

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One-Hundredth Legislature

OF THE

STATE OF MAINE

1961

**DAILY KENNEBEC JOURNAL
AUGUSTA, MAINE**

SENATE

Wednesday, May 10, 1961

Senate called to order by the President.

Prayer by Mr. Maurice Knowles of Bar Harbor.

On motion by Mrs. Christie of Aroostook, Journal of yesterday read and approved.

**Papers from the House
Non-concurrent matters**

Bill, "An Act Designating Monday for Observance of Memorial Day." (H. P. 1005) (L. D. 1406)

In House, May 3, Indefinitely Postponed.

In Senate May 5, Passed to be Engrossed in non-concurrence.

Comes from the House, adhered — in non-concurrence.

In the Senate, that Body voted to concur with the House.

Joint Order, Relative to Legislative Research Committee to study aquatic growth. (S. P. 544)

In Senate, May 5, read and passed.

Comes from the House Indefinitely Postponed in non-concurrence.

In the Senate, that Body, voted to concur with the House.

House Committee Reports

The Committee on Towns and Counties on Bill, "An Act Relating to Compensation of Chief Deputy Sheriff of York County." (H. P. 853) (L. D. 1167) reported that the same Ought not to pass.

In House, Bill Substituted for the Report and passed to be engrossed.

In the Senate, on motion by Mr. Wyman of Washington, tabled pending acceptance of the report.

**MAJORITY — Ought not to pass
MINORITY — Ought to pass**

The Majority of the Committee on Legal Affairs on Bill, "An Act Creating a State Lottery for Old Age Assistance and Aid to Municipalities." (H. P. 895) (L. D. 1229)

reported that the same Ought not to pass.

(Signed)
Senators:

FARRIS of Kennebec
LORD of Cumberland
NOYES of Franklin

Representatives:

BERMAN of Houlton
BERRY of Cape Elizabeth
STEWART

of Presque Isle
KNAPP of Yarmouth
KELLAM of Portland
SPROUL of Bristol

The Minority of the same Committee on the same subject matter reported that the same Ought to pass.

(Signed)

Representative:

BRIGGS of Portland

Comes from the House, Minority Report Ought to pass accepted, subsequently the Bill was Indefinitely Postponed.

In the Senate, on motion by Mr. Lovell of York, tabled pending acceptance of either report.

**MAJORITY — Ought not to pass
MINORITY — Ought to pass**

The Majority of the Committee on Appropriations and Financial Affairs on Resolve, Appropriating Funds for Capital Improvements at East Corinth Academy. (H. P. 648) (L. D. 926) reported that the same Ought not to pass.

(Signed)

Senators:

DAVIS of Cumberland
STANLEY of Penobscot
SAMPSON of Somerset

Representatives:

DAVIS of Calais
SMITH of Falmouth
PLANTE of Old Orchard
DRAKE of Bath
JALBERT of Lewiston

The Minority of the same Committee on the same subject matter reported that the same Ought to pass.

(Signed)

Representatives:

BRAGDON of Perham
WELLMAN of Bangor

Comes from the House, Minority Report Ought to pass accepted, and the Bill passed to be engrossed, as

amended by House Amendment "A" (Filing H-271)

In the Senate, on motion by Mr. Davis of Cumberland, the Ought not to pass, Majority Report was accepted in non-concurrence.

Sent down for concurrence.

MAJORITY — Ought to pass as Amended
MINORITY — Ought not to pass

The Majority of the Committee on Legal Affairs on Bill, "An Act Amending Charter of City of Saco." (H. P. 679) (L. D. 957) reported that the same Ought to pass, as amended by Committee Amendment "A" (Filing H-272)

(Signed)

Senators:

LORD of Cumberland
FARRIS of Kennebec
NOYES of Franklin

Representatives:

BERMAN of Houlton
BERRY of Cape Elizabeth
STEWART
of Presque Isle
KNAPP of Yarmouth

The Minority of the same committee on the same subject matter reported that the same Ought not to pass.

(Signed)

Representatives:

SPOUL of Bristol
BRIGGS of Portland
KELLAM of Portland

Comes from the House, Reports and Bill Indefinitely Postponed.

In the Senate, on motion by Mr. Farris of Kennebec, tabled pending acceptance of the report and especially assigned for later in today's session.

REPORT "A" — Ought to pass
REPORT "B" — Ought not to pass

Five members of the Committee on Legal Affairs on Bill, "An Act Relating to Election of Council Members of City of Portland." (H. P. 406) (L. D. 581) reported in Report "A" that the same Ought to pass.

(Signed)

Senator:

FARRIS of Kennebec

Representatives:

SPOUL of Bristol
KELLAM of Portland

BRIGGS of Portland
BERMAN of Houlton

Five members of the same Committee on the same subject matter reported in Report "B" that the same Ought not to pass.

(Signed)

Senators:

LORD of Cumberland
NOYES of Franklin

Representatives:

STEWART
of Presque Isle
KNAPP of Yarmouth
BERRY of Cape Elizabeth

Comes from the House, Reports and Bill Indefinitely Postponed.

In the Senate, on motion by Mr. Porteous of Cumberland, the reports and bill were indefinitely postponed in concurrence.

Senate Committee Reports
Committee of Conference Report

The Committee of Conference on Bill, "An Act Increasing Tax on Milk Producers for Promotional Purposes." (H. P. 866) (L. D. 1201) report that they are unable to agree.

Which report was read and accepted.

Sent down for concurrence.

Ought Not to Pass

Mr. Boardman from the Committee on Judiciary on Bill, "An Act Limiting Appearances as Counsel Before State Tax Assessor to Attorneys." (S. P. 426) (L. D. 1304) reported that the same Ought not to pass.

Mr. Erwin from the same Committee on Bill, "An Act Creating District Courts." (S. P. 427) (L. D. 1458) reported that the same Ought not to pass, covered by other legislation.

(On motion by Mr. Farris of Kennebec, tabled pending acceptance of the report.)

Which reports were read and accepted.

Sent down for concurrence.

Ought to Pass

Mr. Farris from the Committee on Legal Affairs on Bill, "An Act Repealing Certain Limitations on Elliottsville Plantation." (S. P. 532) (L. D. 1573) reported that the same Ought to pass.

Which report was read and accepted, the Bill read once and tomorrow assigned for second reading.

Ought to Pass — New Draft — Same Title

Mr. Carpenter from the Committee on Inland Fisheries and Game on Recommended Bill, "An Act to Clarify State Boating Law." (S. P. 420) (L. D. 1300) reported that the same Ought to pass in 2nd New Draft, under the same title (S. P. 547) (L. D. 1591)

Mr. Erwin from the Committee on Judiciary on Bill, "An Act Relating to Operation of Motor Vessels." (S. P. 230) (L. D. 634) reported that the same Ought to pass in New Draft. (S. P. 549) (L. D. 1595)

Mr. Farris from the Committee on Legal Affairs on Bill, "An Act Relating to Work on Shade and Ornamental Trees." (S. P. 201) (L. D. 534) reported that the same Ought to pass in New Draft, under same title. (S. P. 548) (L. D. 1592)

Which reports were read and accepted, the Bills read once in New Draft, and tomorrow assigned for second reading.

Bills in Second Reading

The Committee on Bills in the Second Reading reported the following Bills and Resolves:

House

Bill, "An Act Relating to Inventory of Tax Exempt Property by Assessors." (H. P. 1152) (L. D. 1586)

Which was read a second time on motion by Mr. Edgar of Hancock, tabled pending passage to be engrossed.

House — As Amended

Bill, "An Act to Include the Town of Winslow in the Kennebec Water District." (H. P. 416) (L. D. 591)

As amended by Committee Amend. "A" (Filing H-235)

As amended by House Amend. "A" thereto, and (H-264)

As amended by House Amendment "A". (H-261)

Which was read a second time and passed to be engrossed as amended in concurrence.

Resolve, Reimbursing Bay Ferry Corporation for Loss of Its Business. (H. P. 579) (L. D. 799)

As amended by Committee Amendment "A" (Filing H-165)

Which was read a second time and passed to be engrossed, as amended in non-concurrence.

Bill, "An Act Reactivating the State Committee on Children and Youth." (H. P. 452) (L. D. 652)

As Amended by House Amendment "A" (Filing H-255)

Which was read a second time and passed to be engrossed, as amended, in concurrence.

Bill, "An Act Relating to Preservation of Essential Records Against Destruction in Event of a Disaster." (H. P. 989) (L. D. 1376)

Amended by Committee Amendment "A" (Filing H-262)

Which was read a second time and passed to be engrossed, as amended, in concurrence.

Senate

Bill, "An Act Relating to the Pine Tree State Forest Products Council." (S. P. 546) (L. D. 1590)

Which was read a second time and passed to be engrossed.

Sent down for concurrence.

Enactors

The Committee on Engrossed Bills reported as truly and strictly Engrossed the following Bills:

Bond Issue

Bill, "An Act to Authorize the Construction of a Causeway Connecting Cousins Island with Littlejohns Island, and a Bridge and Causeway Connecting Littlejohns with Chebeague Island." (H. P. 591) (L. D. 812)

On motion by Mr. Davis of Cumberland, placed on the Special Appropriations Table pending passage to be enacted.

Bill, "An Act Relating to Determination of Quorum at Special Town Meetings in Kittery." (H. P. 683) (L. D. 961)

Bill, "An Act Relating to Plant Protection." (H. P. 1114) (L. D. 1536)

Which bills were passed to be enacted.

Bill, "An Act Relating to Pollution Abatement." (S. P. 133) (L. D. 316)

(On motion by Mr. Davis of Cumberland, placed on the Special Appropriations table.)

Bill, "An Act Relating to Appointment of Examiners of Insane Convicts." (S. P. 170) (L. D. 416)

Bill, "An Act Relating to Disposition of Mentally Ill Juveniles Guilty of Juvenile Offenses." (S. P. 228) (L. D. 633)

Bill, "An Act Relating to Acquisition and Compensation for Land Taken for Highway Purposes." (S. P. 291) (L. D. 902)

Which bills were passed to be enacted.

Bill, "An Act Relating to Form of Standard Fire Insurance Policy." (S. P. 405) (L. D. 1346)

On motion by Mr. Brown of Hancock, the rules were suspended, engrossing reconsidered, Senate Amendment B read and adopted and the bill passed to be engrossed in non-concurrence.

Sent down for concurrence.

