr. Haskell of Cumberland, the bill and accompanying papers were laid upon the table pending consideration of the reports; and were especially assigned for later in today's session.

The Majority of 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 Salary of Commissioner of Education" (H. P. 1267) (L. D. 1481) and that it ought to pass.

(Signed)

Senators:

COLLINS of Aroostook
HASKELL of Penobscot
SINCLAIR of Somerset

Representatives:

COLE of Liberty
BURGESS of Limestone
DAVIS of Harrison
JALBERT of Lewiston

The Minority of the same Committee on same subject matter reported Bill "An Act Relating to Salary of Commissioner of Education" (H. P. 1267) (L. D. 1481) and that it ought not to pass.

(Signed)

Representatives:

JACOBS of Auburn
CAMPBELL of Guilford
CATES of E. Machias.

Comes from the House, the Minority Report Ought Not to Pass read and accepted.

In the Senate, on motion by Mr. Sinclair of Somerset, the bill and accompanying papers were laid upon the table pending consideration of the reports; and were especially assigned for later in today's session.

The Majority of 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 Salary of Attorney-General," (H. P. 1268) (L. D. 1482) and that it ought to pass.

(Signed)

Senators:

COLLINS of Aroostook
HASKELL of Penobscot
SINCLAIR of Somerset

Representatives:

BURGESS of Limestone
JALBERT of Lewiston
DAVIS of Harrison

The Minority of the same Committee on the same subject matter reported Bill "An Act Relating to Salary of Attorney General," (H. P. 1268) (L. D. 1482) and that it ought not to pass.

(Signed)

Representatives:

JACOBS of Auburn
CAMPBELL of Guilford
COLE of Liberty
CATES of East Machias

Comes from the House, the Minority Report, "Ought Not to Pass," read and accepted.

In the Senate, on motion by Mr. Collins of Aroostook, the bill and accompanying papers were laid upon the table pending consideration of the reports; and were especially assigned for later in today's session.

Communication

STATE OF MAINE

Maine State Retirement System Augusta

April 22, 1953

Chester T. Winslow, Secretary
Maine State Senate
Senate Chamber
State House
Augusta, Maine

This communication is directed to you in response to a request made to this department by the Chairman of the Legislative Committee on Appropriations and Financial Affairs primarily for explaining the reasons for the difference in the General Fund Appropriations requests as appearing in the budget report as between the amounts originally estimated and the amounts recommended by the

Budget Committee to the Legislature.

Budget estimates are, under the law, required to be filed with the Advisory Committee on Budget by the first of October in each even year of the biennium. The estimates of the requirements of the System for the next two years are based by the Consulting Actuary of the System, among other things, on the total salaries of General Fund members of the System as of the end of the last fiscal year—in this instance, as of June 30, 1952. It is not possible to have the valuation computations cleared on an exact basis by the Actuary in the relatively short period of time elapsing between the end of the fiscal year and the start of the budget hearings. This results in the original estimates presented by the Actuary as being based on his best judgement at that time pending the completion of the annual valuation which he is then in process of making. By the time the budget hearings are completed or by the time the Legislature convenes, the actuarial valuation is normally completed and a firmer estimate of anticipated costs is available.

This procedure was followed in connection with the estimates for the next biennium as it always has been.

The preliminary figures offered for General Fund employees, M. T. R. A. teachers, and the various special fund employees did not vary greatly from the final figures as presented to the Appropriations Committee. The major reason for the increased request made to the Appropriations Committee over and above the original estimates is due to the pension costs of the old non-funded group of teachers. As an indication of the constantly increasing costs of this particular group, the payments increased from the pay roll of June to the pay roll of October 1952 by an amount of \$7,798.53, or on an annual basis this would amount to an increase of over \$93,000.00. There are at the moment some 1,065 teachers of this particular group presently drawing retirement benefits and at the time the final budget estimates were

compiled this ran to an annual cost of some \$869,000.00.

In the belief that these costs would increase during the next two years of the biennium on approximately the same relative rate of increase as had pertained over the previous several months, the Actuary recommended to the Appropriations Committee an increase in the over-all appropriation for this particular group of approximately \$250,000.00 for the first year of the biennium and approximately \$500,000.00 for the second year of the biennium.

There are still better than 2,000 teachers in this particular group to yet retire, and as practically all of them are presently eligible to retire at any time upon their own election due to their age, the Actuary feels that the estimates for the next two years to cover the cost of the particular group are minimum requirements only.

The attention of the Members of the Legislature is respectfully called to the comments made by the Actuary in the Biennial Report of the Maine State Retirement System for the fiscal biennium ended June 30, 1952, specifically under the heading "Non - Contributory Teachers System" which appears on Page 12 and 13 of the Report.

For the Board of Trustees
EARLE R. HAYES
Secretary

Which was read and ordered placed on file.

Order

Mr. WIGHT of Penobscot: Mr. President, I have an order which I wish to present and move that it be adopted. First, however, I wish to explain the purpose of the order. There is a condition existing in the Senate balcony which is dangerous. The balcony is very low and children coming into the balcony, sometimes in large numbers, are liable to have an accident. This bill required that a railing be placed on the balcony so as to prevent any such accidents. Any Senator who has been up there will agree that there is a definite hazard.

Thereupon, on motion by Mr. Wight of Penobscot, it was ORDERED, that the Secretary of the Senate be directed to have a

brass rail installed at the front of the Senate Chamber balcony as a safety measure, the style and cost of installation shall be approved by the Committee on Appropriations and Financial Affairs and charged to legislative expense.

First Reading of Printed Bills

"Resolve in Favor of Edward Alvin Hodsdon, of Presque Isle." (S. P. 548) (L. D. 1463)

Bill "An Act Authorizing Appointment of Special Guardian." (S. P. 549) (L. D. 1464)

Which were severally read once and tomorrow assigned for second reading.

Bill "An Act to Permit Testing of Anti-Aircraft Weapons and Munitions Over a Part of Moosehead Lake." (S. P. 550) (L. D. 1465)

On motion by Mr. Carpenter, the bill was laid upon the table pending assignment for second reading.

Senate Committee Reports

Mr. Haskell from the Committee on Appropriations and Financial Affairs on "Resolve, Providing for a Men's Dormitory at Gorham State Teachers' College," (S. P. 22) reported that the same ought not to pass as it is covered by other legislation.

Which report was read and accepted.

Sent down for concurrence.

Mr. Weeks from the Committee on Legal Affairs on Bill "An Act to Clarify Issuance of Harness Horse Racing Licenses," (S. P. 272) (L. D. 764) reported that the same ought not to pass.

(On motion by Mr. Fuller of Oxford, tabled pending consideration of the committee report; and especially assigned for later today.)

Mr. Chapman from the Committee on Legal Affairs to which was recommitted Bill "An Act Regulating Locksmiths," (S. P. 321) (L. D. 808) reported that leave be granted to withdraw the same.

Which report was read and accepted.

Sent down for concurrence.

The same Senator from the same Committee on Bill "An Act Relating to Long Meets in Harness

Racing," (S. P. 273) (L. D. 762) reported that the same ought not to pass.

(On motion by Mr. Fuller of Oxford, tabled pending consideration of the report; and especially assigned for later today)

Mr. COLLINS of Aroostook: Mr. President and members of the Senate, the following resolves from 6a to 6u constitute a breakdown of the capital expenditures bill and pertain to all of the items that were in that bill, but with different amounts. It was the thinking of the committee that perhaps the Senate would act more intelligently on the various matters if it were broken down into these units.

A report on the recommendations of the committee for total capital expenditures is being prepared and will be on your desks sometime during the day, probably before we adjourn this morning. But it seems to me that unless there is objection, it might be expedient to accept the ought to pass reports on these various items, and if you wish to save time, I would think that Items 6a through 6u could all be accepted, that is the ought to pass reports could be accepted without reading through the list. There will be ample time to discuss the item later in the session when they have a first or second reading or before passage to be engrossed.

With these remarks, I move that the Senate dispense with reading of items 6a through 6u and accept the ought to pass reports of the committee, unless there is objection.

There being no objection, the ought to pass reports on the following resolves were severally accepted without reading, the resolves read once and tomorrow assigned for second reading:

The following 21 Reports from the Committee on Appropriations and Financial Affairs were reported under authority of Joint Order (S. P. 544):

Mr. Collins from the Committee on Appropriations and Financial Affairs on Bill "An Act to Appropriate Monies for Capital Improvements and Construction of State Government for the Fiscal Years Ending June 30, 1954 and June 30,

1955," (S. P. 75) (L. D. 182) reported "Resolve in favor of Augusta State Hospital," (S. P. 555) and that it ought to pass. (L. D. 1487)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Maine State Prison" (S. P. 556) and that it ought to pass. (L. D. 1488)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of the Forestry Department," (S. P. 557) and that it ought to pass. (L. D. 1489)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of the Department of Adjutant General," and that it ought to pass. (S. P. 558) (L. D. 1490)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Central Maine Sanatorium," (S. P. 559) and that it ought to pass. (L. D. 1491)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Pownal State School," (S. P. 560) and that it ought to pass. (L. D. 1492)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of School for Girls," (S. P. 561) reported that the same ought to pass. (L. D. 1493)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Gorham State Teachers' College," (S. P. 562) reported that the same ought to pass. (L. D. 1494)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Western Maine Sanatorium," (S. P. 563) reported that the same ought to pass. (L. D. 1495)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Baxter State Park," (S. P. 564) reported that the same ought to pass. (L. D. 1496)

Mr. Sinclair from the same Committee on the same subject matter reported "Resolve in favor of Northern Maine Sanatorium," (S. P.

