

# MAINE STATE LEGISLATURE

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# ACTS AND RESOLVES

AS PASSED BY THE

One Hundred and Second Legislature

OF THE

# STATE OF MAINE

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Messages  
of  
Governor John H. Reed  
to the  
Special Sessions  
One Hundred First Legislature  
January 6-17, 1964  
September 28-30, 1964

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MESSAGE OF JOHN H. REED, GOVERNOR OF MAINE, TO THE  
JOINT CONVENTION OF THE ONE HUNDRED AND FIRST  
LEGISLATURE OF THE STATE OF MAINE

January 6, 1964

Mr. President, and Members of the 101st Legislature:

It is a privilege as Governor to welcome you back to the Capitol today for the purpose of this special legislative session.

This is our first meeting since the dark day of November 22, 1963, when the President of the United States of America was struck down by an assassin's bullet. I ask you to stand with me now in a minute of silent tribute to President John F. Kennedy.

It is fitting and appropriate that we should honor the memory of our late President and in mourning his tragic passing let us give thanks for the form of government he served, that you and I each serve. May it continue forever.

My association with this Legislature has given me an appreciation of the competency, devotion, and diligence with which you conduct the affairs of the State of Maine, giving it strong, enduring government—government that is fostering the welfare and economic progress of Maine people while still preserving their cherished freedoms of individual thought and opportunity.

To the legislators who have joined your ranks since you last adjourned, I offer the wish that this session will be both successful and personally rewarding.

To each and every one of you I extend thanks for your faithful and conscientious service to Maine.

Today—this sixth day of the new year—we set out upon an important mission, one assigned to us by the people of this State exercising their right of free choice.

My decision to call you into special session at this time has been governed primarily by the will of the voters in approving at the special election of November 5, 1963, the Constitutional Amendment reapportioning the House of Representatives in the year 1964. This Amendment was proposed by this Legislature through a Resolve passed at the last regular session.

Secondly, as stated in my official proclamation, there are three other items of an urgent nature, which I shall presently outline to you, that I feel must be resolved through legislative action and before the next regular session.

Moreover, exercising their prerogative, your legislative leaders have selected 60 other measures for your consideration.

Both the legislative leaders and I have been guided in our approach to these matters by the established intent of a special legislative session which is to consider problems of an emergency nature.

You and I, in the name of the citizens of Maine, have a joint responsibility to give these urgent proposals our most careful study and our most honest deliberation.

Each of the problems before you is challenging, some are perplexing, a few may be controversial. I believe that while there may be differences of opinion as to methods of solution, there will be no division, petty or partisan, when it comes to recognizing the necessity for accomplishing the tasks at hand with true efficiency. This we owe to the citizens of Maine.

### **Apportionment of the House of Representatives**

I will direct your attention first to the matter of apportioning the House of Representatives. The provision of new apportionment standards has been a difficult and demanding task. The existing apportionment formulas that have been honestly applied by past Legislatures simply do not meet present-day tests for equality of representation.

We recognize that significant inequities of voting strength do exist. I respectfully state that the hour has now come to solve this vital problem.

The Maine Constitutional Commission, created by the 100th Legislature, devoted much time and study to the apportionment question. It was the considered opinion of this distinguished body that the responsibility for apportionment belonged to the Legislature.

The 101st Legislature is to be commended for accepting this responsibility. You referred proposed Constitutional changes to the electorate in 1963 and Maine voters approved them.

I would suggest that a duty has now been imposed upon this Legislature to enact appropriate legislation to accomplish apportionment without delay. In fact, failure to do so would by law place apportionment within the jurisdiction of the Supreme Judicial Court of the State of Maine.

During the past several months a bi-partisan committee created by the leaders of this Legislature has carefully considered reapportionment proposals. County legislative delegations and political committees have had the opportunity to study them. This committee has worked diligently to present you the most equitable apportionment legislation.

