

# MAINE STATE LEGISLATURE

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# Sixty-Sixth Legislature.

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SENATE.

No. 123.

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## STATE OF MAINE.

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STATE OF MAINE, }  
EXECUTIVE CHAMBER, March 2, 1893. }

*To the Honorable Senate and House of Representatives :*

In compliance with the constitutional requirement applicable to the Executive, you will permit me to submit, for your consideration, some suggestions relating to the financial condition of the State; and I also submit herewith a communication from the State treasurer, a statement of appropriations already made at this session, amounting to the sum of \$1,184,514.80; also an estimate from the State treasurer of the additional regular expenditures *required* for the year 1893, amounting to the sum of \$410,020.74; also a statement of proposed appropriations for 1893, reported by committees and now pending before the legislature, amounting to the sum of \$169,425.86; and also a statement of the estimated additional appropriations asked for and now pending before committees, that have not been finally adjudicated upon, amounting to the sum of \$86,500.00, making an aggregate of \$1,850,461.40.

I also have the honor to submit herewith an estimate from the State treasurer, of the receipts for the year 1893. It is based on general laws as they existed on the first day of January last.

An additional revenue of some thirty-five or forty thousand dollars will be received from the railroads, by reason of increased taxation upon these corporations; but sixty per cent. of the additional revenue received from the Maine Central Railroad must be refunded to the various cities and towns, and also quite a per cent. of the additional revenue received from the Boston and Maine Railroad, and a very large portion of this increased revenue comes from these two corporations.

One-half of whatever additional amount of revenue may be received from the savings banks will be distributed to various towns for school purposes. These two items constitute the principal portion of the additional revenue secured by recent legislation. It will therefore be observed that while all of this increased revenue, in the first instance, is paid into the State treasury, it is not entirely available to meet appropriations made by the Legislature, for existing laws provide that a large portion of the same shall be used for *other specific purposes*.

The appropriations for the year 1891 amounted to the sum of \$1,657,936.47. Two hundred thousand dollars, on account of the temporary loan, was included in such appropriations.

The first appropriation bill passed *at this session* of the Legislature, also included two hundred thousand dollars, on account of such temporary loan, but if excessive appropriations are to follow, the treasurer will be required to renew this entire loan, and use the money appropriated for this specific object, for other purposes.

Our existing temporary loan of three hundred thousand dollars reaches the constitutional limit. *We are precluded by the Constitution*, from creating "any debt, or debts, liability or liabilities, on behalf of the State, which shall singly

or in the aggregate, with previous debts and liabilities hereafter incurred at any one time, exceed three hundred thousand dollars, except to suppress insurrection, to repel invasion or for the purposes of war.”

This loan of three hundred thousand dollars has existed since 1890, and it is certainly desirable that a payment shall be made on the same, and the funds appropriated for such purpose should not be diverted to meet other liabilities, created by special appropriations hereafter made.

And in this connection, you will also permit me to refer to the report of the State Treasurer, for the year 1892: It will be observed upon examination, (Page 49) that in the year 1887, our expenditures exceeded our receipts \$6,563.42; for the year 1888, the excess of expenditures over our receipts was \$40,004.62; for the year 1889, \$306,105.00; for the year 1890, \$107,712.24; the report shows that for the year 1891, our receipts exceeded our expenditures, \$34,937.43. While during the year 1891 there is an apparent excess of receipts over expenditures, yet there is included in such receipts, \$357,702.10, refunded to the State from the United States Government, on account of the direct tax; and except for this item of revenue, there would have been an excess of expenditures over receipts for the year 1891, of \$322,764.67. The year 1892 shows an excess of receipts over expenditures of \$107,166.08, and is the first time during the past six years that our ordinary income has been equal to our expenditures.

Sound financial and business principles *absolutely require*, that our expenditures shall not exceed our receipts, and that the State should have a surplus at all times available in its treasury.