565) reported that the same ought to pass. (L. D. 1497)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Reid State Park," (S. P. 566) reported that the same ought to pass. (L. D. 1498)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Lake St. George State Park," (S. P. 567) reported that the same ought to pass. (L. D. 1499)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Washington State Teachers College," (S. P. 568) and that the same ought to pass. (L. D. 1500)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Aroostook State Teachers College," (S. P. 569) and that the same ought to pass. (L. D. 1501)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Sebago State Park," (S. P. 570) and that the same ought to pass. (L. D. 1502)

Mr. Haskell from the same Committee on the same subject matter reported "Resolve in favor of School for the Deaf," (S. P. 571) and that the same ought to pass. (L. D. 1503)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Aroostook State Park," (S. P. 572) and that the same ought to pass. (L. D. 1504)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of Bangor State Hospital," (S. P. 573) and that the same ought to pass. (L. D. 1505)

Mr. Sinclair from the same Committee on the same subject matter reported "Resolve in favor of Reformatory for Men," (S. P. 574) and that the same ought to pass. (L. D. 1506)

The same Senator from the same Committee on the same subject matter reported "Resolve in favor of the Department of Public Buildings," (S. P. 575) and that the same ought to pass. (L. D. 1507)

Mr. Collins from the Committee on Appropriations and Financial Affairs on "Resolve Providing for a Classroom and Library Building at Farmington State Teachers' College," (S. P. 24) reported the same in a new draft (S. P. 576) (L. D. 1508) under a new title, Bill "An Act Relating to Farmington State Teachers' College," and that the same ought to pass.

Which report was read and accepted, the resolve in new draft and under new title read once, and tomorrow assigned for second reading.

Mr. Sinclair from the Committee on Public Buildings and Parks on Bill "An Act Relating to the Superintendent of Public Buildings," (S. P. 182) (L. D. 423) 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

"Resolve in Favor of the Town of Castle Hill." (H. P. 208) (L. D. 1456)

Bill "An Act Relating to the State Personnel Board." (H. P. 654) (L. D. 697)

Bill "An Act Relating to Appointment of Recorder of Eastport Municipal Court." (H. P. 972) (L. D. 1060)

Bill "An Act Relating to Examination of Domestic Insurance Companies." (H. P. 1250) (L. D. 1458)

Bill "An Act Relating to Deception as to Prices of Motor Vehicle Fuel." (H. P. 1252) (L. D. 1460)

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

"Resolve to Reimburse the Town of Millinocket for Supplies Furnished the Warren Dorr Family." (H. P. 62) (L. D. 59)

Bill "An Act Relating to Penalty for Selling Narcotic Drugs to Minors." (H. P. 334) (L. D. 401)

"Resolve for Repairs of Church and Convent at Peter Dana Point and Old Schoolhouse Used for Religious Purposes at Princeton," (H. P. 483) (L. D. 502)

"Resolve in Favor of the City of Auburn." (H. P. 491) (L. D. 510)

Bill "An Act Relating to the Salary of the Reporter of Decisions." (H. P. 630) (L. D. 653)

Bill "An Act Creating the Old Orchard Beach Sewerage District." (H. P. 1225) (L. D. 1413)

"Resolve to Loan Funds from the Unappropriated Surplus for the Construction of an International Ferry Terminal." (H. P. 1249) (L. D. 1457)

Bill "An Act Relating to Journey-men Welders." (H. P. 1230) (L. D. 1424)

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

Bill "An Act Relating to Expenses of Maintaining Burying Grounds in Unorganized Territory." (H. P. 947) (L. D. 1001)

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

Sent down for concurrence.

"Resolve in Favor of the Madawaska Training School." (S. P. 543) (L. D. 1461)

Which was read a second time and passed to be engrossed.

Sent down for concurrence.

Bill "An Act to Clarify the Employment Security Law." (S. P. 356) (L. D. 967)

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

Sent down for concurrence.

On motion by Mr. Weeks of Cumberland, the Senate voted to reconsider its action just taken whereby it passed to be engrossed bill, An Act Relating to Journey-men Welders (H. P. 1230) (L. D. 1424) and on further motion by the same Senator, the bill and accompanying papers were laid upon the table pending passage to be engrossed.

Emergency Measure

Bill "An Act to Incorporate the Castine Water District." (H. P. 435) (L. D. 495)

Which bill being an emergency measure, and having received the affirmative vote of 28 members of the Senate, and none opposed, was passed to be enacted.

Orders of the Day

On motion by Mr. Haskell of Penobscot

Recessed to the sound of the gavel.

After Recess

The Senate was called to order by the President.

On motion by Mr. Haskell of Penobscot, the Senate voted to take from the table House Reports from the Committee on Highways, Majority Report "Ought Not to Pass"; Minority Report "Ought to Pass" on Resolve for the Maintenance and Repair of Roads and Bridges (H. P. 1) (L. D. 1) tabled by that Senator earlier in today's session pending consideration of the reports.

Thereupon, on motion by Mr. Robbins of Aroostook, the Majority Report "Ought Not to Pass" was accepted in concurrence.

On motion by Mr. Fuller of Oxford the Senate voted to take from the table, Senate Report "Ought Not to Pass" from the Committee on Legal Affairs, on Bill, "An Act to Clarify Issuance of Harness Horse Racing Licenses" (S. P. 272) (L. D. 764), tabled by that Senator earlier in today's session pending consideration of the committee report.

Mr. FULLER of Oxford: Mr. President and members of the Senate, this bill changes over from "shall" to "may" the authority of the Harness Racing Commission to grant licenses for racing meets. It makes an existing mandatory provision of the law a discretionary measure within the power of the Harness Racing Commission. As I understand the present law the Commission must grant a license in the case of any organization qualifying for that purpose. With that in mind, I move that the bill be substituted for the report of the Committee.

Mr. CHAPMAN of Cumberland: Mr. President and members of the Senate, this was one of the bills which was considered in the so-called racing group by the Committee on Legal Affairs and, as the calendar indicates, it was reported by the Committee "Ought Not to Pass." I think it is proper, in view of the motion to substitute the bill

for the report, to explain the position of the Committee.

It is the felling of the lawyers who are members of the Committee—and I think this seems to be the general view of the legal profession—"shall" and "may" are almost interchangeable. The term "may" reads better as far as the discretion of the Commission is concerned. But essentially both terms are governed by certain statutory standards. It was the feeling of the committee that where the terms "shall" and "may" are usually considered in law as almost the same that the term "shall" as it now reads will require the Commission to adhere to the statutory standards more closely, and it was on that basis that the report on this bill was "Ought Not to Pass." It was not with a view to impairing the freedom of the racing commission but it was felt that anything that we could do to make sure that our administrative agency could adhere as closely as possible to the statute laid before it. On the other hand I will say frankly that the Committee did not feel that this was a matter of tremendous importance, because of the feeling that the two terms are essentially the same, and for that reason I oppose the motion to substitute the bill for the report.

Mr. SINCLAIR of Somerset: Mr. President and members of the Senate, I rise in opposition to the motion of the Senator from Oxford, Senator Fuller, and I would like to point out, without going into the legal aspects of the words "may" or "shall," the provisions called for in order for a harness track to qualify for this so-called long meet license. It is not a case of just having a track in order to obtain a license for the operations of a harness racing meet. It calls for a number of things over and beyond what we have had for a number of years at our so-called fairs. It calls for the expenditure of a great deal of money in order to have a track that could qualify. It also calls for the construction of buildings, or the construction of a track which calls for certain facilities for the protection of the public, the protection of the harness horse men and the harness horses themselves. Because the word "shall" is in there

I think there may be some obligation on the part of the commission to grant licenses to those tracks that do meet those qualifications. I also think there is some responsibility in there, where the word "shall" is used, that the public is also protected. I think it eliminates the possibility of any group getting together, shall we say, and working with a particular group in order to get a license. I think under this measure, as it is now the public is protected, the harness horse men are protected, the operator of the plant is protected, and I can't see any need of making a change. I recognize that the Committee on Legal Affairs has gone into this matter very carefully, and we have a unanimous report from the Committee that the bill ought not to pass. Therefore, I would hope that the motion of the Senator from Oxford, Senator Fuller, does not prevail.

Mr. JAMIESON of Aroostook: Mr. President and members of the Senate, my main objection to this bill would be in the last two lines where it calls for adequate suitable facilities for not less than 400 horses and "shall have and maintain a track adequate in width to start eight horses abreast." I don't think we have a harness race track in the State of Maine that can handle that many horses, and in most of the tracks you can start only about five horses abreast. Anyone who knows anything about building race tracks will find it would cost quite a lot of money for them to meet the provisions of the last two lines.

