

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

LEGISLATIVE RECORD

OF THE

*One Hundred and Third
Legislature*

OF THE

STATE OF MAINE

Volume II

May 10 to June 15, 1967

**KENNEBEC JOURNAL
AUGUSTA, MAINE**

HOUSE

Wednesday, May 24, 1967

The House met according to adjournment and was called to order by the Speaker.

Prayer by the Rev. Mr. Royal Brown of Gardiner.

The journal of yesterday was read and approved.

**Papers from the Senate
Reports of Committees
Leave to Withdraw**

Report of the Committee on Transportation on Bill "An Act relating to Movement of Contractor's Equipment Over State Highways" (S. P. 522) (L. D. 1342) reporting Leave to Withdraw.

Came from the Senate read and accepted.

In the House, the Report was read and accepted in concurrence.

Ought Not to Pass

Report of the Committee on Appropriations and Financial Affairs reporting "Ought not to pass" on Bill "An Act Providing Funds to Supplement Vocational Rehabilitation Programs" (S. P. 175) (L. D. 366)

Report of the Committee on Education reporting same on Bill "An Act Establishing a Commuter College of the University of Maine in Aroostook County" (S. P. 228) (L. D. 553)

Report of the Committee on Election Laws reporting same on Bill "An Act Relating to Nomination of Primary Candidates at State Conventions" (S. P. 106) (L. D. 177)

Came from the Senate read and accepted.

In the House, Reports were read and accepted in concurrence.

Ought to Pass

Report of the Committee on Legal Affairs reporting "Ought to pass" on Bill "An Act relating to Cost of Living Adjustments for Retired Employees of the City of Lewiston and Their Beneficiaries" (S. P. 565) (L. D. 1435)

Report of same Committee reporting same on Bill "An Act relating to Pensions for Members

of the Lewiston Police Department, Lewiston Fire Department, and Their Beneficiaries" (S. P. 566) (L. D. 1436)

Came from the Senate with the Reports read and accepted and the Bills passed to be engrossed.

In the House, Reports were read and accepted in concurrence, the Bills read twice and tomorrow assigned.

Tabled and Assigned

Report of the Committee on State Government reporting "Ought to pass" on Bill "An Act to Permit State Employees and Teachers to Insure Spouse and Children under the Group Life Insurance Program" (S. P. 257) (L. D. 637)

Came from the Senate with the Report read and accepted and the Bill passed to be engrossed.

In the House: On motion of Mrs. Fuller of York, tabled pending acceptance of Report and specially assigned for Thursday, May 25.

**Ought to Pass with
Committee Amendment**

Report of the Committee on Judiciary on Bill "An Act relating to Pecuniary Injuries in Actions for Injuries Causing Death of a Minor" (S. P. 504) (L. D. 1219) reporting "Ought to pass" as amended by Committee Amendment "A" submitted therewith.

Came from the Senate with the Report read and accepted and the Bill passed to be engrossed as amended by Committee Amendment "A".

In the House, the Report was read and accepted in concurrence and the Bill read twice. Committee Amendment "A" was read by the Clerk and adopted in concurrence, and tomorrow assigned for third reading of the Bill.

Divided Report

Report "A" of the Committee on Labor reporting "Ought to pass" on Bill "An Act relating to Coverage under Employment Security Law" (S. P. 456) (L. D. 1133)

Report was signed by the following members:

Messrs. JOHNSON of Somerset
NORRIS of Oxford
— of the Senate.

Messrs. EWER of Bangor
COUTURE of Lewiston
BEDARD of Saco
— of the House.

Report "B" of same Committee reporting "Ought not to pass" on same Bill.

Report was signed by the following members:

Mr. GOOD of Cumberland
— of the Senate.

Messrs. DRUMMOND of Sidney
HOOVER of Phillips
HUBER of Rockland
DURGIN of Raymond
— of the House.

Came from the Senate with Report "A" accepted and the Bill passed to be engrossed.

In the House: Reports were read.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Mr. Ewer.

Mr. EWER: Mr. Speaker and Members of the House: I move acceptance of Report "A" "Ought not to pass" on L. D. 1133 and ask if I may speak briefly on it.

The SPEAKER: The gentleman from Bangor, Mr. Ewer, now moves that the House accept Report "A" "Ought to pass." The gentleman may proceed.

Mr. EWER: This bill is a very simple one. Its effect, if enacted, will be to provide insurance against unemployment for some 20,000 more workers and it will bring in a net gain to the unemployment trust fund each year of about \$600,000.

The definition of an employer as spelled out in this bill is simple, concise and easily administered. It provides that if an employer has work for 1 or more people for 13 weeks in a calendar year he becomes a subject employer under the Maine Employment Security Law or if he pays wages of \$450 to 1 or more people in a calendar year he becomes subject. I like this \$450 feature and many states have adopted a similar provision, this being to clearly define the difference between a potential subject employer and one who hires casual workers to perform limited services for him.

No one can justify, with sound reasoning, why we should continue discriminating against the workers of small employing units. Certainly the person who has lost his job with a small employer is just as unemployed and just as much in need of unemployment insurance, and many times more so, than the workers laid off from a large corporation.

I would say, as I have said before in connection with another bill, that we have two kinds of labor in the State of Maine, — Labor with a big L which is organized labor, and labor with a small "l" which is the little man who has to depend on his own efforts to keep going. Big labor can take care of itself to some extent This bill is to help the little fellow, the man who works for a small employer and has no union behind him.

The economic conditions in Maine are particularly favorable at this time and this improvement can be effected with the least cost impact and I ask each and every one of you to help us discharge our responsibility by passage of this measure. As I stated at the outset both political parties last fall adopted the provisions of this bill and, speaking as a Republican, I do not feel that my party can renege in its promise to Maine workers.

Thereupon, Report "A" "Ought to pass" was accepted in concurrence, the Bill read twice and tomorrow assigned for third reading.

Non-Concurrent Matter Tabled and Assigned

An Act to Revise the Laws Relating to Authority for Granting Degrees and to Approval of Degree-Granting Institutions (S. P. 637) (L. D. 1641) which was passed to be enacted in the House on May 18 and passed to be engrossed on May 15.

Came from the Senate passed to be engrossed as amended by Senate Amendment "A" in non-concurrence.

In the House: On motion of Mr. Robertson of Brewer, tabled pending further consideration and specially assigned for Friday, May 26.

Non-Concurrent Matter

Bill "An Act relating to Closed Season on Bear" (H. P. 355) (L. D. 502) which was passed to be engrossed in the House on April 11.

Came from the Senate passed to be engrossed as amended by Senate Amendment "A" in non-concurrence.

In the House:

The SPEAKER: The Chair recognizes the gentleman from Glenburn, Mr. Cookson.

Mr. COOKSON: Mr. Speaker and Members of the House: This amendment which has been put on spoils this whole bill. It reads, "There shall be a closed season on bear from January 1st to June 1st in each calendar year, except that this section shall not apply to the hunting of bear on an owner's land by the owner of such land or his agent." Now his agent could be anyone who he wishes to appoint I presume, which could well be hunters or anyone else. I think that this was put on by people who felt that perhaps they might do some damage to some land, and I would say that they don't need any legislation to take care of this because the law already provides. So for this reason I would move that this Senate amendment be indefinitely postponed.

The SPEAKER: The Chair would advise the gentleman that the only motion that can be entertained is to recede, concur, insist or to adhere.

Mr. COOKSON: I move that we insist.

Thereupon, the House voted to insist on its former action.

Non-Concurrent Matter

Bill "An Act relating to Fees for Handling Insurance Papers by Those Who Loan on Property" (H. P. 470) (L. D. 683) which was passed to be engrossed in the House on March 16.

Came from the Senate passed to be engrossed as amended by Senate Amendment "A" in non-concurrence.

In the House: The House voted to recede and concur with the Senate.

Non-Concurrent Matter

An Act Requiring Constructed Public Buildings be Made Accessible to the Physically Handicapped (H. P. 1114) (L. D. 1583) which was passed to be enacted in the House on May 4 and passed to be engrossed as amended by House Amendment "B" on April 26.

Came from the Senate passed to be engrossed as amended by House Amendment "B" and Senate Amendment "A" in non-concurrence.

In the House: The House voted to recede and concur with the Senate.

Orders

On motion of Mr. Ross of Bath, it was

ORDERED that Mrs. Baker of Orrington be excused from attendance for the duration of her illness; and that Mr. Durgin of Raymond be excused from attendance for the duration of his illness.

(Off Record Remarks)**House Reports of Committees Ought to Pass in New Draft New Drafts Printed**

Mr. Benson from the Committee on Health and Institutional Services on Bill "An Act Revising the Drug, Narcotic and Pharmacy Laws" (H. P. 265) (L. D. 386) reported same in a new draft (H. P. 1176) (L. D. 1674) under same title and that it "Ought to pass"

Mr. Soulas from same Committee on Bill "An Act Revising the Laws Relating to Physical Therapists" (H. P. 986) (L. D. 1466) reported same in a new draft (H. P. 1177) (L. D. 1675) under same title and that it "Ought to pass"

Reports were read and accepted, the New Drafts read twice and tomorrow assigned.

Ought to Pass with Committee Amendment

Mr. Allen from the Committee on Education on Bill "An Act Increasing Indebtedness of Baileyville School District" (H. P. 1142) (L. D. 1628) reported "Ought to pass" as amended by Committee

Amendment "A" submitted therewith.

Report was read and accepted and the Bill read twice.

Committee Amendment "A" was read by the Clerk as follows:

COMMITTEE AMENDMENT
"A" to H. P. 1142, L. D. 1628, Bill "An Act Increasing Indebtedness of Baileyville School District."

Amend said Bill by adding at the end the following referendum:

'Referendum; effective date. This Act shall take effect 90 days after the adjournment of the Legislature, only for the purpose of permitting its submission to the legal voters of the Town of Baileyville, present and voting at the next annual town meeting.

The town clerk shall prepare the required ballots, on which he shall reduce the subject matter of this Act to the following question: "Shall 'An Act Increasing Indebtedness of Baileyville School District,' passed by the 103rd Legislature, be accepted?" The voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same.

This act shall take effect for all the purposes hereof immediately upon its acceptance by a majority vote of the legal voters voting at said meeting; provided that the total number of votes cast for and against the acceptance of this Act at said meeting equaled or exceeded 20 per cent of the total vote for all candidates for Governor in said town at the next preceding gubernatorial election.

The result of the vote shall be declared by the municipal officers of the Town of Baileyville and due certificate thereof filed by the town clerk with the Secretary of State.'

Committee Amendment "A" was adopted and the Bill assigned for third reading tomorrow.

Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to pass" on Bill "An Act Appropriating Funds for Time and a Half Overtime Payment for State Employees" (H. P. 51) (L. D. 76)

Report was signed by the following members:

Messrs. BERRY of Cumberland
DUQUETTE of York
ALBAIR of Aroostook
— of the Senate.

Messrs. BRAGDON of Perham
BIRT of East Millinocket
HUMPHREY of Augusta
JALBERT of Lewiston
SCRIBNER of Portland
— of the House.

Minority Report of same Committee reporting "Ought not to pass" on same Bill.

Report was signed by the following members:

Messrs. DUNN of Denmark
HINDS of South Portland
— of the House.

Reports were read.

The SPEAKER: The Chair recognizes the gentleman from Perham, Mr. Bragdon.

Mr. BRAGDON: Mr. Speaker and Members of the House: I move the acceptance of the Majority "Ought to pass" Report.

The SPEAKER: The gentleman from Perham, Mr. Bragdon, moves that the House accept the Majority "Ought to pass" Report. Is this the pleasure of the House?

The SPEAKER: The Chair recognizes the gentleman from Denmark, Mr. Dunn.

Mr. DUNN: Mr. Speaker and Members of the House: I signed the "Ought not to pass" Report, and I'd like to state my reasons to the Members of the House.

There's a price tag of a million dollars from the General Fund, and probably from the Unclassified and the Highway, Fish and Game it would add probably half that much anyway, and since we have almost committed ourselves to going along with a pay raise and for night differential for state employees and an increase in mileage allowance, I felt that was enough for this session, so I believe — I'd like to ask for a vote on this.

