

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One-Hundredth Legislature

OF THE

STATE OF MAINE

VOLUME II

MAY 12 - JUNE 17, 1961

and

SPECIAL SESSION

NOV. 27 - DEC. 2, 1961

DAILY KENNEBEC JOURNAL

AUGUSTA, MAINE

SENATE

Wednesday, May 24, 1961

Senate called to order by the President, pro tem, Senator Noyes of Franklin.

Prayer by Rev. Wm. Dawes Veazie of Gardiner.

On motion by Mr. Farris of Kennebec, Journal of yesterday was read and approved.

Papers From The House

Joint Order, Relative to Recalling from Legislative Files, Bill, "An Act to Provide for the Disolution of School Administrative District No. 3." (H. P. 618) (L. D. 835) (H. P. 1170)

Which was read and passed.

Joint Order, Relative to Telephone Calls after Adjournment of the Legislature. (H. P. 1171)

Comes from the House read and passed.

In the Senate, on motion by Mr. Jacques of Androscoggin, tabled pending passage and especially assigned for later in today's session.

Non-concurrent Matter

Bill, "An Act Permitting Sale of Liquor for One Hour After Midnight." (H. P. 828) (L. D. 1143)

Comes from the House Indefinitely Postponed in Non-concurrence.

In the Senate:

Mr. LOVELL of York: Mr. President, I have a great deal of respect for one of our Senators here whom I have sat with on State Government; I have sat next to her for the entire session and I would like to yield to the good Senator from Aroostook, Senator Christie.

Mrs. CHRISTIE of Aroostook: Mr. President, I thank the Senator from York for his courtesy. I now move that we recede and concur with the House.

The motion to recede and concur prevailed.

Order

On motion by Mr. Parker of Piscataquis

ORDERED, the House concurring, that free additional telephone

service be provided for each member of the Senate and House to the number of twenty-five calls of reasonable duration from Augusta to points within the limits of the State of Maine and that each member of the Senate and House be provided with a card to be certified to by the Secretary of the Senate and Clerk of the House respectively, charge for this service to be paid to the New England Telephone and Telegraph Company at regular tariff rates.

Which Order was read and passed.

Sent down for concurrence.

The PRESIDENT pro tem: At this time the Chair takes great pleasure in recognizing the United States History class of Monmouth Academy in Monmouth, Maine who are accompanied by their teacher Mr. William Munsey. It is a pleasure to have you folks with us today and we hope that you will visit the rest of the State House while you are here, and we hope that your stay is enjoyable. (Applause)

House Committee Reports

The Committee on Appropriations and Financial Affairs on Bill, "An Act Relating to Care and Supervision of Planes of Department of Sea and Shore Fisheries." (H. P. 1159) (L. D. 1600) reported that the same Ought to pass.

Which report was Read and Accepted in concurrence, the Bill Read Once and tomorrow assigned for second reading.

Ought to Pass—As Amended

The same Committee on Resolve, Providing Funds for Dredging Songo River, Cumberland County. (H. P. 68) (L. D. 110)

Reported that the same Ought to pass, As Amended by Committee Amendment "A" (Filing No. H-309)

Which report was Read and Accepted in concurrence, and the Resolve Read Once. Committee Amendment "A" was Read and Accepted in concurrence, and the Resolve, As Amended, tomorrow assigned for second reading.

The same Committee on Bill, "An Act Directing a Study of Property Tax Administration." (H. P. 449) (L. D. 649) reported that the same Ought to pass As Amended by Committee Amendment "A" (Filing No. H-308)

In House, Report and Bill Indefinitely Postponed.

In the Senate, on motion by Mr. Stanley of Penobscot, the Ought to pass report was accepted, the bill read once, Committee Amendment A read and adopted and the bill tomorrow assigned for second reading.

Majority—Ought to pass
Minority—Ought Not to Pass

The Majority of the Committee on Education on Bill, "An Act to Authorize the Municipalities of Etna and Plymouth to Form a School Administrative District." (H. P. 1156) (L. D. 1597) reported that the same Ought to pass.

(Signed)

Senators:

BROOKS of Cumberland
BATES of Penobscot
SAMPSON of Somerset

Representatives:

HANSON of Lebanon
HICHBORN of Medford
LEVESQUE of Madawaska
SIROIS of Rumford
CURTIS of Bowdoinham
ESTEY of Portland

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

(Signed)

Representative:

DURGIN of Raymond

In House, the Majority Ought to pass Report Accepted and the Bill Passed to be Engrossed.

In the Senate, on motion by Mr. Bates of Penobscot, the Majority Ought to pass report was accepted, the bill read once and tomorrow assigned for second reading.

Majority—Ought to Pass As Amended by Committee Amendment "A"

Minority "A"—Ought to Pass As Amended by Committee Amendment "B"

Minority "B"—Ought Not to Pass

The Majority of the Committee on Labor on Bill, "An Act to Amend the Employment Security Law." (H. P. 603) (L. D. 862) reported that the same Ought to pass with Committee Amendment "A" (Filing No. L. D. 1609)

(Signed)

Senators:

MAYO of Sagadahoc
EDMUNDS of Aroostook

Representatives:

HANCOCK of Nobleboro
BOISSONNEAU of Westbrook
THAANUM of Winthrop
HARDY of Hope

A Minority group of two reported that the same Ought to pass with Committee Amendment "B" (L. D. 1610)

(Signed)

Representatives:

WINCHENPAW of
Friendship
BROWN

of South Portland

A Minority group of two reported that the same Ought not to pass.

(Signed)

Representatives:

COUTURE
of Androscoggin
JOBIN of Rumford

In House, Reports and Bill Indefinitely Postponed.

In the Senate, on motion by Mr. Brown of Hancock, tabled until later in the day pending acceptance of either report.

Majority—Ought to Pass, As Amended by Committee Amendment "A"

Minority—Ought to Pass, As Amended by Committee Amendment "B"

The Majority of the Committee on Natural Resources on Recommended Bill, "An Act Classifying Certain Tidewaters Bordering Thomaston." (H. P. 693) (L. D. 971) reported that the same Ought to

pass As Amended by Committee Amendment "A" (Filing No. H-313).
(Signed)

Senators:

COLE of Waldo
CYR of Aroostook

Representatives:

WILLIAMS of Hodgdon
JAMESON of Bangor
BURNS of Westbrook
BROWN of Fairfield

The Minority of the same Committee on the same subject matter reported that the same Ought to pass As Amended by Committee Amendment "B" (Filing No. H-314)

(Signed)

Senator:

FERGUSON of Oxford

Representatives:

MATHESON of Mexico
PERRY of Easton
SCHULTEN of Woolwich

In House, Bills and Reports, Indefinitely Postponed.

In the Senate:

Mr. CYR of Aroostook: Mr. President, I move the acceptance of the Ought to pass as amended by Committee Amendment A report, the Majority report.

Thereupon, on motion by Mr. Ferguson of Oxford, tabled until later in the day pending motion by Senator Cyr of Oxford to accept the Majority Ought to pass report.

Senate Committee Reports

Report of Committee of Conference on Bill, "An Act Requiring Persons Seventy-Five Years of Age to Take Examination for Motor Vehicle Driver's License." (S. P. 387) (L. D. 1197) reported that the House Recede and Concur with the Senate, (May 9, Passed to be Engrossed, As Amended by Committee Amendment "A" and as Amended by Senate Amendment "B".)

Which report was read and accepted.

Ought Not to Pass—Covered by Other Legislation

Mr. MAYO from the Committee on Labor on Bill, "An Act Re-

lating to Benefit Eligibility Conditions Concerning Earnings Under Employment Security Law." (S. P. 350) (L. D. 1083) reported that the same Ought not to pass, as Covered by other Legislation.

On motion by Mr. Couture of Androscoggin, tabled pending acceptance of the report, and especially assigned for later in today's session.

Ought to Pass

Mr. NOYES from the Committee on Industrial and Recreational Development on Bill, "An Act Establishing the Maine Industrial Promotion Corporation Act." (S. P. 105) (L. D. 250) reported that the same Ought to pass.

Which report was Read and Accepted and the Bill Read Once, and Tomorrow assigned for second reading.

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

Mr. LOVELL from the Committee on Industrial and Recreational Development on Recommitted Bill, "An Act Relating to Purchase of Land by Municipalities for Industrial Parks." (S. P. 163) (L. D. 409) reported that the same Ought to pass in New Draft under title of: Resolve, Proposing an Amendment to the Constitution to Permit Municipalities to Purchase Land for Industrial Parks. (S. P. 564) (L. D. 1616)

Which report was Read and Accepted and the Bill Read Once in New Draft, and tomorrow assigned for second reading.

Second Readers

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

House

Bill, "An Act to Regulate Issuance of Trading Stamps." (H. P. 461) (L. D. 661)

Which Bill was read a second time.

Mr. JACQUES of Androscoggin: Mr. President, I move the indefinite postponement of the bill.

Thereupon, on motion by Mr. Stilphen of Knox, tabled until later in the day pending motion by Senator Jacques.

Bill, "An Act Relating to Open Season on Deer in Zone 2." (H. P. 594) (L. D. 815)

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

House — As Amended

Bill, "An Act Relating to a Power of Sale in a Mortgage and Sale Under a Power in a Mortgage." (H. P. 995) (L. D. 1382) Senate Amendment "A" (Filing 198)

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

Bill, "An Act to Create the Development Fund" (S. P. 541) (L. D. 1588)

Which bill was read a second time.