It is a duty that is imperative upon us, in the administration of the affairs of the State to practice frugality, to carefully scrutinize all appropriations, and confine them to the narrowest limits consistent with the welfare of the people, the State and its institutions, and endeavor to reduce the rate of state taxation. While we are striving to secure new and

additional revenues to the State from various sources, it will be of little avail in relieving the tax payers of the State, if it serves only to encourage appropriations which are not absolutely necessary.

The legislature determines the amount of appropriations, after investigation and hearing. No other department of the Government has the right to exercise that authority. The discretion and power rests where it should, with the chosen representatives of the people; and as I have suggested in a former communication to the Honorable Senate and House of Representatives, the whole subject is within your control. "It concerns every citizen of the State; it is your good judgment that must govern; *and every measure should be considered upon its own intrinsic merits.*"

And before the session closes, in the performance of the constitutional duties committed to you by the suffrages of the people, *you will determine the rate of taxation for State purposes*, for the coming two years, upon the valuation of the State; and that rate *must depend upon the good judgment and wisdom of the legislature, in making appropriations from the public treasury.*

The Supreme Court of the State of Maine has held "That the power of taxation 'for the defense and benefit of the people' is limited only by the good sense and sound judgment of the legislature." Our Court has also held that "It is not for the judicial department to determine where legitimate taxation ends." It is the province of the legislature.

I do not favor illiberality toward any of the interests or institutions of the State. I would deal with them justly, even liberally rather than penuriously; but we should, in considering all of these questions, constantly remember, that *it is the money of all the people we are appropriating*, that *appropriations of money demand* taxation; and that the little streams of revenue flowing from all sections of our State into the public treasury, from which these appropriations are made, are the fruits of industry and toil, and should be guarded as

vigilantly as the sagacious man would protect his private means.

I carefully refrain at this time from expressing any opinion for or against any of the proposed appropriations before your honorable bodies for consideration, but I have deemed it my duty to present to the legislature the accompanying statements from the Treasury Department, with the foregoing suggestions.

The people have imposed a great trust upon the legislature and the Executive, and I earnestly urge the utmost conservatism. Our appropriations should be governed by the actual needs; we should strive to keep our expenditures within reasonable limits; then, we shall have conformed to the imperative demands of the occasion, and fulfilled the confident expectations of our constituents.

HENRY B. CLEAVES.

STATE OF MAINE, TREASURER'S OFFICE, }  
 Augusta, March 1, 1893. }

*Hon. Henry B. Cleaves, Governor of Maine:*

DEAR SIR:—As requested in your communication of the 27th ult., I have the honor to transmit herewith a statement showing appropriations already made for the year 1893, also an estimate of the further regular appropriations for the year 1893, also the appropriations acted on by committees and now pending before the legislature and also an estimate of the appropriations for 1893 asked for and pending before committees, but not yet reported.

I also, as requested, include an estimate of the receipts for the year 1893, showing a total of \$1,464,882.00. The cash on hand January 1, 1893 amounted to \$304,569.68, which added to the estimated receipts for the year gives, an aggregate of \$1,769,451.68. From this amount should be deducted at least \$100,000.00 which it is necessary to have on hand Jan. 1st to meet the payments of railroad and telegraph taxes, soldier's pensions, school funds and county taxes which fall due on that date, together with the large number of warrants drawn during the last week in December. Deducting the above named amount will leave \$1,669,451.68 with which to meet the appropriations for the year.

In my estimate of the receipts on account of State tax I have allowed a sum slightly in excess of the entire amount called for by the tax act, which you will understand is the full amount collectable without robbing some other year. The receipts from other sources are estimated on the basis of receipts in 1892, with the exception of the amount which will probably be received from the Land Agent, he informing me that the receipts of his office during this year will probably not exceed the amount shown in my estimate.