The SPEAKER: The Chair recognizes the gentleman from Auburn, Mr. Snowe.

Mr. SNOWE: Mr. Speaker, I request a roll call.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call it must have the

expressed desire of one fifth of the members present and voting. As many of you desiring a roll call will vote yes, those opposed will vote no, and the Chair opens the vote.

A vote of the House was taken, and more than one fifth of the members present having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The Chair recognizes the gentleman from Enfield Mr. Dudley.

Mr. DUDLEY: Mr. Speaker and Members of the House: Before I vote on this particular matter, I'd like to have some of these members who signed the "Ought to pass" Report tell the House where they expect to get this nearly two million dollars or possibly two million dollars to pay for the bill. I like to vote for these money raises as well as you people do, but I also like to know how we're going to pay for them, and I think it's only deceiving these people if we vote for a bill and then kill it on the Appropriations table. So, I would hope that they would be willing to tell us how they expect to pay for it before I vote for it.

The SPEAKER: The Chair recognizes the gentleman from South Portland, Mr. Hinds.

Mr. HINDS: Mr. Speaker and Members of the House: I don't think I can probably answer Mr. Dudley's question because I don't know where we could pay for it, but I agree with him, and the gentleman from Denmark, Mr. Dunn, I don't think we should try to deceive people into thinking they're going to get time and a half when this is in nobody's program, has not been recommended by the Governor and is not in the Republican program, and is a sizeable amount of money involved here. The Republican program has included in a five percent pay raise effective July 1st of next year, and night pay differential for employees who work nights, and I signed the "Ought not to pass" Report because I felt that was all we could afford to do this session.

The SPEAKER: The Chair recognizes the gentleman from Bath, Mr. Ross.

Mr. ROSS: Mr. Speaker and Members of the House: I was the one that submitted this original proposal. I don't believe we know exactly the types of things that we are going to do for the state employees, although we have indicated that we certainly intend to do something for them. I think that this probably should go through, and then we'll decide in the last hours of the session exactly what we are going to do.

Now I come from the manufacturing community in Bath, Maine. Years ago of course persons down there always worked six days a week and twelve hours a day with little or no vacation time even, and they only received for their endeavors a few dollars per week. I think that this was fine for 1900, but for 1967 forty hours a week and time and a half for overtime has become a way of life.

Now time and a half for overtime is now an officially accepted provision of the state personnel rules, and was adopted by the Personnel Board in February, 1966. Legislation authorizing an appropriation for time and a half was introduced to the special session of the 102nd Legislature and referred to the 103rd Legislature.

Many states have this now. Massachusetts, Connecticut, Rhode Island, New Hampshire. In the State of Maine there are sixteen communities that pay time and a half for their municipal employees including Bangor, Lewiston, Portland, Auburn, Augusta, Brunswick, South Portland, Bath, Sanford, and so forth. Now, the salary schedules for professional or technical or supervisory persons is not covered under this because we feel that their salaries are intended to include compensation, but the type of persons that we are interested in. For instance—in our institutions psychiatric aide, maintenance persons, food service persons, clerical persons. In the Highway Department, maintenance persons, mechanics, carpenters. In our public buildings our custodial persons, domestic workers, maintenance persons and laborers; and in all the departments the clerical-type people.

As I say, I don't believe that we have firmed up exactly what we are going to do for our employees in the State of Maine, and I think that this is one of the fields that we should be investigating a little later on and I certainly hope that the "Ought to pass" Report is accepted.

The SPEAKER: The Chair recognizes the gentleman from Perham, Mr. Bragdon.

Mr. BRAGDON: Mr. Speaker and Members of the House: I think that the gentleman from Bath, Mr. Ross, has partially answered the question posed by the gentleman from Enfield, Mr. Dudley. However, in further answer to Mr. Dudley I would say that I would expect that there may be many bills that will go through this Legislature that we may not provide sufficient money so that they can finally be put into effect. This may be one of those that would fall in that category; at this time I would not be prepared to say which ones would be approved and which ones would be disapproved. I would assume that the most worthy ones would receive some consideration if there's any money left by the time we get these other things taken care of.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

Mr. JALBERT: Mr. Speaker and Members of the House: I think this among other measures of this nature certainly deserves the consideration to be placed upon the Appropriations Committee table. I think this is the only fair thing we can do wherein it concerns these measures for state employees. Their only recourse is this Legislature, and I think that this among other bills that will come before you or have should certainly be passed and be placed upon the Appropriations table; and I certainly hope that the motion to accept the "ought to pass" report will prevail.

The SPEAKER: The Chair recognizes the gentleman from South Portland, Mr. Hinds.

Mr. HINDS: Mr. Speaker and Members of the House: I would just like to correct one statement

made by the gentleman from Bath, Mr. Ross. As the Chairman of the South Portland City Council I can assure you that we do not pay time and a half in the City of South Portland except to the Public Works employees. All other employees work straight time, no matter how many hours they work.

The SPEAKER: The pending question is on the motion of the gentleman from Perham, Mr. Bragdon, that the House accept the Majority "Ought to pass" Report on Bill "An Act Appropriating Funds for Time and a Half Overtime Payment for State Employees," House Paper 51, L. D. 76. All of those in favor of accepting the Majority "Ought to pass Report will vote yes; those opposed will vote no. The Chair will open the vote.

ROLL CALL

YEA — Allen, Baker, R. E.; Bedard, Belanger, Beliveau, Benson, Binnette, Birt, Boudreau, Bourgoin, Bragdon, Brennan, Brown, Buck, Bunker, Burnham, Carroll, Champagne, Clark, Conley, Cookson, Cornell, Cote, Cottrell, Crockett, Crommett, Curran, Cushing, Danton, Darey, Dickinson, Drigotas, Edwards, Evans, Ewer, Farrington, Fecteau, Fortier, Foster, Fraser, Fuller, Gaudreau, Gauthier, Giroux, Hanson, B. B.; Hanson, P. K.; Harriman, Harvey, Haynes, Healy, Hennessey, Hewes, Hichens, Hodgkins, Hoover, Humphrey, Hunter, Jalbert, Jameson, Keyte, Kilroy, Kyes, Lebel, Levesque, Lewin, Lewis, Littlefield, Martin, McMann, Miliano, Minkowsky, Nadeau, N. L.; Noyes, Pike, Prince, Quinn, Rackliff, Richardson, G. A.; Richardson, H. L.; Rideout, Robertson, Robinson, Rocheleau, Ross, Sawyer, Scott, C. F.; Scott, G. W.; Scribner, Shute, Snow, P. J.; Snowe, P.; Soulas, Starbird, Susi, Thompson, Truman, Waltz, Watts, Wheeler, White, Wood.

NAY—Berman, Crosby, Dennett, Drummond, Dudley, Dunn, Hall, Henley, Hinds, Huber, Immonen, Lincoln, Lycette, McNally, Meisner, Mosher, Nadeau, J. F. R.; Philbrook, Porter, Sahagian, Sullivan, Trask, Wight, Williams.

ABSENT — Baker, E. B.; Bernard, Bradstreet, Carey, Carrier, Carswell, Couture, D'Alfonso, Durgin, Eustis, Gill, Hanson, H. L.; Harnois, Hawes, Jannelle, Jewell, Lowery, Maddox, Payson, Pendergast, Quimby, Roy, Shaw, Tanquay, Townsend.

Yes, 101; No, 24; Absent, 25.

The **SPEAKER**: The Chair will announce the vote. One hundred one having voted in the affirmative and twenty-four in the negative, the Majority "Ought to pass" Report is accepted.

Thereupon, the Bill was read twice and tomorrow assigned for third reading.

Passed to Be Engrossed

Bill "An Act Providing for a Coordinator of Apprenticeship in the Department of Education" (S. P. 199) (L. D. 430)

Bill "An Act Providing for a State Government Internship Program" (S. P. 200) (L. D. 431)

Bill "An Act relating to County Funds for Buildings for Education Programs for Retarded Children" (S. P. 201) (L. D. 432)

Bill "An Act to Authorize Cumberland County to Raise Money for Court House Capital Improvements" (S. P. 251) (L. D. 611)

Bill "An Act relating to Expenditure of Assessment for Fire Protection Tax in Certain Townships" (S. P. 571) (L. D. 1441)

Were reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed and sent to the Senate.

Bill "An Act Removing Tolls from Augusta Memorial Bridge" (H. P. 349) (L. D. 497)

Was reported by the Committee on Bills in the Third Reading and read the third time.

The **SPEAKER**: The Chair recognizes the gentleman from Madawaska, Mr. Levesque.

Mr. **LEVESQUE**: Mr. Speaker and Members of the House: I'd like to ask a question through the Chair of any member who would care to answer it. How many toll bridges have we got in the State of Maine that still have and retain their tolls?

The **SPEAKER**: The gentleman from Madawaska, Mr. Levesque, poses a question through the Chair to any member who may answer if they choose.

The Chair recognizes the gentleman from Augusta, Mr. Brown.

Mr. **BROWN**: Mr. Speaker and Members of the House: Presently Bangor, Jonesport - Beals Island Bridge, and Augusta.

The **SPEAKER**: The Chair recognizes the gentleman from Madawaska, Mr. Levesque.

Mr. **LEVESQUE**: Mr. Speaker and Members of the House: Another question through the Chair to anybody who wishes to or can answer the question. Why would it be that we would allow Augusta to eliminate their tolls and not on the other bridges that have tolls?

The **SPEAKER**: The gentleman from Madawaska, Mr. Levesque, poses a question through the Chair to any member who may answer if they choose.

The Chair recognizes the gentleman from Augusta, Mr. Brown.

Mr. **BROWN**: Mr. Speaker, there is a bill in now to remove the tolls from the Jonesport-Beals Island Bridge. This came out of the committee unanimously "Ought to pass."

The reason for removing the tolls from the Augusta bridge primarily is the fact that since the opening of Interstate 95, the tolls have gone from 1960 from a gross income of \$185,000 down to \$129,000 in 1966, yet the expenses on the toll bridge have risen from approximately \$48,000 when it was opened to approximately \$85,000 today.

In 1960 the indebtedness, on the bridge—the so-called indebtedness on the bridge was reduced by \$115,000. In 1966 this had decreased to the effect that the indebtedness was only able to be reduced by the amount of \$40,000; yet the traffic, crossings on the bridge are approximately the same as they were in 1960. In 1960 the average crossings per day were approximately 10,400 cars or vehicles. In 1966 they were approximately 10,400 daily crossings.

Now Interstate 95 has taken the through-traffic that was going through Augusta and paying the

cash tolls, so what we have today is a local tax that has been imposed on the local people.

I might say at this time that this in the history that I can find is the only toll bridge that has ever been put in a city itself. There are toll bridges which have been placed across — between two cities or two towns such as down to Woolwich and Bath or between Bangor and Brewer, or the Bucksport Bridge. I might further add that in the history that I could find from the State Highway Department that there are only two bridges that have ever paid off their indebtedness. This was the Bucksport Bridge and the Bath-Woolwich Bridge. These bridges were built during depression times and they all had cash tolls on them and not ticket tolls.

This is not a precedent. All the other bridges that have been built for tolls under bond issues have had the tolls removed before the bonds were paid off.

I would like to further add that this is not a bond issue on the Augusta toll bridge — that this bridge was built from Highway surplus, and further if we take into consideration that Interstate 95 had not been opened, the bridge would have been paid for in 1964. This was the schedule in which the bridge would have been paid for.

At the present time, if we continue the way that we're going with the cost going up on the bridge, maintenance, salaries and so forth that the — we're going to reach a diminishing return and that the bridge will then be a liability as far as the tolls are concerned.

Now the City of Augusta has voted and has said to the Highway Department, that they will take over winter maintenance on the bridge and the cost of lighting on the bridge, and I might add in other bridges throughout the State — that the state does provide winter maintenance. And further, I would state that since this bridge has been built the Fore River Bridge in Portland was built without tolls. The bridge going across on Route 1 in Bath was built without tolls. Many other

bridges have been built without tolls. This to me is a local tax today and not one that would be provided by state tax.

I hope this answers the gentleman's question.