Mr. FARRIS of Kennebec: Mr. President, I offer Senate Amendment A and move its adoption. I might explain as I mentioned yesterday, if this bill was passed, I would offer an amendment, and this is the amendment which in effect removes the mandatory expenditure of this \$100,000 if that amount is ever voted, and it is a discretionary matter.

Thereupon, Senate Amendment A was read and adopted, and the bill was passed to be engrossed.

Sent down for concurrence.

Resolve, Appropriating Moneys to Provide Promotion for Maine's Industrial Development (S. P. 102) (L. D. 247)

Which bill was read a second time.

Mr. FARRIS of Kennebec: Mr. President and members of the Senate, I was out of the Chambers briefly yesterday and apparently at that time this bill was passed and given its first reading. Obviously when you look at this bill you can see that it is in the identical category with the bill pertaining to funds for recreational advertising and I imagine you are getting tired of listening to me saying this and I am getting tired of saying it but I still must say

it again. This is a measure which should be considered in the supplemental budget along with every other item which would entail expenditure of new moneys for existing programs, expansion or for creating new programs and there is no excuse for leaving this L. D. floating around as a vehicle. We have one vehicle in the supplemental budget and as we come at the closing days of this session, we are going to have so many vehicles we are going to be lost. I move the indefinite postponement of this L. D.

Mr. LOVELL of York: Mr. President, this is a separate bill entirely from any other bill that has been put in and the reason that this bill is in is because the supplemental budget is not and has not included enough money for the State of Maine to do a proper job. At the present time there are fifteen thousand industrial development groups in the United States seeking new industry and if you don't have money you can't do a proper job.

Now, I don't have to remind you people here that you are paying the highest tax rate per capita of any state in New England. I don't have to remind you that you have the lowest wage scale of any state in New England and you have 34,000 people out of work. We are the 49th state in the United States in the number of people out of work and the only state worse than Maine is Alaska, percentagewise. Now the Armour Report states that Maine should spend one million dollars a year on industrial development. Let me just remind you that last year Maine got in 25 new industries and 25 expansions of industries for 2,315 new jobs and a new payroll of eight and a half million dollars, but North Carolina spent ten times that money and got in ten times as many industries and the payroll was ten times as much and the jobs were ten times more. Now, they spent a million and a half dollars.

I don't have to remind you that we are the 44th state in population increase with 6.1% in the last ten years and the national average is 17 per cent. That is why you are

paying higher taxes because you don't have enough people to tax. I don't have to remind you that Dr. Sly states in his report that 2.96 per cent of our income is spent for education, the highest of every state in New England, where Connecticut spends 2.2 per cent; Massachusetts 2.5 per cent. Why is that? Because over half of our children when they graduate from college have to go out of the State of Maine to get a job. They have to go to Connecticut, Massachusetts, New York. Now I have seven children and I'd hate to see them all have to go out of the state to get work, although one of them has had to go out of state to work.

Now if you are satisfied with these people out of work in the State of Maine, and they have been out of work for years, they have been out of work—the lowest we have had unemployed is 26,000 in the last six years as listed by the figures of the Maine Employment Security Commission. Now if you are satisfied with this, go along with a small increase in the supplemental budget for industrial development. We are the 39th state in education. Why can't we get any higher? Because we can't tax our people any more than we are taxing them now. They are already the highest. Consequently the only way we are going to be able to get more money in taxes is not to price ourselves out of competition but to get more industry in Maine, more payroll, more jobs. That is the important thing, and I can assure you that the money in the supplemental budget isn't enough.

What is the return on the investment? I mention only what one state has done but the national average, every dollar spent on industrial development has brought in \$56 in new payrolls and Maine is a little higher than that. Now this turns over five to seven times before it leaves the area, and new industry with a hundred jobs bring in \$350,000 a year in new payrolls which turn over five to seven times, or well over a million and a half, and the state every time that dollar is turning over and spent, the state is getting something in direct taxes. So

every job that we create is bringing in new money in direct taxes which will much more than pay for this extra money. I am asking you to vote here today for the good of the State of Maine, for the good of your own communities. Not only that but you can cut down relief for the communities and for the state as a whole. The Department of Health and Welfare won't need as much money. Your communities won't need as much money if we can put the people to work. Now we have some good citizens in Maine. Many of them have had to leave the state. But a lot of them stayed here and fought it out and worked in various jobs on industrial development jobs, and that drop has been six thousand in the last six years. What have these people done? Some of them have gone out of state. Some have gone into the services. Some are working in stores and various things of that type. I don't care where you invest a dollar in the State of Maine, you have no way you can invest a dollar any better than you can invest it in industrial development and if you vote this bill in, according to the law of averages, and if we don't go by the law of averages, then we can change the personnel or the Commissioner of our Department of Economic Development.

If you vote this in, this will mean \$56 million in new payroll each year which turns over five times, which, in turning over will mean five million dollars in direct taxes in the State of Maine each year. It will increase our disposable income which is now only one billion five hundred sixty-six million dollars a year in the State of Maine. It would increase our disposable income so it would be pushing the two billion mark, possibly not in the very next year but in the second or third year.

New jobs in industry mean new jobs in all the services. They mean new jobs in stores, more barbers, more construction, more homes. It will keep people in the communities. It will broaden the tax base. So that these poor people now who have to pay taxes and their children are going to school and they aren't working but are

on Maine Unemployment Compensation for as long as they can be on, it means that they can go to work and don't have to be delinquent in their taxes. They can pay their taxes. They can have needed improvements. They can feed their families the way they should be fed.

We appreciate the government surplus, the money coming in to Sanford and Biddeford, the government surplus food is helping to feed our people, bringing us pork and beans and various articles of this type, but the people of Maine don't want charity. They want jobs, and there is only one place that they can get the jobs and that is to get in new industry and we only have one Department of Economic Development and that department, their money is controlled by way we vote in this legislature. This money spent for industrial development to get new industries in the State of Maine will bring in the extra money needed for education, for educational television, for the other educational bills you want that are needed, for moving the men's reformatory, for various things of that type, it will bring in the necessary money. It will bring in the money so that your personal L. D.'s to build a new harbor here or to build a new park there or to help out in some form in your county, it will bring in the money that is needed. It can well get the people off the welfare lists so that the hospitals won't be running 3.2 million behind as they were running last year, the hospitals in the State of Maine. It can well give all the needed employees in Pineland and these other institutions, Dr. Sly says, and he is a pretty conservative man, I have found out, he is a pretty conservative man. He says that Maine has got to move a little faster and be a little more speculative. Now I ask you, I don't say gamble, I say speculative. I ask you is Dr. Sly's opinion right in this? You just reflect your memories. Look around in your own counties. If you are satisfied with Maine the way it stands now, don't vote for this bill, but if you want progress in Maine, vote for this bill.

I haven't any more notes here and every time I talk too long they say I lose the bill and so I ask you in the Senate, ladies and gentlemen of the Senate, here is a bill that can give Maine prosperity and if you have got confidence in the State of Maine and if you want Maine to prosper, don't vote against this bill. Thank you.

Mrs. CHRISTIE of Aroostook: Mr. President, some of us are very much concerned about increasing taxation. We do not feel that we should do it. Our supplemental budget is demanding so much that we are concerned as to whether we can take care of that budget without increased taxation. I am hoping that we do not have to increase the sales tax at this term of the legislature. This bill calls for one million dollars, I believe. Somewhere we have to have taxes to take care of that. I hope we do not pass this bill.

Mr. CYR of Aroostook: Mr. President and members of the Senate, it seems as though our good Senator from York and I have clashed on many of his bills throughout the session and I feel as though I should get up and express some of my views in regard to this. If I were assured that a million dollars would buy this Utopia which we just heard about, I would very quickly approve this bill. However, being connected with industrial development in my own town and also having attended several meetings throughout the State of Maine where every competent speaker expressed their views on this matter, I am a little reluctant as to the result of the gamble that we are asked to take.

I sympathize with the Senator as to the aims that he is trying to achieve and I certainly am deeply impressed by his sincerity, by his knowledge of the matter, by the various figures in other states, but I believe there are a few points that are being left behind.

Now industrial development is not going to come along by just a little advertising. One of the best documents I have read on industrial development mentioned several taxes that are involved in bringing a new industry into a community or into a state. We

have to be realistic about this. We have to be factual. One of the first realities that we have to accept is that we are at the end of the line, as far as the country is concerned. We are a large state. We are plagued with distances. Consequently it doesn't make any difference how much money we put into advertising, there are certain industries we will never be able to attract to our communities because an industry, before it decides to settle in a particular section, will take into consideration, distance to markets, distance to raw materials, climatic conditions, geographical conditions, labor conditions and all the other conditions I could enumerate for you. Now advertising will bring some return but there is a point of no return also. Not only that but we are asking the present industries and the people that are presently re-viving in the State of Maine to dig a little deeper into their pockets and come out with more taxes. That also has a point of no return. It also has a point which may be very dangerous if we go above and beyond in our attempt to bring in new industries into the State of Maine, we must not forget that we have to protect those that are presently here and have been supporting our communities for a number of years. We must be very careful not to cause any serious damage to these industries and if we keep loading the taxes on to them, someday we may realize that we will be losing those that we already have. So there is also a point of no return in that case.

