

# MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

Eighty-sixth and Eighty-seventh  
Legislatures

OF THE

STATE OF MAINE

From April 1, 1933, to April 6, 1935

AND MISCELLANEOUS STATE PAPERS

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GOVERNOR BRANN'S  
INAUGURAL ADDRESS

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# INAUGURAL ADDRESS OF GOVERNOR LOUIS J. BRANN

JANUARY 3, 1935

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*Members of the Eighty-seventh Legislature of the State of Maine:*

Two years ago upon this occasion I said:

"Today we meet in a partnership of Government.

"We no longer represent a party, but the people."

This applies with equal force today.

In such times as these, election to important public office such as yours and mine, constitutes a direct challenge by the people to their chosen representatives to put aside personal prejudices, sectionalism and partisanship, in the interest of the common welfare.

The Administration of Government, ever a sacred obligation, has become increasingly difficult and exacting.

We shall, I trust, approach and deal with the important problems of these two years in a spirit of patience and sympathetic understanding.

The problems of State will call for the exercise of sober, dispassionate judgment.

We have demonstrated during the past two years that savings in government can be made.

Total expenditures of the State during the past two years have decreased \$10,877,829.97.

No essential activity of the State was unnecessarily curtailed.

There was no mystery in this reduction of governmental costs.

The State simply did not spend.

The State returned to frugal ways.

This procedure was attended with some disappointments.

The curb on spending must remain during the next two years.

The old fashion virtues of thrift and economy must be employed.

We must not increase the tax rate.

May I state that again.

We must not increase the tax rate.

## Valuation

The loss in state valuation since the last assessment is about \$33,000,000.

This entails a loss in revenue on the basis of the present tax rate of about \$239,000.

The loss in state valuation since the advent of the depression is nearly \$100,000,000.

There are towns in Maine that have lost in the last four years, one-half their valuation.

With the valuation of the State steadily declining and the income of the State either declining or uncertain, the strictest economy must be practiced and only necessary expenditures authorized.

### Credit of State

The fortunate aspect of the picture is that the State has been able to maintain its credit.

Two per cent bonds of the State dated December 1, 1934, were sold at a premium.

The basis of income to the holder is one and fifty-seven hundredths per cent.

The temporary loan of the State was placed on the basis of one-half of one per cent for six months.

The State has never before, in its entire history, borrowed as advantageously or issued bonds upon as low a return basis.

### State Debt

We have reduced the funded debt of the State.

The reduction for the past two fiscal years is \$1,850,000.

The saving to the State for interest alone is \$74,000.

### Highways

Under the National Recovery Act of 1933, Maine received a grant of \$3,369,917 for highway construction.

Under the Hayden-Cartwright Road Act, Maine received \$1,711,586 in 1934.

Work programmed under these two apportionments for the next two current road building seasons totals \$1,330,405.46.

This amount is a grant and need not be matched or repaid.

The Federal apportionment to Maine under the Hayden-Cartwright Road Act, for the present calendar year, and for the calendar year of 1936, will be \$1,090,167 for each year.

This must be matched by State funds.

Provisions for the raising of \$1,090,167 to match the Federal apportionment must be made.

It must come from the highway fund; or in part from a bond issue; or by direct taxation.

I recommend that this amount be taken from the highway fund.

The Highway Department lived within its income during the past two years.

To ease the minds of those opposing the diversion of highway money, let me state that all diverted funds were seasonably returned to the highway account.

I am opposed to any permanent diversion of highway funds.

It can and must live within its income during the next two fiscal years.

I recommend the omitting of any direct appropriation for the Highway Department.

The income of the Highway Department in the next two years will be in excess of \$8,000,000 annually.

I recommend the passage of legislation suspending for the next two fiscal years the mandatory provisions of law authorizing direct appropriations for the Highway Department.