I ask you to give this legislation your support at this time in order that the provisions of the Constitution may be carried out prior to the Primary Elections of June, 1964. I am certain, moreover, that you will meet this responsibility in a manner that will prove worthy of the confidence that Maine citizens have in their Legislature.

### **Public Assistance Programs**

The second matter I wish to discuss with you pertains to the public assistance programs administered by the Department of Health and Welfare. There is an emergency need for legislative action to provide additional funds for the programs for Dependent Children, Aged, Blind and Disabled.

State funds currently available are insufficient to finance the public assistance caseloads that have arisen from the combination of present economic and social conditions and the continuation of the same eligibility standards that were in effect prior to the last regular session.

To alleviate this extremely serious situation, directly affecting as it does families, children, dependents and the well-being of 35,000 Maine people, the Department of Health and Welfare is requesting \$445,000 for the remainder of the biennium.

I strongly recommend the appropriation of these urgently needed funds. They will generate approximately \$1,000,000 in Federal matching moneys.

I would also call to your attention the fact that the Maine Municipal Association has unanimously endorsed this request.

The hardship to Maine people in this instance is very real. I have had occasion to review personally a number of cases. I found one family of six persons, beset by misfortune, attempting courageously to exist on \$15 per week. This is one poignant example. There are others. They do arouse compassion and their problems lead me to this conclusion.

State government, you and I, cannot in good conscience fail to respond to human need. Today, this need involves Maine people—our fellow citizens, and action is imperative.

#### **Additional Federal Requirements**

New Federal Regulations of the Department of Health, Education and Welfare promulgated since July 1, 1963, create an emergency by requiring the State Department of Health and Welfare to carry out additional specified control activities in the Public Welfare programs.

The Federal Regulations are specific and I shall quote from them. "By January 1, 1964 for ADC and by April 1 for the adult categories, the quality control system must be in full operation."

The Regulations state further that the minimum staff shall be "sufficient to complete, within the specified reporting period, reviews of not less than half the number of case actions specified as the required State sample. Full staffing necessary to complete the total required State sample must be obtained not later than July 1 following the next convening of the State legislature in regular session."

For the State of Maine this means the ability to accomplish as a minimum 600 field reviews and investigations per year and after the next regular legislative session the ability to accomplish 1200 per year.

In addition, these Federal Regulations require, effective July 1, 1963, "the maximum period between investigations in the ADC program will be six months instead of twelve."

This means an unqualified demand that the State Department of Health and Welfare must double the frequency of investigations and must have the staff necessary for this purpose.

Inability on the part of the Department of Health and Welfare to comply with these Regulations could well jeopardize our continued receipt of all Federal matching welfare funds.

In order to meet this emergency, the Department of Health and Welfare is requesting additional staff members to be specifically assigned to meet this requirement. I have set forth the facts of this matter and urge you to give favorable consideration to legislation to authorize a sufficient number of these positions to be financed through unallotted Federal Revenues.

### **Nursing Home Care**

In our continuing effort to provide adequate assistance for Maine people, who through circumstance and misfortune must turn to the State for aid, the needs of the indigent should be evaluated periodically by State government.

We have a definite responsibility to insure adequate nursing home care for the elderly indigent—those who in their later years are sometimes forgotten by other segments of society.

The State's past record in this field has been an excellent one. The cost of nursing home care, however, has been increasing constantly.

Legislation will be introduced to provide \$185,000 in additional funds to meet the State's share of nursing home care costs. This sum, if approved, would make available \$370,000 in Federal matching moneys. I recommend that you appropriate the State's share.

### **Revision of Employment Security Law**

I shall now turn to the subject of Employment Security.

When this Legislature convened originally on January 3, 1963, I expressed to you my concern relative to the problem of resolving the inequities existing in the Employment Security Law. I stated at that time the necessity for legislative action, in order that we could more adequately meet the needs of the working people of the State of Maine.

A conscientious and diligent Interim Study Committee presented to this body, legislation which I believe would have corrected the existing inequities. It is commendable that this Committee of diverse interests arrived at a nearly unanimous decision for solving the matter.