If we look through the budget of DED of the last few years and the last biennium and look through the budget of publicity and we are told that tourists have brought in \$275 million dollars to the State of Maine, I would say we are doing very well with the budget we have had. But we are going beyond that this year. We are increasing it from something like \$150,000 to half a million dollars just at one crack. That is a pretty substantial increase right there so before we do something that will be harmful to the present taxpayers I think we want to give it very serious consideration.

I am not against progress and I don't believe anybody that wants to limit our taxation and limit our expenses to what we can afford rather than what we would like to have, our wishes and desires, I don't believe those people should be labeled as not being progressive, as being backward. What we are trying to do, as Dr. Sly has told us, we have to advance a little faster, but he says, not too fast. He said, a little faster. Well if we have increased our budget in DED from \$150,000 to \$500,000 I think we are advancing a little faster in that case. If we increase it from \$150,000 to a million and a half or two million, maybe we are going beyond our capacity to pay, and that is the point I want to bring out to you Senators this morning. The point of no return. And the point where our capacity can no longer take it, and also to the point where we will be discouraging our present industries from progressing and expanding and even remaining with us, and that is a point which is very serious in my estimation. Thank you.

The PRESIDENT pro tem: The Chair at this time would like to interrupt the proceedings because by chance we have a very wonderful choir here and they would like to sing for us. I would like to announce at this time that we have from St. Joseph's University, Moncton, N. B., a choir which is on a good will tour for the Province of New Brunswick. They are here under the direction of Father Michaud and they will sing for us this morning, both in English and in French. This is at the request of our good Senator from Androscoggin, Senator Boisvert. The Senate will be at Ease.

(At Ease)

The Senate was called to order by the President pro tem.

The PRESIDENT pro tem: At this time, the Chair would like to express appreciation to Father Michaud and the members of the St. Joseph's University Choir. I am sure your good will tour everywhere is meeting with great success, and I hope you will take back

to your University and to the people of the Province of New Brunswick our good will and our best wishes. (Applause)

The PRESIDENT pro tem: The Chair neglected to appoint a Majority Floor Leader for today. At this time the Chair would appoint the Senator from Hancock, Senator Brown, to be floor leader pro tem.

Mr. EDMUNDS of Aroostook: Mr. President, I was very nearly overcome by the eloquence of Senator Lovell and Senator Cyr and truly overcome by the magnificent performance which we have just heard here in the Chambers.

I would like to move, Mr. President, that the resolve which we now have under debate lie on the table until later in today's session.

The motion to table prevailed and the bill was tabled until later in the day, pending motion by Senator Farris of Kennebec to indefinitely postpone.

Enactors

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

Bill, "An Act Relating to Study of Constructing Interstate 95 as it affects Kittery." (H. P. 78) (L. D. 121)

Bill, "An Act Relating to Number of Lobster Traps on Trawls in Certain Tidal Waters." (H. P. 900) (L. D. 1234)

Bill, "An Act Classifying Certain Surface Waters in Lincoln County." (H. P. 1015) (L. D. 1416)

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

Bill, "An Act Regulating Mechanical Rides by Insurance Department." (S. P. 408) (L. D. 1350)

Bill, "An Act to Clarify State Boating Law." (S. P. 547) (L. D. 1591)

Bill, "An Act Relating to Work on Shade and Ornamental Trees." (S. P. 548) (L. D. 1592)

Bill, "An Act to Exempt Industrial Disposal Systems from Property Tax." (S. P. 550) (L. D. 1596) which were passed to be enacted.

Emergency

Bill, "An Act to Create a School Administrative District in the Town of Fort Fairfield." (H. P. 471) (L. D. 671)

Which Bill, being an emergency measure, and having received the affirmative vote of 25 members of the Senate, was passed to be enacted.

Orders of the Day

The President pro tem laid before the Senate the first tabled and especially assigned matter (S. P. 248) (L. D. 765) Senate Report, "Ought not to pass" from the Committee on Appropriations and Financial Affairs on Resolve, Appropriating Funds for Operating Expenses for University of Maine, which was tabled on May 23rd by the Senator from Franklin, Senator Noyes, pending acceptance of report.

Mr. BATES of Penobscot: Mr. President and members of the Senate: This L. D. deals with the appropriating of funds for operating expenses of the University of Maine. I am sure that each member of the Senate is pledged to keep the needs of the University in mind.

Mr. President, because of the fact this body has not had the opportunity to consider and act upon the supplemental budget, I hope that it would be judicious for us to substitute the bill for the report, give the bill its first reading and tomorrow its second reading, whereupon I will table it pending passage to be engrossed.

Thereupon the bill was substituted for the report, given its first reading and tomorrow assigned for second reading.

The President pro tem laid before the Senate the second especially assigned matter, (S. P. 165) (L. D. 411) Bill, "An Act Relating to Retirement of Chief Warden of Inland Fisheries and Game," which was tabled on May 23rd by the Senator from Sagadahoc, Senator Mayo, pending acceptance of Majority "Ought to pass" Report (Motion by Mr. Carpenter of Somerset)

Mr. MAYO of Sagadahoc: Mr. President, I notice the absence of

the sponsor of this bill, Senator Carpenter of Somerset, and I therefore move that this bill be retabled until tomorrow morning.

The motion prevailed and the bill was retabled and tomorrow assigned.

The President pro tem laid before the Senate the third tabled and especially assigned matter (H. P. 464) (L. D. 664) "Resolve in Favor of Jim Adams, Inc. of Bangor," which was tabled on May 23rd by Mr. Ferguson of Oxford pending adoption of Senate Amendment "A".

Mr. FERGUSON of Oxford: Mr. President, I move the pending question.

The PRESIDENT pro tem: The Senator from Oxford, Senator Ferguson, moves the pending question.

Mr. DAVIS of Cumberland: Mr. President and members of the Senate: I just noticed that this amendment transfers the payment of this from the Highway Fund to the Unappropriated Surplus. I need a little more time to check into this, and I would appreciate it if you would table it until later in the day.

Thereupon the resolve was retabled until later in today's session.

The President pro tem laid before the Senate the 4th tabled and specially assigned matter, (H. P. 1143) (L. D. 1575) Bill, "An Act Relating to the Dissolution of Corporations," which was tabled on May 23rd by Mr. Boardman of Washington.

On motion by Mr. Boardman of Washington, the bill was passed to be enacted.

The President pro tem laid before the Senate the first tabled item, (H. P. 1032) (L. D. 1424) House Report from the Committee on State Government on Bill, "An Act Increasing Compensation of Boards of Registration in Cities" Majority Report, "Ought not to pass"; Minority Report, "Ought to pass" which was tabled on May 22nd by Mr. Edgar of Hancock pending acceptance of either report.

Mr. EDGAR: Mr. President and members of the Senate: I had reached an understanding with the President of the Senate, Senator Hillman, that because of the circumstances surrounding this bill it would either be placed at the end of the tabled items or passed over until the legislation has acted upon the revision of the election laws, so I request that this not be taken from the table at this time.

The request was granted and the bill remained on the table.

The President pro tem laid before the Senate the 2nd tabled item (H. P. 740) (L. D. 1027) Bill, "An Act Increasing Renewal Fee of Certificate of Registration for Barbers and Operators of Hairdressing and Beauty Culture", tabled on May 22nd by Mrs. Lord of Cumberland pending enactment.

Mrs. LORD of Cumberland: Mr. President, this bill is a companion bill to one that is now before the House, the barber and hairdresser bill. If that bill is passed we will need these extra fees; if it is not passed we will not need them, so I ask that this be tabled until that bill is disposed of.

The bill was thereupon retabled pending enactment.

On motion by Mr. Stilphen of Knox, the Senate recessed for five minutes.

(Recess)

Called to order by the President pro tem.

Order Out of Order

Mr. Cole of Waldo, out of order and under suspension of the rules, presented the following order:

ORDERED, the House concurring, that the Legislative Research Committee be directed to make a study of allowable sizes and weights of vehicles and loads to be permitted on public highways; and be it further

ORDERED, that the Legislative Research Committee make such recommendations as it may deem necessary for consideration of the 101st Legislature.

Statement of Facts

In 1956 the Federal Congress enacted legislation limiting the axle

and gross vehicle weights, height and width of vehicles allowed on the Interstate Highway System. It is expected that Congress will review this legislation and enact the necessary federal laws to establish maximum weights and sizes of vehicles allowed on the Interstate Highway System and also on Federal Primary and Secondary Systems of Highways. Congress will be guided in this matter by data supplied by the American Association of State Highway Officials to the Federal Bureau of Public Roads from a test road experiment carried on at Ottawa, Illinois under the sponsorship of the American Association of State Highway Officials. This experiment provided for several miles of pavement to be constructed with different thicknesses of pavement and base of Portland Cement concrete and asphaltic concrete. Trucks with various axle and gross weights were operated over these test sections for approximately two years. Data from the experiment are now being analyzed. Not only will these data be available to the Federal Congress through the Bureau of Public Roads but the American Association of State Highway Officials will also revise its recommendations made in 1946 for uniform axle weights, gross weights and sizes of vehicles to be allowed on highways. It is expected that congressional action and the new recommendations of the American Association of State Highway Officials will be available in the latter part of the calendar year 1961.

