

ACTS AND RESOLVES

AS PASSED BY THE

Eighty-Third Legislature

OF THE

STATE OF MAINE

1927

Published by the Secretary of State, in accordance with the Resolves of the Legislature approved June 28, 1820, March 18, 1840, and March 16, 1842.

> KENNEBEC JOURNAL PRINT SHOP AUGUSTA, MAINE 1927

VETO MESSAGES

VETO MESSAGES

1925 CLAIMS RESOLVE

STATE OF MAINE

Office of the Governor

Augusta

January 7, 1927.

To the Honorable Senate and House of Representatives :

There is submitted herewith, without my approval, a Resolve, Appropriating Money to Pay Claims Allowed by the Committee on Claims.

This Resolve presents forty-two claims against the State covering a great variety of matters that had been before the last Legislature throughout its session and were presented to the Executive in a blanket resolve in the closing hours of the session when it was impossible to give such a range of subjects the detailed consideration that their importance demanded.

It is contemplated under the Constitution that the Executive shall have five days in which to consider matters of this sort. It has always been a mooted question as to what action should be taken with measures which are held in abeyance by the adjournment of the Legislature.

The Constitution provides that measures of which the Executive does not approve shall be returned to the Legislature and "reconsidered" by them. Whether the Constitution contemplates the return of a measure only to a succeeding session of the same Legislature within the three days stipulated in the Constitution or whether it contemplates a return to a new Legislature is not clear. It seems to turn upon the proper construction of the pronoun "their" in the concluding words of the constitutional provision.

Reconsideration, however, of a matter which a Legislature has never officially considered seems technically difficult. It also presents the practical problem of reconsideration by more than one hundred members who have never previously considered the matter in any way.

It has been the practice in recent years to return measures of this sort to the new Legislature but the Secretary of State has no recollection of any case where such a measure has been enacted into law. It seems wise to defer to these precedents and return the Resolve but without implying an opinion that this procedure would be held constitutional if the matter shall ever come up for judicial determination.

The practical difficulty is also presented that this Resolve is for the fiscal year 1925 and that several of the claims with which it is concerned have now been adjusted in other ways.

An omnibus resolve of this character presents a peculiarly difficult problem to the Executive in exercising the limited legislative functions which are imposed upon the office of Governor by the Constitution of the State of Maine. It is hoped that serious consideration will be given to the equity of presenting claims of this character in a manner that will permit of their receiving the orderly consideration which their individual importance deserves.

When two-thirds of the members of the present Legislature have never had opportunity for considering any of these claims in any form or being informed as to their merit it does not seem appropriate for me to discuss them in detail and possibly prejudice the fair consideration which they will receive at your hands as the session shall progress. Certain of the claims involve the establishing of precedents which may present very serious problems in both government and finance as the years go by. If they shall severally meet with your approval after the proper consideration which you will give to them in the course of the session, the Executive will promptly act in accordance with the duty imposed upon him. It is perhaps sufficient now to say that it is my opinion that the Legislative power vested in the office of Governor is of an extraordinary character and only to be used upon an extraordinary occasion. The record of two years ago was perhaps a sufficient indication of this view.

Respectfully submitted,

RALPH O. BREWSTER, Governor of Maine.

BATES COLLEGE FOR FORESTRY WORK

STATE OF MAINE

Office of the Governor

AUGUSTA

January 7, 1927.

To the Honorable Senate and House of Representatives :

There is submitted herewith, without my approval, a Resolve in Favor

of the President and Trustees of Bates College for the Purpose of Forestry Work and Demonstrations in Forestry, for the Benefits of the Students of the University of Maine and the Several Colleges.

This Resolve was passed in the closing rush of the 82nd Legislature and was so far a departure from precedent as to require more time for consideration than was then available.

The practical and the constitutional difficulties of its reconsideration by a body that has never considered the principle or the policy that is involved are the same as have been pointed out in a preceding message. This Resolve constitutes a departure from our practice and plants a seed which might have a very considerabe growth.

Respectfully submitted,

RALPH O. BREWSTER,

Governor of Maine.

NORRIDGEWOCK BRIDGE

STATE OF MAINE

Office of the Governor

AUGUSTA

January 7, 1927.