The legislation which was ultimately presented to me for consideration failed, in my opinion, to rectify the problem. I shall set forth in a later message to you my specific objections to this legislative document.

I recognize the time and study you have applied to this matter and know that you share my concern for arriving at an equitable solution. I am equally confident that you too are determined that by working together we shall find the proper answer.

Legislation will be introduced that I believe will provide a satisfactory conclusion to this issue.

The Employment Security program affects approximately 62,000 Maine workers. We must, therefore, fairly discharge our responsibilities to the citizens, and before the record of the 101st Legislature is finally written you and I are duty bound to resolve this complex problem.

### **Promotion of Mining**

I shall now speak of the fourth item on my agenda for this session.

During the past six years, with a modest budget, the Maine Geological Survey has been mapping the mineral resources of the State of Maine. Several well known mining companies have prospected as a result of this Survey.

The Denison Mining Company has been conducting extensive diamond drilling operations in the Blue Hill area during the past two years. As a result, company officials are satisfied that a deposit of copper and zinc exists in this area sufficient to justify a mining operation.

I have been assured by the officials of this company that their operation will produce 1,000 tons of ore per day, and will employ between 200 and 250 Maine people, with an annual payroll of \$1,000,000. The capital purchases and taxes in the State will total several million dollars.

This company proposes to build a \$4,000,000 plant at the site to process ore for shipment. The estimated life of the ore deposit is from 10 to 20 years. It is my opinion that such an operation will not only bring great economic benefit to the Hancock County area but to the entire State.

The Attorney General and the Mining Bureau, after consultation with officials of the Denison Mining Company, have advised that a different method of calculating royalty payments to the State should be employed. Legislation will be introduced to make provisions for the necessary changes.

In order to operate the mine, it is necessary that Second Pond in Blue Hill be filled with tailings from the mill. To guarantee the continuous operation of the property, it has been deemed essential to request a lowering of the classification of the outlet stream of Second Pond and First Pond into which it flows.

Appropriate legislation will be presented to accomplish these classification adjustments.

### **Proposed Sugar Beet Industry**

There is an additional matter I wish to bring specifically to your attention at this time. The State of Maine has pending before the United States Department of Agriculture a request for a 33,000 acre sugar beet allotment in the 1966 crop.

The introduction of a supplemental crop, such as sugar beets, into our agricultural economy would produce tremendous statewide benefits.

Not only would a sugar beet industry, representing a \$5,000,000 to \$6,000,000 annual gross return to Maine farmers, bring greater agricultural income stability, it would also promote such industrial activity as baking, beverages and



food processing, thus providing a wide range of new job opportunities for Maine people.

This Legislature and the Governor and Executive Council have invested a total of \$70,000 in experimental sugar beet growing—research that has proven conclusively the economic feasibility of sugar beet production in this State.

The key to the sugar beet proposal now rests with the construction of a processing plant to refine the raw beets. The ability to provide such a plant is essential to favorable consideration of Maine's request by the United States Department of Agriculture.

A sugar beet processing plant to meet industry requirements could be constructed at a cost estimated at \$17,500,000.

Private enterprise has been asked to support this venture in the amount of \$8,000,000 for first mortgage bonds. Growers of the acreage and allied interests have pledged \$2,600,000 for third mortgage loans and there is a distinct possibility of Federal Area Redevelopment Administration assistance in the amount of \$6,900,000 for second mortgage loans.

To guarantee adequate financing, however, it would appear advisable to broaden the powers of the State's industrial loan authority to include a project of this magnitude.

Legislation will be introduced to increase the limits of industrial mortgage insurance under the Maine Industrial Building Authority Act from \$2,000,000 to \$8,000,000, and the total amount available for guaranteed loans for industrial purposes from \$20,000,000 to \$40,000,000.

A decision on Maine's request for a sugar beet acreage allotment will be rendered in the near future. We stand on the threshold of a great, new agricultural opportunity in this State, one which we cannot afford to let pass through our hands.

