MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

One Hundredth Legislature

OF THE

STATE OF MAINE

Published by the Director of Legislative Research in accordance with the Revised Statutes of 1954, Chapter 10, Section 27, Subsection VI.

> KENNEBEC JOURNAL AUGUSTA, MAINE 1961

Address

bу

Governor John H. Reed

the the

100th Legislature

June 13, 1961

ADDRESS BY GOVERNOR JOHN H. REED, JOINT CONVENTION, 100th MAINE LEGISLATURE, AUGUSTA, JUNE 13, 1961

Mr. President and Members of the 100th Maine Legislature:

Earlier this year it was my privilege to present to you a resumé of what I hoped we, together, might accomplish during the current biennium and the manner in which it could be properly financed.

The need for expansion and addition of services required for the continued growth and development of the State of Maine has been carefully and thoroughly explored by this Legislature.

Moreover, I am hopeful that when this 100th Legislature completes its deliberations yours will be a record of accomplishment worthy of this distinguished body. Thus far you have indicated partial approval of:

- Increased operating funds for the University of Maine in the amount of a million and a quarter dollars.
- 2. Increased funds for the Department of Mental Health and Corrections in the amount of a half million dollars.
- 3. Increased monies for the Department of Health and Welfare, including a provision for a general medical care program, for the indigent and the medically indigent totalling two and a third million dollars.
- 4. An employees salary adjustment plan in the amount of \$1,160,000.
- 5. Increased support to the Department of Education in the amount of \$768,000.
- 6. Strengthening the Department of Economic Development in the amount of a half million dollars.

In addition to the Supplemental Budget of seven and a half million dollars you have also to date given initial favorable approval to approximately seven million dollars in what you felt to be worthwhile miscellaneous legislative documents.

This favorable action indicates to me that you do recognize the many needs which must be dealt with in the interest of our state.

A suggestion has been made that the supplemental budget should be reduced and that the Governor should make the reductions. Let there be no misunderstanding, it is my firm conviction that the supplemental budget represents the absolute minimum that should be accomplished in the coming biennium. In fact the budget as it now stands already represents substantial compromises on my part.

In all fairness therefore, the responsibility of any further reduction must be assumed by those who feel a decrease in these essential services is desirable.

I believe the majority of the 100th Legislature recognizes as I do that what we are attempting to accomplish today represents at best a minimum effort and as such we cannot and must not weaken or abandon this effort.

You are now facing the problem of properly financing the results of your deliberations. The Maine Legislature can well be proud of its history of sound financing of state services. As you know, I have spent much time and effort in analyzing ways and means for continuing this sound fiscal policy, my conclusions are:

- I. That current services and increased costs of such services be financed from current revenues.
- 2. That expanded and added services be financed from current and new sources of revenue.
- 3. That, in keeping with sound fiscal policy, unappropriated surplus be used to finance capital improvements.

My original recommendation for properly financing a program of measured advancement was by the addition of one percent to our present sales tax structure. A revision of revenue estimates indicated that the financing of the proposed program could be accomplished by a one-half percent increase and such other new revenues as might be needed for additional services.

I have carefully re-analyzed the entire program to determine whether or not additional services and improvements should be provided rather than decrease my original recommendations. In order to be as helpful to you as possible by not adding to your problems, I decreased my basic recommendation relative to additional sales tax revenue.

It is my recommendation that a one-half cent increase in our sales tax and a modest increase in liquor prices is the most equitable means of financing the program. In my opinion, other sources alone will not be adequate.

We have come far down the road toward achievement during the past few months. We should neither hesitate nor falter at this eleventh hour. The record of this Legislature will be written during the next few hours.

I come before you this afternoon to urge the adoption of the supplemental budget in the form in which it was initially approved by the joint bodies. I appear here to reaffirm my conviction that the sales tax increase is the most equitable measure to implement this program. I am not here to propose any compromise nor to recommend any alternatives to you.

Now that you have had full opportunity to consider the various amendments which have been proposed, and now that you recognize the important activities of state government which must suffer if we provide less than the amounts recommended to you by the appropriations committee, it is my hope that you will adopt this program. It is my judgment that the citizens of our state deserve no less from us.

The decision, ladies and gentlemen, is yours to make. I trust you will continue your deliberations tonight until you have reached your decision so that after these weeks of hard work and significant accomplishment this session may finally adjourn.

I am confident that you will act tonight in a manner becoming the trust which the people of Maine have placed in you.