To the Honorable Senate and House of Representatives :

There is submitted herewith, without my approval, a Resolve in Favor of the Town of Norridgewock for Repair of Bridge Across the Kennebec River.

This Resolve constitutes an exception to the provisions of our Statutes as to the construction and maintenance of our highways and bridges. It was presented to the Executive in the closing hours of the session of the last Legislature when it was impossible to give to it the consideration that its exceptional character would seem to demand.

It is contemplated under the Constitution that the Executive shall have five days in which to consider matters of this sort. It has always been a mooted question as to what action should be taken with measures which are held in abeyance by the adjournment of the Legislature.

The Constitution provides that measures of which the Executive does not approve shall be returned to the Legislature and "reconsidered" by them. Whether the Constitution contemplates the return of a measure only to a succeeding session of the same Legislature within the three days stipulated in the Constitution or whether it contemplates a return to a new Legislature is not clear. It seems to turn upon the proper construction of the pronoun "their" in the concluding words of the constitutional provision.

Reconsideration, however, of a matter which a Legislature has never officially considered seems technically difficult. It also presents the practical problem of reconsideration by more than one hundred members who have never previously considered the matter in any way.

It has been the practice in recent years to return measures of this sort to the new Legislature, but the Secretary of State has no recollection of any case where such a measure has been enacted into law. It seems wise to defer to these precedents and return the Resolve but without implying an opinion that this procedure would be held constitutional if the matter shall ever come up for judicial determination.

This Resolve appropriating money to repair the planking and supporting timbers of the bridge floor across the Kennebec River was considered and recommended in 1925.

Whether the circumstances are now so exceptional as to warrant treatment of this bridge differently from six thousand other bridges in the State of Maine in a question that it would seem appropriate for this Legislature to consider and determine for itself in due course in this session upon the basis of the situation as it exists today.

Respectfully submitted,

RALPH O. BREWSTER, Governor of Maine.

EXCISE TAX ON RAILROADS

STATE OF MAINE

Office of the Governor

AUGUSTA

March 24, 1927.

To the Honorable Senate and House of Representatives:

There is returned herewith without my approval AN ACT relating

to the Excise Tax on Railroads.

This measure inaugurates the so-called gross-net plan for taxation upon the railroads of this State with the immediate effect of reducing the taxes upon the railroads of Maine by \$250,000.00 for each of the next two years. Its results thereafter cannot be anticipated but offer serious prospect of the disruption of the finances of the State by a possible variation of 40% in the revenues from this source.

This reduction does not affect the Bangor and Aroostook Railroad Company in any way. The Maine Central Railroad Company benefits to the extent of \$170,000.00.

In 1925 the Maine Central Railroad Company showed a surplus of 1,100,000,000 or 1,270,000,000 or more than 9% upon its common stock. For January of this present year the net revenue of this Company from its railway operations showed an increase of 30% over January of a year ago. At this rate its surplus for the present year would amount to more than 1,600,000,000 or 14% upon its common stock.

The railroad representatives have made it entirely clear that tax reduction does not and cannot mean rate reduction since the railroad may still materially increase its earnings without exceeding the limits allowed by the Interstate Commerce Commission. This means that the prospective \$1,650,000.00 surplus during this next year will be increased by \$250,000.00 taken from other tax-payers in the State of Maine. The earnings of 14% upon its common stock will be raised to 16% as a result of this contribution alone made by the industries and farms of Maine.

The textile mills and shoe factories of Maine face problems. Some have been obliged to close. Their net income and their gross income, in some instances, have both alike disappeared, yet to their backs must be transferred the burden that is taken from this prosperous railroad in our State.

Preliminary estimates of the committee on appropriations show proposed increases in state expenditures amounting to \$2,500,000. This would mean a 50% increase in direct state taxation for each of the next two years upon agriculture and industries, certain of which are finding it difficult to carry on.

The closing of certain mills and factories means distress for a great number of people dependent directly or indirectly upon the money that they disburse. All these citizens of our State in our factories and stores and upon our farms must contribute their share to such portions of this \$2,500,000. as the State may find it necessary to raise and in addition from their depleted pockets during the next two years must contribute \$500,-000.00 to the coffers of two railroads that serve our State.

