

ACTS AND RESOLVES

AS PASSED BY THE

Eighty-eighth and Eighty-ninth Legislatures

OF THE

STATE OF MAINE

From April 24, 1937 to April 21, 1939

AND

MISCELLANEOUS STATE PAPERS

Published by the Secretary of State, in conjunction with the Revisor of Statutes in accordance with the Resolves of the Legislature approved June 28, 1820, March 18, 1840, March 16, 1842 and Acts approved August 6, 1930 and April 2, 1931.

> KENNEBEC JOURNAL AUGUSTA, MAINE 1939

months at hard labor in the Kennebec County Jail at Augusta. Committed June 1, 1937. Sentence commuted October 13, 1937 to a term of six months.

Mrs. Arthur Pelletier of Madawaska. Convicted of the crime of single sale at a hearing at Madawaska, October 6, 1936, before John R. Sedgely, Trial Justice, and sentenced to pay a fine of \$200.00 and costs taxed at \$10.40 and to be imprisoned in the County Jail at Houlton for the term of three months, and in default of payment of fine and costs to be imprisoned in said jail for the term of six months additional. Appealed to the November term of the Superior Court at Houlton. Judgment of Lower Court affirmed. Mittimus issued November 20, 1936. Full and free pardon granted October 13, 1937.

Fonnie Devlin of Bangor. Convicted of the crime of permitting a place to be used for the purpose of prostitution, at the September term of the Superior Court at Bangor, and sentenced to imprisonment in the County Jail at Bangor for a term of eleven months. Warrant issued October 11, 1937. Sentence commuted May 4, 1938 to a term of six months.

Albert Maillet of Rumford. Convicted of the crime of larceny at the Rumford Falls Municipal Court, June 23, 1932. Sentence suspended on payment of costs, \$11.05, and placed on probation for one year. Costs paid. Full and free pardon granted April 21, 1938 (to prevent deportation as an alien to Canada).

Address of Governor Lewis O. Barrows to the Eighty-eighth Legislature in Special Session

October 26, 1937.

Mr. President and Members of the Eighty-eighth Legislature:

I bid you welcome as you assemble in your respective chambers today to consider measures designed to promote the welfare of the State. The convening of the Legislature is always a solemn occasion, but this session is generally conceded to be one of greatest importance for many reasons.

We face a condition today that is a fact and not a theory. We meet at a time when concerted effort and prompt action is expected of us all. Furthermore we meet again after an absence of six months and we find that we are confronted with almost parallel conditions.

For instance, on January 7, 1937 we began our labors faced with the largest deficiency from the preceding four years ever presented to a Maine legislature. That deficiency, in excess of two millions of dollars, was most embarrassing at that time and still continues to be.

In addition to that, we found that old age assistance payments had been inaugurated without any statutory authority and that all payments had been terminated during the month of December, 1936, for the lack of any revenue with which to continue them. You, in common with many other citizens of Maine, were doubtless surprised to learn that payments were made for the month of December, 1936, only by omitting pension payments entirely for the month of October, 1936. The knowledge of all these facts was undoubtedly what prompted the request in the message to the special session of the 87th Legislature on December 16, 1936, as follows:

"In order that there be no interruption in the payments to those now receiving benefits under the old age assistance order in Maine, I respectfully recommend that you appropriate the sum of \$100,000 for old age assistance and the administration thereof until March 1, 1937. This will afford an ample opportunity to the incoming legislature to pass old age assistance legislation and provide for the financing thereof."

These words portrayed a correct and complete analysis of the situation at the moment and yet the response to this appeal by the 87th Legislature was nullified by veto.

In my first message to you I advocated the adoption of some plan to provide for the resumption of payments for old age assistance, to which you promptly responded. I still want to pay old age pensions and I believe you likewise have the same determination. Your efforts during the regular session clearly demonstrated that desire.

You are now convened in special session, resolved, I hope, to enact a law to authorize payment of old age pensions and to equalize educational opportunities as far as seems wise, and to provide the revenue to make all of this possible.