Mr. FULLER of Oxford: Mr. President and members of the Senate, I think the point that was mentioned by the Senator from Aroostook, Senator Jamieson, is in the existing law and not in the bill which we are considering. The only change this bill provides is that in two instances the word "shall" is changed to "may." I am not able to debate the legal implications of those two words but it does seem from reports that there has been considerable controversy between the fair associations and the harness commission in its awarding of meets. I see no difference so far as the decision of the racing commission is concerned in

making this discretionary instead of mandatory. And I ask, Mr. President, that when the vote is taken it be taken by a division.

The PRESIDENT: Is the Senate ready for the question? The question before the Senate is on the motion of the Senator from Oxford, Senator Fuller, that the bill be substituted for the "Ought Not to Pass" report of the Committee and that Senator has requested when the vote is taken it be taken by division.

A division of the Senate was had. 15 having voted in the affirmative and 14 opposed, the bill was substituted for the report, given its first reading and tomorrow assigned for second reading.

On motion by Mr. Weeks of Cumberland, the Senate voted to take from the table Divided Senate Report from the Committee on Appropriation and Financial Affairs, Report "A," Ought to Pass as Amended by Committee Amendment "A"; Report "B" Ought Not to Pass, on Resolve in Favor of the Town of New Gloucester (H. P. 960) (L. D. 1050), which comes from the House, Report "A" read and accepted and the bill passed to be engrossed as amended by Committee Amendment "A"; tabled by that Senator earlier in today's session pending consideration of the reports.

Mr. WEEKS of Cumberland: Mr. President and members of the Senate, this bill provides for a payment to the Town of New Gloucester designed to reimburse that town for school expense in maintaining school facilities for 35 pupils from Opportunity Farm. As you all know, Opportunity Farm is a place where youngsters who would not otherwise have an opportunity can be trained to start building up for a future life. It is located in the little town of New Gloucester which is not very wealthy and the cost to the town during the past two years has been at the per capita rate per pupil of \$122.16.

It is true that these youngsters are now recognized as residents of the town so that the reimbursement of State Aid amounts to 45 percent and if this bill is passed it would leave a net figure, which they would like to have us pay to the town, of \$2,351.60. These are youngsters who

are not a part, really, of the town. They are assembled there at the Farm and under our Constitution must be educated, and it seems a little bit unfair to saddle even 55 percent of the cost upon the town which would be kind of hard for them to take care of. I believe the members of the Committee favored the bill on the basis of merit but the principles involved are something which are of serious concern and I will say again that the Committee has considered the problem very carefully and again I compliment the Committee in the way in which they have treated all matters including this one. The principle may possibly be a bad principle but on good occasions where the merits are there, we should break away from established precedent and create something of a new precedent. If I understand correctly, this is the only measure of this kind before this legislature and it calls for only \$2,351.60 but it is a big item to the town of New Gloucester and I feel we should go along with the other Body and pass this bill. I move that Report "A", "Ought to Pass" be accepted.

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, the Senator from Cumberland, Senator Weeks, has presented the case very fairly and very equitably and it is one of those many bills that all of us have to make conclusions on where your head and your heart are in complete disagreement. I did on this one vote the head side of the argument against the heart side, and my reasoning is this: It is true that 35 youngsters are being educated in the town of New Gloucester. It is true that New Gloucester is getting that subsidy for operational costs of 45 percent for all their youngsters in the community, and to give them the remaining 55 percent by passing this bill, which says the State shall assume all of the education costs of the people at Opportunity Farm, it seems to me to open up a principle which if carried through to consistency would cover approximately 25 hundred young people in the State representing the committed children, and an unknown number in addition to that, representing young men and women who are in

other similar institutions. I do not speak particularly for the City of Bangor but we have our children's homes where over half of them are residents of Bangor, and Bangor educates them. I do speak more particularly for a town such as Carmel, for instance, in Penobscot County, where six or seven residents of that town did have four or five or six State wards in their homes. True, the town collects its subsidy presented to the town but it also pays the difference between the State subsidy and the cost of education in the town. I agree that this is the only one seeking reimbursement at this session of the legislature but to me it looks just a little bit like another Ricker bill, going back to the special session of 1946 which has opened up a lot of headaches and has resulted in a lot of inequities and unfairness when some of them were granted their resolves and others were denied. And I view with a little alarm the acceptance of this principle unless we are willing to assume that income to the State is going to be sufficient to use all of the towns and cities in the State alike. For that reason I signed the Ought Not to Pass report. As a matter of principle I felt it should prevail but it is a head vote not a heart vote.

Mr. BOUCHER of Androscoggin: Mr. President, being neither a member of the Committee nor a Senator from that county I feel quite a hesitancy to speak on this matter but I have been approached by a member of the other Body and I have been given some facts and figures which I would like to quote to the Senate, which have prompted me to enter into this debate hoping that I might accomplish a little something.

As you all know by the discussion, the town of New Gloucester is taxed with these Opportunity Farm pupils that come to their town schools. Now as I understand it, New Gloucester has had in 1950-51 and 1952-53 an average resident pupil count of 308 in one year and 272 in the other year, making a total for both years of 580 which divided by two gives them an average of 290 pupils each year. It costs New Gloucester \$35,429 for education in the last two school

years which divided by 290 gives \$122.16 per pupil cost. 35 of those pupils are from Opportunity Farm. If you multiply \$122.16 by 35 you get \$4,275.60. It is a class 3 town getting 45 per cent State aid so if you take \$4,275.60 and multiply it by 45 per cent you get \$1924.00 return by the State to the Town of New Gloucester. If you deduct \$1924.00 paid by the State to New Gloucester from the total expense of \$4,275.60 it gives you a deficit of \$2,351.60, the amount that must be paid by the tax-payers of New Gloucester. That is due to the fact that these children that come to Opportunity Farm from all over the State are being tutored in those schools in New Gloucester. To me it is quite an unfair practice. I feel that the State is responsible to those children being at Opportunity Farm and I feel that the State should reimburse New Gloucester for that amount of money they are losing. Therefore, I am in favor of the report which wants to give back to New Gloucester what belongs to them.

Mr. BUTLER of Franklin: Mr. President and members of the Senate, this is only the first of the heart-breaking bills with which we must be confronted before we finally adjourn. We have got to meet our obligations. We have got to keep in mind that we are going to take a cut in revenue. We have already indicated that. We have also got to keep in mind that we have only so much money that we can spend. Now, where this may be a very desirable piece of legislation for this particular school, it is also going to open the way for every town in the State of Maine to come in and ask for reimbursement for the education of any particular State aid child in that town. Can we assume, should we assume, that desirable aspect? If so, where is the money going to come from to pay for that desire? For that reason I hope that when the vote is taken that we can see clearly our responsibility, which has been already indicated, that if we do take a cut in income we must now of necessity withhold desirable expenditures of money accordingly. I feel that we should

vote with our heads and not with our hearts on this resolve.

Mr. CARTER of Oxford: Mr. President, I would like to ask a question through the Chair of the majority floor leader, the Senator from Penobscot, Senator Haskell.

The PRESIDENT: The Senator from Oxford, Senator Carter, may ask his question through the Chair and the Senator from Penobscot, Senator Haskell may reply if he wishes to do so.

Mr. CARTER: I was wondering if the State hadn't paid for these scholars of the town of New Gloucester in the past?

Mr. HASKELL: Mr. President, I think two things are true: That consistently for many years the State has appropriated money to Opportunity Farm to assist in the operation of the Farm. It is also true that at the last session of the legislature, I think, — this was told me by the House chairman of the committee — that a grant was given to the town of New Gloucester because the Department of Education had ruled as ineligible for reimbursement that portion of costs applicable to Opportunity Farm students. I think it is true that since that time the Department of Education has ruled that the expense of those children becomes a reimbursible item, and I am quoting from memory when I say that the House chairman of the Appropriations Committee said it was voted out this one year, which was two years ago, pending Education willingness to reimburse as though they were residents. If any other member of the Appropriations Committee thinks I may have misstated the position of the House chairman of two years ago I will be very glad to have him correct me.

Mr. LITTLEFIELD of York: Mr. President, I would like to ask if this particular Farm is exempt from taxation.

Mr. COLLINS of Aroostook: Mr. President and members of the Senate, I think that particular Farm in New Gloucester is exempted from taxation. I think also that the State gives a grant to Opportunity Farm of about three thousand dollars, and the facts that the Senator from Penobscot, Senator Has-

kell, gave is relation to the school subsidy, I believe are correct, that it used to be that we did not consider them residents and then they have been both ways and it has been considered both ways by the Department of Education, as non-residents and as residents. At the present time they consider them as residents in that they get the subsidy up to the 45 per cent and of course the question is whether or not we shall assume the 100 per cent cost for this particular group.