During the last campaign and in the Inaugural Message there was strong endorsement of the necessity of tax-reduction and the equity of distributing this reduction among all the tax-payers of our State. The Budget Committee constituted by the Legislature with legislative representation upon it in the person of the chairmen of the Committee on Appropriations on the part of the Senate and the House for the past two years presented a budget that was believed adequate to care for all the activities of the State and still left a margin for that tax reduction that is of such critical importance at this time. The estimates of the budget committee were equal to the record level of appropriations for our departments and institutions that was reached two years ago. Never before in our history had there been such generous provision for the welfare of all those dependent upon the bounty of the State. Now it is proposed to carry those record expenditures to new heights with increases of from ten to fifty percent in many of the forty-six departments and institutions that the State now carries on.

If these record expenditures are necessary it seems impossible for the State during the next two years to contribute \$340,000.00 to what is probably one of the most prosperous enterprises now being carried on within our State with earnings that would inevitably exceed 15% upon its common stock each year.

Determination of the expenditures that will be necessary during the next two years will reveal whether it is possible to reduce the taxes upon the citizens of our State. If a reduction is possible the equitable distribution of the relief would follow in due course. To reduce taxes before determining expenditures is putting the cart before the horse.

Until it is possible to determine the burdens it will be necessary to impose upon the farmers and the industries and the merchants of our State it is impossible for me to accept the responsibility of relieving a prosperous railroad to the amount of \$340,000.00 and placing it upon industries and farms and merchants that are in many instances in a far different plight.

In discussion of this measure there is frequent insistence that the welfare of the State is dependent upon the prosperity of our railroads. This is no more true, however, than it is to say that the welfare of the State is dependent upon the prosperity of our factories or our farms. In fact, it is probably less true since industry and agriculture must generate the life blood of commerce upon which the railroads alone can thrive. The farmers and the manufacturers of Maine produce the golden egg without which our transportation systems could not endure for a day.

This railroad tax reduction means that the city of Portland in the next two years must contribute \$50,000. to make up the deficiency. The industries of Maine will find \$125,000. added to their tax-bill and must continue to pay the same freight rates, since the railroads very frankly state that this cannot mean a reduction in transportation charges. Every farmer in Maine must take two dollars out of his pocket and add it to the million dollar and constantly growing surplus of the chief railroad of our State. The revenues of the State for the past four years from this railroad tax have been as follows:----

1923		2,305,000.
1924		2,385,000.
	•••••••	
1926	•••••	1,914,000.

Under the estimates submitted by the representatives of the railroads the income to the State under the proposed plan for the current year would amount to \$1,650,000. This means a shrinkage in four years of \$735,000. in the annual revenue of the State from this source or more than a mill that must consequently be added to our direct state tax.

There is no business in the State that could endure a reduction in income from one source of \$750,000. in four years, and yet that is the result of the proposal here presented, if the income of the State from railroad taxation in 1924 is compared with the return that would be received in 1928. This loss in revenue of \$735,000. annually must be made up by the farmers and industries of Maine.

The present system of railroad taxation in its inception very materially reduced the taxes upon these corporations. Railroad influence was then powerful. Later the rate of taxation was raised to its present level with the full approval of the railroads rather than submit to the system of taxation for railroads that prevails in most of our sister states and the system under which all other property in Maine is now taxed.

The chief argument that has been used for this tax reduction has been the contention that Maine railroads are taxed more heavily than those in other sections of the United States. Nine per cent earnings upon the common stock and the fourteen per cent earnings that are in prospect are a rather conclusive answer to the suggestion that the railroads of Maine are over-burdened by the State. Maine must be a railroad bonanza if such earnings can accompany too burdensome a tax.

The present tax is attacked as the highest excise tax, with one exception, in the United States. You have not been told, however, that only a very few states in the Union use this system for a levy. Thirty-four states use the system of ad valorem valuation treating railroad properties by the same general system by which other properties are taxed. Would the railroads of Maine desire to adopt the system that is so nearly universal throughout the United States?

The tax return per mile of road in Maine is practically the same as the average tax per mile of road throughout the United States. Certainly insofar as the Maine Central Railroad Company is concerned conditions upon its lines are not so different from the average through the United States, if we consider the great number of miles in the south and west that serve a more sparsely settled region with far less industrial development than exists in the southern and central part of the State of Maine.