The Legislative Research Committee would have this information available for study and the subject of hearings which could be authorized by the Committee during the calendar year 1962. Such information could be made available by the Legislative Research Committee to all parties concerned with this problem at hearings before the Legislative Research Committee and could be used for the purpose of developing the views of those interested in this problem for information of the Committee.

If this procedure is followed, then the recommendations of the

Legislative Research Committee for the consideration of the 101st Legislature would be in conformity with the requirements of the federal law. This is necessary due to the fact that if the State does not conform to federal requirements in regard to maximum weights and sizes of vehicles allowed on federal highway systems (presently the Interstate System and expected to be the Interstate, Primary and Secondary Systems) then the State will not receive federal highway construction funds. The State Highway Commission is required annually to certify to the Federal Bureau of Public Roads that no legislation or regulations have been enacted in this State contrary to federal requirements. If this certification cannot be made, then federal funds will be withdrawn from the State.

Mr. COLE of Waldo: Mr. President, before my motion is acted upon I would like to make a brief explanation of the order.

The order is in fact sending to the Legislative Research Committee the directive that they study truck weights and axle weights on many of the proposed bills that will be coming before us soon.

The American Association of State Highway Officials in conjunction with the Federal Bureau of Public Roads have been in cooperation on a test in Indiana for the last year and a half and the results of that test will be made available sometime this fall to Congress as to the possibility of increasing truck weights and axle weights, and until that time we may be in serious trouble if we are to pass some of these truck bills which may be in violation of the Federal Highway Act of 1956.

The order as presented is self-explanatory, so, Mr. President I move that this order be tabled and be reproduced.

The PRESIDENT pro tem: Is it the pleasure of the Senate that the order be tabled pending reproduction?

Mr. MARDEN of Kennebec: Mr. President, may I inquire of Senator Cole whether or not the order contains a specific reference to the L. D. numbers of the bills involved.

The PRESIDENT pro tem: The Senator from Kennebec, Senator Marden, poses a question through the Chair to the Senator from Waldo, Senator Cole, and he may answer if he wishes.

Mr. COLE of Waldo: No, Mr. President, it does not state specifically any one bill. It says all truck bills in regard to axle and gross vehicle weights, height, width and so forth.

Mr. MARDEN of Kennebec: Mr. President, through the Chair once more may I ask a second question: Specifically, whether or not this order would affect as a part thereof Item 11 on Page 7 on today's calendar.

The PRESIDENT pro tem: The Senator from Kennebec, Senator Marden, poses another question through the Chair to the Senator from Waldo, Senator Cole, and he may answer if he wishes.

Mr. COLE of Waldo: Mr. President, it could very well have a bearing on this particular bill.

There have been many amendments presented to the original bill, and I might say that the Highway Commission has given up clearing these amendments through Washington because of the fact that they have made several statements and then the next day have contradicted their original statements. There are only two men available in Washington who are making these decisions, and they are bogged down in their work so that it is almost impossible for us to clear the amendments as they come along. So, in order to be within the Act of 1956 which says that no state shall increase their axle weight, and the possibility too that as of July 1st the Chairman of the Commission must sign a certificate saying that no laws have been passed in violation of the federal act, I think it is very pertinent to the welfare of our highways that we use precaution as we proceed.

Mr. FARRIS of Kennebec: Mr. President, I did not understand exactly what this order proposes to do. Might we have the order read, please?

The order was read by the Secretary.

Mr. STANLEY of Penobscot: Mr. President, I believe the pending question is a tabling motion. I believe these questions could be answered outside.

The PRESIDENT pro tem: The Chair will state that the Senator from Penobscot, Senator Stanley, is correct.

The pending question is the tabling of the order for reproduction. The Chair would like to ask the Senator from Waldo, Senator do you wish to have this printed in document form or in mimeographed form?

Mr. COLE of Waldo: I think, Mr. President, it should be printed in document form.

Mr. FARRIS of Kennebec: Mr. President, might I inquire as to the time of this tabling motion.

The PRESIDENT pro tem: The Senator may.

Mr. COLE of Waldo: Mr. President, as far as I am concerned there is no time on this particular motion. I think it is up to the leadership to decide when and where it should be acted on.

Thereupon the order was tabled pending reproduction.

The President pro tem laid before the Senate the 4th tabled matter (H. P. 563) (L. D. 760) Bill, "An Act Relating to Mandatory Fines on Axle Weights of Commercial Vehicles" which was tabled on May 22nd by the Senator from Franklin, Senator Noyes, pending assignment for second reading.

On motion by Mr. Cole of Waldo, the matter was retabled unassigned, pending second reading.

The President pro tem laid before the Senate the 5th tabled matter, (H. P. 1119) (L. D. 1541) Bill, "An Act Relating to Weight of Commercial Vehicles," which was tabled on May 22nd by Mr. Noyes of Franklin pending passage to be engrossed.

On motion by Mr. Stilphen of Knox, the bill was passed to be engrossed.

The President pro tem laid before the Senate the 6th tabled matter, (H. P. 435) (L. D. 610) House Report "Ought to pass with Com-

mittee Amendment 'A' from the Committee on Transportation on Bill, "An Act Relating to Length of Motor Vehicle Trucks, which was tabled on May 22nd by Mr. Noyes of Franklin pending acceptance of report.

On motion by Mr. Stilphen of Knox, the "Ought to pass" report of the committee was accepted, Committee Amendment "A" as read and adopted and the bill was tomorrow assigned for second reading.

The President pro tem laid before the Senate the 7th tabled matter, (H. P. 560) (L. D. 757) Bill, "An Act Permitting Certain Commercial Vehicles to Exceed Weight Limits," which was tabled on May 22nd by Mr. Noyes of Franklin, pending assignment for second reading.

On motion by Mr. Cole of Waldo, the bill was retabled unassigned, pending assignment for second reading.

The PRESIDENT pro tem: The Chair will skip over the next items, Items 8, 9 and 10, as they are matters for the Legislative Research Committee.

The President pro tem laid before the Senate the 11th tabled matter, (H. P. 861) (L. D. 1175) House Reports from the Committee on Transportation on Bill, "An Act Relating to Weight Tolerances for Motor Vehicles Carrying Firewood, Pulpwood, Logs or Bolts," Majority Report "Ought to pass with Committee Amendment 'A';" Minority Report, "Ought not to pass," which was tabled on May 23rd by Mr. Cole of Waldo pending acceptance of either report.

On motion by Mr. Cole of Waldo, the bill was retabled, pending acceptance of either report.

The PRESIDENT pro tem: Unless there is objection, we will now recess until one o'clock this afternoon.

Mr. FARRIS of Kennebec: Mr. President, is there any special reason why we should remain in recess for two hours?

The PRESIDENT pro tem: The

Chair knows of no other items which are ready for Senate action at this time.

Mr. FARRIS of Kennebec: Mr. President, there are still items which were tabled until later in the day.

The PRESIDENT pro tem: The Chair would state to the Senator from Kennebec, Senator Farris, that most of the items this morning which were retabled until later in today's session were tabled because some of the Senators were away, but they have told us they would probably return by about twelve o'clock, and for that reason the Chair suggested that we recess until one o'clock.

Mr. FARRIS: Mr. President, may I inquire if it would not be proper to recess until say 12:15?

The PRESIDENT pro tem: Is that a motion? The Senator from Kennebec, Senator Farris, moves that the Senate recess until 12:15. Is this the pleasure of the Senate?

The motion prevailed and the Senate so recessed.

After Recess

Called to order by the President.

The President laid before the Senate (H. P. 464) (L. D. 664) "Resolve, in Favor of Jim Adams Inc. of Bangor," which was tabled earlier in today's session by Mr. Davis of Cumberland pending adoption of Senate Amendment "A".

Mr. DAVIS of Cumberland: Mr. President, I move the adoption of Senate Amendment "A".

Mr. STILPHEN of Knox: Mr. President, I recall having asked a question relative to this matter yesterday, and I would like now to ask that question again. I would like to know, if anybody can tell me, how much Jim Adams, Inc. has been paid in the past for damages, so-called?

The PRESIDENT: The Senator from Knox, Senator Stilphen, poses a question through the Chair to the Senator from Cumberland, apparently, Senator Porteous, and he may answer if he wishes.

Mr. PORTEOUS of Cumberland: Mr. President, I will answer this question now and speak later on other aspects of the bill. The

answer to that specific question is that Mr. Adams was paid \$18,000 at one point and then was paid \$32,000 more at another time, a total of \$50,000.

The PRESIDENT: Does that answer the question of the Senator from Knox, Senator Stilphen?

Mr. STILPHEN: Yes, Mr. President.

Thereupon Senate Amendment "A" was adopted and the bill as amended was assigned for second reading on the next legislative day.

The President laid before the Senate (S. P. 102) (L. D. 247) "Resolve, Appropriating Moneys to Provide Promotion for Maine's Industrial Development," which was tabled earlier in today's session pending the motion of the Senator from Kennebec, Senator Farris, that the resolve be indefinitely postponed.