Mr. BOUCHER of Androscoggin: Mr. President, I have now received a lot of information and I would like to make a statement. Although as I have said I am not George Washington, Jr. and don't want to tell a lie to win a point I now realize that this is practically cared for by the State, paying no taxes to the town of New Gloucester but receiving education for free and I say to you, Mr. President and members of the Senate, that I am not following the voting of my heart when I request that this bill go through; I think it is voting with my head because I think it is the thing do do to be fair and square with the town of New Gloucester. I don't think this Senate has the right to impose on the town of New Gloucester to pay and take care of the children of the rest of the State at their own expense. I don't believe any of us would relish the idea of taking into our homes the children of strangers and taking care of them and paying it out of our own pockets, and I imagine that is true of New Gloucester and that is why this bill was introduced. I think if we want to play fair and square and vote with our heads, as has been pointed out by the Senator from Franklin, Senator Butler, that we should go along with this bill. There is sympathy in this case; I am using fairness and honesty and in fairness and honesty I believe we should go along with the town of New Gloucester.

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, now I really do view with alarm the type of record we are building up here. If we accept the logic of the Senator from Androscoggin, Senator Boucher, he is

saying in fact that wherever there is a State institution—and, by the way, I believe the operating budget of this school is roughly 100 thousand dollars and the State appropriation is 45 hundred dollars—but what he is projecting into this record is the theory that wherever we have a State institution the State should participate to a hundred percent for the costs of the youngsters relative to that institution. Carrying that through to a conclusion, the town of Orono could come to the State and say you have a State institution here and half of the youngsters of that town are related to that institution. Therefore, you should pay the cost of their education. And the City of Bangor with its State Hospital and the City of Augusta could do the same thing. If that theory were ever carried to its conclusion it would produce an automobile tax on the gross sales price or revenue from some other source and that really adds up to a big tax.

Mr. BROGGI of York: Mr. President and members of the Senate, the Opportunity home in New Gloucester is not a state institution. It is a private, non-profit children's home. To me, the crux of this argument is based upon the fact that they have been declared residents of New Gloucester and in reality, none of the children come from New Gloucester.

As usual, the Senator from Penobscot, Senator Haskell is correct and it does start a dangerous precedent. Obviously the reason that only 45% is paid is because the town of New Gloucester under educational subsidy formula is in the 45% bracket. They have been paid subsidies under the educational formula because these boys and girls are considered residents of New Gloucester. I think to be cold bloodedly realistic we should follow the Senator from Penobscot, Senator Haskell because it does open the door. Probably the best legislators will vote against this bill. Not classifying myself as one of the better legislators, I will go along with Senator Weeks, feeling it is unfortunate that the town of New Gloucester to have these boys classified as residents of the town,

when I don't believe there is one boy in that institution that comes from the town.

Mr. HANSON of Washington: Mr. President, I don't care to drag out this debate but I would like to ask Senator Broggi a question through the Chair. How much of a part did the town of Gloucester play in the origination of this school?

Mr. BROGGI of York: Mr. President, I cannot answer with perfect authority because I understand it is coincidence that that particular school happened to have its location in this particular town. These non profit schools are not subject to taxation and because this is a non-profit childrens' home, it is exempt from state taxation. Because of the coincidence that the school exists in New Gloucester, irrespective that none of the children came from New Gloucester, the town has to include 55% of the educational cost because they are declared residents of the town because by coincidence the home is in the town of New Gloucester.

Mr. HASKELL of Penobscot: Mr. President when the vote is taken I ask for a division.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Cumberland, Senator Weeks, that the Senate accept Report A.

A division of the Senate was had. Fifteen having voted in the affirmative and seventeen opposed, the motion did not prevail.

Thereupon, Report B "Ought Not to Pass" was accepted in non-concurrence.

Sent down for concurrence.

Mr. BOUCHER of Androscoggin: Mr. President and members of the Senate, out of order and under suspension of the rules, I would like to present an order and before I present the order I would like to give a word of explanation as to its contents, and what I am trying to accomplish. I had a particular bill in which I was interested and I expected that it would be reported out in a divided report.

Either I was asleep or I was out, and the bill was reported out unanimously ought not to pass and

then killed in the Senate on April 16.

I have talked with the Majority Leader and he is agreeable to my reviving the bill, L. D. 1861. I now present the order and hope it may have a passage. I would like to see it sent back to committee because some of the committee members I have reason to believe would change their vote on it.

Out of order and under suspension of the rules, that Senator presented the following Order and moved its passage:

ORDERED, the House concurring, that H. P. 830, L. D. 861, bill, An Act Relating to Definition of Employer under Employment Security Law, be recalled to the Senate from the legislative files.

Thereupon, on motion by Mr. Ward of Penobscot, the Order was laid upon the table pending passage.

On motion by Mr. Haskell of Penobscot, the Senate voted to take from the table House Report from the Committee on Appropriations and Financial Affairs; Majority Report "Ought to Pass" in new bill, Bill, An Act Relating to Salary of Commissioner of Labor and Industry (H. P. 1266) (L. D. 1179); Minority Report Ought Not to Pass; reporting on bill, An Act Relating to Salaries of Certain Department Heads (H. P. 1035) (L. D. 1179) tabled by that Senator earlier in today's session pending consideration of the committee reports.

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, this is an act relating to salary of the Commissioner of Labor and Industry. I move the acceptance of the Majority "Ought to Pass" report of the committee, and in support of that motion I would make these few brief comments.

The Committee had one bill which sought increases of one thousand dollars each for substantially all department heads in the state. The committee considered the bill, considered the wage increase granted to those department heads, and concluded that consistency required that as a general proposition the thousand dollar wage increases should receive an Ought Not to Pass report. There were, however,

four divided reports, and so far as my vote was concerned, in each of those cases I considered only the position, not the individual. In speaking for the ought to pass report of the committee on the Commissioner of Labor and Industry, I was compelled by one argument only or one fact only and that is that when a prior legislature had raised the general level of department heads' salaries which are not at the \$7,000 level with a few exceptions, the Commissioner of Labor and Industry was denied the increase that would have put that position at the \$7,000 level along with substantially all of the other department heads. For that reason I believe that this legislature was justified in moving that job up to a comparable position with the other department heads in the \$7,000 level.

I move that the majority Ought to Pass report is accepted.

The motion prevailed and the Majority "Ought to Pass" report was accepted in non-concurrence and the bill was read once and tomorrow assigned for second reading.

On motion by Mr. Collins of Aroostook, the Senate voted to take from the table, Majority Report of 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) reporting Bill, "An Act Relating to Salary of Attorney General (H. P. 1268) (L. D. 1482), and that it Ought to Pass; the Minority of the same committee on the same subject reported Bill, "An Act Relating to Salary of Attorney General" (H. P. 1268) (L. D. 1482), and that it Ought Not to Pass; which report comes from the House, the minority report "Ought Not to Pass," read and accepted, tabled by that Senator earlier in today's session pending consideration of the reports.

Mr. COLLINS of Aroostook: Mr. President, this is another one of the department heads in which the Committee had a divided report. As the Senator from Penobscot said, the Commissioner of Labor and Industry, the Commissioner of

Education, the Attorney General, and the Treasurer were the four officers in which there was a division of opinion among the members of the Committee. It seems to me that the office of the Attorney General is one of the very important ones in the State and as the Senator from Penobscot, Senator Haskell, pointed out, I think that in the consideration of salaries the Committee was looking at the question from the point of view of the importance of the office and the office itself. I think that we all realize that the decisions of the Attorney General and the opinions that he renders are of vital importance to the State of Maine. It would appear to me that if we are to get the candidates who can be of the greatest help to the State of Maine, that an increase of salary in this particular office is desirable. The majority of the Committee felt that way. I move Mr. President, that we accept the majority "Ought to Pass" report of the Committee.

Thereupon, the Ought to Pass report of the Committee was accepted, in non-concurrence the bill was given its first reading and tomorrow assigned for second reading.

On motion by Mr. Sinclair of Somerset, the Senate voted to take from the table, Majority Report of 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) reporting Bill, "An Act Relating to Salary of Commissioner of Education" (H. P. 1267) (L. D. 1481) reporting that it Ought to Pass; Minority Report of the same Committee on the same subject matter reporting Bill, "An Act Relating to Salary of Commissioner of Education" (H. P. 1267) (L. D. 1481), and that it Ought Not to Pass; which comes from the House the minority report "Ought Not to Pass," read and accepted.

Mr. SINCLAIR of Somerset: Mr. President, without repeating the words already spoken by the Senator from Penobscot and the Senator from Aroostook, this also was one of the positions we felt ought to have some discussion in the Committee. The majority of the Commit-

tee felt that this too was a position that we felt should have considerable consideration and I think the State Board of Education had a very difficult time in filling this position made vacant by the untimely death of Commissioner Ladd. I understand that the present Commissioner of Education made quite a sacrifice to come to the State of Maine and it is felt that that is one of the more important positions in the State, and I would like to move that the Senate accept the majority "Ought to Pass" report of the Committee on this bill.