The SPEAKER: The Chair recognizes the gentleman from Ellsworth, Mr. McNally.

Mr. McNALLY: Mr. Speaker and Members of the House: Since I'm one of the ones that signed the "Ought not to pass" Report, I would just like to tell the members of the Legislature why I did it.

Now, this city is a city that has a free bridge in it, and if people don't want to use that toll bridge, they can still use the free bridge. I know a good many people that probably never have gone across the toll bridge here that go across the free bridge and would still continue to do so as a matter of principle.

Now, the arguments that they put in, I couldn't blame the local people for using them, but their main argument seemed to be that they were holding up traffic taking tickets, and I had quite a lot of spare time on the first part of this Legislature to observe the traffic and I firmly convinced myself, whether anybody else was ever convinced or not, that it wasn't the ticket taking that was holding up, it was the entrance and the exits on each end of the circles, was what was holding up the traffic, and when the people came up off the free bridge they held up on that end and when they came down here and they all came from all directions at the hours of their rush, that they held up on this end too, but I came through several mornings from Ellsworth when there was a long line way up the street towards Togus, there was a long line way up by the high school, but there wasn't one single car from the intersection to the toll house. They were all going around that circle.

So, they had a free bridge — since they had agreed to a contract to gladly pay the tolls if they could get the bridge when it was built, and I also know that there was still a good many summer people that crossed it, and I'm probably one of the ones that

buy pretty near as many tickets as anybody in my contracting business. I felt that since that it seemed to me that Bangor is in the same position, that there'd be no reason for taking it off in this city and leaving Bangor; so I voted against it. That's my feelings and it was no personal feeling against anybody in the City of Augusta.

The Chair recognizes the gentleman from Manchester, Mr. Rideout.

Mr. RIDEOUT: Mr. Speaker and Members of the House: Just a comment on the gentleman's comments, that when we entered this contract, so-called, the tolls were supposed to be removed in 1967, and because of Mr. Brown's comments that they will not be removed at this diminishing return for some number of years, I think that we in good faith could remove them this year.

The SPEAKER: The Chair recognizes the gentleman from Brooks, Mr. Wood.

Mr. WOOD: Mr. Speaker and Members of the House: We on the Highway Committee have put in all winter studying this situation. We had this bill before us I think back in February, passed it out, returned it to the Committee. I myself have put in a lot of time studying this.

We have come to the place now where the income from this bridge is about a \$130,000 a year, with only about \$35,000 left for the Highway Department. The cost and maintenance of this bridge is taking well, the largest part of the income from this bridge.

I have talked with people in the City of Augusta that live on one side of the bridge and work on the other. I've talked with people that live on this side of the bridge and work over in the Augusta General Hospital. I've talked with those on the other side that work over here in the shopping center and other places, that cross this bridge twice each day.

We know that it had been bypassed by the people who come to Maine as tourists, we've lost that revenue. Now it's got to the place where this is completely and

wholly a tax on the City of Augusta, and I believe in all due respect to the other towns that have bridges, personally I think we've come to the place where we shouldn't be building toll bridges. Everybody pays their gas tax; everybody pays to run their automobiles whether they live in Augusta, Bangor or anywhere else, and I think that time is drawing near when we should do away with toll bridges. Therefore, I hope this bill will pass and relieve this problem to the City of Augusta.

The SPEAKER: The Chair recognizes the gentleman from Freeport, Mr. Crockett.

Mr. CROCKETT: Mr. Speaker and Members of the House: What I have to say will be very short.

The Committee went all through this and worked hard, and we came up with the right thing we thought, and the Majority Report is to remove the toll and I hope that you will stick by the Committee's report.

The SPEAKER: The Chair recognizes the gentleman from Augusta, Mr. Lewin.

Mr. LEWIN: Mr. Speaker and Members of the House: Being closely connected with the affairs of Augusta, being Chairman of the City Council as it were, we did vote unanimously to request that the tolls be removed from the bridge, and if this is done the City of Augusta would pick up the financial responsibility of the snow removal, winter maintenance and what have you, and also the lighting.

Referring to a statement that was made by one of the Representatives a few minutes ago, he mentioned the possibility if you didn't care to pay a toll to go over the old bridge. This is a congested area. We hope some day that this toll bridge, after the tolls are taken off, will become a one-way bridge, therefore relieving the congestion, and I hope you will go along with the plan as outlined by Representative Brown.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Conley.

Mr. CONLEY: Mr. Speaker and Members of the House: I had a

great opportunity this morning of riding across the toll bridge with that great Assistant Minority Floor Leader, the gentleman from Portland, Mr. Brennan, and I'd like to state that approaching the toll gate we're all digging for a dime, and the Leader came up with a quarter and he got ten tickets for a quarter. Now, breaking it down, it's something like two and a half cents a trip.

When you consider how many trips it takes to go across the bridge and the money that will be paid into the toll or the expense of the bridge, I think that as far as the residents of the City of Augusta are concerned, it would be well worth our while and theirs if we remove the toll from the bridge.

The SPEAKER: The Chair recognizes the gentleman from China, Mr. Farrington.

Mr. FARRINGTON: Mr. Speaker and Members of the House: Representing the area that I do, east of the Kennebec, I feel that I must rise this morning and support this bill to take the tolls off from the Memorial Bridge.

I concur with Mr. Lewin, talking over with many of my constituents who have to travel to and from Augusta. Many work in the Capitol, many work at the State Garage. There is a possibility during the peak season — the peak traffic of the day that the Memorial Bridge could be a one-way, and then they could use the other bridge likewise.

I certainly hope you will go along this morning in taking the toll off the Memorial Bridge. Thank you.

The SPEAKER: The Chair recognizes the gentleman from Naples, Mr. Burnham.

Mr. BURNHAM: Mr. Speaker and Members of the House: As a member of the Highway Committee that signed the Majority Report, I wish to go on record as removing this toll from the Augusta bridge.

The SPEAKER: The Chair recognizes the gentleman from Waterville, Mr. Fortier.

Mr. FORTIER: Mr. Speaker and Members of the House: I would like to pose a question to any

member of the House who could answer it.

What is the cost of this? I'm looking through my bills here and I can't seem to find any cost figure. What would this cost the State of Maine?

The SPEAKER: The gentleman from Waterville, Mr. Fortier, poses a question through the Chair to any member who may answer if they choose.

The Chair recognizes the gentleman from Augusta, Mr. Brown.

Mr. BROWN: Mr. Speaker and Members of the House: The present, as of June 30 this year, the indebtedness so-called, would be approximately \$165,000, and the time this bill would go into effect it would probably be in the vicinity of \$163,000 or \$162,000, somewhere in that area.

Thereupon, the Bill was passed to be engrossed and sent to the Senate.

Mr. Cottrell of Portland was granted unanimous consent to address the House.

Mr. COTTRELL: Mr. Speaker and Members of the House: The income tax tables are ready for distribution, but through an error my signature was not attached to it, and I understand that according to the rules any material being distributed in the House must bear a signature of identification. So, should I ask for a suspension of the rules so that these could be distributed at this moment?

The SPEAKER: The Chair would advise the gentleman if he acknowledges the responsibility of this material put on the desks it will be ordered.

Mr. COTTRELL: I so do. Thank you.

**Amended Bills
Third Reading
Indefinitely Postponed**

Bill "An Act Prohibiting Hunting From or on Public Ways" (S. P. 262) (L. D. 643)

Was reported by the Committee on Bills in the Third Reading and read the third time.

The SPEAKER: The Chair recognizes the gentleman from Glenburn, Mr. Cookson.

Mr. COOKSON: Mr. Speaker and Members of the House: This Bill, "An Act Prohibiting Hunting From or on Public Ways" is a bill that was heard before the Fish and Game Committee, and we didn't think too much of the bill. It's a hard thing to do much with, so we let it go "Ought to pass" into the Senate and they have come out with an amendment which does away with the whole bill, and the amendment simply reads, "It is unlawful for any person to shoot at any wild bird or wild animal while it is on a public highway, while hunting, unless the line of fire is high enough above the elevation of the highway to preclude any danger to the users thereof."

This amendment doesn't define what the public highway shall be. This will prevent the hunting of the handicapped or probably the elderly people who hunt now, and I don't see how this amendment helps the bill at all. So for that reason I would now move that this bill and all its accompanying papers be indefinitely postponed.

The SPEAKER: The gentleman from Glenburn, Mr. Cookson, now moves that L. D. 643 be indefinitely postponed.

The Chair recognizes the gentleman from Lewiston, Mr. Gaudreau.

Mr. GAUDREAU: Mr. Speaker, I would like to ask a question of Mr. Cookson. I don't believe this was a Senate amendment. I think this was a Committee Amendment.

The SPEAKER: The gentleman from Lewiston, Mr. Gaudreau, poses a question through the Chair to the gentleman from Glenburn, Mr. Cookson who may answer if he chooses.

Mr. COOKSON: He is right.

The SPEAKER: The Chair recognizes the gentleman from Bath, Mr. Ross.

Mr. ROSS: Mr. Speaker and Ladies and Gentlemen of the House: I was a bit concerned yesterday when I saw this bill sneaking through with this Committee amendment. I don't know how many members of this House have ever hunted for partridge and pheasants. Now there is a form of partridge hunting in particular called road hunting. You do it primarily in the northern part of the state

and you drive very very slowly, about ten or fifteen miles an hour along dirt roads. Now partridges come out early in the morning or late in the evening to eat gravel. They do this to aid their digestion. And when you come upon one, you stop, you try to sneak out of your car — you're not allowed to have your gun loaded prior to that time, so you have to load your gun, and you hope to get a shot. There is no sport, of course, if you just popped him on the ground, but if you flush one, it does give you a fine and very difficult shot.

But I hold no brief in particular for these road hunters, but I do have concern for the regular bird hunters who hunt with bird dogs. Because in this sport, you have to travel around from cover to cover, primarily over these dirt roads, and every once in a while you will see a partridge or a pheasant in the road. You seldom get a shot that is very exciting to try. The bill in itself would prohibit this, but the amendment would be even worse because in the amendment you could stop your car, you could get out with your gun, you could grab a handful of rocks and flush the bird, and if it got up high enough, you might be able to shoot. So I think that the amendment is rather silly, I don't like the bill either. I concur with the motion.

The SPEAKER: The Chair recognizes the gentlewoman from Lebanon, Mrs. Hanson.

Mrs. HANSON: Mr. Speaker and Members of the House: The last thing that I thought I ever would do would be to talk on such a bill. However, I have had many people in my area who coon hunt at night with dogs and they say that they let the dogs run ahead of the car and when the dogs take to the woods they then stop the car and get out and hunt; and this bill would prohibit that type of hunting and they are very much upset about it. So I hope the bill is indefinitely postponed.

The SPEAKER: Is the House ready for the question? The gentleman from Glenburn, Mr. Cookson, now moves that item 7, L. D. 643, be indefinitely postponed. Is this the pleasure of the House? All those in favor say yes; those opposed, no.

Thereupon, on a viva voce vote, the Bill was indefinitely postponed in non-concurrence and sent up for concurrence.

Bill "An Act relating to Review of Projects under Housing Authority Law" (S. P. 354) (L. D. 938)

Bill "An Act relating to Transportation and Possession of Liquor by Minors" (S. P. 407) (L. D. 1038)

Bill "An Act to Authorize the Reconstruction and Elimination of Hazardous Locations on Portions of State Route 6" (H. P. 404) (L. D. 570)

Bill "An Act relating to State Aid for Construction of Highways" (H. P. 604) (L. D. 848)

Bill "An Act Providing for Area Directional Signs for Route 6 and Maritime Provinces" (H. P. 831) (L. D. 1239)

Bill "An Act relating to Tax Exemption for Benevolent and Charitable Institutions Conducted for Benefit of Nonresidents" (H. P. 949) (L. D. 1380)

Were reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed as amended by Committee Amendment "A" and sent to the Senate.

Bill "An Act relating to Counter-signing Fees for Insurance Agents and Brokers" (H. P. 875) (L. D. 1287)

Was reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed as amended by House Amendment "B" and sent to the Senate.

