

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

***One Hundred and Tenth
Legislature***

OF THE

STATE OF MAINE

Volume II

FIRST REGULAR SESSION

MAY 4, 1981 to JUNE 19, 1981

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HOUSE

Monday, August 3, 1981

This being the day designated in the proclamation of the Governor for the meeting of the One Hundred and Tenth Legislature in extra session, the members of the House of Representatives assembled in their hall at 10:00 o'clock in the morning and were called to order by the Speaker.

Prayer was then offered by Father Clement Thibodeau of Notre Dame Roman Catholic Church, Waterville.

The members stood for the Pledge of Allegiance.

A roll call was taken. 145 members answered to their names and accordingly a quorum was found to be present.

Those absent were: Representatives Davis of Monmouth, Fitzgerald of Waterville, Hobbins of Saco, Lewis of Auburn and Michael of Auburn.

On motion of Representative Mitchell of Vassalboro, it was

ORDERED, that a Committee of ten be appointed to wait upon His Excellency, the Governor, and inform him that a quorum of the House of Representatives is assembled in the Hall of the House for the consideration of such business as may come before the House.

The Chair appointed the following members:

McKEAN of Limestone
FOWLIE of Rockland
REEVES of Pittston
MACOMBER of South Portland
MOHOLLAND of Princeton
STROUT of Corinth
HUTCHINGS of Lincolnville
HUNTER of Benton
McPHERSON of Eliot

Subsequently, Mr. McKean of Limestone for the Committee reported that it had attended to the duty with which it was assigned.

On motion of Mr. Diamond of Windham, it was

ORDERED, that a message be conveyed to the Senate that a quorum of the House of Representatives is present for the consideration of such business as may come before the House.

Mrs. Mitchell of Vassalboro was appointed to convey the message and subsequently reported that she had delivered the message with which she was charged.

The following Proclamation:

WHEREAS, there exists in the State of Maine an extraordinary occasion whereby the State of Maine, the City of Portland, and Bath Iron Works, Inc. have recently entered into a memorandum of intent which will result in the construction of a \$46.7 million ship repair and overhaul facility in Portland Harbor; and

WHEREAS, this economic development project when completed, will provide direct employment for 1,000 persons and an additional 1,000 indirect jobs; and

WHEREAS, the State of Maine has indicated its intent to provide \$15 million in bond proceeds towards the joint financing of this project; and

WHEREAS, the 110th Legislature in the 1st Regular Session passed a bond issue for approval by the people of Maine at referendum on November 3, 1981; and

WHEREAS, there is an immediate need to amend this bond issue to more precisely reflect the intended use of these bonds and to increase the amount available for port development by \$5 million; and

WHEREAS, there exists a need for the Legislature to act in a timely fashion on this proposal so that the people of Maine may vote on this amended bond issue on November 3, 1981;

NOW, THEREFORE, I, JOSEPH E. BRENNAN, Governor of the State of Maine, by virtue

of the constitutional power vested in me as Governor, convene the Legislature of this State, hereby requesting the Senators and Representatives to assemble in their respective chambers at the Capitol at Augusta on Monday, the third day of August 1981, at ten o'clock in the morning, in order to receive communications and enact an amended port development bond issue.

Given at the Office of the Governor at Augusta, and sealed with the Great Seal of the State of Maine, this Twenty-Third day of July in the Year of Our Lord Nineteen Hundred and Eighty-one.

S/JOSEPH E. BRENNAN
Governor

By the Governor

S/ELSIE I. BOWEN
Deputy Secretary of State

Was read and ordered placed on file.

At this point, a message was received from the Senate, borne by Senator Pierce of Kennebec, informing the House that a quorum was present and that the Senate was ready to transact such business as might properly come before it.

At this point, a message came from the Senate, borne by Senator Collins of Knox of that body, proposing a convention of both branches of the Legislature to be held at 10:30 a.m. in the Hall of the House for the purpose of extending to His Excellency, Joseph E. Brennan, Governor of Maine, an invitation to attend the convention and to make such communication as he may be pleased to make.

Thereupon, the House voted to concur in the proposal for a Joint Convention to be held at 10:30 a.m. and the Speaker appointed Representative Mitchell of Vassalboro to convey that message to the Senate.

Mrs. Mitchell subsequently reported that she had delivered the message with which she was charged.

The following paper appearing on Supplement No. 2 was taken up out of order by unanimous consent:

Bill, "An Act to Amend a General Fund Bond Issue for the Purpose of Assisting Municipalities with Resource Recovery of Solid Waste" (S.P. 716) (L.D. 1696)

Came from the Senate, under suspension of the rules and without reference to a Committee, the Bill read twice and passed to be engrossed.