Emergency

Bill, "An Act to Increase the Indebtedness of the Fort Fairfield Utilities District." (S. P. 510) (L. D. 1533)

Which Bill, being an emergency measure, and having received the affirmative vote of 29 members of the Senate, was passed to be enacted.

The PRESIDENT: The Chair notes in the Senate Chambers thirteen 8th grade pupils from Blaine, with Principal Kendall and Mr. and Mrs. Edson, and Sylvanus Pierce. It is a pleasure to have the group here from Aroostook County. We hope that your stay is enjoyable and educational. Will this group please rise so that the Senate can recognize them? (Applause) I would like to introduce the three Senators from Aroostook County. Senator Christie, Senator Edmunds and Senator Cyr. I am sure that these Senators will be pleased to answer your questions and do anything they can to make your stay pleasant.

Orders of the Day

Mrs. Christie of Aroostook was granted unanimous consent to address the Senate.

Mrs. CHRISTIE of Aroostook: Mr. President and members of the Senate, up in Aroostook County we have a song "Glory, Glory to Aroostook". I would like to quote two lines from that song:

"When the price is high enough
We have a little cash;
When the market's on the bum
We eat a lot of hash".

You can imagine from the fact that we have had below cost prices for the last five or six years, that we have been eating a lot of hash but we didn't want to be alone in that and so we thought we would help the rest of you to have a little hash, too. For that reason we have a gift of potatoes on the desks of each one of you this morning.

For more years than I care to admit, I have associated with the potato industry in Maine, not just at present but up until the death of my husband, I had been very actively associated; first, as an office secretary and later on as the wife of a potato grower. I know the problems of the industry perhaps better than a great many people do, and we are having our problems. When we were getting good prices and had a little cash, we used to like to give a dinner for the members of the legislature and to the department heads, but lately we haven't felt quite that rich so we haven't done it, but we did want to make a little contribution. (Applause)

The PRESIDENT: The Chair thanks the Senator from Aroostook.

Mr. Edmunds of Aroostook was granted unanimous consent to address the Senate.

Mr. EDMUNDS of Aroostook: Mr. President, I would just like to say that it gives us a great deal of pleasure to present our colleagues with these potatoes. I hope everybody will take them home and try them because they are the finest potatoes available any place and that potatoes are without question the finest food available any place. There is something about these potatoes that is just a little special, which the uninitiated could hardly be expected to discern. It is com-

mon knowledge locally that potatoes grown in Fort Fairfield are just a little bit better, just a very little bit better than the potatoes grown in the rest of Aroostook County. I would like to say that these were grown in Fort Fairfield by the uncle of our Governor, John Reed, and who is currently serving in the House of Representatives so capably. We certainly hope that you enjoy these potatoes. (Applause)

Mr. Cyr of Aroostook was granted unanimous consent to address the Senate.

Mr. CYR of Aroostook: Mr President and members of the Senate, as the Senators all know, we have in the front office, one of our famous products from Aroostook County. Now we also would like to have you taste one of our fine products here through this gift that has been placed on your desk today. The potatoes figure as one of the gourmet products on the gourmet's table and certainly we are very proud of the quality of the product that we do raise in Aroostook County. I would possibly take exception to the Senator's remarks in that I don't believe that only Fort Fairfield grows the best quality. I would include the whole county.

If some of you have never seen the scene of a twenty-five acre or fifty acre field of potatoes in blossom, it is certainly a sight for sore eyes and I would invite any one of the Senators here to do that next summer. And if they want to proceed to the most northerly corner in the state of Maine and come to Madawaska, I would be very privileged to take care of any of you who might come up. You have a personal invitation to do that. I certainly hope that you will visit the County and see what happens when these potatoes are being cared for during the summer.

The PRESIDENT: I am sure that the Chair speaks for the Senate when he says that this is a very fine gesture and we will enjoy these potatoes. I don't think there is anything finer than a Maine potato. I would like to mention the fact that a short time ago when we had some very special potatoes packed in boxes, I sent two boxes

to my daughter in Chicago. They are unable to get real potatoes. They get Idaho potatoes but they aren't like Maine. And when I told our Senator from Aroostook Senator Cyr, about this, he said, "Why don't we send her some more?" So shortly, this daughter of mine in Chicago will get three hundred pounds of these fine potatoes, and I am sure that the Maine potato industry will be well advertised in Flossmoor, Illinois. In fact, I hope that the Aroostook potato growers get the order for all the dining cars on the Illinois Central Railroad and I am sure if they are made available there that they will be used. It is a pleasure to have the Senators from Aroostook think of us and we appreciate the gift. (Applause)

Orders of the Day

The President laid before the Senate the 1st tabled and today assigned item (H. P. 78) (L. D. 121) bill, "An Act Extending the Powers of the Maine-New Hampshire Interstate Bridge Authority"; tabled on April 27 by Senator Marden of Kennebec pending enactment; and that Senator yielded to the Senator from Sagadahoc, Senator Mayo.

On motion by Mr. Mayo of Sagadahoc, the bill was retabled and especially assigned for Friday next.

The President laid before the Senate the 2nd tabled and today assigned item, (H. P. 1008) (L. D. 1409) bill, "An Act Repealing Laws Requiring that Cemeteries be Fenced"; tabled on May 9 by Senator Farris of Kennebec pending passage to be engrossed as amended by Senate Amendment A and B in non-concurrence.

Mr. FARRIS of Kennebec: Mr. President, this was tabled in order that I might be able to answer a question asked by Senator Christie of Aroostook as to whether or not the two amendments were in conflict. I can understand why there would be confusion but in my study of the amendments and the bill, there is no conflict.

Thereupon, the bill was passed to be engrossed as amended in non-concurrence.

Sent down for concurrence.

The PRESIDENT: The Chair will pass over Item Number 3 as there is an amendment being prepared upstairs. Later in the day this item will be brought up before the Senate.

Mr. DAVIS of Cumberland: Mr. President, may I inquire if S. P. 262, L. D. 779 is in the possession of the Senate?

The PRESIDENT: The Chair will state that it is, having been held at the request of Senator Davis of Cumberland.

Mr. DAVIS of Cumberland: Mr. President, I now move reconsideration of our former action whereby we accepted Report B on this document.

The motion prevailed.

On further motion by the same Senator, the Resolve Proposing an Amendment to the Constitution Providing for Apportionment of Senators for and within each County was laid upon the table pending acceptance of either report.

At the invitation of the President, the Senator from Franklin, Senator Noyes assumed the Chair.

Mr. Boardman of Washington was granted unanimous consent to address the Senate.

Mr. BOARDMAN of Washington: Mr. President, this morning I was very happy to see these people from Aroostook County here with us. I like Aroostook County very much myself since I come from Washington County which is directly to the south of Aroostook. However, this morning one thing came to my attention and I wondered if the rest of you noticed it. That is that on these potato bags, it says "State of Aroostook". Now apparently it says "brand" under it but I am wondering if this means that our good Senators from Aroostook are seceding from the State of Maine. Back some years ago Aroostook and Washington Counties were one, and Aroostook seceded from Washington County and I didn't know but what perhaps now they are leaving the State of Maine. I hope they don't because I would like to see them stay with us.

Another thing I would like to mention at this time. Senator Cyr has extended an invitation that we might visit him in Madawaska and I would like to state I will accept the invitation and I will visit him sometime in September while I am at Loring Air Force Base on active duty for fifteen days. It will be a pleasure.

Mr. CYR of Aroostook: Mr. President, I am glad that you have accepted my invitation. In regard to Aroostook seceding from the rest of the state, I think that way back in history, we fought a bloodless war in regards to part of Aroostook at least. It always has been recognized as the "buffer" state between Canada and the rest of the State of Maine. However, our feelings are not that strong. Instead of seceding we would like to join and we would like you to join us too. Consequently, in fact many of you have heard me make remarks around the corridors here that I believe we are losing a great potential here of tourist trade in the State of Maine. Most of our publicity is geared to the outsiders and very little is geared for traffic within the state and certainly we would like to see the people from the southern part of the state visit the northern part, and the east visit the west and so forth. I think if we could generate traffic within our state, we would have an industry in itself. I am particularly concerned in regard to tying in a lot of our tourist trade with the Province of New Brunswick and The Province of Quebec. A lot of our tourists could make the loop—come down the scenic St. Lawrence drive and come through the northern part of Maine, visit the beautiful St. John Valley and then come down through the "Garden Spot of Maine" which is Aroostook, and I am sure it would be a very delightful trip for any of you to do that. We would also like to invite you to do a little fishing in our lakes, which are the pride of the people from Aroostook County. So rather than secede from the rest of you, we would like you to join us.

Mrs. CHRISTIE of Aroostook: Mr. President and members of the Senate, for about 275 years, my

family has lived in Maine. We have been citizens of Maine since before the Revolutionary War. So I am sure I wouldn't want to secede from the State of Maine. My family has been in Aroostook County only for 122 years so you see there is quite a difference and my state citizenship is pretty eminent in my thinking.

The PRESIDENT pro-tem: The Senate is operating under Orders of the Day. Are there any of these tabled items that we can move along?

On motion by Mr. Ferguson of Oxford, the Senate voted to take from the table the 33rd tabled and unassigned item, bill, "An Act Combining Use of State Aid and Town Road Improvement Funds" (S. P. 136) (L. D. 319) tabled on April 14 by Senator Ferguson of Oxford pending consideration.

Mr. FERGUSON of Oxford: Mr. President, I hate to make this motion after the fine reception this bill had in the Senate. I think this bill is badly needed, but it took quite a clobbering in the House, so I now move that we concur with the House in the indefinite postponement of this bill.

The motion prevailed and the bill was indefinitely postponed in concurrence.

On motion by Mr. Carpenter of Somerset, the Senate voted to take from the table the 13th tabled and unassigned item (H. P. 197) (L. D. 292) House Reports from the Committee on Highways on Resolve in Favor of the Town of Harmony; Majority Report, Ought not to pass; Minority Report, Ought to pass; tabled on March 24 by Senator Carpenter of Somerset pending motion by Senator Cole of Waldo to accept the Majority Ought to pass report.

Mr. CARPENTER of Somerset: Mr. President and members of the Senate: I would like to explain this particular resolve in favor of the Town of Harmony briefly and then I shall move for the acceptance of the minority "Ought to pass" report of the committee.

This involves the town of Harmony, Maine and the Richards

Swamp Road. This is a road that has had a small amount of gravel added each year because of it sinking. It was decided that it should be rebuilt with Town Road Improvement money in 1959. The State approved the section to be built and work was started. The bog over which the road was to be built was not tested before the work was started and the gravel was added too quickly, the road sank some more, and when the ditches were cleaned out it kind of untied it and the whole road sank, some of the stumps on the side of the road went with it and left the roots sticking up in the air. Water rose up over the road to an estimated four feet.