I conceive it to be the duty of the Executive to suggest the methods, and it to be the duty of the Legislature to consider the suggestions and to enact such statutes as may be necessary. The attempt, during the regular session, to solve this problem on a very broad scale would have required a substantial amount of new and additional revenue. Subsequent events would seem to indicate the necessity of considering a plan of financing these two activities in a more modified way and I now propose to proceed on that basis. Having in mind the mandate of your legislative order, the Governor and Council have constantly endeavored to conserve the resources of the State in every possible way. Through the efforts of departmental heads who have been most cooperative, and by long hours of arduous work, I am able to announce to you a curtailment in our annual expenditures, which is already in progress at the present time, amounting to \$800,000 for the biennium. That amount will be available for your present deliberations. The

ADDRESS OF GOVERNOR LEWIS O. BARROWS

analysis of this amount will be made available to you forthwith in a separate schedule.

In line with this same thought, I believe the knowledge of what has been transpiring through departmental effort in the last year for the interest of the taxpayers of this State might interest you. Through the untiring efforts of the Public Utilities Commission a reduction in rates—hence real savings to the utility customers in electric current—has been ordered to the extent of approximately one-half million dollars. This represents rate reductions in thirty out of the fifty utility companies of Maine.

In the Insurance Department, through the efforts of the Commissioner, rate reductions amounting to approximately \$25,000 in the next three years have been secured on the property of the State, likewise a saving to the taxpayers of Maine. I regard both instances as commendable and worthy of recognition. I mention these facts to give credit where it is due and, likewise, to impress upon you that these are but two of the instances where savings have been made, quietly, yet effectively.

In my last budget message, referring to the deficiency appropriation bill, I said:

"The amortization of this obligation over a period of years would cause serious cash embarrassment to the treasury. This obligation should be met in the shortest possible time, as the limited temporary borrowing capacity of the State only cares for necessary tax anticipation borrowings and should not be obligated for past expenditures and deficits."

That statement was based upon the condition of the treasury at the time (February 2, 1937) and the fact that the temporary loan of \$2,000,000, the limit under our present law, had been utilized and was due and payable on June 9, 1937. I am glad to report to you that the loan was paid in full and discharged on the due date. Furthermore, I hope that little, if any, of the amount of \$2,000,000 will be necessary to negotiate as a temporary loan.

For these reasons and because of the caution that is now being exercised I propose that you arrange to pay off the deficiency which was accumulated, over a four-year period instead of a two-year period, as you had originally provided. This will produce the sum of \$495,345.79 per year for your present deliberations.

Had you not been confronted with this past deficiency, your task would have been made much easier.

Next I propose an additional amount added to the retail price of liquor equal to 5%. This should produce \$475,000 which can be utilized in your present calculations. By amendment to the present law, the amount of \$356,926.14 would be available from the deficiency beer tax for this present fiscal year and I urge that the change be made. If you will authorize these changes in allotments we will have a total of \$2,621,000 for the purposes for which you were convened.

852

ADDRESS OF GOVERNOR LEWIS O. BARROWS

From this total figure I recommend that the amount of \$200,000 per year be authorized for the purpose of educational equalization, under the direction of the Commissioner of Education, by an amendment to existing law. I should like to propose a larger figure for this worthwhile purpose but I do not feel it expedient at this time.

The entire remainder should be used exclusively for the payment of old age pensions and the administration thereof. I do not advocate the "ear marking" of funds for any of these purposes, but urge their allocation to general revenue and disbursement from only this source.

In the enactment of the necessary old age pension law I urge the adoption of a commission of three citizens of the State to be appointed by the Governor with the advice and consent of the Council, but attached to the department of health and welfare, to determine the eligibility of pensioners and to officially approve the pension application before payments are actually made. With a sincere determination and desire to provide relief to a maximum number of deserving aged people of Maine, it seems inadvisable to continue to delegate so much responsibility to any one official. It is, in my judgment, a prudent and wise expenditure with Federal funds assisting to the extent of 5% of the amount of pensions paid for administrative expense.

In order to insure the maximum benefits in relief payments I believe a reinvestigation should be immediately undertaken of all cases previously paid. There would appear to be no other way to clearly establish the fact that payments were being made to the most deserving applicants.

This program herein proposed is calculated to enable payments—hence, needed relief—to be made to approximately 9200 people of this State by the end of the present fiscal year, June 30, 1938. This amount is more than double the peak figure reached in October a year ago. Continued expansion of the list is also possible as time goes on to the limit of our resources.