In the House, under suspension of the rules, the Bill was read twice and passed to be engrossed without reference to any Committee in concurrence.

By unanimous consent, ordered sent forthwith to Engrossing.

At this point, the Senate entered the Hall of the House and a Joint Convention was formed.

In Convention

The President of the Senate, Joseph Sewall, in the Chair.

On motion of Senator Collins of Knox, it was **ORDERED**, that a Committee be appointed to wait upon the Honorable Joseph E. Brennan, Governor, and to inform him that the two branches of the Legislature are in Convention assembled in the Hall of the House of Representatives, and extend to him an invitation to attend the Convention and present such communication as he may be pleased to make.

The Chairman appointed:

Senators:

EMERSON of Penobscot
O'LEARY of Oxford
USHER of Cumberland

Representatives:

CARROLL of Limerick
McKEAN of Limestone
FOWLIE of Rockland

REEVES of Pittston
MACOMBER of South Portland
MOHOLLAND of Princeton
STROUT of Corinth
HUTCHINGS of Lincolnville
HUNTER of Benton
McPHERSON of Eliot

Senator Emerson, for the Committee, subsequently reported that the Committee had attended to the duty assigned to it, and the Governor was pleased to say that he would forthwith attend the Convention.

Whereupon, Governor Joseph E. Brennan entered the Convention Hall amid prolonged applause, the audience rising.

The Governor then addressed the Convention as follows:

Mr. President, Mr. Speaker, honorable members of the 110th Maine Legislature.

In the fall of 1607, so long ago that the exact date is lost to history, members of the Popham Colony built and launched the first ocean-going ship in the New World.

Since that time, hardworking Maine men and women have built countless other ships, vessels that became a part of our nation's commerce and defended us against enemies, and many became the pride of the United States Navy.

Like blueberries and potatoes, Katahdin and Camden, building ships is a part of Maine.

Part of our tradition.

Part of our heritage.

Part of our way of life.

Part of ourselves.

The sailing vessels they build in friendship and the guided missile frigates they build in Bath have in common the insistence of sturdy Maine working people that their finished product is nothing short of the very best.

And over the decades, generations of these workers have earned the reputation they deserve for the quality of their workmanship.

Because of this, thousands of Maine people enjoy steady and consistent employment and earn good livelihoods to support themselves and their families.

And because of the unrivaled quality of the Maine-built ships of the Bath Iron Works, we stand at the threshold of new opportunity.

Opportunity to make possible shipbuilding jobs for another one thousand Maine people.

Opportunity to continue the progress we have made in strengthening our economy.

Opportunity to revitalize an important port.

And opportunity to strengthen the foundation of the future we must build for generations of Maine people who will follow us.

And because of this opportunity, I have asked you to meet today.

The legislation I am asking you to consider will commit a small part of the state's resources as an investment.

In a proven, reliable industry.

In a proven, reliable company.

And the proven, reliable people of Maine.

A sound investment and one which will reap dividends in jobs and tax revenues, dividends which will be declared daily in wages and will be paid for generations to come.

The simple amendment of a bond issue already approved by more than two-thirds of you will help make this happen.

Your vote will make possible an additional four million dollars annually in tax revenues.

I ask you to consider the likelihood that an investment of this magnitude by Maine's largest employer must be seen by the bond-rating institutions as an impressive vote of confidence in Maine.

I ask that you consider that this development can only enhance the reputation of the Maine worker, and that reputation is our strongest argument to businesses that might locate or expand in Maine, as it was for the Burrelle Company in Presque Isle, and Mylikoski in Madison, and Lemforder in Brewer, and Pratt

& Whitney in North Berwick, and for so many others.

I ask that you consider that this legislation comes to you with strong bipartisan support.

It has the unanimous endorsement of your Joint Standing Committee on Transportation and the agreement of your leadership that it should be approved.

In selecting Maine as the place where it wishes to continue to do business, Bath Iron Works considered more than just geography.

It considered 90 years of successful history.

Ninety years of partnership with the people of Maine.

Today, I ask that you accept their offer to expand that partnership.

To match their confidence with your own.

If you do, then this necessary convening of you men and women who make up our legislation will truly be, in every sense of the word, a very special session.

At the conclusion of his address, the Governor withdrew amid applause, the audience rising.

The purpose for which the Convention was assembled having been accomplished, the Chairman declared the same dissolved and the Senate retired to its Chamber amid applause of the House, the members rising.

In the House

The House was called to order by the Speaker.