Engrossed in Non-Concurrence

Bill "An Act Providing Funds for Roads and Athletic Field at Maine Maritime Academy" (S. P. 208) (L. D. 547)

Was reported by the Committee on Bills in the Third Reading and read the third time.

Mr. Truman of Biddeford then offered House Amendment "A" and moved its adoption.

House Amendment "A" was read by the Clerk as follows:

HOUSE AMENDMENT "A" to S. P. 208, L. D. 547, Bill, "An Act Providing Funds for Roads and Athletic Field at Maine Maritime Academy."

Amend said Bill in the Title by striking out the words "and Athletic Field"

Further amend said Bill by striking out the headnote and all of the first sentence (same in L. D. 547) and inserting in place thereof the following:

'Roads at Maine Maritime Academy; funds for. There is appropriated from the Unappropriated Surplus of the General Fund to the Maine Maritime Academy the sum of \$28,600 for resurfacing roads and walks with hardtop.'

House Amendment "A" was adopted and the Bill passed to be engrossed as amended in non-concurrence and sent up for concurrence.

Passed to Be Enacted

An Act Appropriating Funds to Operate the Board of Pesticides Control (S. P. 650) (L. D. 1658)

An Act relating to Advertising and Promotion of Tourism into the New England Region (H. P. 342) (L. D. 490)

An Act relating to Survey of Private Sewage Disposal Systems by Department of Health and Welfare (H. P. 910) (L. D. 1320)

Were reported by the Committee on Engrossed Bills as truly and strictly engrossed, passed to be enacted, signed by the Speaker and sent to the Senate.

Enactor Tabled and Assigned

An Act relating to Weight Violations of Trucks (H. P. 1122) (L. D. 1594)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed.

(On motion of Mr. Pendergast of Kennebunkport, tabled pending passage to be enacted and specially assigned for tomorrow.)

An Act relating to Eligibility for Benefits under Employment Security Law by Those Attending Vocational Training Courses (H. P. 1163) (L. D. 1664)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed, passed to be enacted, signed by the Speaker and sent to the Senate.

Orders of the Day

The Chair laid before the House the first tabled and today assigned matter:

SENATE REPORT — Leave to Withdraw as Covered by Other Legislation — Committee on Appropriations and Financial Affairs on Bill "An Act Providing a Bond Issue in the Amount of Six Hundred and Fifty Thousand Dollars for a Vocational Educational Institute in Washington County" (S. P. 137) (L. D. 267) (In Senate, Report accepted)

Tabled — May 22, by Mr. Birt of East Millinocket.

Pending — Acceptance in concurrence.

On motion of Mr. Bragdon of Perham, retabled pending acceptance in concurrence and specially assigned for Friday, May 26.

The Chair laid before the House the second tabled and today assigned matter:

MAJORITY REPORT (8)—Ought to Pass—Committee on Judiciary on Bill "An Act relating to Counsel's Argument of Monetary Value of Pain and Suffering in Personal Injury Actions" (S. P. 429) (L. D. 1083)—**MINORITY REPORT (2)**—Ought Not to Pass. (In Senate, Bill and Reports indefinitely postponed)

Tabled—May 22, by Mr. Hewes of Cape Elizabeth.

Pending—Motion of Mr. Berman of Houlton to accept Majority Report.

The **SPEAKER**: The Chair recognizes the gentleman from Cape Elizabeth, Mr. Hewes.

Mr. **HEWES**: Mr. Speaker and Ladies and Gentlemen of the House: I was one of the two signing the Minority Ought Not to Pass Report. This bill provides for a new concept in the negligence law, namely: that attorneys will be able to argue to the jury something that they presently are not allowed to argue. For the persons injured, perhaps the lawyer may argue that the pain and suffering was worth a dollar an hour, or a dollar a day, or something of that nature. It is, in my opinion, a new concept here in Maine, and I

was opposed to it. I still am opposed to it; however, I want to save my fire today until Item 4, and I would hope that we do not accept the Majority Report. I haven't anything further at this time.

The **SPEAKER**: The Chair recognizes the gentleman from Cumberland, Mr. Richardson.

Mr. **RICHARDSON**: Mr. Speaker, in support of the gentleman from Cape Elizabeth, Mr. Hewes, in my individual capacity, and not as the Majority Floor Leader, I wish that the House could know what this involves. In a civil action for personal injuries, at the end of the case, when all the evidence is in, counsel for both sides have an opportunity to state their case to the jury and to argue as persuasively as they can—and some of them are very persuasive—the value of their client's case. Now, in the plaintiff's case, the injured party, he is attempting to show through his attorney a tremendous amount of pain and suffering and damages. The defense attorney, a role that I frequently occupy, is not interested in having that brought out and magnified and exaggerated.

I want to identify that interest because what has been suggested here is that you allow the attorney to suggest to the jury a mathematical formula by which to compute the amount of damages. In other words, in argument he can say "Well, ladies and gentlemen, you go in to the dentist and you get a shot of novacaine for five dollars and that gives you an hour's relief, therefore, you ought to be willing to pay this fellow five dollars an hour for the rest of his days."

Now these arguments are rejected by courts because they tend to inflame the jury. They are designed to inflate verdicts, and they are considered improper in many, many courts. If counsel in the State of Maine want to make this argument, they can make it, and let the Supreme Judicial Court of the State of Maine decide whether or not it is proper.

My objection to this bill is not that I am afraid to have an opponent argue on this mathematical basis which I say is not well

grounded. My opposition to this bill is on the grounds that this is on the grounds that this is a question for the Supreme Judicial Court of Maine. It is a question of court administration, and I don't like to see a group of lawyers come into this Legislature trying to put this sort of legislation through. Thank you.

The SPEAKER: The Chair recognizes the gentleman from Houlton, Mr. Berman.

Mr. BERMAN: Mr. Speaker and Members of the House: Somewhere along the line I heard it read that politics is the art of compromise. This morning a gentleman on the Judiciary Committee approached me, as House Chairman, and said "Malcolm, perhaps we can work out an acceptable compromise to this situation," which I was perfectly willing to do. I am sorry I wasn't as quick getting up on my feet as some of the other members, because what I would like to say today on this particular measure is that, if we can work out a reasonable compromise on this matter, I think it should be worked out.

The member who did approach me about this matter said that an amendment, which would be a compromise, is in the process. On that basis I hope that some member of the House, some fair-minded member of the House, would table this bill for a day.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Brennan.

Mr. BRENNAN: Mr. Speaker, I move this item lay on the table until the next legislative day.

The SPEAKER: The gentleman from Portland, Mr. Brennan, now moves that item 2 be tabled and specially assigned for Thursday, May 25, pending the motion of the gentleman from Houlton, Mr. Berman, that the House accept the Majority Report. Is this the pleasure of the House? All those in favor will vote yes; all those opposed will vote no. The Chair will open the vote.

A vote of the House was taken.

95 having voted in the affirmative and 10 having voted in the negative, the motion to table prevailed.

The Chair laid before the House the third tabled and today assigned matter:

Bill "An Act relating to Fair Minimum Wages for Construction of Public Improvements by State of Maine" (S. P. 652) (L. D. 1660) (In Senate, passed to be engrossed)

Tabled—May 22, by Mr. Drummond of Sidney.

Pending — Passage to be engrossed.

The SPEAKER: The Chair recognizes that gentleman.

Mr. DRUMMOND: Mr. Speaker and Ladies and Gentlemen: I intended to offer an amendment to this L. D. this morning, but I am not prepared to at this time, and I would be very pleased if someone would table this for two days. Thank you.

Thereupon, on motion of Mr. Huber of Rockland, retabled pending passage to be engrossed and specially assigned for Friday, May 26.

The Chair laid before the House the fourth tabled and today assigned matter:

Bill "An Act Providing for a State Income Tax" (H. P. 290) (L. D. 410)

Tabled—May 22, by Mr. Cottrell of Portland.

Pending — Passage to be engrossed.

The SPEAKER: The Chair recognizes the gentleman from Cape Elizabeth, Mr. Hewes.

Mr. HEWES: Mr. SPEAKER, I move indefinite postponement of this bill and all its accompanying papers, and I would ask that I be allowed to speak on it.

The SPEAKER: The gentleman from Cape Elizabeth, Mr. Hewes, now moves that Item 4, L. D. 410, Bill, "An Act Providing for a State Income Tax," be indefinitely postponed.

The gentleman may proceed.

Mr. HEWES: Mr. Speaker and Ladies and Gentlemen of the House: I am opposed to the enactment of a graduated personal income tax at this time, and I wish to set forth some of the reasons.

I was very impressed last week when the gentleman from King-

man Township stated, when we were voting on the increased aid to education bill, that he would have to vote against it because he was against a major tax increase at this time. I have slept with these things, as have all of you probably, and I think we all agree that, in order for benefits to be provided, taxes must be provided to pay for these benefits. I have come to the conclusion that the graduated personal income tax is not the solution at this time but, instead, the increase in the sales tax is the solution at this time. I respect the intellectual honesty of the gentleman from Kingman Township in this matter, and I respect his principles, but I differ with his conclusions. I have voted for increased aid to education, and increased aid to many other places along the line, this session, and I think that we therefore should try to pay for it, but the personal income tax is not the way to do so. I will give you initially four reasons why you shouldn't, I feel, and I will elaborate on these later: First, it stifles initiative. Secondly, we will lose money from the inheritance tax, because retired people, many of them, will move and make their legal residence in other states. Thirdly, we do receive through the Federal Government a substantial amount of revenue which is raised by the personal income tax. Fourthly, out-of-staters contribute a substantial percentage of the sales tax revenue.

Firstly, I think you all know that the personal income tax thwarts initiative and industry of individuals. You would think that a person who is working extra hard, perhaps at two jobs, or a job and a half, would be encouraged to do this. The graduated personal income tax thwarts his initiative, so that he has to pay a larger tax for the extra work that he does.

Secondly, over a period of years, I feel that many of us, as we attain retirement age and go south for two, three or four months out of the year, will prefer not to have our legal residence in a State such as Maine, if we pass the income tax, which will take 7%, 10%, or whatever, of our income. As a mat-

ter of fact, Alaska's income tax now is up to 14% at the maximum limits. The federal income tax takes a terrific bite out of a person's income, and I think that retirement age people will make their legal residence in some state, perhaps Florida, even though they return to Maine for the Spring, Summer and Fall, but they go south in the wintertime, and we will lose some of the inheritance tax revenue. I don't know if you realize, but the inheritance tax last year brought in more than three times as much as the parimutuel commissions. The inheritance tax brought in nearly \$5 million last year. And when people are looking for additional ways to raise money, as a matter of fact, I would suggest that perhaps there could be an increase in the rates of inheritance taxes. I think that has remained constant for a number of years, and there could be an increase there. But approximately \$5 million was raised last year in the inheritance tax, and I think that if we inject a graduated personal income tax on the citizenry of Maine at this time some of the residents who go to Florida, or go to the southland, will make their legal residence their winter residence, rather than Maine, and, hence, when they die their estates will be probated and the inheritance tax assessed in the new state rather than in the State of Maine.

On the third point, that the income tax now does contribute a substantial portion of the State's revenue; according to the information we received at the pre-legislative conference, the Federal Government paid \$62,579,000 to the State last year. That is 29.4% of the State's revenue, over \$62,000,000. Now, as you probably all know, the Federal Government receives more than three-quarters of its money from the income tax, personal and corporate income tax. Therefore, three-quarters of any moneys that the Federal Government pays the State of Maine, three quarters of that 29%, is raised through income taxes. In other words, more than 20% of the money that the State of Maine receives, three-quarters of 29%,

more than 20%, is raised by income taxes, corporate and personal. It seems to me that the income tax is, therefore, carrying a fair share of the load.