It is said, however, that conditions here are different from elsewhere in the United States and comparisons of taxes with the other New England States are stressed by the advocates of a change.

The average tax per mile of road for all the New England States is \$1460. The tax per mile in Maine under our present system is \$1023. per mile. Three New England States impose taxes of from \$1600. to \$3000. per mile.

This does not indicate that the railroads in Maine are unduly burdened in comparison with the other New England States.

The railroads of Maine in proportion to their property or their prosperity bear a smaller share of the tax burden than any other line of industry or class of property in the State.

The principal railroad involved in this State has a capitalized value of \$60,000,000. and somewhat more than this for rate-making purposes. Sixty per cent of this valuation, which is about the normal figure for valuation in the State of Maine, would mean a valuation of \$36,000,000. The average municipal tax rate in the State of Maine is \$40. This would mean a direct tax of \$1,440,000. which would result in an increase in its tax contribution of more than \$500,000. over the amount now assessed in order to make its burden proportionate with that borne by all other citizens and industries in the State of Maine.

The State has shown a most friendly and cooperative attitude toward this railroad during the past two years by loaning its credit in a very substantial sum to provide for the construction of a bridge over the Kennebec River at Bath, with the railroad extending its re-payment of this advance over a period of fifty years. During that time the State must bear whatever hazzards there may be incident to the transportation business without possibility of any direct return in excess of the money it has actually laid out.

Two years ago the plea for tax reduction was based on a dire tale of financial woe. At the very time the Legislature was listening with a most sympathetic ear to that story, those in charge of the railroad chiefly concerned were fully aware that a remarkable recovery was in full swing and were privately predicting a resumption of dividends upon the common stock. Today the situation is utterly transformed with a full treasury and a steady increase in net income and further very substantial advantages soon sure to accrue in rate divisions with roads to the east and the west.

A considerably more favorable basis of division has been offered by the western roads and accepted by some New England roads but declined by the Maine Central Railroad Company in order to insist upon an even larger share. Coupled with the change in the divisions with the Bangor and Aroostook Railroad Company that is confidently anticipated during this present year the surplus over of the Maine Central is certain to go to new heights.

Until three days after the passage of this bill by the Legislature it was the general impression among the members and even among those in the Legislature responsible for the fixing of the tax rate for the coming year that the proposal of the railroad would involve an annual loss of \$120,000. This was the figure that was constantly mentioned in discussions of this matter and many were under the impression that no reduction at all was to take place during the coming fiscal year. On Monday morning of this week with the bill safely upon my desk and out of the hands of the Legislature one of the most active and alert members of the Committee on Appropriations who had been constantly at work upon the estimates and had conferred repeatedly with the representative of the Maine Central Railroad Company regarding the proposed tax reduction stated to me that the measure involved a loss of \$120,000. each year. This was less than onehalf of the amount that the bill actually cut off. No member of the Legislature was in a better position to be accurately informed. The responsibility for this misapprehension is not for me to affix but it does indicate that many members of the Legislature may not fully have realized the consequences of this act.

Three narrow guage railroads and one other small road are saved from their present small taxes by this bill. In one case the present tax is \$500. and in two other cases is \$1200. All of these are community affairs and abundantly deserve relief. One of them was nearly ruined by one of the major railroads of the State by bus competition before it was abandoned to the community it must serve and now with cynical contempt they offer this abandoned child a crumb.

There would seem to be no reason for objection to unanimous consent to the introduction of a measure that would afford these roads relief. A road with a million dollar surplus earning nine dollars a share upon its common stock does not need to hide behind the skirts of a narrow-guage and secure votes for a reduction of its taxes in the amount of \$170,000. by appeal to the Senators or Representatives interested in a road that will benefit to the extent of \$1200. A member of this Legislature does not need to sell his birthright for such a mess of pottage. The case of the four small roads can well stand upon its merits without being used as a cat's paw to secure a contribution of \$170,000. a year.

It is necessary for us to consider this question primarily with relation to its effect upon our state finances and tax-rate during the next two years but it must also be borne in mind that we are making a radical change in our system of taxation that may disrupt the revenues of the State in future years.