I strongly support the establishment of a Maine sugar beet industry and urgently recommend your favorable consideration of the vehicle which could make this industry a reality.

### **Other Legislation**

There are, in addition to those items I have discussed with you, a number of other measures worthy of legislative consideration at this session. These bills have been selected by your leadership and are in your possession in the form of legislative documents. I will not, therefore, impose upon your time to discuss them this afternoon.

### **Financial Status of the State**

It would be most appropriate at this point for me to review with you the current financial condition of the State, particularly with respect to actual revenue received as compared with the estimates approved by you at the last regular session.

I am sure that you will want to know exactly where we stand, before you consider the financial requests that will come before you.

During the first five months of the current fiscal year, actual Undedicated Revenue to the General Fund has exceeded estimates by \$2,070,000. This is a 7.07 per cent increase. Included in the above amount are Agricultural Stipend Funds of \$128,000 which will be withdrawn and credited to the Department of Agriculture for distribution to those agricultural fairs qualifying for stipend moneys.

This withdrawal will reduce the total amount received over estimates to \$1,942,000, and the percentage to 6.63 per cent.

There is good reason to believe that actual revenues have exceeded estimates to a significant degree due to a continuing favorable economic climate. Three of our prime revenue sources show plus balances for the five-month period ending November 30, 1963. These are the Sales and Use Tax, \$990,000; Inheritance, Estate and Gift Taxes, \$647,000; and net profit received from liquor and beer, \$371,000.

In light of the fact that the economy is subject to change, however, and in realization that the greater balance of the fiscal year lies ahead, I firmly believe that a cautious attitude in regard to appropriations at this time would be the prudent course to pursue once the basic purposes for which this session was called have been fulfilled.

State government in Maine has earned an enviable reputation throughout the Nation for fiscal responsibility. I know you share my desire to maintain this reputation.

In my opinion it is fundamental that we should direct the expenditure of our resources toward fulfilling those needs which will contribute most effectively to improving opportunities for all our people.

Efficiency is the key to effectiveness. Efficiency in State government has always been the goal of this administration. To this end I instituted a comprehensive study in October, 1963, of the operations of each department, commission and agency of the Executive branch.

When this study is completed by the Department of Finance and Administration, it will constitute an excellent evaluation of existing programs, pointing out any weaknesses, duplications or outmoded effort. You and I must be aware of these things. We need to know where the curtailment or elimination of unneeded services will save the taxpayers' dollars.

I feel that the study I have directed will prove invaluable to the budget making process in the future and will provide both the Executive and the Legislative branches with significant information that can only result in improved governmental efficiency.

In the interest of greater economy, I have also undertaken a study of existing regulations pertaining to state employees' travel and expense accounts. By Executive Council Order in November, 1963, these regulations were revised in a manner which will lead to an ultimate saving of State funds.

I bring these developments to your attention because I know you share my concern for economy in government, my belief that government should be responsive to public need while constantly maintaining its guard against any needless expenditure of public funds.

### Conclusion

The recommendations I have made in my message this afternoon are designed to solve problems, to promote the welfare and economic well-being of all Maine people. I cannot stress too highly the urgency of these requests. It is my hope that you will act on them accordingly.

As we go about our tasks here in Augusta during the next few days, let us bear in mind that what we are doing is part of the common effort of all Americans to strengthen our Country.

When the awesome panorama of national tragedy spread across the land with the murder of our President, we realized perhaps a little more acutely the true greatness of America.

The ability to maintain continuity of government and to go forward with unfinished tasks became possible because the greatest thing in this Nation, indeed in this beloved State of ours, is the faith and spirit of our people. It is that faith and spirit represented in this Legislature which you exemplify as leaders of our people.

Let us, therefore, proceed quickly with the tasks before us, with the urgent business of the State— of our government which is the people's massive, orderly effort to achieve together what no one of us can hope to achieve alone.

John H. Reed  
Governor of Maine