The bog is about four hundred feet long and to completely fill the area would take approximately 118,000 yards and cost \$118,000, and to fill only the part that sank would cost \$16,000. Due to the high cost of repairing the road, the town fathers decided the best thing to do would be to reopen the Old County Road, so-called, which would bypass the sunken road and which involved a distance to build of about a mile.

The town hired \$5300 to get this road passable and actually spent \$5,252.02. It is estimated that the cost to make the road wide enough for two vehicles to pass would be around \$5000 more.

The town lost their Town Road Improvement Fund for 1959 and spent \$5252 to get the road open and they need \$5000 more to finish the job, all because of four hundred feet of road sinking.

The town of Harmony has only 712 population and the rate of growth is very slow. There are 173 poll taxes paid and a valuation of half a million dollars. They have a small industry there which they lost last year because of a fire.

It will be a great help to the town of Harmony to replace this section of road which they have lost entirely, and I am quite certain that with the generosity that the Senate has shown in the last few days in buying access highways to islands and picking up State bonds that they will go along with this particular measure.

Mr. President, I move the acceptance of the minority "Ought to pass" report of the committee.

Mr. COLE of Waldo: Mr. President and members of the Senate: I think the good Senator from Somerset, Senator Carpenter, has given you a rough resume of what happened in the town of Harmony, but I would like to add a little bit further to that.

He mentioned the fact that the earth was not tested as to what type of compaction there was there. Of course that is true, because the State does not do that on any of the town road improvement projects.

First, I would like to say that the town road improvement money is a grant by the state to the towns without any qualifications or attachments; it is pretty much up to the selectmen to expend the money, with the approval of the supervisor, most anywhere on any of the town roads.

This particular road, which is the Richards Swamp Road, or Traf-ton Road so-called, was a type of road which was used very little. The town decided that they would like to use their town road improvement money on this particular stretch which happened to be very swampy, so work was started on August 20th. What they did was to cut the alders and trees and brush that were alongside of the town highway and lop them into the road and then they covered these particular trees with about twelve inches of gravel. It is true that on August 21st this was brought up to grade, and then on August 24th it began to settle and settled eighteen inches. The decision was made at that time to suspend work so that an investigation of the soil could be made. The swamp continued to settle and the town, after the State had recommended to their supervisor that all work be suspended continued to haul gravel. They hauled in one day nearly five hundred yards, a total of eight feet in depth in one particular place where they had the excessive settlement. In November it still continued to settle and the town began to haul more gravel. Before doing too

much of this they used the grader to grade up the gravel that had not sunk and sort of shaped up the road. In doing so, they used the blade of the grader at the ditch level and cut off all the bushes and trees they had in there for support. This was done by the town itself. Immediately once the shearing action took place, then the road began to sink more and more. They expended all of their town road improvement money, which was \$3109.05, and they finally had to abandon the road because there was no bottom. They did at that time open up another road and spent a considerable amount of money, a total of over five thousand, on another road to by-pass the swamp, which had nothing to do with the settlement of the so-called Richards road.

What I would like to bring out to the Senate is the fact this is strictly a town affair; the money was given to the town by the state for their sole use and they had practically no supervision.

To me, by way of illustration, it is something like some good lady going into a very popular store in Portland belonging to Senator Porteous and maybe buying an expensive bottle of Chanel No. 5 or what have you and then dropping it before she gets to the outside door. I am sure the purchaser would not expect the good firm to replace the very expensive perfume, and I do not think that the State of Maine should be held liable for something that the town has already done, so I hope that the motion of the Senator from Somerset, Senator Carpenter, does not prevail.

Mr. FERGUSON: Mr. President, does the motion of the Senator from Somerset, Senator Carpenter, take precedence over the motion of the Senator from Waldo, Senator Cole, to accept the "Ought not to pass" report of the committee.

The PRESIDENT pro tem: The Chair would state that the question before the Senate is the motion of the Senator from Somerset, Senator Carpenter, that we accept the minority report, "Ought to pass."

Mr. FERGUSON: Mr. President, I rise in opposition to the motion

of the Senator from Somerset, Senator Carpenter, inasmuch as I was a member of the Committee on Highways. We had a very good hearing on this bill, and I personally feel, after working on that committee for several years, the town of Harmony was in error and it was negligence on the part of the town officials.

They are making the claim that the Highway Department did not inspect the highway or give them any guidance. The Town Road Improvement Act does not call for personnel to be assigned to test roads and so forth. We have a very good program under Town Road Improvement.

According to my records here, the town of Harmony with thirteen miles of town ways, received each year \$3289 from that account as a direct grant. There are no matching funds.

I certainly feel we should not go along with this resolve. It certainly will disrupt our town road improvement program if we vote to pass out money for this sort of thing on claims before the Claims Committee. It is certainly going to be diverted to other channels. I certainly hope that we will not set a precedent here with the town of Harmony, and I hope that you vote against the motion of the Senator from Somerset, Senator Carpenter.

The PRESIDENT pro tem: The Chair would inform the Senate at this time that the Secretary was incorrect and that the motion before the Senate is the motion of the Senator from Waldo, Senator Cole, to accept the majority "Ought not to pass" report.

Mr. FERGUSON: Mr. President, I must say that I wholeheartedly support the motion of the Senator from Waldo, Senator Cole, and I hope you will go along in accepting the "Ought not to pass" report of the committee.

Mr. CARPENTER of Somerset: Mr. President, for the sake of "Harmony" here in the Senate, I hope you oppose the motion of Senator Cole.

Mr. CYR of Aroostook: Mr. President and members of the Senate: I think we have a senator that

can really come up with a pun this morning.

I would like to ask through the Chair, and this is more or less in the form of a question: In this problem, as I see it, the State of Maine, Highway Department, through the Town Road Improvement Fund, gave money to the town of Harmony from the Town Road Improvement Fund which is non-matching, and through an error of judgment the town of Harmony has made a mistake in the use of this fund. As I gather from this bill, they are trying to recover \$5000 from the State of Maine after they have given them a grant from the Town Road Improvement Fund to begin with. I do not see the point.

The PRESIDENT pro tem: Senator Cyr, do you ask that question of any particular senator?

Mr. CYR: Mr. President, I would like to find out what kind of an answer Senator Carpenter would have on it.

The PRESIDENT: The Senator from Aroostook, Senator Cyr, has posed a question to the Senator from Somerset, Senator Carpenter, and that senator may answer if he wishes.

Mr. CARPENTER: Mr. President, I was not listening to the good senator. Will you kindly repeat that?

Mr. CYR: Thank you, Senator Carpenter, for your attention. I will try to ask you a "harmonious question," to keep it within the structure of where we started.

The way I view this problem here is that the State of Maine has given a grant to the town of Harmony through their Town Road Improvement Fund, and in the use of that grant, through what was probably an error of judgment it was misused, and now they are coming back to the State of Maine for the donation which they received. I do not see the point. Is there a point?

Mr. CARPENTER: Mr. President and members of the Senate: I cannot see the point either, but the Senate has been so generous here in the last two weeks in giving money away I did not think they would mind five thousand dollars

more being given to a town which needs it very badly.

Mr. PORTEOUS of Cumberland: Mr. President and members of the Senate: As far as having given money away is concerned, it may be that we have voted some well-justified claims that have passed through the Claims Committee; but I would like to state that one of the principles that we followed very closely in the Claims Committee, especially where towns were involved, was that we did not feel that the State of Maine should make up for the failings of town officials, and in cases perhaps of dereliction of duty or misjudgment the Claims Committee in no case made up for their failings.

The PRESIDENT pro tem: The question before the Senate is the motion of the Senator from Waldo, Senator Cole, to accept the majority Ought not to pass report.

Mr. COLE of Waldo: Mr. President, I ask for a division.

A division of the Senate was had.

Twenty-two having voted in the affirmative and three opposed, the motion prevailed.

On motion by Mr. Davis of Cumberland, the Senate voted to take from the table the 17th tabled and unassigned item (H. P. 494) (L. D. 805) bill, "An Act Revising the Laws Relating to the Organization and General Supervisory Powers of the Department of Banks and Banking"; tabled on March 28 by Senator Davis of Cumberland pending adoption of Senate Amendment A.

Mr. PORTEOUS of Cumberland: Mr. President, this amendment would have given the Banking Commissioner freer rein, as you may remember from three or four weeks back, in hiring bank examiners. However, the Personnel Board has now ruled against this, and I therefore would like to move that Senate Amendment "A", Filing 58, be indefinitely postponed.

The motion to indefinitely postpone Senate Amendment A prevailed and the bill was passed to be engrossed as amended by Committee Amendment A in concurrence.

At this point President Hillman resumed the Chair, Mr. Noyes of Franklin retiring amid the applause of the Senate.

On motion by Mr. Boardman of Washington, the Senate voted to take from the table the 21st tabled and unassigned item (S. P. 352) (L. D. 1085) Senate Reports from the Committee on Liquor Control on bill, "An Act Defining Public Place under Law Regulating Drinking in Public Places"; Majority report, Ought not to pass; Minority report, Ought to pass; tabled on March 31 by Senator Boardman of Washington pending motion by Senator Mayo of Sagadahoc to accept the Majority Ought not to pass report.

Mr. BOARDMAN of Washington: Mr. President, this happens to be one of my own bills. I would not recommend this procedure so far as everyone's bill is concerned, certainly, but under the circumstances I have checked into it and, as the good Senator Pike says, it does not have the chance of a snowball in August, and for that reason I would move the pending question.

The motion prevailed and the Majority Ought not to pass report was accepted.

Sent down for concurrence.

On motion by Mr. Farris of Kennebec, the Senate voted to take from the table Item 6-4 House reports from the Committee on Legal Affairs; Majority report Ought to pass as amended by Committee Amendment A; Minority report, Ought not to pass; on bill, "An Act Amending the Charter of the City of Saco"; tabled by that Senator earlier in today's session pending acceptance of either report.

Mr. FARRIS of Kennebec: Mr. President and members of the Senate: You will note that there is a majority and a minority report that came from the Legal Affairs Committee and in the other body the bill was indefinitely postponed, which is contrary to the thought of the majority of the committee that this bill Ought to pass.