Very truly yours,

GEO. L. BEAL,

*State Treasurer.*

Appropriations made by bill approved Feb. 8, 1893, entitled an act to provide in part for the expenditures of government.....	\$1,148,038 50
Other bills appropriating money, approved to and including March 1, 1893.....	36,476 30
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	\$1,184,514 80

*Estimate of Further Regular Expenditures for the Year 1893.*

Salaries of State officers, subordinate officers, clerks and laborers.....	\$117,330 00
Furniture, repairs, fuel and lights.....	15,000 00
Water for State House.....	1,200 00
Agricultural societies and institutes.....	10,700 00
Board of Agriculture and expenses of secretary.....	670 74
Insane State beneficiaries.....	65,000 00
Penobscot and Passamaquoddy Indians....	15,000 00
Soldiers' pensions.....	65,000 00
Military pensions.....	4,000 00
Advertising land sale and tax act.....	500 00
Transportation of documents.....	1,800 00
Fish and game and sea and shore fisheries..	14,000 00
Stationery and postage.....	10,000 00
Printing and binding and stitching.....	42,000 00
Freight and trucking.....	500 00
Contingent expenses of Legislature.....	3,000 00
Pay roll of Senate and House.....	41,700 00
Legislative books, stationery and postage..	2,620 00
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	\$1,594,535 54



*Bills Appropriating Money, reported by  
Committees and now Pending before the  
Legislature.*

Maine General Hospital . . . . .	\$7,500 00
Industrial School for Girls . . . . .	7,000 00
Jerusalem Township . . . . .	500 00
Bloomfield Academy . . . . .	500 00
Sisters of Charity . . . . .	1,250 00
Calais Academy . . . . .	500 00
City of Augusta . . . . .	2,082 62
First Maine Heavy Artillery . . . . .	600 00
St. Elizabeth Catholic Orphan Asylum . . . . .	400 00
Training School . . . . .	1,000 00
Castine Normal School . . . . .	1,500 00
Silver Ridge Plantation . . . . .	300 00
Town of Guilford . . . . .	292 24
World's Columbian Exposition . . . . .	17,900 00
Eastern Maine Insane Hospital, \$150,000 (half in 1893) . . . . .	75,000 00
Maine State College . . . . .	12,000 00
Fish and game—deficiency . . . . .	1,673 00
Eastern Maine State Fair, addi- tional . . . . .	500 00
Maine State Agricultural Society, additional . . . . .	1,000 00
Insurance on Reform School . . . . .	800 00
Reform School . . . . .	24,500 00
Mattawamkeag bridge . . . . .	500 00
James McDougal & Sons . . . . .	878 00
Lobster hatchery . . . . .	10,000 00
Road in Dallas Plantation . . . . .	750 00
Monmouth Academy . . . . .	500 00

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169,425 86

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\$1,763,961 40

Appropriations pending before committees but not yet reported to the Legislature, including Bath Military and Naval Orphan Asylum and others.....	\$86,500 00
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	\$1,850,461 40

Estimate of Receipts During the Year 1893.

State tax previous to 1892 .	\$8,000 00	
“ 1892 .....	780,000 00	
“ 1893 .....	65,000 00	
	<hr/>	\$853,000 00
“ on Railroad Co's.. ..		100,000 00
“ Telegraph “ .....		6,000 00
“ Telephone “ .....		2,000 00
“ Express “ .....		700 00
“ Insurance “ .....		30,000 00
“ Savings banks.. ..		380,000 00
County taxes on wild lands.....		23,000 00
Secretary of State, fees.....		2,000 00
Ins. Commissioner, fees .....		9,000 00
Peddlers' license fees.....		6,000 00
New corporations.....		25,000 00
Increase in capital stock.....		500 00
Duty on commissions.....		2,500 00
Interest .....		1,000 00
Penobscot Indians, shore rents .....		3,182 00
Railroads to pay commissioners.....		10,000 00
Land Agent .....		4,000 00
Liquor Commissioner .....		7,000 00
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		\$1,464,882 00
Cash on hand January 1, 1893.....		304,569 68
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		\$1,769,451 68
Necessary to have on hand Jan. 1, 1894....		100,000 00
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Amount available during the year, 1893....		\$1,669,451 68

STATE OF MAINE.

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IN SENATE, March 2, 1893.

Read, and on motion by Mr. HERSEY of Oxford laid on the table to be printed.

KENDALL M. DUNBAR, *Secretary*.