Thereupon, the "Ought to Pass" report of the Committee was accepted in non-concurrence, the bill was given its first reading and tomorrow assigned for second reading.

On motion by Mr. Haskell of Penobscot,

Recessed until this afternoon at three o'clock.

After Recess

The Senate was called to order by the President.

On motion by Mr. Chase of Cumberland, the Senate voted to take from the table House Report "Ought to Pass in New Draft, Same Title," (H. P. 1231) (L. D. 1425) from the Committee on Taxation on Bill, "An Act to Clarify and Amend the Sales and Use Tax Law as Respects Manufacturers," tabled by that Senator on April 22, pending consideration of the report.

Mr. CHASE of Cumberland: Mr. President, I move the acceptance of the "Ought to Pass in New Draft" report of the Committee. This bill ought to pass. If not in this form then certainly in some other form. It is the only bill before this legislature by which this existing problem can be met. There are two issues involved in this bill: First, the question whether the industries of the State should be taxed at a level which I believe was contemplated by the last legislature; and secondly, the needs for clarification of the existing law which has come about by reason of the Court's decision with which I am sure the Senate is familiar. We in this legislature ought not to leave the Taxation Department in

its present position with respect to the administration of this section of the Sales Tax Law. We have in that department one of the most able state officials, one of the most intelligent, that I have encountered in many years and he has able assistants. They deserve from this legislature an administrative situation which will be possible and practicable. That department has no interest whatever in the question whether industry pays more or less taxes but they do need badly a clarification of this provision in the law.

I have here a lengthy memorandum from the Department furnished at my request from which I shall read only brief excerpts, which refers to this court decision of which I have spoken. I quote: "The Law Court held that each of the items taxed should not have been taxed but did not give any hint whatever by which taxables should be distinguished from non-taxables. It may be that the Court intended that everything used in manufacture should be exempt. We don't know. The Court didn't say."

Again I quote: "By consent of these representatives." I interpolate "of industry." "The State Tax Assessor agreed to draw the line between things which are used up in less than a year and things which last longer." That is based entirely on consent and has no law behind it, and in this connection I read from the decision of the Court which in itself seems to me to strongly suggest that the legislature ought to act. If a change in the incidents of the tax is desired either for economic reasons or to simplify the admiration of the act, such change must come from the legislature, it cannot be effected by a rule or regulation of the Assessor nor can it be brought about by a decision of this Court."

I quote again from the Taxation Department's memorandum: "What the Androscoggin Foundry and Hudson Pulp & Paper Corporation case settled was that certain enumerated items in the two businesses were 'consumed' or 'destroyed'. They settled nothing else. In no sense of the word has either case clarified what kinds of things used in manufacture the Assessor is to

tax." So we have the situation of the upper and lower taxation department operating purely on consent, is liable to have its rulings challenged in the recess of the legislature which might conceivably involve refunds on further Court decisions running into many hundreds of thousands of dollars. That is the reason why something ought to be done on the issue of clarification.

I believe there are very few people in this State whose financial interest in industry is greater than mine and that of my firm and of its customers. I believe too that those who have served with me in several legislatures will agree that when tax legislation has been under consideration, whether it was income tax, sales tax or a combination of those measures, I have always consistently maintained that in whatever major tax legislation might pass, industry should pay its fair share. My opinion of what is a fair share is naturally open to suspicion of selfish interest because that is where my own interest lies; so that I rather think my opinion of "fair share" is more likely to lean toward industry than away from it.

Now to review the history of the issue involved in this bill. At the last legislature the Taxation Committee tried to draw a sales tax bill which would cost about eleven million dollars. According to my personal recollection of the matter our objective was to place approximately two million dollars of that eleven million dollars upon industry. We came somewhere near doing it, if the bill reported by the Committee had passed in the form in which it came out. Not going into the question of the conferences we had at that time with industrial representatives, although my own recollection of it has been confirmed by every member of that Committee who is serving in this legislature, when the bill came out of the Committee we thought we had a pretty good understanding among the various parties involved. The bill was subsequently amended in the Senate to take out certain materials which relieved industry to the extent of several hundred thousand dollars. I am not arguing

about that because the House concurred in the Senate amendment and that is the law. But we did think that industry was going to pay taxes on certain machine parts, machine cloth, such as, for example, paper felts and wires to which reference has been made in this legislature. We thought so. My recollection is that most of the representatives of industry thought so too, at the time.

As a result of the Court's decision these things are not being taxed, so we have now roughly this picture: instead of industry paying about two million dollars out of eleven million dollars as we had anticipated, industry appears to be paying approximately one million five hundred thousand dollars out of about twelve million dollars or one-eighth of it instead of two-elevenths.

I was responsible for the introduction of this bill because I felt I owed it to my associates in the former legislature to whom I had explained what this bill was and what industrial materials I thought would be taxed. I felt I owed it to them and to this legislature to raise this issue and see what the legislature wanted to do. It was important from the standpoint of the Tax Department with the aim of clarification by reason of the intervening Court's decision.

In the first bill which was drawn at my request, we tried to use certain generic words which would embrace industrial materials. Industrial representatives did not like that method. They went to the dictionary. I can well imagine the consternation of an industrial representative who had been getting along for years with two words: "No" and "unconstitutional" when suddenly faced with the word "catalyst." In fact someone thought at first it was a mis-spelling of the word "Piscataquis" so the Committee said, "let's take the items involved in the Court's decision, write them into the bill, and list them whether taxable or exempt, to exemplify the principle which we are trying to express and the lines we are trying to draw between "taxable" and "tax exempt." Well, the industrial representatives didn't like that. We asked them if they would

care to draw up something which we could look at which would express our ideas rather than their own wishes. We received such a suggestion and the Committee didn't like that. They did not seem to know what it meant as well as they did the other way, so they thought it would be better to stay on specific grounds. That is the history of the situation which brings this bill before you.

I would like to say that this bill and its intent, in my opinion, has been greatly and grossly misrepresented. Here are a few things which have been said with regard to this bill which ought to be corrected as a matter of record. One person said, "I can't conceive of any industry trying to claim exemption for brooms or some of those things," meaning also electric light bulbs. "I don't think," he said, "that anyone would attempt to claim some of these exemptions." Well, they have been claimed and those two items used by industry are now exempt.

Someone has said that pulp wood might be taxed because it was not mentioned specifically in the bill. It never has been taxed, there is no intention of taxing it and it couldn't be taxed under the general language of the Act. Another person said, "when the decision was handed down by the Supreme Judicial Court it absolutely added nothing or took nothing away from the manufacturers. They continued to pay as they would have paid if the Court's interpretation had not been made." That's not true. Substantial refunds were made to manufacturers by reason of the Court's decision.

It was also said that this bill would deal a crushing blow to industry. If that were true I should be the first to oppose it. As far as can be estimated on the basis of refunds made by reason of the Court's decision this bill if enacted in its present form would increase the taxes on all industries of the State somewhere around two hundred and sixty thousand dollars a year.

It was also said by someone, "I feel that someone has stooped to a new low to try to pass this bill." Well, in view of the fact that this

statement comes from a lady I will be content to present that quotation without further comment.

The other day the Senator from Hancock, Senator Dunham, referred to an article which appeared recently in the "Reader's Digest" concerning the sorry state of legislatures in the country. Well, I read that article and I feel that the Maine legislature was not described in it by any means. I have been around the legislature for quite a while, I have known of legislators being entertained. I have even known occasionally of legislators finding a box of cigars in their room without knowing the source. I have even known of suggestions being made that one's business might be affected favorably or adversely depending on the action which he might take on a certain bill. I have even had such things happen to me. But those are part of human nature, the inevitable consequence of political activity, and I don't regard them as anything to justify any charges of corruption. But the other day on my Committee I was listening to a representative of industry painting a very dismal picture of the affairs of his company which certainly seemed to be designed to convince the Committee that this company was facing imminent ruin and disaster, was just one jump ahead of the sheriff, and on the verge of moving outside the State. That statement was made to the Committee about a company in which I personally have been interested financially for thirty years and am fairly familiar with, and at that time I had in my possession a recent statement from the President of the company that that company had never failed to earn a profit for the past forty-one years, and also a report of that company which showed that this particular company, said to be barely able to survive and unable perhaps to stand the last straw of this bill which might cost it nine thousand dollars. This particular company in 1952 paid to the Federal Government an income tax of \$3,710,000 of which \$526,000 was an excess profit tax, creating a cushion for the impact of this particular bill which would make the net cost to

that company roughly two thousand dollars.

Now I could go on at considerable length in regard to the ability of industry to pay taxes. There were six companies — I just picked up reports of some companies in which I am interested, in the largest ones — those companies in this State paid well over twenty million dollars in Federal income tax and nearly four million dollars in excess profit tax alone last year. That is a fairly sizeable figure compared to the impact of this bill on the whole industry of the state of about \$262,000.