This is another one of these charter propositions which occasionally confront us, from one of

our fine municipalities in the State of Maine, and there was a great deal of controversy, not exactly of a bi-partisan nature. This bill was given a very extensive hearing. There was a great deal of correspondence from many interested parties. Primarily the interest was that this was a matter which should be permitted to go to the people of the City of Saco to decide for themselves whether or not they wish to change their charter as is proposed in this bill.

Of course the majority vote on the referendum questions is normally set at 20 per cent on the reports coming from the Legal Affairs Committee, but on this particular one they went one step further and provided that this would become effective only when thirty per cent of the vote for candidates for Governor at the last election participated in this particular referendum vote. So at this time I move acceptance of the "Ought to pass as amended by Committee Amendment 'A'" report of the committee.

The motion prevailed and the Majority report was accepted in non-concurrence; the bill read once, Committee Amendment A read and adopted and the bill tomorrow assigned for second reading.

On motion by Mr. Noyes of Franklin, the Senate voted to take from the table the 50th tabled and unassigned item (H. P. 53) (L. D. 94) House Reports from the Committee on State Government on bill, "An Act Relating to Travel Allowance for Members of the Legislature; Majority report, Ought to pass; Minority report, Ought not to pass; tabled on May 3 by Senator Noyes of Franklin pending motion by Senator Christie of Aroostook to accept the Minority Ought not to pass report.

Mr. NOYES: Mr. President, I now move the pending question.

The PRESIDENT: The question before the Senate is the motion of the Senator from Aroostook, Senator Christie, that the Senate accept the minority "Ought not to pass" report of the committee.

Mr. MAYO of Sagadahoc: Mr. President and members of the

Senate: It is my understanding that this increased allowance is to 7 cents a mile, and in support of the legislation I would just like to bring out the fact that it is getting increasingly harder and harder to get qualified people to serve in the legislature. Today more and more legislators are driving back and forth to their homes. I see nothing wrong with the "Ought to pass" report on this bill. The request is not out of line with other increased costs of business or any other form of expenses. The State employees, as a whole, get seven to eight cents a mile for the first five thousand miles on their cars.

I rise in opposition to the motion of the Senator from Aroostook, Senator Christie.

Mr. LOVELL of York: Mr. President, I might say that I signed the "Ought to pass" report because I believe that allowing five cents a mile to drive an automobile going to and from the session once a week certainly is not anywhere near sufficient to cover the expense.

Now in the State of New Hampshire this last week the senators and representatives were allowed 15 cents a mile for the first fifty miles and they can go to and from their home, and after that they are allowed 8 cents a mile. Certainly in moving from 5 cents to 7 cents a mile it seems to me not quite fair but a little bit fairer than 5 cents a mile, so I certainly will support Senator Mayo's thoughts on this and when the vote is taken I ask for a division.

Mr. BOARDMAN of Washington: Mr. President and members of the Senate: It is rather ironical, you might say, but this apparently is my travel check—I hope it is, I haven't looked. Incidentally, this check should be for twenty-one dollars. Yes, it is, no mistakes. Twenty-one dollars does seem to be quite a lot of money perhaps, but on the other hand I would like to sort of reminisce on what has happened this winter so far as I am concerned in traveling back and forth.

Now the distance between here and Calais is approximately 210 miles going the ordinary route.

However, if you go by the Air Line it amounts to about 168 miles. Now this winter I have broken three springs on my car. I have a 1955 Plymouth so therefore I have ordinary difficulties with regard to that. However, the cost of gasoline, the cost of repairs and so forth has far exceeded the amount which is being paid each week. I believe that this amount is fair and that it is not unreasonable. For that reason, I would go along with Senator Mayo. I seem to be agreeing with him this morning for a change. I would recommend that this bill be passed.

Mr. COUTURE of Androscoggin: Mr. President and members of the Senate: I too have my check for four dollars a week to travel thirty miles a day, including going back home, because certainly on this I cannot afford to sleep in Augusta when I cannot even get a room for one night for four dollars, but I am rising in opposition to the increase in supporting the motion of Senator Christie and I will give you my reasons for doing so.

I certainly can understand that those senators who live seventy-five, eighty or a hundred miles from Augusta have to live in Augusta, but I also can understand and I know that four dollars a week will not take care of my transportation going back and forth from home every day. An increase of two cents certainly would not help me either. I for one feel that a flat rate for expenses should be paid, not mileage. Some feel that their traveling expenses are not sufficient even when they receive from twenty-two dollars up to a higher amount. There is a possibility that some of them receive enough to be able to live in Augusta.

I stand on my two feet here in saying that I am spending money out of my own wages in being a member of this Senate. With an increase of two cents a mile those living at a distance and those living in Augusta will certainly benefit by it but those traveling sixty or seventy miles a day will not benefit by it. I am not in favor of the increase for myself because I believe I can live for a dollar a

week less. I certainly am going to cast no vote of my own in taking a stand to increase the expenses of the legislature for a dollar, not me, unless there be some type of amendment put on this bill so that everybody will gain by it equally, and I will support Mrs. Christie's motion.

Mr. LOVELL of York: Mr. President, may I ask a question of the good Senator from Androscoggin, Senator Couture. I wonder if he would like to suggest or would like to put an amendment on to allow ten dollars a day expenses for members of the Senate?

The PRESIDENT: The Senator from York, Senator Lovell, poses a question through the Chair of the Senator from Androscoggin, Senator Couture, and he may answer if he wishes.

Mr. COUTURE: I positively will go along with an equal increase, yes, but not that type.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Aroostook, Senator Christie, that the Senate accept the minority "Ought not to pass" report of the committee.

Mr. MAYO of Sagadahoc: Mr. President and members of the Senate: If I am correct, this bill if it is going to be amended it will have to be amended at this time because it has been engrossed in the opposite body. I would therefore suggest that if anyone plans to amend this bill that they possibly table it for the purpose of putting an amendment on it, but I will not table it. I would personally vote for the "Ought to pass" report, but if it is going to be amended in any way I think this is the time to table it and draw up an amendment.

The PRESIDENT: The Chair will inform the Senator from Sagadahoc that the Senator from Androscoggin, Senator Couture, can amend it any time before engrossment, and this will be the first reading.

Mr. STILPHEN of Knox: Mr. President, I was only going to suggest that if anyone did wish to amend it it would be wise to accept the "Ought to pass" report.

The PRESIDENT: It would be if this motion is defeated, but this other motion must be put first.

Mr. COUTURE of Androscoggin: Mr. President and members of the Senate: I now move that this bill lie on the table and be specially assigned for Wednesday of next week for the purposes of amendment.

Mr. MAYO of Sagadahoc: Mr. President, I would question the time of assignment, and, in debating the time of assignment, I would think that Friday of this week would be long enough to table this bill. I therefore would ask for a division on the tabling motion.

Mr. COUTURE: Mr. President, I would like to withdraw my motion on assignment.

The PRESIDENT: Is it the pleasure of the Senate that the Senator from Androscoggin be allowed to withdraw his motion?

Permission to withdraw the motion was granted.

On further motion by Mr. Couture, the bill and reports were tabled and specially assigned for the next legislative day, pending the motion of the Senator from Aroostook, Senator Christie, to accept the minority "Ought not to pass" report.

On motion by Mr. Noyes of Franklin, the Senate voted to take from the table the 59th tabled and unassigned item (S. P. 286) (L. D. 887) "Resolve Providing for Survey to Determine New Projects for Recreational Areas"; tabled on May 4 by Senator Noyes of Franklin pending consideration; and that Senator yielded to the Senator from Cumberland, Senator Brooks.

Mr. BROOKS of Cumberland: Mr. President, I am working on an amendment to this bill and would move that it be retabled.

The motion to retable prevailed.

The PRESIDENT: The Chair recognizes in the Senate Chambers 30 students from Boothbay eight grade class with their teacher Marvin Rosenblum and also 20 students from the 7th and 8th grade class of Edgecomb with Mr. and Mrs. Giles. It certainly is a pleasure to have these young folks with us. We hope that your stay in the

State House is enjoyable and educational and we hope that some day some of you will be sitting in these Chambers representing the County in which you live. The Chair would like to introduce the Senator representing your County, Senator Chase of Lincoln. (Applause)

On motion by Mr. Carpenter of Somerset, the Senate voted to take from the table the 60th tabled and unassigned item (S. P. 223) (L. D. 628) Senate Report, Ought not to pass, from the Committee on Appropriations and Financial Affairs on "Resolve Providing Funds for Thayer Hospital, Waterville, to aid its Rehabilitation Program" tabled on May 5 by Senator Carpenter of Somerset pending motion by Senator Ferguson of Oxford to substitute the bill for the report.

Mr. CARPENTER of Somerset: Mr. President, I tabled this L. D. on account of the absence on that day of Senator Sampson of Somerset. I now yield to Senator Ferguson of Oxford.

The PRESIDENT: If Senator Ferguson would defer just a moment, the Chair would like at this time to recognize a group of students from Lovell, Maine. It certainly is a pleasure to have this group with us. We hope that you visit the House of Representatives and the museum downstairs. We hope that some day you will take your places in the Senate Chambers representing the county in which you live. At this time the Chair will introduce Senator Pike and Senator Ferguson of Oxford County.

And now, the Chair recognizes the Senator from Oxford, Senator Ferguson.

Mr. FERGUSON of Oxford: I would like to clarify some of the details of Legislative Document No. 628, Resolve Designating the Thayer Hospital as a Rehabilitation Center for Maine.

This bill, which has been before the Appropriation Committee, will provide \$20,000 for the fiscal year ending June 20, 1962, and \$20,000 for the fiscal year ending 1963 for the Thayer Hospital Rehabilitation program. I may say that this Resolve was not initiated

by the Thayer Hospital but by a group of people interested in such a program; and I am given to understand, with the approval of Mr. Dorsky representing unions.

As you undoubtedly know, there has been an active Department of Rehabilitation at the Thayer Hospital for the past three years aimed at enabling injured and crippled persons to achieve their maximum in convalescence and, as far as possible, to be returned to gainful employment. As now constituted, the work of the department is very largely done for the Office of Vocational Rehabilitation but could be easily expanded to the field of industrial medicine.

Governor Reed has shown a great deal of interest in this Resolve, inasmuch as he felt it would be much more economical for the State to make use of the facilities already available at Thayer than to institute a separate program, which, at one time, had been considered. I, personally, feel that this would be a decided advantage and make unnecessary the expenditure of a large amount of State funds.

The insurance carriers have been very much interested in this proposition, inasmuch as they recognize that it is much better for injured employees to be taken care of as near home as possible, provided proper facilities are available, and thus make unnecessary their transportation to Boston and being forced to live there for a considerable length of time.