A business depression under this new method might mean a reduction in state revenue from this source out of all proportion to the reduction in gross income of the railroads and a resultant doubling or trebling of the burden upon the commercial and agricultural interests of the State at the very time when they would be suffering even more acutely than the railroads since not only their net but even their gross revenues might be entirely wiped out with factories closed and harvests rotting in the field.

We are most insistently told that it is unfair to levy a tax unless there is net income with which to pay it. It seems puzzling that this argument can be taken so seriously when every factory and every farm and every business in Maine is taxed by the state and the municipality without any relation to its net income. Not only the net but the gross income of a corporation or a farm may entirely disappear and yet the state and municipal tax is not reduced one iota. In fact, if this measure passes, idle factories in Maine with no income, net or gross, and farms that may be on the verge of abandonment, must contribute from their depleted pockets to add to the million dollar annual surplus of the chief railroad of our state.

The voice of the average tax payer of the state is here silent except as he may speak through your mouths. The farmer, the home-owner, the small business man is not able to maintain an expensive lobby to argue his cause. His views upon the alternatives with which you are presented cannot, however, be in doubt.

There is here generated an atmosphere that is foreign to the homes from which we come. In neighborhood gatherings all over the state of Maine the elements of this problem may be considered with a due regard for the difficulties with which many of our citizens and corporations are now faced. To their opinions and ideas we may wisely turn for a moment after a winter spent in listening to a somewhat siren song and consult that other lobby composed of seven hundred thousand citizens of Maine upon whose straining backs must be placed the burden we take from a corporation earning fourteen per cent dividends at this time.

The orderly administration of the business of the state would seem to indicate the wisdom of first determining the amount of money absolutely needed to run the state in a respectable fashion for the next two years. Then it would be possible to make an equitable apportionment of the taxburden upon all the property of the state.

If it proves practicable so to arrange the expenditures and the finances of the State that a general reduction in taxation is possible, a reduction for the railroads might well be considered but in their present condition they should be the last rather than the first to be considered if we have a proper appreciation of the plight of agriculture and industry in our state.

The Edwards Manufacturing Company in Augusta is advertising that a reduction in its taxes is absolutely essential if it is to continue to do business in our State. This is typical of certain other industries in Maine and in New England.

In view of our platform declaration and pledges and the understanding with which the people of Maine have placed us in office, it does not seem possible for me to accept the responsibility for transferring a burden of several hundred thousand dollars during the next two years from corporations that are in a very healthy condition, to the tax-burdened farms and industries of our State.

It is to me a matter of keen regret that it has not been practicable to give this problem consideration in an orderly manner after the budget of the State had been made up for the next two years and the time had arrived to determine the direct State tax.

This was a matter, however, beyond the control of the Executive and under the circumstances as they exist today there is no other course that it seems proper for me to pursue. Both the farmers and the business men of Maine would seem to me to have just cause for deep resentment at the transferring of such a burden to their backs at this time from the overflowing treasury of the chief railroad that is involved within this State.

My position in this matter has been clearly and repeatedly stated to the representatives of the railroads publicly and privately, and they were urged to allow this measure to take what would seem a more orderly course. They preferred, however, to use all their influence to secure tax reduction for themselves irrespective of whether it should mean a heavy increase in the tax burden for the other tax payers of the State. Their attitude indicated either a fear that the end of the session might reveal the unwisdom of reducing the taxes on a prosperous corporation and increasing the taxes on every one else, or a lack of regard as to whether or not this might be the case.

To Summarize In Closing

This measure means a fifteen per cent reduction in taxes for a corporation in this state that last year earned a surplus of one million dollars and this year in January ran thirty per cent ahead of a year ago.

At the same time it is liable to be an important factor in a fifty per cent increase in the taxes on all the other corporations and individuals in the state.

Fifteen per cent reduction for this prosperous railroad and fifty per sent increase for our factories and farms, is a course of action which it is impossible for me to reconcile with a proper regard for the business and economic interests of our State nor with a sense of justice and fair dealing to all the citizens of Maine.

Respectfully submitted,

RALPH O. BREWSTER,

Governor of Maine.