As a matter of fact, this last year there were five companies each one of which paid in federal income taxes more than all of the industry of the state paid to the State of Maine in sales tax, as nearly as it can be estimated. When I say that I believe industry has been very short-sighted in opposing this bill as to its intent of clarification, if not as to its intent to raise a little more money, and also shortsighted in the methods which have been used in opposition to this bill, I say it in the hope that my language may penetrate the screen which the lobby forms between the legislature and the management of industry, those men who have in their hands and in their power of decision the economic destiny of this state.

Now if the legislature wants industry to pay only one-eighth of the sales tax instead of one-seventh which would be the case if this bill should pass, or instead of one-sixth, which I think would not be excessive in view of the present prosperous condition of industry, that is all right with me and it is to my personal advantage. But I don't believe that such a decision should be made on the basis of misrepresentation or because of exaggerated claims that industry will be ruined. The decision ought to be made on the basis of truth and facts, and the truth is that there never has been a time when industry in Maine was as prosperous as it is now. If that were not the case I would be the first to suggest that this legislature should act to relieve industry.

The members of the Taxation Committee have done their best to give you the truth and the facts in regard to this matter, and they have done it at some personal risk, by reason of the activities of the industrial lobby on our home front. One thing is sure. When industry is relieved of taxation the burden falls elsewhere. To the extent that industry is relieved of taxes the benefit is conferred in large part upon non-resident owners and generally upon well-to-do people, to the disadvantage of the people at large who do not enjoy the cushion of federal taxes at high rates which absorb much of the impact. If this legislature so acts as to relieve industry further from taxation or to leave a situation by which industry may further become relieved by going again to Court, I want it known that such action is contrary to my view of what is fair.

The section of the sales tax law to which this bill relates ought to be clarified. The Court's decision leaves it wide open and seriously embarrasses the State Tax Assessor. If we are not going to restate what I believe to have been the original intent of this section, if we are going to relieve a prosperous industry by consenting to a reduction in taxes as proved by refunds made by reason of the Court's decision, at least we ought to declare this new intent in language which can be understood by all parties concerned. For the purpose of clarification if for no other purpose, I think the report of this Committee ought to be accepted. If a method can be devised, as I believe it can be devised, to clarify by different language from what is in this bill, I shall be glad to do what I can to that end whatever the impact upon industry may be, to make those taxes a little higher or about the same or a little lower. Such an amendment might be difficult for a committee to draw until it had some indication whether the Senate wanted to increase the taxes of industry or to leave them the same or to reduce them, but such a decision should not be difficult to obtain; and once a committee were given such an indication of the will of the Senate I believe an amendment could be drafted which would

greatly improve this situation in the direction of clarification.

Therefore, Mr. President, I hope that the Senate will accept the report of the Committee. We can then consider in what manner, if any, the bill should be amended.

Mr. BUTLER of Franklin: Mr. President and members of the Senate, I think that our good friend, Senator Chase, has said relative to truth and fact is very applicable, truth and fact in so far as it pertains to the Senator's own interpretation of the bill, insofar as the clarification is concerned for the state Tax Department. The Law Court has already decided what they shall not tax. I am a little bit perplexed as to whether anything further should give them assistance because I have found, as most likely many of you have found who have been before the inheritance tax department, that if you give something to them in black and white, they still won't read it and still don't know how to interpret it.

It was only this last week, when I sent down a will for the purpose of determining the inheritance tax and the inheritance tax department were trying to interpret the will for the purpose of determining the taxation which they could derive from it, irrespective of the reading of the will which specifically set forth the commission in the will.

When it comes to giving further clarification as to this department, the bill has done nothing to assist them outside of picking up the exemptions which the court had already ruled on. Perhaps this may be a little bit like Little Red Riding Hood. I kind of wonder as I look at the tongue and the ears you have the better to hear with and the eyes you have, the better to see with, just what we are going to accomplish. Business as a whole is the life blood of our country. Whether or not industry can pay its way or not, it has up to now never been considered in this state that it should bear the tax burden. Here we have heard that because industry can pay, then it should pay and yet, who owns industry. Industry is owned by the people who have put money into it and not those that are managing it today.

We are only kidding ourselves when we say that industry can do this or can do that. We are only kidding ourselves when we try to clarify the act by picking up exemptions which the court has already ruled should not be and the court by its rulings has thereby clarified the act, and certainly the taxation department, if they cannot read a decision of the Supreme Court, should not be trying to interpret the law. If we have got to spell it out for them, then let's spell it out.

Now as to when it comes to the other Branch being influenced by anybody, that is always a good bypass as an excuse to do something that we don't like to do. We have never been too concerned about the interpretation of the sales tax for that poor little grocer who has to collect the tax on merchandise. We have never heard anybody come to their defense. We can leave out the question of H₂O which we've heard so much about. We can let that go by the board.

This is not a case of being after money because we have already said we have enough but this is a case of where the law has said something and perhaps the original proponents of that law do not like the interpretation given to the law and now come in here in a totally different guise and try to sell us the idea that it needs clarification. The law has clarified it and I hope that we in the Senate do not see fit to go along with the committee's ought to pass report.

Mr. REID of Kennebec: Mr. President and members of the Senate, I would like now to get down to what I consider to be the brass tacks of this matter. They may be two issues. One of clarification and the other is whether or not we wish to use this bill as a vehicle to oppose further taxes upon industry to the extent that it will. I can prove on the face of this bill L. D. 1425 that it is not an attempt at all at clarification.

Two years ago when we passed a sales tax act, we included in it a definition of a retail sale. The definition showed what items were to be taxed and what were not. The bill said that retail sale, and sale at retail do not include the sale

of tangible, personal property which becomes an ingredient or component part of, or which is consumed or destroyed or loses its identity in the manufacture of tangible personal property for later sale by the purchaser. So the magic words which we are concerned here are consumed or destroyed in the process of manufacture.

Now those words had a meaning two years ago. As a matter of fact there are a number of states that have similar provisions. The purpose of excluding from the sales tax, items which are consumed or destroyed in the process of manufacture, the purpose of that is this. The end product is taxable and if you tax certain items and the ingredient part that go into the end product, parts that are consumed or destroyed in the manufacture of it, then you are multiplying the sales tax with respect to industry.

That is the reason why I assume the taxation committee two years ago put the words "consumed or destroyed" in there, and that is why many, many other states have those words. Now let me prove to you what the intent of this particular bill is. If you look at it you will note that the proposed change in the existing law does not change "consume" and "destroy". It is still in there. What the bill does is this. The law court decided that certain machine parts, a whole list of them, were not taxable because they are consumer or destroyed in the process of manufacture. This bill, leaving in "consumed" and "destroyed" then goes on to specifically enumerate the very things the court said were consumed or destroyed in the process of manufacture.

So I say on the face of the bill that the intent is not clarification, it is an intent to impose additional taxes on industry to the extent that all of these items are included.

I would like to relate to you my own personal knowledge of the history of this particular bill. Two years ago, those of us who finally decided that we had to have a sales tax were primarily concerned with whether or not the sales tax would pass. The minor details con-

tained in the bill were more or less, I think, left up to the Taxation Committee. I personally cannot recollect that I ever noticed the words "consumed" or "destroyed" in the sales tax act all the time it went in and out, through the House and Senate to final passage. I had nothing to do with the Tax Committee at that time and I don't believe that five percent of the legislators had any idea of the meaning of "consumed" or "destroyed". I assume that the bill was copied from some other state. As to the relationship between industry and the Tax Committee two years ago, I certainly will not deny anything that Senator Chase asserts. He is a man of known honesty. However, recollections may be faulty, and that was two years ago and I still say that I do not think that much consideration was given to those particular words at that time. I have checked with various members of industry who tell me that their recollection is that there was no breakdown of those words "consumed or destroyed" as far as any contact they had with the committee was concerned and I have talked with the Executive Secretary of the Associated Industries of Maine and he says that no member of that Body discussed any part of the bill with the committee.

After the sales tax became a law, the State Tax Assessor put a strict construction on those words "Consumed or destroyed". I am not blaming him one bit. He wanted to put a strict construction rather than liberal, because he did not want to be caught not getting as much money as the bill called for. His formula on those words "consumed and destroyed", what was meant by them, was so strict that the Hudson Pulp and Paper Company took issue with them. It was finally decided that words should be interpreted, and there was a most friendly suit. The State Tax Assessor cooperated with the company and as a matter of fact there was no hearing in Superior Court and a set of facts was agreed upon.

The law court came down with a decision which said that the very things which this bill now means to tax, said that they were articles

which were consumed or destroyed in the process of manufacture. After that decision I happen to know that industry cooperated with the State Tax Assessor in an effort to work out a workable program based upon the court decision and right to this very moment, I did not have any idea that the State Tax Assessor was having any difficulty whatsoever. It is true that the law court did not completely lay down a program for the State Tax Assessors department but it did give them an indication of the type of thing that was consumed and destroyed, and after quite a lot of work, the State Tax Assessor's department ruled that things which were consumed or destroyed within one year would not be exempt and so far as I know, that satisfied everybody and the State Tax Assessor so far as I know has had no trouble since, and so far as I know it was anticipated that nobody was going to bring suit and everybody was satisfied.