At this point, the rules were suspended for the purpose of allowing members to remove their jackets.

The following paper appearing on Supplement No. 1 was taken up out of order by unanimous consent:

Bill "An Act to Amend a Bond Issue to Increase the Amount by \$5,000,000 and to Provide Authority to Construct, Acquire or Improve Drydocks and Other Ship Construction and Repair Facilities" (S. P. 714) (L. D. 1693)

Came from the Senate referred to the Committee on Transportation and ordered printed.

In the House, the Bill was referred to the Committee on Transportation in concurrence.

By unanimous consent, ordered sent forthwith.

The following papers appearing on Supplement No. 3 was taken up out of order by unanimous consent:

Bill "An Act to Amend a Bond Issue for Highway and Bridge Improvements" (S. P. 715) (L. D. 1695)

Came from the Senate, under suspension of the rules and without reference to a Committee, the Bill read twice and passed to be engrossed.

In the House, under suspension of the rules, the Bill was read twice and passed to be engrossed without reference to any Committee in concurrence.

By unanimous consent, ordered sent forthwith to Engrossing.

Petitions, Bills and Resolves Requiring Reference

RESOLUTION, Proposing an Amendment to the Constitution of Maine to Decrease the Bonding Limit of the Maine School Building Authority from \$10,000,000 to \$6,000,000 (H. P. 1705) (Presented by Representative Diamond of Windham) (Cosponsor: Representative Higgins of Scarborough) (Governor's Bill)

Committee on Appropriations and Financial Affairs was suggested.

Under suspension of the rules, the Bill was read twice, passed to be engrossed without reference to any committee and sent up for concurrence.

By unanimous consent, ordered sent forthwith.

(Off Record Remarks)

Thereupon, the House recessed until the sound of the gong.

After Recess 12:05 p.m.

The House was called to order by the Speaker.

The following paper appearing on Supplement No. 4 was taken up out of order by unanimous consent:

Report of the Committee on Transportation reporting "Ought to Pass" on Bill "An Act to Amend a Bond Issue to Increase the Amount by \$5,000,000 and to Provide Authority to Construct, Acquire or Improve Drydocks and Other Ship Construction and Repair Facilities" (S. P. 714) (L. D. 1693)

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

In the House, the Report was accepted in concurrence and the Bill read once. Under suspension of the rules, the Bill was read the second time and passed to be engrossed in concurrence.

By unanimous consent, ordered sent forthwith to Engrossing.

The following paper appearing on Supplement No. 6 was taken up out of order by unanimous consent:

Finally Passed Constitutional Amendment

RESOLUTION, Proposing an Amendment to the Constitution of Maine to Decrease the Bonding Limit of the Maine School Building Authority from \$10,000,000 to \$6,000,000 (H. P. 1705) (L. D. 1694)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being a Constitutional Amendment and a two-thirds vote of the House being necessary, a total was taken. 117 voted in favor of same and none against, and accordingly the Resolution was finally passed, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

The following paper appearing on Supplement No. 5 was taken up out of order by unanimous consent:

Passed to Be Enacted

An Act to Amend a Bond Issue to Increase the Amount by \$5,000,000 and to Provide Authority to Construct, Acquire or Improve Drydocks and Other Ship Construction and Repair Facilities (S. P. 714) (L. D. 1693)

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

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

Mr. BRODEUR: Mr. Speaker and Members of the House: In the interest of having this legislature as informed as possible in making decisions, especially in the interest of living with my conscience, I would like to at least inform members of the legislature of some of the questions that I have been asking, the answers that I have received and the concerns I have from which these questions arise.

The number one issue facing our country, our world, and therefore the citizens of Maine, is the issue of averting a nuclear holocaust, from which all the evidence I have seen becomes more thinkable and more possible every day. It is my concern that this legislature not be a part in increasing the probability of nuclear holocaust.

Most people like to forget that issue or deny that it exists because it is much too scary, to the point of terrorizing people.

I asked if any of the facilities developed under this act, such as ship building, overhaul

and repair facilities may be used to develop ships which will, or are likely to, have nuclear weapons for their use. I did find out that there will be no nuclear weapons in Portland Harbor, or, for that matter, any arms stored at all, because it is a policy of Bath Iron Works not to bring in arms on the ships that they do overhaul.

I also found out that of the ships they do create, for instance the guided missile frigates, the guided missile frigate is not designed to have nuclear weapons, is designed to have initial missiles and to use these missiles in defending ships and not to fire on shore but to fire on naval vessels and air vessels.

The destroyers that they do build may be carrying nuclear weapons, and although it isn't necessarily policy, it is a possibility.