Now, the fourth reason I am going to mention is that out-of-staters contribute, I would say, more than a million dollars to this proposed penny increase in the sales tax. The sales tax last year produced about \$52 million on a 4% basis. A 5% basis, therefore, would produce an additional \$13 million, if the same ratio holds. And of that \$13 million raised by a penny increase in the sales tax, I dare say that more than a million dollars of that would be paid by out-of-staters. I have checked with the figures of finance people here in the State, and it is interesting that in the past three winter months the sales and use tax produced about three and a half million dollars in revenue, whereas the last three summer months of 1966 they produced over five million dollars, a difference of a million and a half. In other words, during the months of January, February and March the State received about three and a half million dollars from the sales and use tax. As a result of tourist business last summer, in those three summer months, the State received over five million dollars, a substantial increase. So, there is no question in my mind but what nearly 10%, and certainly more than 5%, of the State sales tax is paid by out-of-staters. This appeals to me very much. I am glad to have them pay this million, and as many more millions that they care to. I hope, therefore, that you would join with me in the indefinite postponement of this bill. I thank you.

The SPEAKER: The Chair recognizes the gentleman from Houlton, Mr. Berman.

Mr. BERMAN: Mr. Speaker and Members of the House: I rise to support the motion of my good friend and colleague, the gentleman from Cape Elizabeth, Mr. Hewes. Mr. Hewes and I agree far more often than we disagree, and I certainly agree most heartily with him on this particular matter.

When I was first elected to this House of Representatives in 1960

I became concerned about the increasing costs of State Government and whether we were receiving value for money spent. After watching at least two of the major current services budgets presented to this House in two successive legislatures, I came to the conclusion that the people of the State of Maine very seldom have anything to say directly as to how they are going to be taxed to pay for the services. It seemed to me, in looking over the legislation that often passes over our desks in the form of tax legislation, that it very often contains an emergency preamble, and at that time being a novice at this art or possibly science of politics, I inquired what was the reason for the emergency preamble, which, by the way, L. D. 410 does not have. Well, the reason for the emergency preamble seems to be that if you want to tax the people of the State of Maine you don't want to give them a chance to repeal it by referendum, so you put an emergency preamble on it, you pass it out with 101 votes, and the people of the State of Maine are presented with an accomplished fact.

Well, it seemed to me we were approaching a stage in the State of Maine—and this occurred to me back in 1963—that the people of the State of Maine ought to have a direct voice in saying whether we are going to go the income tax route as well as the sales tax route, or whether we prefer to take the sales tax route and not use the income tax route. So, the way that I devised that the people of the State of Maine may possibly have a say as to whether they wanted to go the income tax route was to have a constitutional amendment, because constitutional amendments in the State of Maine, as you know, have to be approved by the voters at a general election. Well, somehow or other the powers that be, not in this particular branch, but the powers that be determined that they didn't want to see the people of the State of Maine pass as to whether we should go the income tax route or not, so my constitutional amendment was indefinitely postponed.

I really think that the people of the State of Maine ought to have

a chance to say for themselves whether they are going to go the income tax route or not. Now, L. D. 410, I suggest to this House, in all fairness, today is probably an exercise in futility. It doesn't have an emergency clause on it, and I cannot believe that the sponsors of this particular piece of legislation actually believe that it could garner 101 votes in this House to pass. But I do say to the Members of this House that I think that it is very important, if we are going to go the income tax route, that the people of the State of Maine should have the final say in it, and we should not do it just by passing out legislation.

The SPEAKER: The Chair recognizes the gentleman from Old Town, Mr. Binnette.

Mr. BINNETTE: Mr. Speaker and Members of the House: After listening to my friend across the aisle here relative to bringing that back to the people and let them make the decision, why not do the same thing on the sales tax?

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Sullivan.

Mr. SULLIVAN: Mr. Speaker and Members of the House: If that very close and good friend of mine, the gentleman from Cape Elizabeth, unquestionably one of the leading legal lights in the State of Maine, if he had added that he would do the same thing with the sales tax, I would go along with him. Personally, I'm not in favor of any major tax at this time. But, as long as my dearly beloved friends in the other party have come up with that ridiculous sales tax, I have got to say a few words for the income tax.

The gentleman referred indirectly to the federal income tax. Now the federal income tax with so many loopholes — not loopholes but truckholes, for people with big incomes. I call your attention to the twenty-seven and a half percent depletions tax for the oil companies. When the Federal income tax came up in '63, you find it in the Congressional Record, it came out that there were twenty-one people in this Country who had a yearly income of over five

million dollars. If I remember the figures correctly, and I believe I do, six of them, six, didn't pay one penny of Federal income tax. Why? Because in addition — five of them, incidentally, were oil millionaires. But that twenty-seven and a half percent depletion tax and not the loopholes, but the big truckholes for people with big incomes in the Federal tax laws. The sixth one happened to be Mrs. Harris Dodge. All the money she had invested in this Country was in tax exempt municipal bonds.

I know that my good friend from Cape Elizabeth, Mr. Hewes, probably has overlooked some of those things. Incidentally, it also came out that all the multi-millionaires in the Country, and if I remember the figures correctly it ran into, oh, twenty thousand, so many thousand odd—on an average, on an average, all those multi-millionaires in this Country paid an average of twenty-two percent. Why, most people, including myself, I had the impression without looking into it, that people with incomes of five million dollars a year, they were probably paying up in the seventy-five to ninety percent bracket. That's number one.

Number two. When they put in the Federal income tax, they allowed \$600 for dependents. That was all right probably in the — during the thirties, possibly up until the war. It would now take at least \$1,500 to buy what \$600 did then. People with tremendously big incomes through their legal lobbyists, are always in a position to have themselves favored. Now I've already taken this up with some of our representatives in the State in the Senate and in Congress and I believe that a dependent, instead of having a \$600 exemption, should have \$1,500.

Now then, let's get down to the proposed State income tax — and I'm not again in favor of any major tax. But if we are to have, and we probably will have, in the future, a State income tax. In the first place, today with the sales tax, a man and a woman bringing up a family, they go out and buy them the necessities of life,

shoes and clothing, and they're going to give for every hundred dollars they spend, they're going to give the State four dollars. Well, if Mr. Hewes is in favor of that sales tax, I know that when I present these figures that he will want an exemption for the necessities of life on the sales tax. It came out during the war that on the hidden taxes, I'll just give you one example on a pair of shoes. The hidden taxes on a pair of shoes at retail, if you're paying ten dollars, there's hidden taxes in there of five dollars in hidden taxes.

I can see by the look on my good friend's face that he kind of questions that. I suggest he go in to the greater Portland Chamber of Commerce and get those figures, they were given out during the war. And I suggest that he follow the — I'll give him the details of how that works the rancher who raises the cattle, all the taxes he pays, Social Security or otherwise, his real estate tax and every other tax before he sells that animal, we'll say to Armour's or Swift's, all those taxes are put into the price. When that hide is taken from the animal, and sold by Armour and Swift to the tanner, he does the same thing. In other words, all his taxes are right in the price. And when it goes on from the tanner to the wholesale leather dealer, he does the same thing. And when the shoe manufacturer buys that leather, he adds on and that's where you get those hidden taxes on a pair of shoes of at least fifty percent. Taxation, of course, is a very complex subject. And no matter how good an individual's judgment is, in order to make a real good judgment, he has to have all of the facts. Now then, some day, if we get rid of that five percent sales tax, someday, we'll probably have to have a State income tax.

I don't question some of the figures that the gentleman from Cape Elizabeth gave on the inheritance tax, that's fine. I suggest he also go in to the greater Portland Chamber of Commerce and get the figures that came out in the last census and the num-

ber of people, and in my opinion it's over fifty percent of the wage earners in the City of Portland that have a take home pay, and if I get the figures and analyze them correctly, fifty-five percent of them have take home pay of less than \$4,000 a year. Now \$4,000 a year is about \$80 a week. Do you think a family with an income of \$80 a week, under the present high prices, do you think they can rent a decent home, do you think they can have decent food?

And he stresses on education, education — ha! — my own personal opinion is based on a good many years of analysis. The Republican Party who was in control of this State for sixty years should have appropriated over the last fifty years about a hundred million dollars for education, or about two million dollars a year on the average. They didn't do so. That was why the 102nd Legislature, that was Democratic by a very small margin, had to provide more money for education. And that is why we have to provide more money today for education.

Now I hope that, including Mr. Hewes, the other leaders of the Republican party, get those facts, particularly those facts about the income of people in this state. In my opinion on many of these things we start at the wrong end. We start to improve the conditions after they have happened, instead of getting at the roots. And along that line, all this talking about people that come into this State and how much they pay and the figures he gives are correct. He didn't mention the fact of how many of our youth who get education and knowledge leave this state. Why? Why, because they can't earn a decent living here. If they have knowledge and ability, they have to go out of the state, to get jobs which will provide them with enough money to live decently.

The SPEAKER: Would the gentleman defer his debate out of courtesy to the Chair for just a few moments? The House will be at ease for just a few moments. The Chair doesn't exercise this prerogative too greatly, I don't think, and I do have my grand-

daughter here this morning and she is a very shy young lady like her grandfather, and I would like to have her picture taken with me on the rostrum. Will the photographer please come forward?

(House at ease while pictures being taken — Applause)

The SPEAKER: The House will be in order and the gentlemen may proceed. And the Chair acknowledges his graciousness for deferring.

Mr. SULLIVAN: Your granddaughter looks to me as if —

The SPEAKER: The Chair trusts that the gentleman is not going to be personal.

Mr. SULLIVAN: No, no! No, no! It looks as if she would be an ideal candidate later on, to become a candidate for governorship of this state and later on, possibly for the Presidency. I might also digress for a couple of more sentences. I'm training four of my granddaughters and grandsons as future presidents.

To get back to the income tax—and I might mention the fact along the lines I was talking, that a former Governor of this state, Governor Horace Hildreth, a number of years ago, brought out the fact that we train young men and young women in this state and thousands of them, thousands, go out of this state. Why? To get—

The SPEAKER: For what purpose does the gentleman rise?

Mr. HEALY of Portland: Point of order.

The SPEAKER: The gentleman may state his point of order.

Mr. HEALY: I'm probably going to regret this, but we're going to be here until the cows come home, if we can't do something about it.

The SPEAKER: The remarks of the gentleman are out of order.

Mr. HEALY: Are the remarks that the gentleman is making germane to this bill?

The SPEAKER: There is no question of germaneness entailed in this debate. The gentleman from Portland may proceed.

Mr. SULLIVAN: That former very fine Governor of this State, Horace Hildreth, whose son is in

the Senate of this state, made a number of suggestions and it is about time that these were thoughtfully considered. Of course those who grow up in this state and their fathers or grandfathers have a business or profession, that's fine. But how about the big majority? They had to go out of this state like my two sons did.

However, I will try to get down onto the ground. Now if we are going to have a — and we will, because there are thirty-five states of the fifty that have a state income tax. So, if we are going to, and we will later, have a state income tax, it's my suggestion for consideration, tentative suggestion, when that comes about, that a couple should have an exemption of \$5,000 and at least \$1,000 for each dependent. Because why? Because the lower income people are already overtaxed. And so under my tentative suggestion a family with three children and two adults would have an exemption of \$8,000. And then of course all you would have to do to provide the same amount of money is simply raise a trifle, or a little more, the larger incomes in this state. And the larger incomes in this state, just like under the Federal income tax, they with their smart lawyers, get favored in many, many ways. All you have to do, as an example, who represents what I term the entrenched vested interests of this state with their big incomes? Why, of course, the lawyer lobbyists, and if you go back and see what they have been able to accomplish over the years here, you will find those same people are favored in many, many ways.

Now the gentleman from Cape Elizabeth and others talk about justice, equity and fairness, et cetera, et cetera. But the big majority of them seem to think that in justice, equity and fairness, that it's only the people with the large incomes, seemingly, from my point of view, that they are attempting to look after. I suggest that they start down at the base. I suggest they start looking after the approximately fifty-five percent of the people of this state who only have four thousand and less a year.

Those are the people that need consideration. We always are attempting to solve the problems that are created by the sub-normal homes, the people with sub-normal incomes.

And I know that — I can see the thoughtful look that is coming over the face of my good friend from Cape Elizabeth. I know that he is even jotting it down; he's going to look into that thing. I guess that's about enough this morning. Thank you.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Cottrell.

Mr. COTTRELL: Mr. Speaker and Members of the House: I sincerely wish to thank the Majority Party leadership for arranging very cooperatively the debate on the income tax. I didn't think it would be so prolonged and I am almost getting to the point of exhaustion where I would vote for an income tax myself.