This bill does impose an additional tax on industry not in the nature of a sales tax at all but as a vehicle to manipulate the words "consumed and destroyed" so that things which are really consumed or destroyed will still be taxable. There is no loss of revenue occasioned by the existing law. What happened was that after the sales tax passed, this issue was raised, and the large majority of industry affected did not pay the tax at all and it was decided, pending litigation, that if the case was decided against industry in favor of the Tax Department that the Tax Department would waive penalties and interest, showing that it was a most friendly suit between the two.

There may have been some persons who paid money into the State of Maine pending that litigation, but I doubt if they paid very much, and I know that some who paid, were repaid after the decision, so that when you count up how much money the sales tax has brought in, it does not include payments made under payments that would be made if this bill passes and that is why I say that if this bill passes there will be an increase in the revenue and I will accept Senator

Chase's word that it would amount to something like \$250,000.

This bill, if you will turn to the second page of it after it lists specifically the very things that the courts said were consumed or destroyed, says that the above examples are partial and intended to facilitate understanding of the general principle above set forth. Now that doesn't do any better than the Court did because the Court took these exact things and said that this type of thing is consumed or destroyed and other types like it are.

I say that the law is perfectly all right as it now exists. It taxes industry on a sales tax basis on everything that ought to be taxed upon. It ought not to be taxed upon things that are consumed or destroyed.

If this bill passed in this form, or any other form anywhere near like it, it will impose additional taxes on industry. This is one bill which both labor and industry are against. You can say all you want to about how flourishing industry is in the State of Maine, and if it is that way, I hope it stays that way. But I do know for sure that there is a lot of southern competition. It so happens that the Hudson Pulp and Paper Corporation, which has been very successful, has two mills down south. Since they came here in 1935 they have never had a strike or a layoff of any kind that I can recall. Sure they are flourishing. We want them to, but let's tax them on a reasonable basis and not use a bill like this to impose further taxes on them which are not at all in the nature of a sales tax.

Mr. President, I move the indefinite postponement of this bill in concurrence with the other Branch.

Mr. SINCLAIR of Somerset: Mr. President and members of the Senate, reference has been made to the former Taxation Committee. I was on the Taxation Committee of the 95th Legislature and I feel that I should explain my understanding in regard to this measure. I think there has been some misunderstanding in regard to the various items consumed and destroyed and so forth. I just want to state in

regard to the matter of items consumed or destroyed, the matter of these small tools, containers and so forth, this was thoroughly discussed before the Taxation Committee two years ago and they were, I thought, thoroughly understood by both the Branches of the legislature.

I have no desire at all to harm the industries in any way, shape or manner but I do not feel that it is a hardship upon industry. I understood that the items consumed and destroyed referred to the items confused and destroyed in the end product. As far as understanding that was had with the so-called lobby group — and I have a great deal of respect for the lobby group — it was my understanding that the things that bothered that group most were those items that were consumed or destroyed in the end product and they would find not too much fault with the cartons and containers, etc.

There was an amendment which exempted cartons, containers and so forth and I have no quarrel with that. I think it was the intent of the Taxation Committee that these items were to be taxed and I don't understand that the court ruled that these would not be taxed other than the way the law is written. That is the interpretation of the Court. This bill tries to clarify what the intent of the law as understood by the Taxation Committee in the 95th legislature was. I think that there is a continual nipping at the sales tax and I have voted in the last two days against measures that have tended to nip away at the sales tax law as it now exists.

Senator Haskell said this morning in regard to voting with your head or your heart, there are some things your heart says you should vote for, and some things your head says you should vote for. I don't believe this bill creates a hardship on industry and I will go along with Senator Chase's motion.

Mr. REID of Kennebec: Mr. President, just very briefly I would like to answer the Senator from Somerset, Senator Sinclair. My po-

sition is that we are not nipping away at the sales tax law. This bill has nothing to do with the sales tax law. If this bill passes, it still contains the words "consumed or destroyed," so the intention is to exempt from taxation something consumed or destroyed. It then turns around and enumerates, and says the following are not consumed or destroyed, when they are, of course. You are not nipping away at the sales tax by this bill, because this is entirely unrelated to the sales tax. You are not losing any revenue if you keep the existing law the way it is. That is the point I wish to make.

Mr. BOUCHER of Androscoggin: Mr. President, I can go along two ways on this bill, go along with Senator Chase when he talks about ability to pay. I am glad that he recognizes that under this bill. Under the general sales tax, we have not recognized that because we have put a sales tax on everybody, even when they were on state relief and pauper relief. What I don't and can't swallow on this bill is that we have now come to what I predicted, taxing air. I knew it was coming and now it is here. I will vote against this bill.

Mr. HASKELL: Mr. President and members of the Senate, I would first make it clear that I have no intention of having anyone believe that any comments that I make on this measure have any relation to the Republican party or the position with which you have honored me in letting me be the Republican floor leader. Any thoughts I express are my own individual, personal thoughts.

I speak particularly to the members of the Senate who were not members of the Senate two years ago, and more particularly to those who were not members of the legislature. I was one member of the last legislature who believed that a corporate income tax was at least a desirable part of the income structure of the State of Maine and as such, I was subject to lobby efforts of industry who viewed my thoughts with alarm and who had me just this side of the Kremlin for having any such concept of raising money for the State of Maine. They pointed out to me that of all people, a person who is interested in corpor-

ate structures here and there, ought to view with alarm any tax measure that placed a burden on industry and not with too complete reluctance, the position that I had was abandoned and I voted for the sales tax measure.

I have a very vivid impression of the arguments that were used by the lobbyists to convince me of the error of my ways and those arguments were pretty much boiled down to the fact that they were willing to accept the sales tax which placed upon industry a fair share of the general fund tax burden of the state and they pointed out time and time again that this tax measure unlike any other sales tax measure that they knew of, did that in many respects.

The most noteworthy was that capital goods were taxed and they pointed out that by their willingness to pick up their one-sixth or one-seventh, they felt they should not have imposed upon them a corporate income tax measure. They pointed out to me many of the unusual features in this bill which levied a sales tax upon personal tangible property that they use and I did participate in a few meetings with that group in which they pointed out the merits of the sales tax bill and their willingness to assume a fair part of that tax.

When this bill was discussed and I probably would not be ethical were I to mention names, I went to one of the more prominent members of that lobby who happened to be an individual who represented one of the largest, if not the largest corporation in the State of Maine, and I said to him, "Am I wrong in my conception of your last year's willingness to have this list of things included in the sales tax liabilities?" And he said, "I can best answer that by saying that my company is having no part of the opposition to this bill."

In my heart, Senators, I believe that industry counted among its benefits and its arguments this quarter million dollars which the Senator from Cumberland, Senator Chase, seeks to reestablish as a burden on industry within the state, by his action this afternoon. I realize the difficult position he is in but I am willing to share that difficult position with him with a firm con-

viction that when industry got the sales tax and killed the corporate income tax, some of them believed part of the burden is the quarter million in this measure.

Mr. CARTER of Oxford: Mr. President, I would just like to confirm what the Senator from Cumberland, Senator Chase, and the Senator from Somerset, Senator Sinclair, have said that in those conferences that we had with the members of industry two years ago, I think these items were more or less discussed and they were willing to go along with them at that time; until that suit in the Law Court exempted them from it, they expected to pay it.

Mr. SQUIRE of Kennebec: Mr. President and members of the Senate, I have been quite interested in the discussion particularly about the problems of some of our industries, and I would like to call your attention to the condition of one industry with which I happen to be familiar, and that is the fact that they operate two mills here in the north, one small one, and they have paid approximately \$112,000 a week to the State of Maine, amounting to somewhere about six million dollars a year, in the towns in which they operate and they don't try to waste money.

Last year their operations showed a loss of a half million dollars in the State of Maine, while their southern mills operated at a profit. I think we here in this Senate and the State of Maine, as all other people in New England, have to take cognizance of the fact that a great part of our industry is moving south. That is very definite. This particular industry to which I refer, in spite of the fact that they receive credit and a smaller tax from the community because the state went out of the property tax field in spite of that fact, because of a Forestry tax and an increase in the sales tax, they will be paying this year 50% more taxes than previously. If we should think of adding some more tax to it, I say we should be very careful, because it could be the straw that broke the camel's back.

If any one of these mills should close, think of the impact it would be and the loss of revenue in the

State of Maine. People would be out of work, and you could take the cities and towns in which they were located and give them back to the Indians. I think we should be very careful before we impose any additional tax on industry at this time.

The PRESIDENT: The question before the Senate, is on the motion of the Senator from Kennebec, Senator Reid, that the bill and report be indefinitely postponed.

Mr. REID: Mr. President I request a division.

A division of the Senate was had. Seventeen having voted in the affirmative and twelve opposed, the bill was indefinitely postponed, in concurrence.

On motion by Mr. Haskell of Penobscot

Recessed to the sound of the gavel.

After Recess

The Senate was called to order by the President.

Mr. CUMMINGS of Sagadahoc: Mr. President, may I inquire if S. P. 509, L. D. 1388, bill, An Act Relating to the Sales Tax on Motor Vehicles, is still in the possession of the Senate?