Mr. LOVELL of York: Mr. President, our debate this morning was interrupted by the very fine singers, whom I enjoyed very much. But I would like to say before I ask permission to add the amendment to this bill, that the good Senator from Aroostook, Senator Cyr, mentioned that we did not want to increase taxation at this point in our economic condition in Maine, and I can heartily agree with him, but this bill to get new industry into Maine is the bill which will prevent us from increasing taxation.

Now most of you are businessmen in this Senate—or ladies—and when you have a project in your business that is going to increase your business what do you do? You go to the bank and borrow sufficient funds or whatever is necessary. Now I say the State has a surplus fund, which is estimated to be eight million dollars at the end of this biennium. And who does that money belong to? That belongs to the taxpayers of the State of Maine. And if sufficient money can be taken from that which in turn will return to that surplus ten times over, here is a very worthy project.

Now we are a little worse off in York County than they are in Aroostook County. In York County

22 of our 28 towns are distressed areas.

This bill is not a utopia, we are not trying to create a utopia for Maine as the good Senator from Aroostook stated. This is simply to get Maine up to normal so that we won't be the 49th state in the number of people unemployed. I might add that the good Senator Cyr should probably read a book that I read recently, called "Maine's Lifeblood." It might give him an insight as to what may be going on.

Now Maine is at the end of the line, as Senator Cyr states, and therefore we must put all that much more effort and that much more work into getting new industry into Maine.

Commissioner Allen, at the Armour Foundation Report meeting, stated that if he could get extra money he could handle it, and he felt that with the extra money he could go along in comparison with what North Carolina did. I point out to you that the Maine Department of Economic Development received the second award in the United States, second to North Carolina, for their activities with the amount of money they had to do with.

Now as far as the industries that are here, getting in industries that will hurt them—that is not the point: the industries that we want to get in are chemicals, plastics—and I won't go over the ones that are mentioned in the Armour Foundation Report. They are not going to sell their products in Maine, their products are nationwide. Certainly I do not believe there is anyone in the Senate who does not want to see our unemployment cut down.

I have an amendment which I would like to add to this bill if I could have the motion to indefinitely postpone withdrawn. This amendment is very simple, it simply asks for \$150,000 each year for the next biennium instead of half a million dollars. So I would hope that the good Senator from Kennebec, Senator Farris, would withdraw his motion to indefinitely postpone.

Mr. FARRIS: Mr. President and members of the Senate: I appar-

ently have not as yet been able to make my position clear to the Senator from York, Senator Lovell.

My reason for making the motion for indefinite postponement was certainly not for debating the amount of money which should be appropriated for what I recognize to be a very worthwhile purpose. Yesterday, on a similar proposition, an amendment was presented reducing it from a million dollars to one dollar, and I was opposed to that. It is not the amount of money involved, it is the entire principle of financing and putting all of these financial matters into one bill so that when we sit down later on in the session, very shortly, I hope, to work out our final supplemental budget, we can have item by item consideration and have our appropriations in that measure. I regret that I cannot accommodate Senator Lovell and withdraw my motion for indefinite postponement.

Mr. DAVIS of Cumberland: Mr. President and members of the Senate: I can concur with the Senator from Kennebec, Senator Farris, that the proper place for this appropriation is in the supplemental budget. For that reason, I hope his motion prevails. I know this amendment provides that this be taken from the unappropriated surplus. I think if we are going to appropriate it, it should come from the general fund income and that will be taken care of if the supplemental budget is amended to take care of it.

Mr. LOVELL of York: Mr. President, when the vote is taken I ask for a division.

Mr. STANLEY of Penobscot: Mr. President, just for the record only: the Senator from York, Senator Lovell, has quoted several times that the Armour Foundation Report requested that the State have a million dollars for industrial development. Just for the record: In the report it says, "if at all available, it is strongly suggested that the budget of DED be increased to approximately one million dollars per year, for it is economic development that eventually provides sufficient state income to support better other state functions."

So we have at the present time increased in the supplemental budget the budget of the Department of Economic Development by roughly \$250,000 each year, bringing it up to a total of \$850,000 per year or \$150,000 less than the million dollars suggested in the Armour Report. I think a \$250,000 per year increase is a very fine increase for the next two years.

The PRESIDENT: The question before the Senate is the motion of the Senator from Kennebec, Senator Farris, that this resolve be indefinitely postponed: A division has been requested. All those in favor of the motion of the Senator from Kennebec, Senator Farris, will rise and stand in their places until counted.

A division was had.

Ten having voted in the affirmative and seventeen in the negative, the motion did not prevail.

Mr. NOYES of Franklin: Mr. President, I think one of the difficulties here in the Senate is the fact that some of us have not seen the supplemental budget. We have a general idea of what is in it. It has not been acted upon by the House as yet. There is some talk that there may be some amendments, there may be some increases, there may be some decreases. For that reason, I would move that this matter be tabled unassigned.

The motion prevailed and the resolve was tabled pending further consideration.

The PRESIDENT: The Chair recognizes in the Senate gallery the tenth grade students from Etna Elementary Schools with their teachers, Mrs. Clukey and Mr. Hatfield.

It is a pleasure to have this group with us here in the Senate Chambers this afternoon. We hope your stay is enjoyable and educational and we hope that sometime you will be taking your chairs in the Senate Chamber representing the county in which you live. At this time I would like to introduce to you the Senators from Penobscot County, Senator Bates and Senator Stanley. (Applause)

Order out of Order

Mr. Lovell of York, out of order and under suspension of the rules, presented the following order and moved its passage:

ORDERED, the House concurring, that (H. P. 707) (L. D. 985) "Resolve to create the Maine Legislative Internship Plan," be recalled from the legislative files to the Senate.

Read and passed.

Sent down for concurrence.

The President laid before the Senate Item 6-9, Senate Committee Report "Ought to pass" from the Committee on Industrial and Recreational Development on Bill "An Act Establishing the Maine Industrial Promotional Corporation Act," (S. P. 105) (L. D. 250) which was tabled earlier in today's session by the Senator from Kennebec, Senator Farris.

Mr. FARRIS of Kennebec: Mr. President and members of the Senate: I would like at this time to yield either to the Senator from York, Senator Lovell, or the Senator from Franklin, Senator Noyes, and I would request that an explanation be given of this particular bill which would, on a quick reading, appear to be pretty much along the same line as the purpose and intent of our Industrial Building Authority.

Mr. LOVELL of York: Mr. President, I thank the good Senator from Kennebec, Senator Farris, for yielding to me, and I will just speak briefly.

In the over-all industrial development of Maine, which is extremely essential, as you all know, in the study that was made for me by Area Development, Department of Commerce, Washington, D. C., it was pointed out the various things needed in the over-all picture of developing the State of Maine for getting in more industries and expansion of industries that we have here.

Now we have in Maine the Maine Development Credit Corporation. Now the Maine Development Credit Corporation is an excellent corporation, formed by some fifty banks, and they loan money to industries for the purpose of ex-

pansion in Maine, however, as their total funds are \$1,100,000 and they have \$200,000 left for loaning purposes their maximum loan is \$75,000 and their interest rate is 7 per cent, and I believe that the first year they have a one per cent service charge.

If we are to expand and get new industry into Maine we need a corporation such as they have in other states throughout the country that have been successful; we need a corporation with State-backed funds to loan money, No. 1, for the purpose of helping industry move to Maine. That is extremely important in the Class B and the Class E industries, because after we get the corporation in Maine, with all our labor and other advantages, they can well be successful. For example, the Small Business Administration, which I have been a field advisor on since it was formed by President Eisenhower and resigned only on January 21st when the new administration went in—and incidentally this is a non-paid job and they do not even buy me a four-cent stamp—they do make loans but they cannot make a loan for an industry to move to Maine. Last month, for example, they made two loans; they average possibly one a month in the State. The Small Business Administration does not cover what is needed in Maine for the over-all loan picture, neither does the Development Credit Corporation of Maine. Now on this bill that was suggested by me from Washington, the interest rate would be from 2 to 6 per cent.

This does not conflict with the Maine Industrial Building Authority. This corporation can loan money for moving to Maine, for working capital, for the purchase of machinery and equipment for the industry, and also in the overall set-up I have added to it a law that they have in Connecticut. Connecticut has a twenty million dollar fund and has a law which allows the state to match funds with communities for the purpose of building industrial development sites and parks on a matching fund basis. Connecti-

cut has been very successful, as you well know, because Connecticut has the highest per capita pay \$2721 a year as of 1958 compared to Maine's \$1633 a year.

Now this over-all Industrial Promotion Corporation will be of great benefit to our accelerated and speeded-up program of getting industry into Maine, and it is essential because we have nothing that actually covers this in the over-all picture of our loan business.

We have some very fine banks in Maine, in fact Senator Noyes was the president of a bank, I understand, and I understand that these banks loan out considerable money, but a good deal of it is loaned out-of-state, in Florida and other states. Now I assume the bankers will probably be against this bill and I presume there are other people who will be against it. The Development Credit Corporation is composed of bankers, and I suppose this bill to help out the State has very little chance of passage, but I am still going to try and get Maine on the basis it should be on and to cut down unemployment and to keep our children home so they do not have to go into these states, Massachusetts, Connecticut and New York that have laws such as staying open half the night in the liquor industry and what not—I hate to have my children to go to those states, I want to see them stay here. Well, this is in the over-all plan for bettering Maine's economy, so I would definitely move the passage of this bill.