There is available for permanent highway construction for this year, \$3,510,739.46, made up as follows:—

Unexpended Federal grants .....	\$1,330,405.46
Federal appropriation, Hayden-Cartwright Act...	\$1,090,167.00
State (to match) .....	\$1,090,167.00
Total .....	\$3,510,739.46

Only three times in the history of the State has a larger sum been expended for permanent road construction.

The one million dollar bond issue for trunk line construction should be used only in case of emergency.

It is all that is left of the issue authorized by the people.

It should not now be used.

I again recommend to the consideration of the Legislature the advisability of the establishment of a one-man Highway Commission.

I submit this as a recommendation.

We should resolutely persist in the policy of reducing the funded debt of the State.

The people of Maine by referendum last September, authorized the issuance of bonds in the amount of two million dollars for state and institutional construction.

The issuance of the highway bonds and the issuance of the two million dollars bond issue for construction, improvement, and equipment of State buildings, would increase the bonded debt of the State beyond its all-time high.

This is entirely unnecessary and unwarranted in view of the condition of the State.

The authorization to issue bonds for construction of State buildings should be exercised only for the most necessary plant construction.

### Recess Reports

By direction of the previous Legislature there has been prepared for your information and consideration, and submitted to me for transmittal to you :

A Report on Unemployment Insurance.

A Report on Revision of the Tax System.

A Survey of the Public School Finances.

With the assistance of nationally accepted authorities, these Commissions by painstaking study and investigation, offer to this Legislature comprehensive and detailed data.

I wish to commend the members of these Commissions for their public spirited and unselfish efforts.

The nub of the taxation problem lies in relieving the inequitable burden on real estate.

The sole objective of tax revision should be to equalize and fairly apportion the tax burden, and not to increase it.

I trust this Legislature will take some constructive steps in this direction.

We can agree upon certain fundamental policies of the State,

That every boy and girl in the State is entitled to at least a decent minimum of educational opportunity, regardless of his or her place of residence.

That we have recognized the need of granting aid to the poor communities in the State for more than twenty-five years.

That we have recognized the need of State participation in, and support of, public schools for more than a century.

That we have recognized the right of the State to set up minimum requirements below which no locality shall be allowed to go.

That improving the educational opportunities is immediately necessary.

It is my duty as Chief Executive to pass on to you, the legislative branch of our government, the reports of these Recess Committees.

These problems are very close to my heart.

The several reports are so exhaustive and informative, and the Commissions so outstanding that I have refrained from any discussion of the reports, believing they should be submitted to you for your judgment, without Executive comment.

These reports are handed to you with the deep conviction that herein lies occasion for the performance of a patriotic duty whose influence upon the future of the State and the safeguarding of its youth will be recorded among significant events in the history of Maine.

### Social Security

The problem of social security will undoubtedly receive the attention of the Congress at the present session.

This may involve a Federal-State undertaking.

The trend of current thinking favors some sound method preventing the evils of unemployment and insuring security in old age.

The 86th Legislature passed an old age pension law.

The Act provides that "This Act shall not become operative until the Governor and Council can find ways and means to raise or arrange for the finances necessary to carry out the provisions of this bill, and to report thereon to the 87th Legislature."

The import of the clause is that the Governor and Council shall report to the 87th Legislature a plan for the creation of a fund to finance the old age pension act.

It is difficult to estimate the cost of a general and mandatory old age pension law.

A selective old age pension dealing with the more worthy cases would cost the State very much less.

The law as now drafted is incapable of general or equitable application in the State.

The law provides that cities and towns make payment to resident pensioners, and be reimbursed by the State for one-half the amount advanced.

At least fifty cities and towns in Maine are unable to make any disbursements under the Act, due to their financial condition.

As a practical situation the law then operates in some places and not in others.

Under the present law, the needy aged in the poorer communities receive nothing, while the aged in the richer communities receive all.

The same principle of equalization is violated as in the case of the distribution of school funds.