The PRESIDENT: The Chair will reply to the Senator that the bill is in the possession of the Senate.

Mr. CUMMINGS: Mr. President, I move that under suspension of the rules and out of order, we now pass this bill to be enacted.

Mr. HASKELL of Penobscot: Mr. President, do I understand that the pending question is on the motion of the Senator from Sagadahoc, Senator Cummings that the rules be suspended?

The PRESIDENT: The Senator is correct in his understanding.

Mr. HASKELL: Mr. President, I rise in opposition to the motion that the rules be suspended. The suspension of the rules requires a two-thirds vote. It seems to me to bring to a head the question of whether or not the auto sales tax bill should be rushed to enactment. I think I am reconciled to the fact that the appropriation measure must be cut down to account for a substantial reduction in general fund income. I think it would be

much more orderly procedure on the part of the Senate to vote with the chairman of Taxation, with the sponsor of the bill, place this bill on the table and have it on the table, and thus permit an orderly consideration of the Appropriations measure.

When the vote is taken, I ask for a division and I shall vote against the motion and sincerely hope that something less than two-thirds of the Senate will vote with the Senator from Sagadahoc, Senator Cummings.

Mr. CUMMINGS of Sagadahoc: Mr. President and members of the Senate, this is the 49th day, the 49th legislative day. I believe if there is one bill that has been adequately discussed and thought out by this legislature, it is L.D. 1388. I believe that the good and honest Senator from Penobscot, Senator Haskell, has been more than fair in the discussion of the Appropriations bill and the auto bill. I believe we have given it worthy, considerate and great thought. I believe we have discussed the bill on this floor many times, and I am reluctant to discuss it any more. The bill has come to the other Body where it has been thrashed out and thoroughly discussed. Four motions of indefinite postponements have been voted down by the representatives of the people of the state. Let us not lose sight that we are representing the people of the State of Maine and when you represent the auto owners of the state, you are representing 250,000 people and their families.

We have had calendars before us with fifty odd bills tabled pending the disposition of this bill. The Appropriations Committee has taken up this action of tabling and properly so, for the purpose of finding out what is going to happen to this exemption bill, the one economy bill still before this legislature.

The other Body enacted this measure and sent it to us forthwith today. I ask you as a courtesy to the other Body and to their deliberations, should we not take up this matter and give it a final consideration? Tonight the Lewiston paper makes a statement that if we have the fortitude to face this issue today, now, at this critical

hour, our legislative session will be one week shorter. We have waited; we have procrastinated, must we wait until the other side wins their point or shall we forthrightly meet the issue and with courtesy and fortitude do the right thing. Meet the issue, discuss it, vote on it with heart and with head?

Let us not procrastinate any longer. Let us recognize that this is the hour. Thank you.

Mr. BOUCHER of Androscoggin: Mr. President and members of the Senate, I am very much in sympathy with the remarks of the Senator from Sagadahoc, Senator Cummings, concerning this motion. I think we have lost time enough here now discussing this one bill. We are going to wait and wait until the other Body decides to do something on other measures, before we decide on this bill and I think that this is a stalling game. Somebody is trying to delay action purposely for some reason. I have heard a great deal about Republican efficiency during the last three months. Now in the waning days of the legislature, expediency seems to have gone out of the window and we are trying to play for time. I don't believe anybody is going to change his mind on this bill. I think we should dispose of it now. Arguments for and against it have been going on for weeks. That was done in the other Branch and finally they sent it to us, very rapidly once their minds were made up. I beg of you to dispose of it. Vote either way. It is immaterial to me but let's dispose of the matter and maybe we can go home before the fourth of July.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Sagadahoc, Senator Cummings, that the rules be suspended. In order to permit suspension of the rules, an affirmative vote of two-thirds of the Senate members present is required. The Senator from Penobscot, Senator Haskell has requested a division. Is the Senate ready for the question?

Thereupon, a division of the Senate was had.

Fifteen having voted in the affirmative and fifteen opposed, fifteen being less than two-thirds,

the motion to suspend the rules did not prevail.

Thereupon, on motion by Mr. Cummings of Sagadahoc, the bill was laid upon the table pending passage to be enacted.

On motion by Mr. Dunham of Hancock, the Senate voted to reconsider its former action taken earlier in today's session whereby bill, An Act Creating a Division of Indian Affairs (H. P. 245) (L. D. 226), was tomorrow assigned for second reading.

Mr. DUNHAM of Hancock: Mr. President and members of the Senate, I sat there this morning rather lackadaisically when this thing came up and thought I would go along with the House and wouldn't say anything but this noon my conscience got the better of me and I said "I won't do this." I would like to read this amendment which I think is entirely right. The amendment is this: "The Commissioner is authorized to create within the department a division of Indian Affairs, and to appoint, subject to the personnel laws, a director thereof. Said director shall be a person qualified to hold said position by reason of experience, training and demonstrated interest in the Indians of the State." Now this is the part I am particularly interested in: "In addition there shall be a woman appointed by the director qualified to work as a social worker in the homes. She shall be a qualified person with training in social work and also practical nursing experience. All duties and powers hereinafter given to the Commission relating to Indians shall be delegated to the director. No person appointed under the provisions of this section shall be a member of any Indian tribe."

I, together with the Research Committee, visited the various reservations, their homes and their schools and I came away with this feeling, that our present director, the only duties which he fulfills at the present time is a donor of relief, and if we are ever going to remedy the conditions of the Indians on the various reservations we have got to work in their homes. I visited the schools and they are very well run and I watched those

children as they came out of school, and they just reverted right back to the conditions which existed in their homes. I asked the Priest down there, I said, "I want to ask you a few questions." I said, "Do these children go to school regularly?" He said, "Yes." "Do they go to Sunday school regularly?" He said, "Yes." "Do their parents go to church regularly?" He said, "Yes." I said, "Well, what is the trouble?" And he said, "They are no darn good." That is exactly what he said.

Here is the situation as I see it: You will never get any where with these Indians unless you start right down in their homes, and that is why I am interested in this movement. You certainly must have someone who can go into these homes and try to teach these people how to live, and you have got to have a woman who can go in there and who is interested in these people to teach them to do something for themselves.

I might give you an illustration. They complained because there was a cat in the well down there and I said, "Why haven't you taken the cat out of the well yourselves?" And they just shrugged their shoulders. I went into a home where the windows had been broken out and I said, "Have you ever been provided with a pane of glass to put in those windows?" And they said, "Yes." "Why didn't you put it in?" They just shrugged their shoulders. They are just so shiftless they won't do anything for themselves. They want you to do everything for them and you have got to teach them to do things for themselves.

Here is another illustration. A young lady in one of those homes with three children—no father around there—and I said to her, "Wouldn't you like to have a home of your own where you could take these children and teach them something?" And she said, "Why should I?" And I said to myself, why should she get married. She doesn't need to and I don't blame her at all.

Now may I say to you that the money you are paying on these reservations you are just pouring down a rat hole and if you don't go along with this amendment and try to correct things at their source,

which is in their homes, you will never accomplish anything. This is a very good amendment and should be adopted.

The PRESIDENT: The Chair understands that the Senator from Hancock, Senator Dunham, moves the Senate reconsider its action of this morning whereby Committee Amendment A was indefinitely postponed. Is this the pleasure of the Senate?

Thereupon, the Senate voted to reconsider its previous action whereby Committee Amendment A was indefinitely postponed.

The PRESIDENT: The Chair assumes that the Senator from Hancock, Senator Dunham, now moves that Committee Amendment A be adopted. Is this the pleasure of the Senate?

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

On motion by Mr. Haskell of Penobscot, the Senate voted to take from the table House Report Ought to Pass as Amended by Committee Amendment A from the Committee on Claims on Resolve to Reimburse George H. Morong of Portland (H. P. 401) (L. D.454) tabled by that Senator on April 17 pending consideration of the report.

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, so that I may not confuse both the President and the Claims Committee, I will explain that it had been my intention to make a few comments on this claim but much to my surprise and somewhat to my relief, I now find that the members of the other branch who failed to kill the resolve there, now is very insistent that it come back to the House again. I am not one to make him unhappy so I will move the pending question and ask that the rules be suspended and that we take it up to the engrossing point so he may have the little gem back in the House.

Thereupon, the Ought to Pass report of the committee was accepted and the bill read once; Committee Amendment A was read and adopted in concurrence and under suspension of the rules, the bill

was given its second reading and passed to be engrossed as amended, in concurrence.

On motion by Mr. Weeks of Cumberland, the Senate voted to take from the table House Report "Ought to pass" in new draft under the same title (H. P. 1251) (L. D. 1459) from the Committee on Public Utilities on bill, An Act Relating to Fluoride in Public Water Supplies (H. P. 762) (L. D. 797)

tabled by that Senator on April 22 pending consideration of the report; and on further motion by the same Senator, the committee report was accepted, the bill given its first reading and tomorrow assigned for second reading.

On motion by Mr. Haskell of Penobscot

Adjourned until tomorrow morning at ten o'clock.