Mrs. CHRISTIE of Aroostook: Mr. President, this is something that I feel needs more study than has been given it, I feel that we should know more about the implications of this bill. If I am in order, I move that this be referred to the Legislative Research Committee for a report to the 101st Legislature.

Mr. NOYES of Franklin: Mr. President, as a member of the Committee on Industrial Recreational Development, I would like to say that this bill had a very, very prolonged hearing and that the only opposition that was ex-

perienced before the hearing was from the people who are now connected with the present Maine Development Corporation.

I think earlier in the session you all received on your desks a copy of the report on the Maine Development Credit Corporation. That was set up some eight or ten years ago and I think if you would just glance through it you would see that they have done a good job, that they have made money. They certainly ought to make money; they are borrowing the money through a subscription basis from the banks at two per cent. The banks do not part with money very readily at 2 per cent and therefore they do not have too much money to work with, but since they have been in existence they have had a little bit better than two million dollars to work with and they have been able to make a few loans and they have done a good job and they have made money.

Now I would like to go back to the days when I was in college. I majored in economics, I was never a very good student, but I remember three things that were taught me about economics, and that is that there are four factors which produce income or produce wealth. One is land, the second is labor, the third one is capital and the fourth one is the entrepreneur, and lately in the later editions of college economics that have come out, they have added such things as marketing, transportation and what not. All they have done is expanded the list.

The question of capital in Maine is one of the factors which is very important to our economic growth. The Armour Report has stated that there is a lack of availability of money in Maine. We have heard throughout the last campaign—we had some figures that were given us by one of the candidates who was running for Governor, and he said specifically there was a shortage of one hundred fifty million dollars of money available for industrial purposes.

It is true that we do have this Maine Credit Corporation, but we have got to have something more,

because, with a shortage of capital in the State of Maine, we have got to make available to industry, not only new industry but existing industry, more capital, and the bill that we are now talking about would do precisely that same thing. We have got to look ahead a little bit, and just because we have this Development Corporation, which is very good, the same as the Maine Industrial Building Authority—some thirteen years ago I came down to the legislature just as a spectator, I attended the hearings, and the Maine Industrial Building Authority, which was later, but this one was about thirteen years ago as I recall, and when it was passed people in Maine said, "Well, I don't know, the banks have got a lot of money, why do we have to have this thing?" But we did pass it and it has been a good thing. But I submit to you that in the last thirteen years only two million odd dollars has been made available under this plan. And certainly with consumer finance, radios, television, automobiles, which bring the banks anywhere from six to eleven or twelve per cent, you can not expect the banks to put money into this at two per cent when the money market is much more favorable.

Now money is like a commodity, it is just like groceries, like bread or anything else; it is a product, a commodity which is bought and sold on the open market, and if you have a situation where you can get six or seven or eight per cent you are certainly going to put your money into that field, and that is one of the great difficulties in Maine and I think that the Armour Report pointed it out very vividly, in fact they said that some eleven per cent of the money in the State of Maine is committed to consumer goods. The reason is obvious, because if you can get 6, 7, 8, 9, 10 or 11 per cent most certainly you are not going to loan it to the Maine Development Credit Corporation at 2 per cent.

So there is a real need in the State of Maine for this bill, and this bill would provide a new credit corporation, or, if it was the

intention of the legislature—and that is one of the things we tried to work out in our committee—we wanted to amend the present Maine Development Corporation. When we went to the Attorney General and the lawyers and the other people,—and everybody thought it was a good idea—we found out that because of certain technicalities—No. 1, this was set up as a private corporation under the law, therefore it is impossible for us, in committee or in this legislature, to just amend the charter without repealing the first charter, and then there would be many other questions involved because of the way it is set up.

I believe that this bill would probably do as much for industrial development—and I would like to point out that it would be strictly industrial development and nothing herein would apply to recreation or anything else. Certainly the industrial picture in Maine warrants this consideration, and I hope that this Senate will give good and just consideration to this bill.

Mrs. CHRISTIE of Aroostook: Mr. President, I will withdraw my motion.

The PRESIDENT: Is it the pleasure of the Senate that the Senator from Aroostook, Senator Christie be allowed to withdraw her motion?

Permission to withdraw the motion was granted.

Mr. EDMUNDS of Aroostook: Mr. President and members of the Senate: This is a sleeper if I ever saw one. Yesterday I went along with the bill of the good Senator from York, Senator Lovell, on which it was estimated he was some fifty years ahead of his time, but on this one I think he is perhaps a hundred and fifty years ahead of his time, and I, frankly, just cannot accept it; I do not believe it is good legislation.

Now under the Maine Industrial Building Authority when money is made available to build plants, those loans which are guaranteed by the credit of the State of Maine are secured, I believe, by first mortgages on the plant facilities which are constructed. This bill,

as I understand it from the debate and from a quick glance through it, would lend money for working capital purposes and have the State of Maine guarantee it. Frankly, the best thing I can say about it is I think it is weird.

Mr. LOVELL of York: Mr. President, let me just answer the good Senator from Aroostook. This type of corporation, in the many states where it has been passed, certainly is not that far ahead of the time that the good Senator mentioned, because they are getting a great number of new industries and are increasing their population, picking up their economy and getting more payrolls and more money and keeping the people from the unemployment rolls.

This bill calls for a bond issue of five million dollars, which will be on a revolving fund. Now the Development Credit Corporation of Maine has stated that they have made risk loans, and they have to some extent, and in the last dozen years in the 77 loans that they have made they have lost less than 1 per cent. Now I ask you: Are those loans very speculative loans. But this corporation with a bond issue, they will pay their own interest on the bonds and it will not cost the taxpayers any money. Now we will say they might have some bad loans. Granted that they might have some bad loans, we will say that out of four industries they might get here they bring into the State of Maine say 500 new employees, for example, it would mean two million dollars a year in payrolls. Now this payroll turning over five times, the tax money coming back to the State is going to be a great help to the economy and the surplus fund of the State. If one of the industries should fail—and these mortgages on this particular type of loan won't be first mortgages, they will be second mortgages—so consequently if one of these industries should fail you still have the benefit of the payroll until the time they have failed and you have the over-all benefit of getting the other three new industries into Maine.

I know that all industries that come into Maine cannot be suc-

cessful. No new corporations are a hundred per cent successful.

I urge you to realize that this bill is of extreme importance to industrial development and I hope you will see fit to pass it.

Mr. EDMUNDS of Aroostook: Mr. President, I am not president of a bank, I am a director of a bank and I think I know a little bit about banking.

Maybe this bill will do all the things that the good Senator proposes that it will do, but, frankly if, to get industry into the State of Maine, or a particular industry into the State of Maine, we have got to build a building for them, then transport them up here and then provide them with working capital, I think it is probably such a poor industry that we do not want them in the State of Maine. For that reason, I move that this bill and all its accompanying papers be indefinitely postponed.

Mr. ERWIN of York: Mr. President, nobody admires more than I do the earnest and warm-hearted efforts of the Senator from York, Senator Lovell, and the Senator from Franklin, Senator Noyes, in their efforts to upgrade and promote the welfare of the State of Maine, both in its industrial and recreational complexes; nobody more than I admires their earnestness in what they are trying to do, but there is such a thing as being too sophisticated about the means to a desirable end, and this, Mr. President and my friends in the Senate, is going too far. I do not care how you slice it, I do not care what you call it, this particular act puts the State of Maine in the direct banking business.

This L. D. specifically says that the operations of this corporation, which is a public corporation, shall be considered to be a governmental function, and you are taking the money of the taxpayers of the State of Maine and loaning it directly to those people whom the directors think should have it. Now if this is not the first step to socialism it certainly is the preliminary ingredient to that thing which all of us have tried to op-

pose and avoid everywhere that we have seen it, and that it putting the government of the country or one of the states into direct competition with its own business complex. For that reason, I support the motion of the Senator from Aroostook, Senator Edmunds.

Mr. EDMUNDS of Aroostook: Mr. President, when the vote is taken I request a division.

Mr. CYR of Aroostook: Mr. President and members of the Senate: It looks as though the good Senators from Aroostook are always opposing some of the southern Senators here and there is a reason behind it.

We live so far away from markets and we have to pay a very high price for all of our products and then in return when we ship our products back to the market we get the lowest price there is, consequently we have learned right from the start to be very conservative with our money.

I would like to bring your attention to Section 6 of this bill which reads as follows: "To enter into agreements with prospective borrowers and mortgages for the purpose of loaning money to industry to acquire machinery and equipment, to provide working capital, to plan, design, construct or alter industrial buildings, to provide funds to enable an industry to relocate in Maine, and to loan money to industry for such other purposes as is deemed necessary by the corporation to effectuate the purposes hereto set forth." Then on the next page it goes on to say that the good State of Maine is going to be protected in all of this—"The corporation may take mortgages, assignments, stocks or bonds in the corporation as collateral for its loan."

I contend that is ridiculous. This is the most ridiculous thing I have ever seen. We have an organization in the State of Maine today which will loan to an industry that comes in 90 per cent, the other 10 per cent is raised by the local community, the local corporation. Then this industry is going to turn around and through this vehicle here it is going to borrow money for its equip-

ment, it is going to borrow money for its working capital and all the rest. I submit to you, gentlemen of the Senate, that the only thing you are going to need to be in business in the State of Maine is a nice, broad smile and a good story.