AUGUSTA STATE HOSPITAL

STATE OF, MAINE

Office of the Governor

AUGUSTA

April 4, 1927.

To the Honorable Senate and House of Representatives :

There is returned, herewith, without my approval, a Resolve in Favor of the Augusta State Hospital, providing for the construction of a Nurses' Home at an expense of \$135,000.

From discussion of the situation at the Augusta State Hospital with the President of the Board of Trustees in charge of its administration, it seems to me that the need is not so serious as to require this construction at this time.

At the opening of the session he advised me that the need for a building at Bangor to house one hundred and fifty patients was most urgent. That has now been provided. He regarded the Nurses' Home at Augusta as very desirable but not imperative. If a comprehensive building program was determined upon, this unit would be entitled to consideration for a place on the list. If strictest economy were necessary it would be possible to get along without it without too serious prejudice to the interests of the patients or the State.

It is contemplated that forty to fifty patients may soon be transferred from Augusta to Bangor and relieve the pressure at Augusta to that extent.

It is the opinion of the Superintendent and the President of the Board of Trustees that from fifty to one hundred of the patients now at Augusta may be properly cared for outside and that changes that have been recommended in the system of support may accomplish the removal of certain of these cases without prejudice to anyone concerned and may tend to check somewhat the increase in the number of cases that are being sent from the various municipalities in the State.

The rated capacity of the Augusta State Hospital is 1045 with an average of 1168 inmates this past year. The prospects of an improvement in this

condition as a result of these various factors seems to warrant its being considered not imperative at this time.

All are agreed in the necessity of the strictest economy. All are agreed in desiring to make provision for the imperative needs of the unfortunates of the State. An honest balancing of all the considerations that are involved in any given case is our only duty.

Executive responsibility in connection with legislation is provided for in the Constitution and contains no implication of dictation. Suggestions of usurpation are not made by interests that are concerned with the welfare of the State. All of us are equally obligated to act in accordance with our conscience under our official oath.

The present Budget recommends \$700,000 more for the departments and institutions of the State than the appropriation of \$16,500,000 two years ago which exceeded all previous records. Especially large increases are provided for the care of unfortunates. More than \$200,000 additional is recommended in one department alone.

This is an indication of the generosity with which provision has been nuade for the various activities of the State.

Changes in the Budget have now been made, or are proposed, that will add \$3,500,000 to the direct tax that must be levied upon the citizens of Maine for the next two years.

This would mean adding approximately four mills to the state tax recommended by the Budget Committee, or an increase of 33 I-3 per cent.

The State is making steady progress in its care for the mentally deficient. Within the past two years there has been completed a new unit at Pownal caring for one hundred and fifty patients.

The provision of \$295,000 for an additional unit of one hundred and fifty beds at Bangor, in view of all the circumstances, seems a respectable provision for this administration to make for the hospital needs of the State at this time.

Respectfully submitted,

RALPH O. BREWSTER, Governor of Maine.

CHARLES H. CUTTER COAL COMPANY

STATE OF MAINE

Office of the Governor

AUGUSTA

April 7, 1927.

To the Honorable Senate and House of Representatives:

There is returned herewith, without my approval, a Resolve in Favor of the Charles H. Cutter Coal Company of Boston.

This concern entered the competitive bidding to supply coal to state institutions in 1922 and secured the contract for one institution. It now seeks to recover what is claimed to be its loss upon the fulfillment of its contract.

All the other successful bidders for supplying coal to other institutions in the State at that time fulfilled their contracts and have presented no claim for additional compensation. Most of these other bidders were Maine concerns. They were equally subject to the vicissitudes of the strike, but either took the precaution to protect themselves or have taken their loss without complaint.

It is admitted by the claimant that there is no legal claim against the State and that if this contract had been with any private individual instead of with the State there would have been no legal method of recovering.

The State will establish a very dangerous precedent in making payment upon a claim of this sort since it will lay a foundation for a claim against the State by any contractor at any time who shall claim to have suffered a loss in his dealings with the State.

Respectfully submitted,

RALPH O. BREWSTER, Governor of Maine.

EMINENT DOMAIN FOR ELECTRIC POWER COMPANIES

STATE OF MAINE

Office of the Governor

AUGUSTA

April 16, 1927.