I can agree with our friend from Cape Elizabeth, Mr. Hewes, we missed a little signal this morning — in error, and many things that he says. The only thing I wonder about his philosophy is whether or not he is permanently opposed to an income tax in the State of Maine. I introduced a sales tax and an income tax bill, not with even the hope that they would pass this year, but for the purpose of promoting more discussion and comparison between the sales tax and the income tax. I am in favor of both of them. They have been useful in the past and they are useful in the present, and they will be useful in the future.

After the sessions of the legislatures that are taking place in the Country today there are going to be more states added to those states which already have both taxes. I have notes here, but I think I will shorten them very much. You might have been interested to see that Minnesota, an income tax state, lacks a few votes in the Minnesota Senate right now in passing a three percent sales tax. Vermont has both; New Hampshire has its income tax on intangibles but it's going to, I guess, put in a bed and board tax,

as they call it, although many of the Republicans over there want a three percent sales tax. Pennsylvania, the highest sales tax state in the nation — five percent, has also the income tax, because it permits cities like Philadelphia and Pittsburgh to have their city income taxes.

Now our good friend from Houlton, Mr. Berman, has suggested that we never pass an income tax until we have a referendum. In my opinion, if we are ever going to get an income tax it's going to be through education and understanding of it.

I know that there's growing support for the income tax but at this point I don't think it's quite politically palatable, although things could be done to make it palatable. I don't think the question now is whether we're going to have an income tax eventually; it's just a question of when. And should our next major tax step when taken break new ground, broaden our tax structure, or should we plow along with our one-hour sales tax?

There are advantages in and objections to both forms, but they are very serviceable. In my opinion, I can reemphasize perhaps in that the greatest advantage of the sales tax in our state is that our tourists contribute toward it. July and August, there are five million dollars plus in each month, of course are high months. It might be interesting to note that the other high month in the sales tax is December, which is just behind — which also breaks into the five million dollar bracket.

Some have said that the sales tax might provide at least ten percent of our sales tax revenue. I don't think the figures bear that out. The five million take in July and August is about — is, compared to the other months, is this. That in the other ten months it averages about four million — or the other nine months I will say, excluding December. January and February are the low months of course, they produce I think something like three or four million each.

As we turn to L. D. 410 we see it has nineteen pages. I am very

glad perhaps at this time that it didn't get to the engrossing stage, because that would be quite an expensive engrossment. If you turn to page three of that document, you get the interesting part I think of the important part because it gives you the schedule of rates. And as you notice, the rates run from — after the first 2,000 of taxable income is exempted; the rates run from two to six percent, six percent on all over 50,000 in the great end of the scale of taxable income.

This income tax is framed, for comparison's sake, to produce as much revenue as a one percent sales tax; for comparison's sake. The income tax is flexible as you know; you can lower the rates and produce any amounts you want, or raise them up. I notice our very capable Governor of California, Governor Reagan, has inched up both the California sales tax and the California income tax this session.

So, if you remember what your net taxable income figure was on the 1040, line 11D, you can apply the rates on page three and find out what your tax liability would be, stated income tax. Now we have produced these schedules here showing the tax liability if you use the adjustment gross income. The gross income for most people in the State of Maine is their salary or their wage. It has been brought up that — and it's always been brought up as an argument against the income tax in the State of Maine, that it would scare away retired people.

Of course, in the first place, inheritance rates are not high in the State of Maine. Retired people aren't going to live forever, and it is — if you notice on this schedule, and we haven't got the particular table for retired people — but retired people would be over sixty-five and would have a double exemption, and so if you will turn to the table which has had a married couple filing joint return, four dependent children, you would get the same tax impact that you would get on the retired couple. And, you see that at a retired income of \$7,500 a year the

tax would be \$32.00 income tax which is not a burdensome tax. We can't go through all the tables, but I hope you will be patient with me; I won't speak again too much here.

I think if we take the table which shows the impact on the married couple filing a joint return with three dependent children, that's about the average-size family, you see that the tax begins there at the \$6,000 income bracket, and it is \$16.00. I think so many people think that it's going to have a heavy impact to produce revenue on the lower income brackets, but the tables seem to indicate otherwise.

These tables are suggestive but they aren't entirely accurate because we know the taxpayer who is in the upper income tax bracket is not going to take the standard deduction, and in these tables only the standard deduction has been taken.

I think we should remember too that this income tax is deductible, federally. The \$6,000 income taxpayer, gross income, would pay \$16.00 tax — that's a married couple with three dependent children, but the net tax would only be \$14.28 when you apply the Federal 17% level. You go along to the \$20,000 gross income taxpayer, and you see that on the table his tax is \$460.00, but he would be in the 39 percent Federal income tax bracket at that point on his top dollars, and his net tax would only be \$179.40.

I know the phrase "income tax" is a very much hated phrase like the word "Communism" but I think it loses much of its stigma when we carefully analyze it, and in the line of reason it seems to be the most equitable of any tax by which the strong are called upon to help bear the burdens of the weak.

John Stuart Mill in the seven-hundredths, our first recognized political and economic scientist, introduced the ability to pay income tax principle of taxation as the most sound. We know that the impact of the Federal income tax — it doesn't have all the burden that it indicates be-

cause our lawyers, our trust officers, our insurance men can find legal avoidances and great shelters in the Federal income tax, so that it is not so burdensome as it might feel, and because so many people say that — we have the Federal income tax, the Sales Tax helps to balance off the burden.

Now at this point I shall briefly conclude that an income tax can possess the distinctive earmarks of simplicity and equity and flexibility, and that our State of Maine should most carefully and thoroughly scrutinize it as we resolve our budgetary problems.

And I'm just going to take this one moment here to state my own personal opinion about taxation in relation to our state budgetary problems.

I am very much distressed that in our discussion of them we haven't turned our eyes across the rest of the country and particularly toward our National situation. We now see that Treasurer Fowler wants our federal debt limit permanently raised to three hundred and sixty-five billion from three hundred and thirty-six. We notice a nineteen billion deficit facing our budget for this year. We know our budget is way high—in the one hundred and thirty-six billions. Our gold reserve is fading away, down below the eleven billion point. Our economy is—well, we'll say it's in a becalmed state, and I don't know of any economist who knows which way it's going; and above all we know that we are in an international crisis where already this month we will have spent fifty billion dollars on the Vietnam War, and where we know that costs are going to escalate to thirty, thirty-five billion dollars a year in this war which is interminable and uncontrollable; it's gotten out of our control. And so I'm very much moderate in my outlook toward increasing fully any one of our taxes this year. I think that it's time for all Americans to really face this situation and I think it's time for our Congress and more people in our Country to realize the serious problem which we are facing, and I think we all

should tighten our belts more and more. That's just the way I feel about it personally. Thank you.

The SPEAKER: The Chair recognizes the gentleman from Kennebunkport, Mr. Pendergast.

Mr. PENDERGAST: Mr. Speaker and Members of the House: I rise in opposition to L. D. 410, An Act Providing for a State Income Tax. The towns I represent in southern York County are growing as a retirement area, mostly by people from Massachusetts, coming to get away from the state income tax.

These retired residents are a fine addition to any community as they have no children to educate and, consequently do not cost the local government hardly anything in the way of services.

Now I understand there are about 981,000 people living in our State, according to latest census figures. I would like to point out that as of October 1966 the Internal Revenue Service indicates there were only 341,934 individual returns filed. Now this is interesting; only one third of the people file taxes. The reason only one third—probably only one third—file taxes is because of joint tax filing. In other words, man and wife.

Out of the three hundred forty-one-odd people who file taxes, there are 221,500 who make \$5,000 or less. Now this 65 percent of the people who file taxes. There were 100,194 people filing, on \$5,000 to \$10,000, or 30 percent of the total filed returns. There were 20,240 people filing on \$10,000 or more, which is only 6 percent of the total filing with "Uncle Sam."

I wish to thank the gentleman from Portland, Mr. Cottrell, for supplying figures. I notice on the table for married couples filing joint return with no dependents, I note that three-quarters of one percent at the \$5,000 level there is a tax, to approximately five percent of the earnings of 100,000.

Therefore, I just won't go along with this bill, and hope it will be defeated.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Cottrell.

Mr. COTTRELL: Mr. Speaker and Members of the House: I can agree with many things that are said, but I think they should be checked up on.

Mr. Pendergast has given you a breakdown of incomes from the Internal Revenue Service in 1963, but here we have the Public Affairs Research Center publication, Maine Business Indicators for March 1967, and it shows that the personal income in the State of Maine since 1963 has gone up about twenty-five percent, so I think his figures would have to be corrected, and I might say this, that in making this projection and estimate of revenue from an income tax, the taxation bureau has taken cognizance of that twenty-five percent increase in personal income since 1963, the basis of the reports that were just quoted.

The SPEAKER: The Chair recognizes the gentleman from Brewer, Mr. Robertson.

Mr. ROBERTSON: Mr. Speaker and Members of the House: I'm not going to talk long on this bill, I'm not rising to defend or object to it. There are two or three points I notice as I look this over.

First off, we do have a system already set up for the collection of sales tax. This income tax would require an entirely new department and system to collect this particular tax.

As I look down though and find my own meager income in this particular tax, I find this tax which we are told would collect about the same as a one percent increase in the sales tax, is going to cost me personally, about the same amount as the entire five percent sales tax would cost me.

Now, I realize, as has been brought out by Mr. Cottrell that this is based on the standard deduction, and most of us who compute taxes don't use the standard deduction if we have enough deductions to warrant not using it, and most of us can dig up enough. However, I would like to pose a question through the Chair, if I might, to ask the gentleman from Portland, if in the final analysis is it his interpretation that this bill will allow for greater deduc-

tions than standard deduction and that it will allow the deductions similar that are allowed on the Federal tax?

The SPEAKER: The gentleman from Brewer, Mr. Robertson, poses a question through the Chair to anyone who may answer if they choose.

The Chair recognizes the gentleman from Portland, Mr. Cottrell, who may confine his remarks to the answer.

Mr. COTTRELL: Mr. Speaker, I'll try. I'll try to have an answer.

This income tax is interlocked with the Federal income tax as to exemptions. There are few minor exemptions allowed in the Federal income tax which might affect one percent of the Maine taxpayers, that are not allowed in this particular bill. And being interlocked with the Federal system, you can see that there is no problem of compliance and enforcement, because in all states where they have the income tax the Internal Revenue Department and the State Taxation Bureaus work hand in hand.

The SPEAKER: The Chair recognizes the gentleman from Hollis, Mr. Harriman.

Mr. HARRIMAN: Mr. Speaker and Members of the House: As a signer of the Minority Report on the Taxation Committee, and having been a proponent of an income tax ever since I have been in this Legislature, I would feel a little guilty if I didn't answer some of the questions posed by the Representative from Cape Elizabeth and give the reasons why I believe an income tax, if we have to have a major tax, is the most equitable form of taxation.

To start with, Mr. Hewes said that this income tax would help initiative. I object to that some because I don't believe any young man, and we'll take a young man with a couple of children, is going to have his initiative killed because of the difference between an income of \$5,000 or \$10,000, or something like \$100. If that kills it, he hasn't got very much initiative.

I think further, that rather than killing initiative, if we could leave our sales tax as it is rather than increase it, will it help industry?

I think that our present sales tax and use tax, if industry has to pay it's a detriment to industry coming into the State. I think we ask them to pay a sales tax on items that should be exempt, if there is some other way of raising income.

This income tax does not put any further burden on the people who can least afford to pay, the people that earn under \$4,000 or \$3,500 a year, and the sales tax would propose to raise their cost about twenty-five percent.

As far as elderly people are concerned, this income tax hurts them practically not at all. This tax is based on ability to pay and although I will not admit that any taxation is always fair, I think this is the fairest way to raise money, and I think it will keep some federal money in the State of Maine. I think we should do so, and I think the trend right now is to ask the Federal Government to return money to us without strings, and this is one way of keeping it without strings. That's all I have to say.

The SPEAKER: The Chair recognizes the gentleman from Cumberland, Mr. Richardson.