It would not be too difficult for Thayer Hospital to expand its facilities in this field, provided some extra personnel and equipment were made available by this Resolve.

As you likely know, the Thayer Hospital is already embarking on an expansion program, which, incidentally, will include an expanded area in rehabilitation. Because of this, it has no funds for anything more than the immediate construction.

The Rehabilitation Program itself is not self-supporting, as it calls for certain skilled personnel in several different areas. However, it is a very gratifying program in view of the possibility of

restoring to health and gainful employment many otherwise crippled and handicapped persons.

I hope you will support my motion to substitute the bill for the report and keep this important Resolve alive until such time as the necessary monies are appropriated.

I ask for a division when the vote is taken.

Mr. MAYO of Sagadahoc: Mr. President and members of the Senate: I rise to put upon the record the fact that in the City of Bath we have one of the finest rehabilitation hospitals. This hospital was founded originally by a gift from the Hyde family children and it has grown over the years. It was known originally as the Hyde Memorial Home for Crippled Children and Adults. This home has its own program; it is supported entirely by contributions from citizens around the State of Maine and outside of the State.

I know Senator Ferguson has a very fine bill before the Senate, asking for money for a program which is very necessary to the State of Maine to rehabilitate injured workers and other injured or crippled people. I support his motion and hope his motion does prevail.

I also want to again say that the Hyde Home at Bath is considered one of the finest rehabilitation hospitals in this area, and I would hope that sometime when it is necessary maybe the legislature would support the Hyde Home also.

Mr. PORTEOUS of Cumberland: Mr. President, I would like to ask through the Chair a question of the Senator from Oxford, Senator Ferguson, and that is this: Is this rehabilitation program to be carried out in the Thayer Hospital open to people from all areas of the State on an equal basis?

The PRESIDENT: The Senator from Cumberland, Senator Porteous, poses a question through the Chair of the Senator from Oxford, Senator Ferguson, and he may answer if he wishes.

Mr. FERGUSON of Oxford: Mr. President and members of the Senate: I might say in answer to the question of the Senator from Cum-

berland, Senator Porteous, that it is. As you know, a great many of the insurance companies that have many cases under workmen's compensation certainly would send their injured employees to Thayer Hospital if the facilities were available. At the present time, as I stated before, they are having a building program and they will not have the funds available to fully equip this new section.

Not all of the companies but a good many of the larger companies, particularly in the paper industry, insure their employees under workmen's compensation through the Liberty Mutual. They carry on a very fine program in the City of Boston, but that is more or less restricted to the carrier or people who carry their insurance with the Liberty Mutual. I believe this will be a great money-saver to the whole State of Maine.

Mr. DAVIS of Cumberland: Mr. President and members of the Senate: I think I should state briefly what the committee's objections were to this particular bill.

We did not question for a moment that this clinic is doing very fine work, but I would remind you that this is a private clinic, and up to date has been supported by funds they receive from insurance companies and other interested individuals and organizations. If you open the door for this group, as has been pointed out, there are other groups in the state and you can expect to receive requests to support them also.

I also would remind you that we have a vocational rehabilitation program carried on through the Department of Education on which federal funds are available on a matching basis. The committee felt that at this time the state support should be under this program. I hope that you will not support the motion of the Senator from Oxford, Senator Ferguson, and when the vote is taken I would ask for a division.

Mr. WYMAN of Washington: Mr. President and members of the Senate: I rise in support of this motion to substitute the bill for the report. It seems to me, even though this is a private hospital, that if they are carrying on this

program it is better for us to help them some than to carry it on where we have to supply all the money. I would like very much to see this bill go along to the enactment stage, and then of course if funds are not available it will have to be killed.

Mr. FERGUSON of Oxford: Mr. President and members of the Senate: I would just like to point out again that the Thayer Hospital is now carrying on this program for the vocational rehabilitation center here. There are a good many cases under the present program where they send them out and teach them a trade, but many of those cases go first to Thayer and get their medical rehabilitation so they can come back and our vocational rehabilitation center can teach them some sort of a trade and get them back into useful occupations.

The PRESIDENT: The question is on the motion of Senator Ferguson of Oxford to substitute the bill for the report; and a division has been requested.

A division of the Senate was had.

Fourteen having voted in the affirmative and fifteen opposed, the motion did not prevail.

Thereupon, on motion by Mr. Davis of Cumberland, the Ought not to pass report of the committee was accepted.

Mr. EDGAR of Hancock: Mr. President if I may, I would inquire of the Chair, because of circumstances that involve my activities this afternoon, are we or are we not going to have an afternoon session?

The PRESIDENT: There will be an afternoon session at 1:30.

On motion by Mr. Jacques of Androscoggin, the Senate voted to take from the table the 25th tabled and unassigned item (S. P. 295) (L. D. 906) Senate Report, Ought to pass as amended by Committee Amendment A from the Committee on Legal Affairs on bill, "An Act Relating to Zoning in the City of Lewiston"; tabled on April 4 by Senator Jacques of Androscoggin pending acceptance of the report; and on further motion by the same Senator, Committee Amendment A was indefinitely postponed and the

bill was tomorrow assigned for second reading.

The PRESIDENT: The Chair recognizes in the Senate Chambers the eighth grade pupils of Harrison accompanied by their teacher, Mr. Arthur Conary. It is a pleasure to have you young people with us and Mr. Conary too. We hope your stay is educational and enjoyable. We hope that you visit the museum. We are proud of our State House. We hope too that some day you will sit in these Chambers representing the County in which you live. The Chair will introduce the Senators from your County: Senators: Davis, Brooks and Porteous. Senator Lord is ill today.

On motion by Mr. Chase of Lincoln, the Senate voted to take from the table the 45th tabled and unassigned item (S. P. 392) (L. D. 1258) Senate Report, Ought to pass as amended by Committee Amendment A from the Committee on Business Legislation on bill, "An Act Relating to Interest Rate for Licensed Small Loan Agencies"; tabled on May 3 by Senator Chase of Lincoln pending motion by Senator Carpenter of Somerset to indefinitely postpone.

Mr. CHASE of Lincoln: Mr. President and members of the Senate, this bill, I feel way down in my heart, is one of the best bills in this legislature as it has been presented to us. It affects probably over half a million of the poorer people of the State of Maine.

We have these small loan agencies that advertise for business. They charge three per cent interest for loans up to one hundred and fifty dollars and it is graduated from there up.

I introduced this bill to cut them to two per cent because I felt that would be a good, fair rate. I presented my bill before the Business Legislation Committee and the bill was watered down. I got a unanimous report "Ought to pass." We changed the bill to read "two and one-half per cent" rather than "two per cent" that I requested, asking for two and a half per cent for loans up to \$150.

They also changed the bill to read that these small loan agencies should not loan over \$1500. As you know, now under existing law they can loan up to \$2500, and I ask you frankly: Is that a small loan?

In looking over the statutory small loan rates for the different states throughout the United States I find that we are one of the few States that allow these companies to loan up to \$2500. The greater part of them loan only up to \$500. That is a small loan.

Now many, many of these folks that are getting these small loans from these small loan agencies go there because of the easy method by which they can go in and get a loan. The papers are full of ads saying "Consolidate your Bills," "Meet us at any hour on appointment. We will meet you. We will loan you up to \$2500 on your signature only or your furniture as security." Mind you, they are taking the only thing that many of these people have as security in the world, their household furniture.

Now there are those in our society that feel that these poorer people—they say: "They're a bad risk, they cannot go to our banks. I wouldn't want them to come to my bank. Would you want to take a risk on them? I say "Yes, the place for our business is in the banks and not in small loan agencies." Our banks are institutions set up for the benefit of the people, and when people go into a bank they talk with a man there who is trained and he talks the financial situation over with his client and he advises him, he gives him good advice. Sometimes he has to turn the man down but he recommends to him.

These unfortunate people who are poor, they are not all poor because of ignorance; many of them are forced into poverty because of hardship, sickness. You folks know it, you know how it is. I say that we should look after these people. They cannot come up here and hire a bunch of lobbyists to look after themselves; they depend on us as senators and representatives in this legislature to look after their interests. They

have no one to come up here; they cannot afford to send lobbyists up here; they cannot afford to come up here and fight for their cause, and if they did they would not dare to because they might have a loan and they might be afraid of what might happen, that if they were a little behind their furniture would be taken from them, perhaps the only thing they own in the world.

Ladies and gentlemen, this is a poor man's bill, and God only knows when any of us might be in circumstances where we might have to fall back on these institutions if we were turned down by a bank.

Under our banking system we have bank examiners who look right after the banks and periodically check them, but they cannot check these small loan agencies. We have at this time over a hundred of these small loan agencies in the State of Maine.

I was in the 95th and 96th Legislature as a representative. At that time I saw eight or ten or maybe more bills introduced for licenses to run these small loan agencies, and in this legislature there are about a dozen bills in here to charter these loan companies to loan money at three per cent interest. It is a lucrative business: if it were not there would not be so many trying to get into it. If they want to charge a big interest rate, that is all well and good, but I hate to stand here as a citizen and see them hit our poorer people, our unfortunate people. I stand up and I say it is not right. If they cannot live under a two or a two and a half per cent rate they had better be driven out of the State of Maine.

Most of them have a little office up on the second or third floor and they spend just as little money in the state as they can. They don't even have a room that you can walk into for seclusion; they have a portiere which is drawn around a person who goes in there. How would you feel to go in and get a loan on one of those places? And you know yourself how that manager is hired: he is hired on a quota basis, and believe me, every time we let another small

loan agency into the State of Maine there is more competition and that quota is a little harder for that boy to get. Consequently, what is the result? He will loan more money than the person should be receiving, which ends up in chaos and bankruptcy. Our courts are full of bankruptcies, and I will bet you that if you traced those bankruptcies you would find that a big majority of them would trace right back to people borrowing money at three per cent. If their account is overdue the interests runs more than the principal, and it grows bigger and bigger and bigger. They cannot go to the bank because if they go to the bank and give this loan company for a reference the bank immediately takes a frowning position on it. It is bad, it is bad. They are charging these poor people of ours—and they are not all poor either and many of them should go to the banks. In my business I run into hundreds of people and I am surprised to find that they had borrowed money from these loan companies when they owned their homes and they were good, upright people, I was surprised to find that they were going in and borrowing and paying such exorbitant rates of interest. They should be going into a bank. You go into a bank and it makes you feel better. It would do these people a lot of good and they would feel better with themselves going into a bank and getting a small loan. I think our banks will take this business, in fact there are some in the State of Maine today that are advertising; they are beginning to try to compete with these small loan agencies. But the banks can charge up to twelve per cent, they cannot charge up to thirty-six per cent, which is three per cent a month. I believe personally this is one of the nicest things.