Fair and equitable distribution of an old age pension fund can only be made by relieving the cities and towns of the responsibility and by the State assuming the entire responsibility.

I recommend that a portion of the net income of the Liquor Control Commission be utilized for setting up a fund for the immediate payment of old age relief.

"An Act to regulate the sale of intoxicating liquors," (Section 12, Chapter 300, November Special Session, 1934), provides that the sum of two hundred and fifty thousand dollars be appropriated from general funds to provide operating capital.

Under the Act, the State is repaid for the advancement of \$250,000 at the rate of \$50,000 each year for the next five years without interest.

The State pays to the several cities, towns, plantations and persons on the 30th day of June of each year, their proportionate part of the net income of the Liquor Control Commission.

This Legislature must appropriate, unless the law is amended, \$200,000



to carry on the activities of the Commission (\$50,000.00 repaid June 30, 1935).

I respectfully recommend, that the law be amended so that the net income of the Liquor Control Commission be utilized:—

First: In repaying to the State the amount which it advanced to install the system.

Secondly: To create a working capital for the installation of other stores. Unless a working capital is thus built up, very few or no new stores can be installed.

Thirdly: That the balance be utilized in the setting up of a fund for the immediate payment of old age relief in the State, and the balance, if any, for other relief activities.

### **Park Commission**

I respectfully recommend the enactment of legislation creating a State Park Commission.

This recommendation is made at the suggestion of the Federal Park Service, desiring the cooperation of the Commission in developing park projects in the State.

Two major park projects of great importance to Maine, are already under consideration.

The State cannot act without Legislative authority, and the Federal Government cannot cooperate unless some authority is set up in Maine.

### **Employment Service**

The Wagner-Peyser Act provided for the establishment of a national system of employment offices, and for cooperation with the states in the promotion of employment.

The National re-employment service was established in Maine in July, 1933.

The Service has found work for about fifty-five thousand workers.

More than eight thousand World War Veterans have been placed.

Nearly three thousand workers have been permanently placed in private industry.

The Wagner-Peyser Act provides that the State Legislatures accept the Act, and designate and authorize the establishment of agencies to administer agreements entered into in the affiliation of the State Employment Service with the United States Employment Service.

The Legislature will be called upon to accept the Act if this service is to continue in the future in Maine.

Federal funds to the amount of \$19,500 are available for Maine, provided that amount is matched by a State appropriation.

This matter should receive your very careful consideration.

### Maine Labor and Products

Maine labor should be exclusively employed upon all State work.

The State should purchase, so far as possible, Maine products for the benefit and protection of our farmers and producers.

The State should not compete with Maine manufacturers and producers.

I recommend the passage of legislation authorizing the Purchasing Department to purchase Maine products to the exclusion of others when the differential upon bid is not greater than two per cent.

I recommend the passage of an act making the employment of Maine labor on State projects obligatory.

State competition with Maine producers and manufacturers should be prohibited by Statute.

### Interstate Compacts

I recommend the establishment of a non-salaried commission on Interstate Compacts to consider the problems affecting labor and industry.

Similar commissions have already been authorized in many of the states in the Eastern area of the Country.

The Commission recommends to the Legislature, after conference with similar commissions in other states, legislation which will better the condition of employer and employee, and to bring about in the various states uniform standards, affecting the conditions of employment, the hours of labor and minimum wages.

### Transportation

Islesboro is without ferry service.

A bill will be introduced asking for State assistance.

An act will also be introduced by the citizens of Stonington and Deer Isle, providing for the construction of a bridge between the mainland and the Island.

I recommend careful and sympathetic consideration of both requests.

### Spanish-American War Bonus

Governor Powers in 1898 promised Maine volunteers for the war with Spain, a bonus of one hundred dollars.

The State has paid twenty-two dollars on account of the bonus.

There are now about one thousand Spanish-American Veterans in the State.

There should be no further postponement of the State's duty in this matter.