Mr. RICHARDSON: Mr. Speaker and Members of the House: Speaking as an individual, I wish to oppose the imposition of a graduated personal income tax in the State of Maine, and I wish to make my reasons absolutely clear for the record.

In order to discuss income taxation you'd have to first look at our present tax structure, which imposes the sales tax, which exempts such things as food, fuel and many of the other commodities which, if they were under the sales tax, would make it clearly regressive. When we say regressive in talking about taxation, we mean that it cuts so deeply that it has a prejudicial effect on the standing of the person taxed. We say progressive, and these are labels, when we're talking about a tax based on ability to pay.

Now under these definitions there is no question that a graduated income tax is the most progressive, and I don't want to debate the labels and the terms with you. I do want to suggest to you

that with the exemption of food and fuel, our sales tax—and I know there are members of both parties who agree with me, is not regressive. And the second aspect of my pitch to you, is that unless and until we have exhausted the available tax-producing revenues, I am opposed to the imposition of an income tax.

The Sly Report, by Dr. John F. Sly, the Director of Princeton Surveys, Princeton, New Jersey, submitted to the Legislature in 1961 points out "as pointed out in the second report, every tax study commission from 1890 to 1950 recommended against the imposition of an income tax by the State of Maine." The Phillips Report in 1950, however, suggested either a personal income tax or a sales tax with food exempt, but questioned the wisdom of a corporate income tax.

When the legislators of this state elected to go with the sales tax, they committed subsequent Legislatures to use that tax to the fullest, practicable and reasonable extent before the imposition of any additional major tax.

I stand today to support that position, a position that has already been made. Our decision today on the graduated personal income tax is a decision to be arrived at carefully, and not on any partisan basis, and I would suggest to you that the present tax structure that we have demands that either this year or next year you increase the sales tax to five percent before entertaining any serious thoughts about an income tax.

Thank you.

The SPEAKER: The Chair recognizes the gentleman from Eagle Lake, Mr. Martin.

Mr. MARTIN: Mr. Speaker and Members of the House: I wonder if I might pose a question through the Chair to the gentleman from Cumberland, Mr. Richardson, and inquire from him if he could tell us what the Sly Report recommended in 1961?

The SPEAKER: The gentleman from Eagle Lake, Mr. Martin, poses a question through the Chair to the gentleman from Cumberland, Mr. Richardson, who may answer if he chooses.

Mr. RICHARDSON: Mr. Speaker and Members of the House: I know, from personal experience, that the gentleman from Eagle Lake, Mr. Martin, can read. The Sly Report is sixty-four pages long. It was directed to a specific revenue problem then confronting the State of Maine—this is some six years ago, and I, among many of the proposals that it makes, it suggests that the railroads are overly taxed and it discusses the general tax picture then confronting the State of Maine. It does not, as I thought it did, come out four-square for the proposition I advanced, which is that we should go to five percent before imposing an income tax. It does not stand as an authority for that proposition, and I didn't try to sell it to my friend from Eagle Lake on that basis. The Sly Report does point out, however, that having a sales tax with generous exemptions designed to protect the low-income family, it is much less regressive, and again we're using labels, it is much less regressive than the sales tax imposed in many other states; and therefore, as a matter of tax philosophy, it is a good tax and I believe should be extended to the fullest extent practicable, which we say is five percent, before we even seriously consider the imposition of an income tax.

I'll further answer the question if I may, Mr. Speaker. I will point out that the Sly Report indicates that in order to make an income tax work in Maine you have to cut into a very low level. I will quote to him from page 42. "On the one hand, Maine does not have many households in the upper income brackets, and substantial revenues can only be obtained by levying comparatively high rates at the lower levels of income."

Mr. Cottrell of Portland was granted permission to speak a third time.

Mr. COTTRELL: Mr. Speaker and Members of the House: I think—I tried to convey the idea by the tables that our tax does not have a heavy impact on the low income groups, this income tax, and I think that is one of the stock cliches that's always raised against the income tax. I think we all realize

that taxation is complex. I don't think it would be possible to inaugurate an income tax at this session, but you know, an income tax must start with the calendar year and the income tax wouldn't start to take effect until January 1st. Of course, I'm not too sanguine about an income tax—as a matter of fact at this moment — at this moment I'm an old coach and I know all kinds of things can happen and all kinds of options can be developed; but another thing—about the corporate income tax. I think we all attended—not all of us of course—but many of us attended the pre-legislative conference at the University of Maine in 1963, and the major speaker was Dr. George Ellis, one of our Maine men and economists who is now President of the Federal Reserve Board, and he urged us at that time instead of going up to four percent to consider an income tax, particularly a corporate income tax. We've heard a lot about property taxes and their burden, and he, from his position and outlook over New England, said that industry would much prefer a corporate income tax than a property tax. The property tax is a fixed charge. You'll have to pay it all the time, whether you make money or not. The income tax is one when you have the money you pay it and when you don't make a profit you don't, and you make a very strong case for a corporate income tax.

But, this is so complex. I could hope that there could be an interim taxation committee to really study it. We've never studied the impact of our different types of taxes thoroughly on our Maine citizenry.

The SPEAKER: The Chair recognizes the gentleman from Eagle Lake, Mr. Martin.

Mr. MARTIN: Mr. Speaker, I rise only to comment on the remarks made by the gentleman from Cumberland, Mr. Richardson. I can assure him that since both of us went to the same institution that I presume that we can both read.

I would suggest that my reason for asking the question originally was that it has been some time since I have read the Sly Report. It was presented to the Legislature

in 1961, and I was under the impression that they had made no recommendation in relationship to the sales tax increase and that he was using the Sly Report as a recommendation for this Legislature to pass a sales tax increase. However, I understand that this is not the case. I would merely wish to point out, however, that it is still my opinion that regardless of whether or not we have food exempted under the present sales tax in Maine that it is still a regressive tax according to most experts.

The SPEAKER: Is the House ready for the question? The pending question is the motion of the gentleman from Cape Elizabeth Mr. Hewes, that L. D. 410, "An Act Providing for a State Income Tax", be indefinitely postponed.

The Chair recognizes the gentleman from Auburn, Mr. Snowe.

Mr. SNOWE: Mr. Speaker, I request a roll call.

The SPEAKER: The yeas and nays have been requested. For the Chair to order a roll call it must have the expressed desire of one fifth of the members present and voting. All of those desiring a roll call will vote yes, those opposed will vote no, and the Chair opens the vote.

A vote of the House was taken, and more than one fifth of the members present having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question is the motion of the gentleman from Cape Elizabeth, Mr. Hewes, that House Paper 290, L. D. 410, "An Act Providing for a State Income Tax," be indefinitely postponed. All those in favor of indefinite postponement of this measure will vote yes, those opposed will vote no, and the Chair opens the vote.

ROLL CALL

YEA — Allen, Baker, R. E.; Belanger, Benson, Berman, Birt, Bragdon, Brown, Buck, Bunker, Burnham, Clark, Conley, Cookson, Cornell, Cote, Cottrell, Crockett, Crosby, Curran, Cushing, Danton, Dennett, Dickinson, Drigotas, Drummond, Dunn, Edwards, Eustis, Ewer, Fecteau, Fortier, Fost-

er, Fuller, Gaudreau, Hall, Hanson, B. B.; Hanson H. L.; Hanson, P. K.; Hawes, Haynes, Henley, Hennessey, Hewes, Hichens, Hodgkins, Hoover, Huber, Humphrey, Immonen, Jalbert, Jameson, Jannelle, Keyte, Kilroy, Kyes, Lewin, Lewis, Lincoln, Littlefield, Lyette, Maddox, Martin, McNally, Meisner, Miliano, Minkowsky, Mosher, Noyes, Pendergast, Pike, Porter, Prince, Quinn, Rackliff, Richardson, G. A.; Richardson, H. L.; Rideout, Robertson, Robinson, Ross, Sahagian, Sawyer, Scott, C. F.; Scott, G. W.; Scribner, Shute, Snowe, P.; Soulas, Starbird, Tanguay, Thompson, Truman, Waltz, Watts, White, Wood, The Speaker.

NAY — Bedard, Beliveau, Binnette, Boudreau, Bourgoin, Brennan, Carroll, Champagne, Crommett, Fraser, Gauthier, Gill, Hariman, Harvey, Healy, Hinds, Hunter, Levesque, Lowery, Nadeau, J. F. R.; Nadeau, N. L.; Philbrook, Rocheleau, Sullivan, Susi, Trask, Wheeler.

ABSENT — Baker, E. B.; Bernard, Bradstreet, Carey, Carrier, Carswell, Couture, D'Alfonso, Darcy, Dudley, Durgin, Evans, Farrington, Giroux, Harnois, Jewell, Lebel, McMann, Payson, Quimby, Roy, Shaw, Snow, P. J.; Townsend, Wight, Williams.

Yes, 98; No, 27; Absent 26.

The SPEAKER: Ninety - eight having voted in the affirmative and twenty-seven in the negative, with twenty-six being absent, the motion to indefinitely postpone does prevail.

Sent up for concurrence.

Mr. Martin of Eagle Lake out of order presented the following Joint Resolution and moved its adoption:

WHEREAS, telephone communication plays a tremendous part in the every day lives of Maine citizens; and

WHEREAS, as the China Telephone Company is dedicating one of the most modern up-to-date dial offices at 12:00 noon today; and

WHEREAS, Representative Farrington will have the privilege of making the first call from this office; and

WHEREAS, the House Chairman of Public Utilities Committee Representative Williams from Hodgdon, Representative Snow from Caribou of the same Committee and Representative Ronald Wight of Presque Isle will be special guests at this dedication; now therefore, be it

RESOLVED: That the 103rd Legislature commend the China Telephone Company officers and directors for their efforts in bringing the citizens within the area of this exchange this most up-to-date telephone service. (H. P. 1178)

The Joint Resolution was adopted and sent up for concurrence.

Mr. Beliveau of Rumford presented the following Order and moved its passage:

ORDERED, that Andrew Todd of Rumford be appointed to serve as Honorary Page for today.

The Order was received out of order by unanimous consent, read and passed.

The Chair laid before the House the fifth tabled and today assigned matter:

Bill "An Act Regulating Firearms in Active Lumbering Operations in Unorganized Territory" (H. P. 1167) (L. D. 1668)

Tabled — May 22, by Mr. Hewes of Cape Elizabeth.

Pending — Passage to be engrossed.

Thereupon, on motion of Mr. Cookson of Glenburn, retabled pending passage to be engrossed and specially assigned for tomorrow.

The Chair laid before the House the sixth tabled and today assigned matter:

Bill "An Act relating to Joint State and Municipal Purchasing" (H. P. 335) (L. D. 469)

Tabled — May 22, by Mr. Shaw of Chelsea.

Pending — Passage to be engrossed. Committee Amendment "A" (H-325)

The SPEAKER: The Chair recognizes the gentleman from Brewer, Mr. Robertson.

Mr. ROBERTSON: Mr. Speaker, inasmuch as Mr. Shaw, I believe, has an amendment to put on this bill, and he is absent this morning apparently, I would request that it be tabled until tomorrow.

Thereupon, on motion of Mr. Birt of East Millinocket, retabled pending passage to be engrossed and specially assigned for tomorrow.

The Chair laid before the House the seventh tabled and today assigned matter:

Bill "An Act Revising Laws Relating to Licensed Small Loan Agencies" (H. P. 468) (L. D. 681)

Tabled — May 22, by Mr. Brennan of Portland.

Pending — Passage to be engrossed. Committee Amendment "A" (H-318)

Thereupon, on motion of Mr. Levesque of Madawaska, retabled pending passage to be engrossed and specially assigned for tomorrow.

The Chair laid before the House the eighth tabled and today assigned matter:

SENATE REPORT — Ought to Pass in New Draft — Committee on Judiciary on Bill "An Act relating to Interest on Judgments" (S. P. 433) (L. D. 1087) — New Draft (S. P. 642) (L. D. 1647) (In Senate, Report accepted; Bill indefinitely postponed)

Tabled — May 22, by Mr. Quinn of Bangor.

Pending — Acceptance.