We have no right to sacrifice our survival and the future of our children for economic gain, regardless of how great. I would like to be more convinced that we are not jeopardizing our survival and future.

The SPEAKER: The Chair recognizes the gentlewoman from Vassalboro, Mrs. Mitchell.

Mrs. MITCHELL: Mr. Speaker and Members of the House: I would like to speak briefly about the importance of this L.D. to both of us, the legislative delegation, and the State of Maine.

The measure before you today is designed to further the intent of the original bond issue approved by the Maine Legislature earlier this year. It represents an opportunity for the State of Maine to provide impetus to major industrial development along our coast and to put in place the cornerstone of future coastal and economic development, providing benefits to all Maine people.

The bond issue approved by the legislature this spring was designed to encourage the development of Maine's ports, airports and agricultural facilities. This amendment broadens that intent to include a highly significant port development project, bringing specific and immediate benefit to Maine, a project expected to return at least \$196 million in tax revenues to the State Treasury.

Without overstating the importance of this project, I honestly believe that it ranks among the most significant economic development projects ever proposed in Maine. Some economists have ranked it third in importance to Maine's economic growth, placing it only behind the construction of the interstate highway system and the thousands of millions of dollars spent on paper industry expansion.

In considering the importance of this legislation, you should be aware of the intent and the scope of the shipyard facility proposed by Bath Iron Works, its relationship to the state and the City of Portland and of its tremendous importance to Maine people.

Specifically, the legislation before you today provides for the use of \$15 million in state bond monies for shipyard development in the City of Portland in cooperation with Bath Iron Works.

The bond issue approved for referendum earlier this session would be increased by \$5 million, with the remainder of the \$15 million to be taken from money previously intended for development of a proposed cargo handling facility in Portland.

The legislation will have no effect on funds intended for development of a proposed cargo handling facility in Searsport, or for airport improvements, feed grain terminal development, potato processing and handling facilities, or other items included in the original bond issue. The proposed \$5 million increase in the amount of bonds to be issued would raise the total issue to \$33.3 million. This is a realistic, sound financial opportunity for expansion of Maine's largest industrial employer in keeping with Maine's policy of encouraging industry to expand within the state despite intense competition from other regions. It can serve as the foundation for a regeneration of activity along

Maine's coastline in the areas of port development and shipping.

The SPEAKER: The Chair recognizes the gentlewoman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, Men and Women of the House: Although we have a fairly detailed memorandum of understanding from the Executive Branch on how this situation is to be addressed between the State of Maine, the City of Portland and Bath Iron Works, there is one issue that has not been fully resolved, has not been fully addressed, and that is no one's fault, certainly, and that is, what will be the status of submerged lands under the structures which are to be built or purchased under this agreement.

Last session, we dealt with the issue of submerged lands that had been filled previous to 1975 when the law which is in existence now was enacted which gave the state the authority to lease the land under its oceans under its control. That bill has not yet been signed by the Governor and questions have been posed to the court about its constitutionality. I believe that bill, or a bill such as that, needs to be passed so as to clarify the status of those lands, some of which were filled a hundred years ago. That issue is complicated.

Even more complicated will be the issue of how the State of Maine will deal with its submerged lands in the future.

My concern is that we will be faced in January with a special bill allowing the State of Maine, if in fact the courts do make it clear that we can do so, we may be faced with a special bill in January allowing the State of Maine to convey to Bath Iron Works, if it should buy some of the facilities from Portland and the State of Maine, allowing us to convey at the same time complete and clear title to that submerged land.

I can see the scenario now — we'll pass this bill, press conferences will be heard, this bill that we have before us will pass, a bond issue in November, all the agreements will have been reached between all the parties and we will come back here in January, have a simple little bill on our desks and what everyone will say is, the only thing blocking this entire expansion is whether or not the State of Maine will convey forever its interest in submerged land. I want to make it very clear here and now that I will not support that type of bill in January, and I will vigorously oppose any type of bill which will make a special transfer to this one company of its submerged land.

When we do that, we next have to deal with the issue of what happens if Sears Island people come in with the same thing, if Pittston wants that same kind of agreement before it is able to do any industrial expansion. What we will end up having is the same kind of situation as we had with our public lands with the forest industry, and the only people who will probably have to continue to lease the submerged lands will be our fishermen, people in aquaculture, marina operators and the small people who perhaps don't have the clout in the Maine Legislature.

Maine has to be careful about what it does with its submerged lands and how it maintain control over that, and that individual people don't get complete control over those submerged lands and perhaps block off forever our access to the ocean.