Mr. FARRIS of Kennebec: Mr. President and members of the Senate: I think that probably the telling points have already been brought as to why this is not good legislation. I certainly cannot conceive of this legislature passing this particular bill. I join with many other of my colleagues who have placed upon the record the fact that they are in complete sympathy, and so am I, with the earnestness and sincerity of our colleagues, the Senator from Franklin, Senator Noyes and the Senator from York, Senator Lovell, in their desire to move Maine ahead, and I certainly join with them and want to see Maine move ahead. I also would concur in the remarks of the Senator from Aroostook, Senator Christie, when she suggested, after withdrawing her motion, that this is a matter which could possibly be studied by the Legislative Research Committee to see if there is anything further which can be done to accomplish the purpose of the proponents of this bill. But you are absolutely creating chaos if you enact this measure, you are putting a new commission in direct competition not only with the Maine Industrial Building Authority but also with the Department of Economic Development.

Further than that, if you will look on Page 4, of bill, Subsection 10 of Section 5, this commission is given an absolute legislative prerogative, the right to make grants to communities for industrial sites and so forth. Can you imagine the scramble that would be forthcoming if these grants were available to communities? Can you imagine the position in which your commissioners or directors would be placed if they had to make these decisions as to which community was to have a loan and which community was not, and if both were to have it how much each

was to have? I certainly wonder whether in Washington when the people who suggested this measure to the Senator from York, Senator Lovell, if they were aware that we already do have a Maine Industrial Building Authority and a Development Credit Corporation?

I certainly hope that this Senate will support the motion of the Senator from Aroostook, Senator Edmunds, that this bill be indefinitely postponed.

Mr. LOVELL of York: Mr. President, just a couple more words on this bill before you kill it. I guess it certainly is not the time for Maine to progress. Some of the Senators have mentioned the Small Business Administration which has saved and helped many small businesses all over the United States. I would like to ask them if they have heard of the Small Business Investment Corporation which was formed in 1958 by small business investment groups throughout the United States, and we do not have a single one in the State of Maine. Not a single organization has ever started a Small Business Investment Corporation in the State of Maine, a corporation which has exactly the same ideas this bill calls for. We haven't done it because we are not progressive enough, and that is why we are going to have to stay back. I am sorry to have to say it: we are going to have to stay back.

Now as far as loans for buildings are concerned, this would simply take the place of the Small Business Investment Corporation. As far as loans for buildings are concerned, this doesn't have to go into loans for buildings. The MIBA handles that. However that was put in there because if some particular very small community, we will say in Aroostook County, got an industry coming in and they had to form a non-profit organization and could not raise the ten per cent on a five hundred thousand dollar building, \$50,000, say they couldn't raise the ten per cent in Aroostook County—potatoes have been pretty low up there in price lately—consequently they

could go to this organization and on a second mortgage get the ten per cent for the payment and the MIBA would go along with the balance.

Now I would have confidence in the board of directors of this organization as well as in the directors of MIBA. All I have to say is: let's kill it.

Mr. CYR of Aroostook: Mr. President and members of the Senate: To correct the Senator from York, Senator Lovell, I would like to tell him that there is a small business loan organization in the State of Maine with headquarters in Portland and they are doing this very same thing that he wants to do but they are doing it on a much tighter basis, a much sounder basis. If he doesn't believe how tight the regulations are let him ask them for a loan and find out how tight they are. But they have been providing loans on machinery in certain cases on a second mortgage the same as what he is suggesting, and they are operating right here in the State of Maine with headquarters in Portland, and the manager is the former manager of a Van Buren bank.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Aroostook, Senator Edmunds that the bill and accompanying papers be indefinitely postponed, and a division has been requested.

A division of the Senate was had.

Nineteen having voted in the affirmative and seven opposed, the motion to indefinitely postpone prevailed.

On motion by Mr. Noyes of Franklin Recessed until two o'clock this afternoon.

After Recess

The Senate was called to order by the President.

The President laid before the Senate Item 6-8 bill, "An Act Relating to Benefit Eligibility Conditions Concerning Earnings Under Employment Security Law" (S. P. 350) (L. D. 250) tabled earlier in today's session by the Senator from Androscoggin, Senator Cou-

ture pending acceptance of the committee report; and on further motion by the same Senator, the Ought not to pass report was accepted.

Sent down for concurrence.

The President laid before the Senate Item 6-6 bill, "An Act Classifying Certain Tidewaters Bordering Thomaston" (H. P. 693) (L. D. 971) tabled earlier in today's session by the Senator from Oxford, Senator Ferguson pending motion by Senator Cyr of Aroostook, to accept the Majority Ought to pass report.

Mr. FERGUSON of Oxford: Mr. President, this was one of the first bills that came before the Natural Resources Committee. We had quite a number of people from the Thomaston area down in support of this bill which was reclassifying the tidal waters in Thomaston from Class A to Class B. We did not have any opposition. The people who normally appear for downgrading waters are the Water Improvement Commission, and they did not appear at the hearing due to other commitments. We passed the bill out the same afternoon with a unanimous Ought to pass report and I felt afterward that we made a mistake. To go back a little bit further than that, this tidal water was classified in 1957 the year that we tried to classify over hundred sections of water throughout the State of Maine. It was classified as A. I had a very strong feeling that possibly Class A should not have applied.

Since the bill was recommitted to the Committee and the result was that we had a split report. I might say that it was the only split report we had in the committee all during the session. Since that time I have had some information I would like to place before the Senate. Wright and Pierce, Engineers of Topsham, Maine made a survey and report in 1958 covering sewage interception and treatment facilities for the Town of Thomaston, Maine, and including the Maine State Prison in the proposed works.

I have a sketch here of the proposed system which they would

set up in the town. The present town population is approximately 2300 persons tributary to the system plant and the State Prison is some 500 persons. The treatment plant is designed for 3500 persons.

Estimated construction costs for 1958 were \$347; however construction costs have risen about ten per cent according to the Engineering News Record Index, making present construction costs about \$382,000. Total cost of the project including engineering and contingencies would be \$458,400.

All phases of the proposed facilities are eligible for federal-state costs to the Town would be halved to \$229,000 and since I have had this information we have passed a bill in both the House and the Senate which has been signed by the Governor and that would increase the state participation in this type of sewage by ten per cent. The average interest and amortization charges for a 20 year financing period at 4½ percent interest on \$230,000 would be \$16,870. Operation and maintenance costs at a maximum should run to \$7,000 making a total for the year of \$23,870. Including the prison as a customer and basing costs in proportion to total number of persons presently served by the plant, the prison would pay 17.8 per cent of the annual costs or \$4,250.

Cost to the town would then be about \$19,000 per year or \$8.53 per person. This would be including operating cost based upon present population. This would amount to about \$34 annual charge to the average household.

However it must be kept in mind that these costs would drop as population increases and that these costs assume residence use alone and do not reflect a different basis of charges given commercial or business establishments which would be in the system. On the other side of the picture, work must be done on the present system to rid the sewers of high infiltration which now occurs presumably by faulty initial construction. This work might be undertaken on an annual basis or might be done as part of the

initial work with costs figured accordingly.

If the town of Thomaston went into a 25 year program with a 4½ percent interest charge, then the cost would be about \$21,000 with State prison charges of \$3,000 leaving the Townspeople with a charge of \$17,707. The per capita payment would be \$7.70 with a total of \$30.80 for the average householder based on present population.

I signed the B report. A C classification would help a great deal in pollution control for that area and I don't believe it would create any undue hardship on the people of Thomaston if we were to go B-1 after getting the figures from the engineers that were submitted to the Water Improvement Commission. Therefore I am opposing the motion of the Senator from Aroostook, Senator Cyr for accepting the Majority Ought to pass Amendment A which calls for downgrading from A classification to C.

Mr. CYR of Aroostook: Mr. President and members of the Senate, inasmuch as I hate very much to oppose our good Chairman of the Natural Resources Committee, I feel it my duty to let you know exactly what transpired in this case. I won't go into details because if I do I would have to go into personalities which I would not want to do. But briefly or at least as briefly as I can make it, I will tell you exactly what transpired, and you can judge for yourself from then on.

This bill received a very good hearing. We had an attendance of approximately seventy-five to eighty people from Thomaston. The Town Manager gave his story; the superintendent of schools gave his story; several other individuals gave their stories and every one of them made sense. The Town Manager approached it from the standpoint of cost and what it would do to the Community of Thomaston particularly in regard to the borrowing capacity of the Town of Thomaston. The Town of Thomaston has a debt existing now of some \$94,000 and the Superintendent of Schools gave us the

inside picture of the school needs and it would be impossible for the town of Thomaston to raise the necessary money on the 7½ percent valuation basis. Many individuals spoke in favor of it, stating there was no offensive odor coming from this situation, no sludge deposits in the river with the strong tides coming in twice a day you have a permanent flushing of the basin which aerates and oxidizes the water and removes any odor or any obnoxious condition.