I recommend payment of the bonus to Maine Spanish-American War Veterans if money can be found.

### The National Guard

I am proud to learn that the Maine National Guard has been rated higher than any corresponding group in the New England States.

The State should be proud of its citizen-soldiers who by devotion to duty and industry have been able to win such recognition in spite of the general inadequacies in armory and other facilities as compared with those in more wealthy States.

### Inland Fisheries and Game

The Department is one of the most important in our State.

It has reached the point where it must either stand still, or have more funds to develop and produce a greater output of fish and game.

The State has been building in the last two years a fish hatchery system, second to none in the Nation.

The largest fish hatchery in the world is under construction at Gray, at no expense to the State, except for materials; the labor is furnished by the Transient camp nearby.

Transient labor is also constructing a very large hatchery at Kokadjo.

Fish and Game programs in the States in the Union having the facilities, have been greatly expanded during the last few years.

Large sums are being expended for the protection and propagation of fish and game.

I recommend that the fees for resident fishing and hunting licenses be established at one dollar each.

Without additional funds obtained from an increase in the license fee, these two hatcheries can only be partially operated.

This would increase the income of the Department about ninety thousand dollars annually.

It would double the output of fish.

It would increase the number of game birds.

Better protection for all fish and game could be afforded.

A research department, to establish with certainty the waters in which certain fish thrive, could be established.

The department could be placed upon a sounder and more profitable basis.

This is in accord with the philosophy that state departments collecting fees should, so far as possible, live within income.

Increasing fees would make this department substantially self-supporting.

The Maine resident would be compensated for the small increase in license fee by better hunting and fishing.

The department should be authorized to issue free licenses to any resi-

dent of Maine, unable to pay, who requires a license to hunt and fish to secure food for personal or family use.

I recommend also that the Commissioner be given greater authority over waters when in his judgment fishing should be restricted.

### Relief

The amount expended for State cases in the fiscal year of 1933 was \$571,000.

In the same period ending June 30, 1934, the sum was \$724,000.

Indications at this time are that the figures for the present fiscal year will approach \$800,000.

These cases are the sole responsibility of the State.

There are, in addition, the unfortunate persons unable to secure employment or for some reason unable to provide a living for themselves and families.

These constitute strictly a municipal obligation.

Many cities and towns have reached the limit of their resources.

They have neither money nor credit.

They cannot care for their needy.

At present, this group, with Federal assistance in the form of work relief are being provided with the bare necessities of life.

Work relief makes neither provision for medical nor hospital treatment, nor for those not in the class of State cases unable to do manual labor.

Children in many instances are unable to attend school because of improper nourishment and lack of suitable clothing.

A wide variance in the standards of welfare in communities intensified by the depression, but always present, is another bad phase of this condition.

There is no emergency relief law whereby the State can assist the community in the care of the poor.

The situation is serious.

The times force upon us the conclusion that the State must recognize the inability of many cities and towns to care for the poor, and its own responsibility to relieve distress and suffering where municipalities are unable to act.

The Federal Government has expended in Maine for relief in the last eighteen months, the large sum of \$11,541,818.45, or ten times the amount spent by the State for relief.

If Federal aid were withdrawn, or curtailed, neither State nor municipality in many instances, would have the power to extend the most simple relief.

Withdrawal of Federal relief funds would burden the communities beyond their abilities to discharge, and exhaust every available resource of the State.

The Commissioner of Health and Welfare should be given the authority and provided with the financial ability to handle such an emergency.

### Development of Maine

The 86th Legislature created the Maine Development Commission, and appropriated \$50,000 a year to advertise the State.

This sum is inadequate to properly publicize the recreational attractions of Maine.

The recreational industry in all its branches is the most valuable and profitable industry in the State.

Its future depends upon National and International publicity intelligently prepared and placed.

The activity of the Commission should be immediately broadened to include agricultural and industrial development, the advertisement of Maine products, in addition to promotion of the tourist business.