I noticed an article in May Craig's column in the Portland Sunday paper. I will read a portion of it. It says:

"The Bible says it is easier for a camel to go through the eye of a needle than for the rich man to get into heaven—perhaps this is not entirely true, for there are

immensely wealthy people whose very names are synonymous with honor and dignity and loving kindness toward their less fortunate brethren.

"But, by and large, the pursuit of the dollar is our chief occupation. For the poor this is understandable, they need the money to live, to take care of their families."

Then I picked up another little piece out of the Christian Science Monitor which was interesting to me. It was a letter written by a Mr. Paul O. Williams, and he was speaking about schooling in home finance. He says this should be taught in our school system. I agree with him. I will read a small part of it. He says:

"But what of the vast majority of people? They are simply left to the winds of chance and their own ingenuity in many financial situations.

"The fact that 13 cents of every dollar of take-home pay goes for interest on loans and installment purchases and that debt-consolidation loans are profitable enough to advertise on the radio, loans which make the unsuspecting debtor pay interest twice on the same principal, show the financial naivete of many citizens. Almost every car repossession — and everyone is aware there are a great many — denotes a serious financial mistake. Every sale of a poor and unnecessary product means that the intrinsic strength of the economy is weakened.

"The burden of this ignorance falls on the whole society,"—that is the part of the thing I like: "The burden of this ignorance falls on the whole society, not only because so many worthless products are sold and so many avoidable mistakes made which lower the tone and quality of the society, but because the government must make up for the failure of the individual by increased welfare programs," — and we have plenty of them in this state — "controls, and taxes, taking financial management out of the hands of the people, in essence judging them incapable of governing themselves.

"When it has always been acknowledged that the people of a republic must be educated to their

duties as citizens, it is hard to understand why management of personal finances and affairs is not an intensive required part of the curricula of public schools, when so many subjects less pertinent to daily affairs, the pulse-beat of our economy, are required."

I can pick up a paper any day in the week and find articles referring to this situation. It is a serious one. If we can go out of here after passing this bill I will feel myself that this legislature has done one of the greatest duties to the citizens of the State of Maine that has been done for many years.

They say that the Legislative Research Committee studied this bill and there was no concern about it. Ladies and gentlemen, I have all the respect for the Legislative Research Committee, but how in the world can they tend to all of the duties when they have so many bills before them to study? They just cannot do it. I am not questioning whether they looked into this bill or not, but I feel they did not have the time to do it if they reported there was no concern. I definitely feel that there is a concern, and I think if you look the situation over that you will feel there is a concern.

I say again: this is our responsibility. These folks have no money to hire a lobbyist to come up here, but, believe me, there have been plenty of lobbyists working on this bill. I have had a hard fight and I intend to get this thing through if possible. I think it will go through because I know you fellows have hearts in your souls. How many of their livelihoods are going to be affected if we continue to let this type of interest rate continue to be charged, three per cent a month? It is ridiculous. The whole system is no good.

I certainly hope, ladies and gentlemen, that the motion for indefinite postponement of this bill does not prevail. Thank you very much.

Mr. CARPENTER of Somerset: Mr. President, in view of the fact that I have misplaced some of the notes that I intended to use, I would appreciate tabling until later in today's session.

The PRESIDENT: Is it the pleasure of the Senate that this matter lie on the table until later in today's session, pending the motion of the Senator from Somerset, Senator Carpenter, that this bill be indefinitely postponed?

The motion prevailed and the bill was so tabled.

Mr. Carpenter of Somerset was granted unanimous consent to address the Senate.

Mr. CARPENTER of Somerset: Mr. President, we have here in the Senate Chambers a group of students from the Harmony high school, accompanied by their principal. May I ask them to rise so that the Senate can recognize them?

The PRESIDENT: It certainly is a pleasure to have these groups visit us. We hope that your stay is enjoyable. At this time the Chair will introduce to you the Senators from your County of Somerset. Senator Carpenter and Senator Sampson who I am sure will help you in any way that they can. (Applause)

On motion by Mr. Noyes of Franklin Recessed until 1:30 this afternoon.

After Recess

The Senate was called to order by the President.

Mr. Mayo of Sagadahoc presented the following Order and moved its passage:

ORDERED, the House concurring, that there be created an interim Joint Committee to consist of 6 members of the Advisory Council of the Maine Employment Security Commission, appointed by the Employment Security Commissioners (2 representing labor, 2 representing management and 2 representing the public), 2 Senators appointed by the President of the Senate and 2 Representatives appointed by the Speaker of the House to study the Employment Security Law and to report to the 101st Legislature such changes and amendments as may be necessary or desirable to revise and consolidate such law, so

as to make such law more readily understandable, workable and useful to the persons affected thereby; and be it further

ORDERED, that there is appropriated to the Committee from the Legislative Appropriation the sum of \$1,000 for expenses of the legislative members to carry out the purposes of this order.

Which was read and passed.
Sent down for concurrence.

On motion by Mr. Erwin of York, the Senate voted to take from the table the 53rd tabled and unassigned item, (H. P. 1143) (L. D. 1575) bill, "An Act Relating to the Dissolution of Corporations" tabled on May 4 by Senator Erwin of York pending assignment for second reading; and on further motion by the same Senator, the bill was tomorrow assigned for second reading.

On motion by Mr. Porteous of Cumberland, the Senate voted to take from the table the 40th tabled and unassigned item (H. P. 949) (L. D. 1297) House reports from the Committee on Transportation on bill, "An Act Relating to Notification for Renewal of Operators' Licenses and Providing for a Two Year License"; Majority report, Ought to pass with Committee Amendment A; Minority report, Ought not to pass.

Mr. PORTEOUS of Cumberland: Mr. President and members of the Senate, perhaps of all the measures that have come before this legislature which were a part of either the campaign pledges or the campaign program of any of us or of the Governor, this particular bill with specific reference to the notification was probably the most misunderstood and reported probably the most unfavorably and with the greatest amount of ridicule of any of the campaign or any of the pledges made by the Governor or any of us. In order to bring to your attention the good qualities of this proposal and in order to put together a package that is a workable one for the state, I would like at this time to make quite a few remarks if you will bear with me so that we may settle this mat-

ter and pass it on to the House of Representatives unless someone tables it right after I get through, and I hope that they won't.

In the first place, the trend in the country today is toward a two year or more driver's license. The trend in gasoline credit cards—if any of you carry an Esso Credit Card as I do—I just happened to look at mine a few minutes ago and it was issued a year ago March and it is good until March of 1963. Presumably I could go broke during that period of time but they have seen fit to issue this because it makes an economy of bookkeeping in their files.

At the present time eight states issue a license for one year, and that includes Maine. Twenty-three states out of fifty-two—we are including Puerto Rico and the District of Columbia—twenty-three states are for two years; twelve states are for three years, four states are for four years; one state for five; one state has a one year and a three year license; and one state has a one year and a five year license, and two states issue a license for life or good until revoked which is true in the states of Hawaii and Maryland. I might say that we did consider very seriously trying for a two year for five dollars or one year for three dollars here but at the very particular time that I asked Secretary of State Paul McDonald about that, there happened to be a man from the National Association of Secretaries of State—whether that's the right title or not I doubt, but he said that where it had been tried it hadn't worked and where it is in use they are not very happy with it, so taking a professional's advice per se, I dropped that although I even had an amendment drawn up in advance of getting his opinion.

So the trend certainly appears in favor of a two or three year license.

Now, there has been some question over the paying of the poll tax, and if you will bear with me I would like to read these remarks because I asked Mr. MacDonald to make them up for me. We have of course, had no experience with two licenses with different ex-

piration dates such as issued to New Jersey and Georgia. But that I have already said. With two different types of blanks available at the counter, many people would apply on a two year for when they only wanted a one year license. That is another argument against the two and one year.

"The following twenty states have a notification system regarding the renewal of operators' licenses: Alabama, Connecticut, Delaware, Idaho, Illinois, Kansas, Massachusetts, Mississippi, Nevada, New Jersey, New Hampshire, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Washington, West Virginia, Wisconsin.

"Notification can be accomplished by means of an addressograph system at substantial expense. Although the cost of this system would be \$100,000 a year (which is the figure most often mentioned by legislators), it would be considerably more than the "do-it-yourself" system devised by Mr. Weed, the Director of Motor Vehicles.

"The latter system would employ a three part operator's license application form. The third part would be filled out by the applicant and retained by the Secretary of State. An envelope would be addressed to the license holder, containing the next year's renewal form and a notice concerning the necessity of renewal before the date of birth.

"The estimated cost to set up this system for 1961-62, including files, clerical costs, printing, and capital expenses, would approximate \$18,000. The cost for the capital expenses, would approximate \$5,500, based on a proposed two year period of issuance."

This is what I want to quote:

"The only real objection to the two year license is the poll tax law which requires that we be furnished evidence—that "we" refers to the motor vehicle department—evidence of poll tax payment before issuing a license. We could issue a two year license and still keep the poll tax feature by a provision that licenses issued from January 1 through August 31 would require evidence of the

two previous years' poll tax payment.

"Licenses issued from September 1 through December 31 would require evidence of the payment of the current year's poll tax and the previous year's poll tax. September 1 is the breaking point in the present law between the current year's poll tax and the previous year's poll tax. We would merely be adding one year previous to that, on a two-year license.

"If an additional dollar is to be charged for the two-year license (or a fee of \$5 for 2 years), the increased revenue in the 1961-62 fiscal year would be \$674,000.

"The increased revenue in the 1962-63 fiscal year would be \$233,000 or a net increase in revenue from this source for the biennium of \$907,000.

Now getting to the fees that are being charged. Of the New England states, Vermont, Massachusetts and Rhode Island all charge more than we do, with New Hampshire charging the same as Maine.

It seems unlikely that a two year license would be successful unless there was some form of notification. The Secretary of State conducted a survey during the months of November and December of 1960 of all applications for renewal of operators' licenses. During those two months, 25% of all the applications came in after the expiration of the previous license. It therefore becomes quite apparent that approximately one-fourth of the 450,000 licensed operators in Maine forget to renew their licenses before their birth date.

I might parenthetically say that the Secretary of State's office where the Department of Motor Vehicles is, have asked for three more clerks and if they had a two year license, they wouldn't need them.