I understand the mortgage problems of a 30-year lease. The people that I represent, the small people, are faced with those same mortgage problems as BIW.

My main thing now in making a statement on the record is that I want to make it clear that even though I will support this bill and I think it is a step that we ought to be taking, and even though there are areas where we are making some departures, we can't set the precedent of making a special legislative action to sell to one individual company our submerged lands in January. Even though I have been very gently reminded by the lobbyists for Bath Iron

Works that I have lots of people in my district who work for Bath Iron Works, I am more concerned about the future of the coast of Maine.

The SPEAKER: The Chair recognizes the gentleman from Limestone, Mr. McKean.

Mr. McKEAN: Mr. Speaker, Ladies and Gentlemen of the House: I have some general background information and information on the obligations of all those parties involved in the negotiations for this effort which I would like to point out for two reasons, first of all for those of you who have not become thoroughly acquainted with this particular issue and, second of all, I think it needs to be in the record for this session of the legislature.

State and city involvement in port development is not new. A review of some state statutes finds legislative interest and authorization to encourage, promote and finance port development efforts since 1917. Examination of such effort shows a consistent pattern of legislative intent that state funds be used for port development along Maine's coast. The Bath Iron Works' proposal is consistent with that intent. It provides immediate economic development, employment benefits and a strong basis for the renaissance of coastal facilities within the state.

As Governor Brennan pointed out in his letter of July 20 to the members of this legislature, and I quote, "The efforts of the State of Maine, the City of Portland and Bath Iron Works to establish a new ship overhaul and repair capability are similar in many respects to port and shipyard development projects undertaken in other parts of this country. Federal, state and local governments often join forces with private enterprise to construct such facilities."

The Governor continued to cite specific examples. A shipyard in Boston has just negotiated the lease of a dock which was constructed by the federal government and is now controlled by Boston's EDIC. In New York City, a shipyard is in continuous operation using former government facilities. In Mississippi, a major new shipyard was constructed using state industrial bonds. I was familiar with that particular project because I lived about 30 miles from there at one time where this shipyard was built, and it was a success. In Portland, Oregon, dry dock facilities have been built as part of the public port facilities and are made available on short-term lease arrangements to companies needing dry dock capabilities. That dry dock operation is funded by a combination of lease revenue and a municipal port development tax paid by residents and businesses in that particular city.

As Governor Brennan noted in that letter, it is common practice to have shipbuilding operations expand with multi-level government assistance. Participating cities and states benefit because shipbuilding operations are very labor intensive and jobs in the shipbuilding industry are high paying in comparison to other types of manufacturing.

This is the competition that Maine and the City of Portland faced in attempting to convince Bath Iron Works to expand its operation within Maine instead of looking outside the state for the facilities that it needs. And as a member of the committee that had the hearing on this, believe me, there had been intensive, very intensive, lobbying by interests outside the state to get this particular contract with Bath Iron Works.

We believe the proposal before you today offers a competitive, financially sound investment opportunity for the State of Maine, the City of Portland and Bath Iron Works.

In summarizing the value of this amendment, it may be wise to review the cost and benefits of the proposal. The state and city commit themselves to \$15 million each in bonded indebtedness. The state agrees to sell the state pier to the city for \$4.6 million, which the state will then invest into the dry dock. The state will also complete planning improve-

ments to the state pier area at a cost of a half a million dollars.

Bath Iron Works will provide \$16.5 million in capital and equipment and will be responsible for cost overruns. Upon completion of the necessary sales, acquisitions and leases, equity in the project will be divided as follows: The state will own the dry dock facility; the city will own the state pier, the Canadian National Railway property and the new finger pier. Bath Iron Works will have a 20 year lease on those facilities with purchase options throughout the life of the lease.

The Maine Legislature and the people of Maine can make no better single investment in Maine's economic future than to approve this particular proposal.

The provisions of this cooperative effort between the state, the city of Portland and Bath Iron Works are covered by a Memorandum of Intent signed July 15 by Governor Brennan, Portland City Manager Tim Honey, and Bath Iron Works Board Chairman John Sullivan. A general review of the memorandum is essential to understand the scope and the impact of this particular proposal.

It may be best to enumerate the contents of the memorandum by areas of responsibility. First, under the terms of the memorandum, the state will authorize and issue \$15 million in general obligation bonds; complete planned improvements to the Maine State Pier at a cost of \$500,000, using funds authorized in a 1979 bond issue; sell the Maine State Pier to the City of Portland for \$4.6 million; utilize the funding from the sale of the state pier and the bond issue, a total of \$19.6 million, to acquire and, if necessary, rehabilitate a dry dock facility of specifications suitable to Bath Iron Works; lease the dry dock facility to Bath Iron Works for a period of 20 years. With these obligations come some protections for the state which will be reviewed.