Thereupon, on motion of Mr. Quinn of Bangor, the unanimous "Ought to Pass" in New Draft Report of the Judiciary Committee was accepted in non-concurrence. The New Draft was given its first and second readings and tomorrow assigned for third reading.

The Chair laid before the House the ninth tabled and today assigned matter:

An Act relating to Eligibility for Office of Bank Commissioner (S. P. 632) (L. D. 1633)

Tabled — May 22, by Mr. Hennessy of West Bath.

Pending — Passage to be enacted.

Thereupon, passed to be enacted, signed by the Speaker and sent to the Senate.

The Chair laid before the House the tenth tabled and today assigned matter:

An Act relating to Suspensions Ordered by the Hearing Commissioner (H. P. 269) (L. D. 390)

Tabled — May 2, by Mr. Berman of Houlton.

Pending — Passage to be enacted.

The SPEAKER: The Chair recognizes the gentleman from Houlton, Mr. Berman.

Mr. BERMAN: Mr. Speaker, there is an amendment that has been suggested to this measure and, for that reason, I would trust someone would table it until the next legislative day.

Thereupon, on motion of Mr. Richardson of Cumberland, retabled pending passage to be enacted and specially assigned for tomorrow.

The Chair laid before the House the eleventh tabled and today assigned matter:

Bill "An Act Providing for a Tax on Real Estate Transfers" (H. P. 1143) (L. D. 1627)

Tabled — May 22, by Mr. Richardson of Cumberland.

Pending — Adoption of House Amendment "A" (H-307)

The SPEAKER: Is it the pleasure of the House that House Amendment "A" be adopted?

The Chair recognizes the gentleman from Cumberland, Mr. Richardson.

Mr. RICHARDSON: Mr. Speaker and Members of the House: I would like to speak in opposition to the adoption of this amendment, and suggest to the members of the House that we are interfering, by this amendment, with the very vital measure for tax assessment.

The Federal Tax on Real Estate Transfers has been taken off, effective, I believe, in July. The position that the State of Maine now is in is either we will impose

a real estate transfer tax or require some sort of an issuing value in order to carry out the very vital assessment function.

Now, while there is certainly some quarrel as to whether the purchase price paid for a piece of property is a true indication of that property's value, and while we can all point out circumstances where more or less was paid than probably the true market value, I suggest to you that on balance the amount paid for a piece of property on the open market is one of the best indications that we have of the value of that property, and it is for this reason that we are urged by the State Tax Assessor and by assessors from various municipalities, to adopt this legislation in its present form without House Amendment "A". I, therefore, urge you to vote against the adoption of House Amendment "A", and when the vote is taken I request a division.

The SPEAKER: The Chair recognizes the gentleman from Rumford, Mr. Beliveau.

Mr. BELIVEAU: Mr. Speaker and Members of the House: L. D. 1627 would establish a real estate transfer tax roughly equivalent to the present federal tax which expired at the end of this year. It is my understanding that several New England states are considering bills of this nature which would tap this source of revenue. But this bill differs greatly from the present federal law which merely imposes a tax of 55c per \$500. of sale price, and the present federal law does not delve into the matter of filing affidavits, assessing delinquencies, levying fines and imprisonment.

The primary objection, or one of the several objections to this bill, is the declaration of value by the purchaser of the actual price paid for the property. It is my belief that such information is confidential between the buyer and seller, and they should not be compelled to disclose the sales price.

It has been suggested that the real purpose for this bill is for tax assessment purposes as an assessment function to determine the

market value of real estate. It is also, of course, supposedly to provide reliable sales data. At present municipal assessors may acquire this information by examining the deeds that are recorded in the registry of deeds.

The amendment that I have proposed—and I would ask you to review this legislative document with me—would strike out, first of all, the declaration of value. This bill would not abolish the transfer tax. We have no objection to the transfer tax, but it sets up quite an extensive and lengthy administrative or bureaucratic procedure to follow. The first thing is that you must sign an affidavit outlining the declaration of value. Which means that, in addition to preparing the deed, if a person buys or sells a parcel of land, he must sign an affidavit stating that the purchase price is X number of dollars. Now, if, in good faith, or for some other reason, under this bill, the purchase price which he states is not the accurate one, or if the State Tax Assessor, for some reason or other, disagrees with the figure which the purchaser lists, he can, under Section 4646, subpoena all the books, records and papers which are relative to this particular transfer and examine them himself. Needless to say, this is a very dangerous precedent to give the State Tax Assessor, or any other department head, the right to arbitrarily examine, review and subpoena a person's records.

Certainly the federal documentary tax stamp, which this bill is designed to replace, which expires the 31st of December, has worked out very well. At the present time the practice is that your tax assessors will examine these deeds and determine by the stamp that is affixed to it the value of the consideration of the transfer. Now, it is my suggestion that the very lengthy and mechanical procedure that is outlined here is unmanageable, it is unworkable, and it places a very real burden on the registers of deeds. I had occasion to talk with three registers of deeds concerning this bill and none of them were aware, first

of all, of this bill's existence, and secondly, that they would be burdened with the problem of administering and collecting the tax.

If this bill, as written, can accomplish what the assessors want without the objectionable passages—and the first one is the declaration of value, as I stated earlier, there is no need of having a declaration of value signed by the purchaser. The amendment will not delete or strike out the tax. The tax will still have to be imposed in the same manner that it is imposed under the present federal law. Certainly the federal law has worked out very efficiently and effectively because, if it hadn't, you and I know that there would be several amendments or rulings or regulations passed to set up an elaborate mechanical process as outlined in this bill. The federal law has worked out very well. The assessors have access to the deeds and they are able to determine the value or the consideration of the transfers, and I submit to you that this bill, in addition to giving the State Tax Assessors subpoena powers, it goes on to impose a very severe penalty on the register of deeds if he or she in good faith, or not in good faith, records a deed without collecting the tax. Also, there is a perjury sanction here for any person who falsifies the consideration prescribed.

Now, let me cite an example to you of what could happen under this bill. Let's assume that someone sells a piece of property for \$10,000., and declared a value, or placed stamps on the deed, indicating a sales price of \$5,000. He should have paid a tax of \$11. on the basis of 55c or \$1.10 a thousand, whereas he actually paid a tax of \$5.50. Now, L. D. 900 sets up an elaborate procedure for levying a 6% penalty on the deficiency, outlines appeals and so forth, and also renders the violation subject to a fine of \$1,000, and/or imprisonment for one year. This is rather hard to justify as a reasonable deterrent against having people short-change the State \$5.50. It is so hard to justify, in fact, that the bill might have sub-

stantial constitutional problems built into it.

Now, it is my position and opinion that the amendment would delete, strike out, the objectionable portions of this bill, and it would still give the State Tax Assessors the information needed for assessment purposes. I trust that you will support my House Amendment "A" to this particular L. D. 1627. Thank you.

The SPEAKER: The Chair recognizes the gentleman from Winslow, Mr. Roy.

Mr. ROY: Mr. Speaker and Members of the House: I rise in opposition to the good gentleman from Rumford, Mr. Beliveau. Having sat as a tax assessor for the past five years in Winslow, I cannot agree wholeheartedly with his amendment entirely. He has some good points in the amendment, but when you are talking about valuations, you yourself may have had the experience at one time or another with the tax assessor in your community, if the individual who is the tax assessor never had any previous experience in assessing property, which in turn this problem does arise throughout the State, it makes it pretty hard for that individual who is elected from year to year as a tax assessor to set a market value on that property unless he has some guide to go by.

As Mr. Beliveau indicated, the affidavit that has to be signed, if I can recall, April 1st of every year each individual who owns property in a municipality, he in turn has to report this property to the local assessor. If I am correct, this is under Chapter 90, Section A.

I certainly hope that you will support Mr. Richardson. I feel that this would be very unjust to the assessors of the State, especially those that are not trained in the field of assessment. You are talking about a very specialized field when you are talking about assessors. Those that don't have the training have no guides to go by. Early in the session there was an attempt to provide some sort of a course through the Taxation Department so that the municipal officers that are in the position of

assessing could get the proper training. If it is at all possible, I think that we could probably arrive at an amendment which, in turn, would be satisfactory to all. So, I wish somebody would table this for a few days so that the members could get together.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Cottrell.

Mr. COTTRELL: Mr. Speaker and Members of the House: I am speaking as a member of the Taxation Committee. This is a very good bill. The Federal Government expects all the states to pick it up because they are getting out of that field. We know that it is going to help the assessors. It was redrafted, as I remember.

I talked recently with Mr. Ernest Johnson of the Taxation Bureau, and there were two bills floating around under the L. D. 1627 number. Now, there was an amendment to be put on it so that when it was registered the stamps wouldn't have to be placed upon it at that time. The idea was that they thought that they didn't want all kinds of people coming in there snooping to find out how much the property was sold for. As I understood, this new bill was just to include the privilege of the State Tax Assessor to get a declaration of the value, to keep all this information quiet, and whenever the State Assessor wanted to get the information he could get it by writing to the locality and getting a declaration. Now, I would go along with Mr. Roy and get this tabled for just one day until we find out just what we are doing.

The SPEAKER: The Chair recognizes the gentleman from Stonington, Mr. Richardson.

Mr. RICHARDSON: Mr. Speaker and Members of the House: I believe, under the federal law, at the present time, the stamps do not have to be put on a document until after it is recorded in the clerk's office. Furthermore, I don't believe that the tax assessors, if a piece of property is sold for \$25,000., and they have been taxing it to the previous owner for a valuation of \$7,000 or \$8,000 are allowed under the law to increase that to the \$25,000 or \$30,000 value.

We have just had a recent discussion of this in the Town of Stonington, and the selectmen were over here a very short time ago to discuss this with Mr. Johnson. And, unless every piece of property of a similar type is also reassessed up to the \$25,000 valuation, it doesn't make any difference what anybody paid for it. They still feel that you cannot unjustly, just because a piece of property was sold for a higher price, change the valuation. I can't see that this bill is going to help the assessors one iota.

The SPEAKER: The Chair recognizes the gentleman from Cape Elizabeth, Mr. Hewes.

Mr. HEWES: Mr. Speaker, I move this be tabled until Friday, May 26.

The SPEAKER: The gentleman from Cape Elizabeth, Mr. Hewes, now moves that Item 11, L. D. 1627, be tabled and specially assigned for Friday, May 26, pending adoption of House Amendment "A". Is this the pleasure of the House?

The motion prevailed.

The Chair laid before the House the twelfth tabled and today assigned matter:

HOUSE MAJORITY REPORT (9)—Ought to Pass in New Draft Committee on Highways on Bill "An Act to Make Allocations from the General Highway Fund for the Fiscal Years Ending June 30, 1968 and June 30, 1969" (H. P. 99) (L. D. 126)—New Draft (H. P. 1173) (L. D. 1672)—MINORITY REPORT—Ought Not to Pass

Tabled—May 23, by Mr. Jalbert of Lewiston.

Pending—Motion of Mr. Crockett of Freeport to accept Majority Report.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

Mr. JALBERT: Mr. Speaker and Members of the House: This item is the major item that will be discussed in caucuses of both parties as agreed upon yesterday at a meeting with department heads and members of the Majority and Minority Party, the leaders of both parties.

The one big item in the bill that is in question certainly is foremost in our minds. I have also discussed this with the gentleman from Waldoboro, Mr. Waltz, who agrees with what the thinking is to do on this measure, to allow the Majority Report to be accepted, in the interest of time and money saved in the mechanics, and tomorrow when it comes up for a third reading it could be retabled. I would intend to move to retable it until the next day so that we could resolve the problem Friday when it comes up again. I, therefore, hope that the motion of Mr. Crockett to accept the Majority Report, for purpose of expediency, be accepted.

The SPEAKER: The Chair recognizes the gentleman from Kingman Township, Mr. Starbird.

Mr. STARBIRD: Mr. Speaker and Members of the House: Any questions that I had regarding this bill have been cleared up in my mind and, therefore, I will go along in accepting the Majority Report.

Thereupon, the Majority "Ought to pass" Report was accepted. The New Draft was given its two several readings and tomorrow assigned for third reading.

On motion of Mr. Richardson of Cumberland,

Adjourned until nine-thirty o'clock tomorrow morning.