"It is estimated that two additional clerks would be required for this work during the peak period. During the slack period, they would be absorbed by other sections of the Motor Vehicle Division—such as the filing section, which is always behind in its work because of lack of help.

"In the budget for the next biennium, a request has been made for three additional clerks; one for the Portland office, and two for the Augusta office. It is quite possible that this system might reduce the work load so that the three requested clerks would not be needed."

The Secretary of State happens to be out of the state house today. I tried to get from him an article that a constituent of mine had sent to me. In it is an account of the fact that in New York State they are putting into effect a credit card system, which I think we could consider in a couple of ways, and I think this would make some people in the Senate very happy, for almost everybody would have to put a card in their wallet. These cards are durable, they could be issued for two years and be made renewable beyond that time with the proper slot being put in them, much the same as the Esso cards used to be made but they no longer make them that way—they are for two years now.

There is one other dividend that you get here. One of the great problems and we have discussed it here in the Senate, has been enforcement in selling of liquor to minors, and one of the things that makes it most easy for a minor to obtain liquor, and most difficult for a person who waits on a table in a bar or other place dispensing liquor; such as grocery stores selling malt beverage, is the fact that the present type of license is so easily changed to show the age as being older than the person actually is, and these cards which many of you probably carry, are not changeable in any way, shape or manner. So that would be a plus dividend as an argument for an extended period of time.

Now, I would welcome any questions on this but I would like to reiterate that the package is this: A two year operator's license for five dollars with notification included and the pending question is the acceptance of either report. In the other Body the bill was indefinitely postponed. I would move that the Senate accept the Majority Ought to pass report as

amended by Committee Amendment A.

The motion prevailed and the Majority Ought to pass report was accepted in non-concurrence, the bill read once, Committee Amendment A read and adopted.

Mr. Porteous of Cumberland presented Senate Amendment A which was read and adopted, and the bill was tomorrow assigned for second reading.

On motion by Mr. Carpenter of Somerset, the Senate voted to take from the table the 45th tabled and unassigned item, (S. P. 392) (L. D. 158) Senate Report, Ought to pass as amended by Committee Amendment A from the Committee on Business Legislation on bill, "An Act Relating to Interest Rate for Licensed Small Loan Agencies"; tabled on May 3 by Senator Chase of Lincoln pending motion by Senator Carpenter of Somerset to indefinitely postpone.

Mr. CARPENTER of Somerset: Mr. President and members of the Senate: I appreciate very much the remarks made by my good friend and colleague, the Senator from Lincoln, Senator Chase, but I must differ somewhat with him relative to his remarks.

I believe it was the intent of the hearings before the Legislative Research Committee that all of the small loan companies should file with the Banking Commissioner their report at the end of the year. I believe it has been done. I believe if you will go to the office of the Banking Commissioner and review their records you will find that their net income probably does not exceed five or six per cent on the monies loaned.

I feel that these small loan companies perform a very vital part in our economy. Just where would these people who need money go to if they did not have the opportunity to go to the small loan company? Certainly the banks would not listen to them unless they had a sufficient amount of collateral, and of course these people do not have it.

These people get in arrears on their bills and they are prodded by lawyers, and they are either threatened with suit or possibly

attachment of their wages, which most companies will not tolerate if you are working for them. These people are faced with a serious situation, and there is only one place they can turn to and that is the small loan company. If they can get a loan they will pay it back and they will probably be more cautious in their next buying spree, so to speak. In many cases it helps them establish credit. In many of our banks, after they have paid up this loan, if they go to the bank and the bank finds upon investigation that they have paid their small loan installments in an orderly fashion and on time they can get a bank loan.

Now Senator Chase spoke on this very emotionally this morning and I feel that his emotions may have stirred up some sort of a condition that might tend to sway people one way or the other, but I do not think that this Senate should take action on this bill in that manner, I think it should be taken on its merits: whether or not these companies are charging exorbitant interest rates on these loans.

Certainly the loan companies, who are faced with stockholders the same as the larger corporations are, have to protect their stockholders and if the stockholders do not receive sufficient return on their stock naturally the larger loan companies cannot exist because they cannot secure the money. I do not believe we want to interfere with large corporations by setting a percentage as to how much they can earn on their monies.

I do not know how many of you have ever loaned out small sums of three hundred dollars or less but I have on several occasions and have found myself in a very difficult position to even try to get it back.

The banks certainly will not entertain this type of loan. The loans that the banks do entertain of three hundred dollars or less are generally secured by the guarantee of the seller of the goods so they are not taking any particular chance on the loan and they are getting the cream of the crop.

I was looking for a chart this morning but I do not seem to be

able to find it. However, in a particular bank in Maine on loans of \$100 you pay between \$113 and \$114, which roughly would give them a figure of around 26 or 27 per cent on their loan. On the \$300 loan you pay back \$335, which roughly would give you 20 or 25 per cent interest. This is the cream of the crop.

As I stated the other day, these loan companies do constitute a very vital part of our economy in Maine. They pay out a million dollars in salaries, they pay close to \$200,000 to Maine landlords, they spend \$135,000 on telephone, \$84,000 on travel, and in all they spend some \$4,358,000 for the economy of the State. They loan some twenty-four or twenty-five millions of dollars without it affecting the economy of the State of Maine.

The Legislative Research Committee went over this thing very thoroughly and came up with the report that they thought there were no exorbitant charges. There were such men as we have in the Senate: Senator Cole, Senator Davis, Senator Parker and Senator Wyman, and also Governor Haskell was ex officio on that committee at that time, and Senator Edgar also, I believe.

Mr. President, when my motion is acted upon I ask for a division.

Mr. CYR of Aroostook: Mr. President and members of the Senate: This is just in the nature of clarifying a point which has been brought to my attention, and I wonder if the point is correct or not.

This bill here has reduced the maximum amount from \$2500 to \$1500, and I am told that here in the State of Maine there is no usury law, and if such is the case then above this \$1500 limit a small loan company could charge any amount that they want to charge. So the thought that is in my mind—I am just wondering if in the attempt of Senator Chase to solve a problem which I think possibly has a lot of merit, I am just wondering if this bill will not be creating another problem. In other words, a lot of these small loan companies can probably consolidate many of the bills of an

individual to the amount of over \$1500 and then they can charge any amount of interest that they want to charge.

This is, as I said, just in the nature more or less of trying to get some information or get an answer to it. I am wondering if Senator Chase would have the answer to that.

The PRESIDENT: The Senator from Aroostook, Senator Cyr, poses a question through the Chair of the Senator from Lincoln, Senator Chase, who may answer if he wishes.

Mr. CHASE of Lincoln: Mr. President, I might say that I cannot see where the cutting of one-half of one per cent from the existing rate, which brings it down still to two and a half per cent a month—you understand that is two and a half per cent on the unpaid balance per month—I do not believe as long as these loan companies are receiving two and a half per cent a month they are going to travel out of our state. They can live on two per cent, but they surely can live on two and a half per cent and they are going to be here. Our so-called "Loan sharks", I am not worried about them at all. I think we have them right here.

Senator Carpenter spoke about the reports that these loan companies send in to the Bank Commissioner. I was down to the Bank Commissioner's office and I received one of these reports, and, according to the report, these loan companies claim they made only 5.6 per cent. How ridiculous a statement can they make: 5.6 per cent when they are charging 3 per cent per month?

One of these companies wrote me and asked me to drop the bill and in their letter one of the statements was that the figure was just under seven million that they received in interest. Seven million dollars drawn out of the poor people in our State of Maine here where it really hurts! You say this is not a problem. I cannot see where you get the idea it is not a problem.

In Canada they cut their rates and they are still living there in Canada. They cut them in New

Hampshire, they cut them in many states, but they are still there.

Each session we have one of these bills introduced, practically every session right along. Now it must be a problem or these people would not be introducing bills session after session. The trouble is that we have a powerful lobby on this thing. It means millions of dollars to these companies and they are not going to take this lightly.

I could go on forever here talking about this thing because I still feel deeply in my heart that this is taking advantage of our poorest people. Since I introduced this bill I do not know how many people have come to me and cited instances they had become involved with and perhaps their dear ones had borrowed from these finance companies and got charged three per cent a month. In one case a lady spoke to me about her son coming back from the service and he was having a little money trouble and he wanted some money. He got involved. He could have gone to his folks but he didn't want to. He had pride, and rather than go to them or go to the banks—he didn't think he would get it at the banks—so he went to the loan companies and he got involved. He didn't want his folks to pay the loan company off but in the end the boy paid it back. He got over his condition but when he paid it back he paid over a hundred dollars interest.

It is a ridiculous thing that the unfortunate people in our state are the ones that are getting involved with these small loan companies. I still say that if we cut them down to fifteen hundred dollars, that is a good sized loan. And if we let them charge two and a half percent per month, that is a good, sizeable loan. How many people in this room would like to go out here and borrow money on the unpaid balance? I don't believe there is a person in here, and I don't believe any of you folks would want any of your children or anyone you thought a lot of, and certainly you must think a lot of your constituents in the State of Maine. I feel that you fellows will vote from your

heart on this thing and forget about the fellows that have been talking to you about the finance companies.

When we had the meeting down there before the Business Legislation Committee, I will state this, that never once that I ever remember did one of the financial boys speak up and speak for the welfare of the people. They were crying over their milk. They were crying about how much they were going to lose if this bill didn't go through.

I could go on forever. This thing to me is just a thing that is taking advantage of our poor people. I'll leave the rest to you, gentlemen.

The PRESIDENT: Was the question of the Senator from Aroostook, Senator Cyr, answered?

Mr. CYR: Mr. President, my question was not answered. The question that I brought up was this: the legislation calls for a reduction of the maximum amount of a loan from \$2500 down to \$1500. Now up to \$1500 all right, they are regulated, but above \$1500, where we do not have any usury law on our statutes then they can charge any amount that they want to; so up to \$1500 they will follow the new regulations that Senator Chase wants, but they can consolidate the bills and make it \$1550 or \$1600 and then charge any amount that they want to charge. So I am just wondering in my mind if this is not going to aggravate the situation instead of correcting the situation. That is the question that I would like to have answered.

Mr. PORTEOUS of Cumberland: Mr. President, and, through the Chair, Senator Cyr: I will attempt to answer that in this way. You are quite right—and this has been pointed out to me by the lobby against this bill—that after \$1500 there is no usury law, but the loaning company cannot loan that money and if they want to keep the person going on beyond the \$1500 then it would be the individual loan of the operator of the loan company.