Second, under the Memorandum of Intent, the City of Portland will authorize and issue \$15 million in municipal general obligation bonds and notes; acquire and renovate the Maine State Pier; acquire 134,000 square feet of property from Canadian National Railway Company easterly of the State Pier property; construct an 800 foot finger pier parallel to and easterly of the state pier; improve the soon to be vacated city hospital property for future housing for Navy personnel assigned to ships undergoing repairs, and to lease that housing facility to Bath Iron Works for a period of 20 years.

Third, the Bath Iron Works, in addition to providing specific financial safeguards to the state and the city of Portland, will provide \$12.2 million for working capital and production equipment; invest \$4.5 million toward the purchase or rehabilitation of the dry dock facility by the state, and meet the terms of lease agreements with the city and state.

That is a general summary of the obligations of each of the parties, the state, the city and BIW will undertake to make this particular development possible.

I thank you for your time, and I would hope that you would go 100 percent with this particular proposal.

The SPEAKER: The Chair recognizes the gentleman from York, Mr. Rolde.

Mr. ROLDE: Mr. Speaker, Ladies and Gentlemen of the House: Following upon the presentation of the gentleman from Limestone, Mr. McKean, I would like to present some further details of the agreement for the purposes of having them stated permanently in the record. Since they are rather technical, I hope you will bear with me while I read them to you.

The memorandum also includes provisions under which Bath Iron Works may buy out the remaining years of a lease with the state or city, becoming outright owners of the property or facility covered by the lease. Such purchase prices vary according to the year in which the

purchase is made and are summarized by charts included in Schedule C and D of the Memorandum of Intent.

Further negotiations for the comprehensive letter of commitment have provided even stronger financial protections to the state in this area.

To buy out costs of the dry dock now begins at \$15 million during the first year of the lease, and decreases during the first five years to a value which reflects the bond principal remaining on \$5 million additional investment. A decrease in the purchase price after the fifth year takes into account the \$13 million in tax revenue which the state will have received by that time.

The essence of this arrangement is to encourage Bath Iron Works to take over the entire facility and to continue shipyard and allied operations throughout the 20-year period covered by this agreement.

The memorandum provides specific protections to the state in case of certain actions on the part of Bath Iron Works which might otherwise be deemed injurious to state interests.

It should be pointed out that while no one involved in assembly of this agreement anticipated the need for the exercising of any of these provisions, they were included in attempts to cover all possible contingencies. Specifically, the state is protected in the following manner:

If the purchase and/or renovation of the dry dock exceeds the \$24.1 million estimate, Bath Iron Works will be responsible for any added cost. If the cost is less than \$24.1 million, Bath Iron Works will reduce its \$4.5 million investment in the dry dock but will apply the amount deducted to other improvements in the shipyard project. If Bath Iron Works fails to apply such funds to other improvements, the shipyard will pay the state half of any funding not applied to improvements.

If Bath Iron Works exercises this option to buy out the state lease on the dry dock and subsequently ceases operations, or sells or transfers the dry dock prior to the year 2,001, Bath Iron Works will pay the state a penalty fee minus the amount paid for the purchase of the dry dock. The amount of penalty and purchase price vary according to the year in which the buy-out is made but are sufficient to protect the state's interest.

The state retains a security interest in the dry dock through the year 2,001 to secure Bath Iron Works' obligation. If Bath Iron Works terminates its lease on the pier facilities without purchasing the piers from the city, the dry dock lease terminates at the same time as the pier lease. If Bath Iron Works terminates its leases, it retains the exclusive right to purchase the dry dock for a period of 180 days, after which the state may buy out Bath Iron Works' investment in the dry dock plus the value of capital improvements made to the dry dock by Bath Iron Works.

If Bath Iron Works buys the dry docks from the state under the buy-out provisions and sells it to an unrelated party within five years, Bath Iron Works must pay the state a percentage of the sale price received by Bath Iron Works. That percentage varies from 50 percent, if the dry dock is sold within the first year after purchase, to 20 percent if it is resold four more years after Bath Iron Works buys it from the state.

The use of \$500,000 provided by the state in the 1979 pier improvement bond issue shall be limited to improvements or modifications which could be properly charged to state funds available for such purposes. This is to insure that those funds are used only for purposes covered by the bond issue under which they were raised.