The town of South Thomaston would possibly be affected more than anybody else and we have a letter from their Board of Selectmen supporting this downgrading. The original bill called for downgrading of the waters from an A classification to a D classification. To begin with, we couldn't see why an A classification was put on these waters because according to definition, an A classification of water is water suitable for human consumption and these are tidal waters, therefore salt water. Since then they have given us an explanation that the coliform contents would have an effect on the thing. But this would only affect the clam flats which are down below Thomaston. Now we were told by a Sea and Shore Fishery man that this had no adverse effect on the clam flats and following that we were told there might be a little effect on Hospital Point which doesn't amount to very much. In fact we were told that the gourmets in the area when they wanted a good clam dish, they called for Thomaston clams. At the hearing after we heard all the testimony of the proponents, we had no opponents, so we passed the bill unanimously ought to pass.

I think you will agree with me that there is political pressure and all kinds of other pressure which shouldn't intervene in this but which has. The following week after we had one that we had an executive session with a member of the Water Improvement Board at which time he asked us to recommit the bill and change our decision. We asked him for a reason. If he had substantial rea-

son we would grant him that privilege. He gave us a letter. Argument one was this: They were sorry they hadn't appeared at the hearing the week before but they were having a monthly meeting. We told them they had the five day notification the same as anybody else and that was a poor excuse. The second reason they gave us was in regard to the clam flats. I think I have explained that sufficiently and don't have to repeat myself.

The third one, and I think this is where the whole argument hinges. They told us they were afraid this would create a precedent and it would make the law impossible to administer. That is where we disagree. Subsequently we refused to go along and recommit the bill. This was on Thursday. The following Monday an article appeared in the paper which I think most of you read, in which the same individual that tried to make us change our minds had an interview with the newspapermen deploring the fact that the Natural Resources Committee had taken that position and had declassified these waters. That is exactly what we object to very much, to have the newspapermen or this gentleman use the newspaper to apply pressure on the committee to obtain what they could not obtain by themselves.

Subsequently the rest of the winter, there was a similar type of maneuvering until we came right down and we told them there was a principle involved here and the principle is this: If we are expected to go along—I mean the committee on Natural Resources—expected to go along with the Water Improvement Board, with every type of petition that they come up with, then we are depriving the people of the State of Maine of their last recourse if they object to any of those classifications, and to me that is the principle which is involved here and the principle which is very important.

If we are to do that, then the people of Maine wherever they may be, they have no recourse

whatever once the Water Improvement Board has put a classification on the waters regardless of how substantial the arguments might as well tell the people of Maine that they are losing their time and our time by trying to appear at a hearing before the Natural Resources Committee and present their arguments, and I would say further that there is another principle. They claim that we would be creating a precedent. Certainly we would be creating a precedent and the precedent we would be creating would be this: We would be creating the precedent that a Committee can judge a case on its merits use their own judgment and not have to go according to what somebody else has put in as far as classification is concerned.

I also have a letter here, a notarized letter of a hearing which took place July 7, 1960 in Thomaston at which time the Water Improvement Board made the statement that they would not question this downgrading legislation which is before us until 1963. That is the reason why neither the Water Improvement Board or anyone else appeared in opposition to this bill. They were hoping that we would do the dirty work for them. That we would listen to these people and regardless of how solid and sound the arguments were, that we would deny them their decision and would say "We are going along with what the Water Board has classified you for" and I say to you if we are going to go ahead and change this we are breaking two precedents and two precedents which in the future you yourself might be needing.

In recommitting this bill, those of us that were very violently opposed to the maneuvering of the Water Improvement Board against the Natural Resource Committee all winter, those of us who were violently opposed to this maneuvering, went along with putting on the C classification and that is as far as we could see our way to go. Now if you go to a B-1 which is what the other report asks, a B-1 classification you may as well leave

it as an A classification because as far as facilities, disposal facilities are concerned, it is the same requirements, but under the C classification, Thomaston won't have to put in any sewage disposal for the next biennium and if by that time the Water Improvement Board sees fit to reclassify it to B-1, let them bring in their own bill at that time and see what the legislature would do. But right now, the testimonies that were given is that no unfavorable condition exists. Everybody is happy. There is no odor; no obnoxious sludge and for that reason I would hope you would support me on the ought to pass majority report.

Mr. FERGUSON: Mr. President, I hate to oppose my good friend, the Senator from Aroostook, Senator Cyr, I might say again, but I made some notes here that the sewage district and the Town of Thomaston would not come under the 7½ percent borrowing limitation and I think there is ample room there for borrowing. The state valuation is five million eight fifty thousand; town valuation is two million, thirty-one thousand; they have bonds of thirty thousand and notes of thirty-seven thousand.

I have been a great believer in this form of cleaning up the waters in classification. I only felt we should not downgrade. That was my feeling back in 1953 when I served on the Natural Resources Committee but certainly I have changed my mind somewhat that they should be subject to some adjustment and this time I am willing to go along from A to B-1. Beyond that I am reluctant to go. You must remember we did classify these waters in 1957 and on the recommendation of the Water Improvement Commission, the legislature did that and if changes are made now it won't be made by the Water Improvement Commission, it will be made by the whole legislature, both the Senate and the House. I certainly again hope that the Senate will go along with the downgrading from A classification down to B.

Mr. STILPHEN of Knox: Mr. President, I don't intend to carry

this too far. I think the good Senator from Aroostook, Senator Cyr, has covered the situation very well. I would just like to point out that this bill, as the Senator from Aroostook, Senator Cyr has said, is something that the town of Thomaston cannot afford. They cannot afford to put in this treatment plant. They are a small town, and one of the biggest contributors to any pollution, if indeed there is any pollution there, is the State of Maine's own institution, the Maine State Prison with over 500 inmates, a population which contributes heavily to any pollution and may I point out that the good Senator from Oxford, Senator Ferguson has suggested that we should never downgrade a river or stream once the Water Control Board has set the classification. Isn't it possible that sometime in the past when these classifications were put on, isn't it within the realm of possibility that someone could have made a mistake. Isn't it possible that this classification of Class A waters in the Georges River in Thomaston could be a pretty high rate? An A classification, water for human consumption? I don't know whether the good Senator from Oxford, has any salt water in his area or not but I submit to you folks who do know, that salt water is not good for human consumption in any way, shape or manner, and I hope that the motion of the Senator from Aroostook, Senator Cyr does prevail and I ask for a division.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Aroostook, Senator Cyr, that the Senate accept the Majority Ought to pass report of the committee and a division has been requested.

A division of the Senate was had.

Seventeen having voted in the affirmative and six opposed, the motion prevailed, the bill was then given its first reading, Committee Amendment A was read and adopted and the bill tomorrow assigned for second reading.

The President laid before the Senate Item 6-5 (H. P. 603) (L. D. 862) bill, "An Act to Amend the Employment Security Law"; tabled earlier in today's session pending acceptance of either report; and on further motion by the same Senator, the bill was retabled and especially assigned for tomorrow.

The President laid before the Senate, Item 102 Joint Order Relative to Telephone Calls after Adjournment of the Legislature (H. P. 1171) tabled earlier in today's session by the Senator from Androscoggin, Senator Jacques pending passage.

Mr. JACQUES of Androscoggin: Mr. President, earlier in the morning I tabled the order and moved that it come off the table this afternoon. I discussed it with the leadership and I have here another order. The Order we took up this morning could only be used from home to the State House. Last year I had to use the phone and call the Attorney General in Kennebunk and call the State School for Girls and other places in the State of Maine where I had state business to do. I had some difficulty. It actually had to come out of my pocket. There were 25 calls that I couldn't use at all. This amendment I have would be from any point, from your own home to any point in the state and you could call the University of Maine, the Maine Liquor Commission, Gorham Teacher's college - any business you have so far as state business is concerned. I would like to retable the Order, let the members think it over and then tomorrow I would take it off the table and you could do what you wanted. So I move that the Order be retabled until tomorrow.

The motion prevailed and the Order was retabled and so assigned.

The PRESIDENT: The Chair notices in the Senate Chambers a distinguished citizen, one whom

we all know and respect. It is a pleasure for me to introduce to the Senate, former Secretary of State, Harold Goss. (Applause)

On motion by Mr. Davis of Cumberland, the Senate voted to take from the Special Appropriations table S. P. 265, L. D. 782.

Mr. DAVIS of Cumberland: Mr. President, I might say that the reason for this request is that the price tag is to be reduced by amendment. I now yield to the Senator from York, Senator Erwin.

Mr. ERWIN of York: Mr. President, it is with a good deal of pleasure that I offer Senate Amendment A to L. D. 782 and briefly I wish to state that the purpose of the original L. D. was to ask the State of Maine to split the cost to the town of York of its share of the dredging project in York Harbor which is permissible by law. The original L. D. was based on estimates by the army engineers and the amount of money appropriated by the United States Congress. Since that time the bids have come in at less than half the estimated cost and therefore this amendment which I am going to offer reduces the price tag on L. D. 782 from \$34,500 to \$13,898 which is still one half the town's share.

Therefore, Mr. President, I move that out of order and under suspension of the rules, we reconsider our action whereby this bill was passed to be engrossed.

The motion prevailed and under suspension of the rules, the Senate voted to reconsider its action whereby the bill was passed to be engrossed; Senator Erwin of York presented Senate Amendment A which was read and adopted, and the bill as amended was passed to be engrossed.

Sent down for concurrence.

On motion by Mr. Noyes of Franklin Adjourned until 9:30 o'clock tomorrow morning.