To the Honorable Senate and House of Representatives :

There is returned herewith, without my approval, An act granting the

766

right of eminent domain to electric power companies doing a public utility business.

The power of eminent domain for these purposes has always heretofore been the subject of specific grant to corporations for specified purposes and within definite limits.

With practically all of the electrical utilities in the State of Maine as far east as the Penobscot River now in the control of one power group it would seem practicable and proper that an extraordinary grant of this character should not be made in such a blanket form.

With limited exceptions this would give the power of eminent domain for placing power lines on the land of any citizen in any part of the inhabited portions of the State of Maine.

It would seem more prudent to conform to the practice of previous years and make such a grant only in specific and strictly limited cases.

Respectfully submitted,

RALPH O. BREWSTER,

Governor of Maine.

HAVEY AND SMITH CLAIM

STATE OF MAINE

Office of the Governor

AUGUSTA

April 16, 1927.

To the Honorable Senate and House of Representatives :

There is returned herewith, without my approval, a Resolve, in favor of H. H. Havey and Bradbury Smith to reimburse them for loss under highway construction contract.

It is not claimed in case there was any delinquency on the part of the State or any of its representatives in connection with the carrying out of the work under this contract. A portion of the loss that is claimed to have occurred is admitted to be attributable to the error of the contractors. This contract was let and the work carried out ten years ago. It is claimed that subsequent to the letting of the contract there was an increase in construction costs that occasioned loss to the contractor. Other work done at this time under similar conditions by and for the State did not show the increased costs which are claimed in this case even if there should be warrant for any claim against the State as a result of conditions incident to the World War.

There were many other contractors doing work for the State at this time and the allowance of claims of this character where there is no charge of delinquency on the part of the representatives of the State sets a precedent that may well cause trouble in connection with the vast amount of contract work that is now being carried on.

Respectfully submitted,

RALPH O. BREWSTER, Governor of Maine.

EXPORTATION OF SURPLUS POWER

STATE OF MAINE

Office of the Governor

AUGUSTA

April 16, 1927.

To the Honorable Senate and House of Representatives:

There is returned herewith without my approval, An Act to Provide for the Exportation of Surplus Power.

The Attorney General is the constitutional legal adviser selected by this Legislature for the State. He is clear and emphatic in his advice that there is grave danger that this Act may be ineffectual to accomplish the end in view. Decisions of the Supreme Court of the United States indicate a serious possibility that the attempted control by the State of electrical transmission by this method might be pronounced invalid and the exportation left without control by the State or nation. When lawyers disagree we are entitled to be guided by his opinion in determining a legal course.

Under the existing policy Maine today leads the United States in the per capita development of hydro-electric power. The value of the stock of the chief public utility in the electrical field in our State has doubled in the past few years. The largest electrical interests in the country have entered our State within the past two years with full knowledge of our restrictive law and assumed the responsibility for an investment of more than fifty million dollars.

Primarily because of the advice of the Attorney General that this Act is altogether likely to mean the loss of all State control, but also because of the considerations indicated in a recent message to the Legislature it does not seem to me wise or prudent to approve this Act.

SKOWHEGAN BRIDGE.

The people of the State have a right to expect that a Statute submitted to them for consideration shall be reasonably calculated to accomplish the end it has in view. In this case the probabilities are all the other way.

Respectfully submitted,

RALPH O. BREWSTER, Governor of Maine.

SKOWHEGAN BRIDGE

STATE OF MAINE

Office of the Governor

AUGUSTA

April 16, 1927.

To the Honorable Senate and House of Representatives :

There is returned herewith, without my approval, a Resolve in Favor of the Town of Skowhegan.

This provides for a new and expensive bridge over the Kennebec River at a location within a short distance of an existing bridge in good condition that is adequate for all traffic.

In addition to the share contributed by the State under the new Bridge Act this Resolve provides that the State shall contribute \$25,000 toward the share of the cost that under the terms of the law would be paid by the town of Skowhegan.

Maine already has six thousand bridges and many of these are in urgent need of reconstruction as the character of the traffic has changed. It does not seem to me that new and expensive locations should be authorized except where the need is very great.

Respectfully submitted,

RALPH O. BREWSTER, Governor of Maine.

769