The Memorandum of Intent also provides specific protections for the City of Portland, protections designed to encourage continuation of this project under the conditions prompting

its initiation. Portland officials are here to discuss their role in this project and to answer questions you may have.

Again, it is not the expectation, in view of Bath Iron Works' reputation and record of success, that any difficulties will arise, but it is only prudent business practice to incorporate provisions to safeguard the very significant investments of public funds the city and state are committing to this project.

The SPEAKER: The Chair recognizes the gentleman from Bath, Ms. Small.

Ms. SMALL: Mr. Speaker, Ladies and Gentlemen of the House: Since I have been flatteringly dubbed "Rosie the Riveter" by my legislative peers, and as a past employee of Bath Iron Works, I felt somewhat qualified to speak up in favor of the proposed expansion and bond issue.

The proposed expansion may have some favorable effects for Bath, but my primary motive for supporting this legislation is the benefits it provides for the state as a whole. It is a sound investment for Maine.

Bath Iron Works is the state's largest manufacturer, employing 6500 men and women throughout Maine.

Iron Works' employment benefits not only the Bath area and the surrounding towns but some 240 widely distributed cities and towns. Eight hundred employees reside in Sagadahoc County, but 1100 reside in Cumberland, 1400 in Androscoggin, 700 in Lincoln, 600 in Kennebec and over a hundred in Knox. The proposed expansion will not only increase Cumberland and York Counties' number employed, it will also provide more jobs in the Bath area to replace those transferring to Portland.

In addition to providing over a thousand new jobs, the BIW in its expansion support a wide number of subcontractors and vendors from all over the state. In the past year and a half, the Iron Works has procured materials or services from over 800 different firms, totalling approximately \$40 million.

Bath Iron Works has a purchasing policy giving preference to Maine firms, and approximately 44 percent of all materials which could conceivably be supplied from within the state are purchased here.

Again, purchases are widely distributed over the state. Of materials purchased here, \$900,000 comes from the Bangor area, \$700,000 from the Augusta area, \$2.3 million from the Lewiston-Auburn area, \$8.5 million from the Bath-Brunswick area, \$21.5 million from the Portland area, and \$300,000 from the Rockland area.

Even the Maine citizens who are not living in the BIW employment and service area, the benefits of the expansion have positive effects for them as taxpayers. Using statistics produced by a study on the economic impact of maritime industries on the United States' economy, the BIW forecasts that the state tax revenues could be increased by \$26.9 million over five years; \$87.7 million over ten years; and \$328 million over twenty years. Using these multipliers and looking only at the tax revenue stream, the state's investment could be returned in three and a half years, and every dollar of tax revenue produced thereafter would have a beneficial effect on taxpayers throughout the State of Maine.

With all the state money we invest in education, training and vocational skills, we have a chance to make a further investment in jobs which will employ the people we train. And with all the state money we invest in those who are unemployed seeking relief from the hard-pressed economy, we have a chance to invest in jobs which will take them off state money and into a private payroll.

I urge you to vote yes on this legislation and invest in Maine and their future.

The SPEAKER: The Chair recognizes the gentleman from Waterville, Mrs. Kany.

Mrs. KANY: Mr. Speaker and Members of

the House: I, too, plan to vote in favor of this proposal, but I do believe it is appropriate to mention on the record some reservations that I do have.

I do believe that it is a major departure from our usual method of policy-making. First of all, we are being asked to ratify a fait accompli, and I certainly, in the future, do not intend to give up that prerogative of issuing policy here in the Maine Legislature. So it is only at this one time and on balance with the economic development that will allow this to occur. We already do it with our state employee contracts as far as either accept or reject a particular proposal, and as far as I am concerned, that is often enough.

Secondly, this is a very major departure from our usual financing mechanisms that we have allowed ourselves for economic development. We have quite liberally allowed the use of a lower interest rate for private companies to develop, and personally I support that wholeheartedly. We are not at that point and that time using taxpayer money to actually develop a facility.

On certain other occasions, we do allow guaranteeing of a particular private company's development, we allow guaranteeing using state-backed general obligation bonds, but the state taxpayers' money would only come into play, basically, if there is a default.

Here, for the first time, we are up-fronting money for a private company's development using taxpayer money. Now, on balance, because of the increase in jobs and the development and ports, I personally intend to vote for it, but I am reluctant to do that forever.