I think with a law like this on the books, it would be highly unlikely that too many people would

be going into the loan business above the \$1500 mark on their own hook. Most of the volume if not most of the business is done by firms such as Beneficial and Guardian and so forth with huge resources spread throughout the fifty states and Canada.

Now some of the other arguments against a \$2500 limit I think are valid because \$2500 or from \$1500 to \$2500 is not a small loan. I do not care how big a businessman or how wealthy a person might be, anything over four or five hundred dollars in my book is a heck of a big loan.

You wanted some facts and I will give you the facts. According to Statutory Small Loan Rates as of September 1, 1960 in Arizona the maximum was \$600; in California no maximum above \$5000—and as you will see before I get through, that is quite an exception—in Canada, \$1500; Colorado \$1500, Connecticut it is \$600; in Florida \$300 to \$600 maximum; in Hawaii it is \$300; in Idaho it is \$1000; in Illinois it is \$800; in Indiana it is \$500; in Iowa it is \$500; in Kansas it is \$2100 but there they only allow ten per cent a year as opposed to our one and half per cent a month. In Kentucky, they have got quite a system there but the highest figure is \$800. In Louisiana \$300; in Maryland \$300; in Massachusetts \$1500, and they only allow six per cent a year for one year on that. In Michigan it is \$500; in Minnesota \$600; in Missouri \$500 with 8 percent a year on the remainder—I don't know what the remainder is actually, Nebraska is the only other state than California higher than Maine at the present time and it goes up to \$3000 but it only allows three quarters of one per cent which is half of what we allow from \$300 to \$2500. In New Hampshire the maximum is \$300. In New Jersey it is \$500. In New Mexico it is \$1000 and they only allow ten per cent a year for one year. In New York it is \$800; in Ohio \$1000; in Oregon it is \$1500 and they only allow one per cent. Even with this law changed, we will be more liberal in other words than Oregon and most of the rest that I read. In Pennsylvania the

maximum is \$600 at a rate of six per cent a year after 4 months. In Rhode Island they allow a simple three per cent up to \$300 and nothing over that. In Utah, \$600; in Vermont one per cent for \$300 to \$600 with \$600 maximum. In Virginia \$300 to \$600 and only at the rate of six per cent a year after twenty-three months. In Washington \$500 to a maximum of \$1000; West Virginia they only allow up to \$300. In Wisconsin the maximum is \$300. There are some other states here if you have any question about them. In Nevada they are up to \$2500 plus a monthly fee but they only allow eight per cent a year in that particular state.

Now this brings to your attention the fact that Maine will not be unduly restricting these loan companies if we were to change our law. The major objection, and it is the only objection that I have had from the lobby, they are not objecting to going from three per cent down to two and a half on the first \$150, nor are they objecting to going down one-half of one per cent on \$150 to \$300. The bill as amended does not change the amount they are allowed to charge from \$300 to \$1500, it still is at one and a half per cent, which it has been under the law as it stands on the books at the present time.

I submit to you, gentlemen, that it is sometimes difficult to get a law on the books of this state because at a committee hearing somebody will say, "Is there a need for it?" Now for the few number of times that this might happen, that some loan company, some man in a loan company where he is only permitted to loan up to \$1500, if he chooses to loan more than that and to go along on his own hook and the person involved is charged a higher rate into the usury class—and we do not have this law that Senator Cyr speaks of and that the lobby have told me about—I consider that it might well be a problem. But I would say this: if during the two years that this law is on our books, or you might say from September when it will become effective until the convening of the 101st Legislature, if we can all keep our

eyes and ears open and can say to the Banking Department, "Keep on the job and keep on the lookout for anything that might approach usury," then in the 101st Legislature it would behoove us as responsible citizens and legislators to pass such usury legislation as is necessary. So I would firmly support Senator Chase in his bill as amended and would hope that the rest of the members of the Senate will do likewise.

Mr. CHASE of Lincoln: Mr. President, I am only going to say a few words but there is one thing I didn't mention.

When I went to see the Bank Commissioner I saw the deputy, I believe, that has charge of these small loan companies and he told me that in order to verify these reports that are turned in the Banking Department should have about forty auditors to do that and they do not have the money so they cannot really look into these reports.

The PRESIDENT: The question before the Senate is the motion of the Senator from Somerset, Senator Carpenter that the bill be indefinitely postponed.

A division of the Senate was had. Twenty having voted in the affirmative and seven opposed, the motion prevailed.

The PRESIDENT: We have in the Senate Chambers this morning Troop 183, Girl Scouts of Yarmouth, Maine with their leaders, Mrs. Walker, Mrs. Kimball, Mrs. Breton, Mrs. Winslow and Mrs. Boyd. It is certainly a pleasure to have this group with us. We hope you enjoy your stay in the State House and that it is enjoyable and educational. We hope that some day you will take your place in the Senate Chambers representing the County in which you live. It is a pleasure for me to introduce the three Senators from Cumberland who are in the Chambers this morning. Senators Davis, Brooks and Porteous. Senator Lord, the other Cumberland Senator, is ill today.

Mr. NOYES of Franklin: Mr. President, due to the fact that there are two important executive

sessions scheduled for this afternoon and since we said we would have only an hour session, I now move that the Senate adjourn until 9:30 tomorrow morning.

The PRESIDENT: Would the Senator defer his motion until we have acted upon an item especially assigned for today?

Mr. CHASE of Lincoln: Mr. President, may I inquire if L. D. 100, bill, "An Act Relating to Chiropractic Treatment under Workmen's Compensation Act" is still in the possession of the Senate.

Mr. EDGAR of Hancock: Mr. President, I regretfully rise to a point of order. The motion before us is the motion to adjourn and the item to which the Senator refers was not the item especially assigned for this afternoon.

The PRESIDENT: Would the Senator from Franklin, Senator Noyes approach the rostrum?

The PRESIDENT: We have an item especially assigned for this afternoon which was tabled at the request of the Senator from Piscataquis, Senator Parker, this morning to be left on the table until later in the day, and that is the item I was referring to.

Mr. NOYES of Franklin: Mr. President, for the purpose of hearing Senator Parker's assigned matter, I will withdraw my motion.

The Senator from Franklin, Senator Noyes, was granted permission to withdraw his motion.

The President then laid before the Senate, bill, "An Act Establishing Educational Requirements for Insurance Agents, Brokers and Adjusters" (H. P. 1080) (L. D. 1488) (Item 3) tabled by that Senator earlier in today's session pending motion by Senator Ferguson of Oxford to accept the report.

Mr. PARKER of Piscataquis: Mr. President, just to clear up the thinking of the President of the Senate, the reason that this was not taken up earlier in the day was because we were trying to get an amendment passed and I do have that amendment which I will present, but before I present it I would like to discuss very briefly, explaining the reason for this amendment and my part in

this whole controversy that has been going on for about two weeks between different companies that are trying to establish under this act, educational requirements for insurance agents and brokers.

May I say this: That my whole purpose in tabling this bill recently was to try and get the two factions that are for and against this bill to come up with some sort of compromise that would be of benefit, I believe, to the whole insurance departments here in the State of Maine. And this amendment that I shall present, I believe is somewhat along the line of a compromise. Probably it will be opposed, but I believe that those who have made this compromise feel that they have gone as far as is possible.

This compromise amendment will say that there should be at least 32 hours of classroom instruction. Now, if any of you have read this bill you will note that in the bill it says that anyone that wants to take out a license to sell insurance must have completed successfully "such courses of instruction" as the insurance commissioner may approve. This amendment simply states that at least 32 hours of instruction or its equivalent, and I leave that to the members of this Senate whether they believe there should be something in there that will say at least a certain number of hours, buying a pig in the bag and just leave it all up to the Commissioner of Insurance.

I present Senate Amendment B and move its adoption.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Oxford, Senator Ferguson, to accept the Ought to pass report of the committee.

The motion prevailed, the Ought to pass report was accepted, the bill read once, Senate Amendment D was read.

Mr. BROWN of Hancock: Mr. President, this bill came out of the Business Legislation Committee unanimously Ought to pass. This bill was backed by all of the main independent insurance agents which are in their 64th year in the industry. The Association of

Maine Mutual Insurance Companies, the New England Association of Mutual Insurance Companies and the Maine Association of Life Insurance Agents and all seven County associations are behind this bill.

The proposed amendment that Senator Parker of Piscataquis offers, to me would ruin the entire bill. On the part that says "Further amend said bill by striking out all of Section 2", it would remove the whole examination advisory board of the bill. Under Section 1, the educational requirements, I wonder who is going to say on a correspondence course that the 32 hour minimum requirements have been met. The present bill is subject to the approval of the insurance department in any case. I therefore, Mr. President, move that Senate Amendment B be indefinitely postponed.

Mr. BROOKS of Cumberland: Mr. President, I rise in support of Senator Brown's motion for indefinite postponement. This bill, L. D. 1488, is a good bill and I think we should acknowledge its value to the citizens of Maine by allowing its passage as the committee on Business Legislation has reported it out. The insurance industry as a whole is in favor of this bill. This includes, as Senator Brown as said, the independent insurance agents association of Maine and the various county Boards within the State. All the agents and brokers would do in the state is to establish a new and higher level of qualifications for potential agents and brokers. This bill, if passed, in its original state I think would be a step forward by an industry which realizes the importance today more than ever of having well qualified and capable persons assisting the citizens of the state through the many and complex problems which daily are facing us. I feel very strongly for this bill and as I said, urge you to support Senator Brown's movement for the indefinite postponement of the amendment.

Mr. BROWN of Hancock: Mr. President, when the vote is taken, I request a division.

The PRESIDENT: The question is on the motion of Senator Brown

of Hancock, to indefinitely postpone Senate Amendment D.

A division of the Senate was had.

Twenty-four having voted in the affirmative and four opposed, the motion prevailed.

Thereupon, the bill was tomorrow assigned for second reading.

Mr. EDGAR of Hancock: Mr. President, in view of the fact that this session was scheduled to end at 2:30, and in view of the fact that there are several meetings pending, I now move that the Senate adjourn.

Mr. SAMPSON of Somerset: Mr. President, I ask for a division on this motion to adjourn, due to the fact that there is one more little bill —

The PRESIDENT: The Chair will inform the Senator from Somerset, Senator Sampson, that a motion is before the Senate, the motion of Senator Edgar of Hancock to adjourn.

A division of the Senate was had.

Seventeen having voted in the affirmative and eleven opposed, the motion prevailed.