In my inaugural message in relation to taxation, I said:

"Real estate and certain personal property are already carrying an excessive burden. No increases should be made in this direction and it would be highly desirable if some relief could be granted this type of property. Our sincere desire to relieve real estate, if possible, probably meets with the complete approval of our citizens."

My desires in that direction are as sincere now as they were when that statement was made and I herein do propose a plan to reduce taxation on personal property, which is rather general in scope.

The development of our highway program now depends entirely upon the receipts from the gas tax and motor vehicle registrations. Our laws are very specific in that there shall be no permanent diversion of highway funds and there never has been. I subscribe to that law. However, each successive year has shown a steady increase over the estimates from the above sources to the point where I believe some relief, or revision, should be considered.

To accomplish this, I propose a straight 5% reduction in our various rates on motor vehicle registration fees, effective for each 1938 registration and thereafter. I estimate this to be a saving of nearly \$175,000 per year to our citizens who register motor vehicles in Maine. This will in no way cripple the department of the Secretary of State and merely reduces the revenue to the Highway Department to the extent of \$175,000. It will not delay or curtail our highway program in any sense and is not a diversion of their funds. It will be of no assistance to you in your efforts to find money to pay pensions or aid in educational equalization, but it is a substantial and direct relief to a great majority of our citizens and should be appreciated by them.

I would not advocate a more elaborate construction program than that which was approved this year, but I would sponsor such relief as is possible to those of our citizens who have, through the years, contributed so much to our highway system.

It should interest you to know that the Governor and Council feel that further curtailments may be possible as the result of our surveys which are still in progress, although as yet incomplete. For instance, closer adherence to the administrative code bill in the department of health and welfare will undoubtedly show substantial savings in investigation costs and travel expense, at the same time increasing the efficiency of the service. However, if these things are later indicated, there is no necessity for additional legislation, although you should realize that it is rapidly becoming increasingly burdensome to meet the ever-changing Federal regulations and requirements, wherein Federal aid is in any way involved. As you know, perhaps, many of the regulations are arbitrary, theoretical and expensive, yet they are daily being demanded in detail under the expressed threat of withdrawal or withholding of all Federal funds.

In many cases to meet these demands it means double the cost of administration and expense to the taxpayers whom I am primarily interested to serve.

The plan outlined is sensible, definite and carefully worked out. It does curtail certain State service, but it does not cripple necessary functions in any way.

I am convinced that with the same cooperation and control in the future that has been exercised during the past ten months, it can be made operative and effective, provided that you, able and conscientious legislators that you are, promptly enact the necessary legislation. It must be apparent to you that this program which I have presented does not entail oppressive taxation. It is one of curtailment which is desired.

It is highly desirable that you conclude your deliberations as speedily as

possible. I urge the use of the emergency clause in order that this relief may be resumed at the earliest possible moment. My desire to assist education and pay pensions is so intense that I have caused to be prepared the necessary bills to carry out the program that I have suggested. These will be presented immediately for your consideration. I hope you may find them consistent and can assure you of the willingness of the Executive to render all possible assistance.

Members of the 88th Legislature, will you assist me in carrying out the platform promises of your respective parties?

LEWIS O. BARROWS, Governor of Maine.

STATE OF MAINE

EXECUTIVE DEPARTMENT

Augusta

April 21, 1939.

To the President of the Senate and the Speaker of the House:

There is herewith transmitted to you a tabulation of the results of the Eighty-ninth Legislature:

| Acts approved | | 415 |
|-----------------------------------|---|-----|
| Resolves approved | | 98 |
| Constitutional Amendment approved | - | I |
| Vetoes presented | | 3 |

The measures presented for your consideration seem to have been without number, and you have met and conscientiously deliberated upon the many vexing problems that were your lot. The results reflect a creditable appreciation of the importance attached to the various measures that were most essential to the welfare of Maine citizens.

May I also point out that the Executive is deeply grateful for the spirit of cooperation that has been manifest throughout the entire session.

No further communication appears to be necessary at this time.

My best wishes to you as you depart for your respective homes.

Respectfully submitted,

LEWIS O. BARROWS,

Governor.