It should include in its work an accurate fact-finding survey of industry, agriculture, and the fisheries of the State.

A survey of the industrial condition is immediately necessary.

A survival of the newsprint industry is of great importance.

The pulpwood situation should be thoroughly canvassed.

The importance of the textile industry to Maine cannot be overestimated, and the Commission should make a detailed investigation of this great Maine business.

Maine is a large producer of matches, and at the present time the American market is threatened by the Swedish Match Trust.

The toothpick industry in the State should be protected against Japanese importations.

You will be astounded to know that Maine produces ninety per cent of the toothpicks manufactured in America.

About sixty Maine plants manufacture articles fabricated from hardwood, and they are finding it difficult to compete with Sweden.

The pearl essence industry finds itself in direct competition with Russia and Japan.

The shoe industry, at the present time the most prosperous industry in Maine, faces importations from Czecho-Slovakia and from Japan.

American labor should not be placed in unfair competition with foreign labor.

I am firmly of the opinion that any domestic industry which has complied with code requirements should not be placed in the position where the advantage in the American market is given to a foreign competitor.

The potato situation should also be thoroughly investigated.

Very careful study should be given to the feasibility of a marketing agreement to prevent over-production under the direction of the Agricultural Adjustment Administration.

Our Maine fisheries should be studied with a view to a wider distribution of fish in the entire Eastern area of the Country.

The findings of the Commission should be the basis of a broad and concerted effort to re-habilitate industry, agriculture and the fisheries in the State.

The representatives of a Maine accredited body, will be received in Washington with the most friendly of feelings, and with the sincerest desire to be of assistance in stabilizing and safe-guarding Maine industry and agriculture.

Maine must in an impressive and authoritative way assert itself.

The time has come when it is essential to advertise Maine products.

Time today does not permit a recital of the many excellent products we produce in Maine.

Maine potatoès and apples are the finest grown in the World.

Our fish and agricultural products are superior.

We manufacture products in Maine beyond competition as to excellence of workmanship.

We have, however, carelessly let others take our place in the markets of the Nation.

I recommend that an emergency preamble be attached to an act broadening the activities of the Development Commission in order that immediate action can be taken.

Specific budgetary recommendations affecting the State departments and institutions will be submitted in the budget message.

I again take the occasion to recommend to the Legislature the submission to the people of an amendment to the constitution granting to cities, towns and plantations an opportunity to borrow an amount equal to seven and one-half per cent of their respective assessed valuation.

This will permit cities and towns to take advantage of any P. W. A. loans they desire to make and also permit them to readjust their financial structure in line with the peculiar times through which we are passing.

### Conclusion

Times such as these tend to increase the responsibility and perplexities of Legislators and Executives.

The people of Maine, and never before have they been so deeply interested and well informed upon their governmental affairs, expect us to rise above all party and personal motives.

The faculty not to be led astray by passion, prejudice, partisanship or personal interest, so inherent in Maine character, is, I am sure, strongly present in this great cross-section of our people—the Legislature.

The conduct of Maine men and women in these days of stress runs true to the splendid traditions of Maine.

At the threshold of what may become a more historic assembly of Legislature than we sense today, it might well be worthwhile to light again the lamps of patriotism and love of State that guided the feet of those heroic figures whose fortitude surmounted tremendous odds to found a sovereign state that takes its place, the peer of any in the Union.

It is not difficult for me to visualize in the days to come a cooperative approach, discussion and orderly settlement of the momentous questions that affect the prosperity and advancement of the State.

Is there any reason why we cannot lay our cards on the table face up?

There is neither loss of prestige, nor self-respect in team work.

In sincere acknowledgment of your integrity and highmindedness, the Chief Executive pledges a whole-hearted determination to labor with you for the best interests of the State, with absolutely no other consideration.

In conclusion, I am trying to say that I want to "play ball" with you for the best interests of the State.

LOUIS J. BRANN.