Thirdly, and most important to me, the one thing I do not like about this particular proposal is that in the language before us today there is not a reversion clause. For instance, let us say the bonds are paid off, Bath Iron Works has taken the option to actually have ownership of these facilities, Bath Iron Works can then sell to anyone. Perhaps our federal law does prevent them from selling to some foreign countries, but they really, basically, can sell to anyone for any purpose, and I do think that we are really not doing as good a job as we could have if we did put a reversion clause in there. That is the portion that concerns me. We have had a history in which we, in good faith, allowed someone or an entity to take ownership and they did not fulfill the intent that the legislature sought. I needn't go into details on that, but it has occurred and I personally think the Maine Legislature has been burned and I certainly hope that this does not happen again.

So, on balance, I certainly do plan to vote for this, but there are problems and I would hope the people would not think that we would just automatically come in and ratify any such plan in the future.

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

Mr. PEARSON: Mr. Speaker, I would like to pose a question to anybody who may care to answer. The question involves what I think is looking out for the future. That is, we have had an explanation from a number of people of the agreement between Bath Iron Works and the state, but I would like to know if there are any other agreements of any other kind that anybody is aware of, including any agreements that might have been made dealing with submerged lands or anything else.

The SPEAKER: The gentleman from Old Town, Mr. Pearson, has posed a question through the Chair to anyone who may care to answer.

The Chair recognizes the gentleman from Bangor, Mr. Kelleher.

Mr. KELLEHER: Mr. Speaker and Members of the House: I am not up to answer the gentleman's question; I am up to say a few words on this issue. I haven't got a prepared statement to read, simply because I have done that twice in the 14 years that I have been here,

one that I wrote myself and no one listened to me and, second, someone else wrote and I didn't understand it so I didn't bother to read it.

The comments, I think, are created by other speakers who are better prepared.

First of all, I am absolutely delighted to be on the floor of the House this morning and support my good friend from Bath, Ms. Small. I am delighted to end up probably voting for this particular issue.

You know, if this was for AFDC, they would be calling it a handout, but because it is for Bath Iron Works and we are spending \$30 million, it is an investment. When we come back here in October or November of this year, after we get done with the federal cuts that are done in Washington, there are going to be a lot of social welfare programs that are going to need some money and I hope my old conservative friends in this House, and those of us who think that we are moderates, if we are moderates, will be working hand in hand to help a great many people in this state who are going to need it because of the federal budget cuts dealing with human services, education and elsewhere.

They talked about the social welfare pork barrel. This is a \$30 million commitment of the taxpayers of this state to a company that has a reputation of being financially sound, but because of an extraordinary situation where we are competing with a firm in some other state, it may have been the mother state of Maine, Massachusetts, we have to make a considerable investment of the taxpayers' dollars in this particular industry, and it is probably going to be money well spent.

There were a great many of us here this morning in our respective caucuses that were skeptical about buying this whole program as a pig in a poke without asking some questions. Some were raised by me and a great many others were raised by other members of my caucus in regards to the long-range future of this particular proposal.

Maine is economically depressed, as we all know. This is an opportunity for us to create jobs in the state. Well, if they are going to be in Portland, or the Portland area, that is fine, those people have to work down there just like they have to work in my community and elsewhere.

I want to say thank you again to Ms. Small for giving us such a complete outline of how many people in this state are employed from Knox, Lincoln, Sagadahoc, Androscoggin and Cumberland and York Counties that work for the Iron Works, and I know that is to encourage us to support it and I say "amen" to her; it is a good approach.

In talking about the money that is spent in Bangor, the five or six million dollars, or that is spent in Waterville or elsewhere by the Bath Iron Works, I applaud her for that, that is a good approach.

But I think the reason any one of us is going to vote for this issue here today is because of what the overall benefit is to the state and not because of any selfish benefits to our respective and individual communities.

I just want to end my remarks by saying that if we come back here in October, if the Governor calls us back because of some massive cuts dealing with human services and the people of this state who unfortunately have to apply for them, I hope my colleagues in this House will be just as supportive of spending tax dollars to make their life a little better as they are to bail out Bath Iron Works to the tune of \$30 million for industrial development and expansion in this state.

The SPEAKER: The Chair recognizes the gentlewoman from Vassalboro, Mrs. Mitchell.

Mrs. MITCHELL: Mr. Speaker and Members of the House: In response to Representative Pearson's question, I do not want it to go unanswered because it suggests there are many backroom deals and smoke filled rooms going on.

The agreement between the Executives Department and Bath Iron Works consist of a Letter of Intent, a Letter of Commitment, dry dock lease, purchase and sale agreement — you have seen them all. There is nothing specific on submerged lands; however, the state has an obligation to give them the best title possible.

The SPEAKER: The Chair recognizes the gentlewoman from Falmouth, Mrs. Huber.

Mrs. HUBER: Mr. Speaker and Members of the House: I also intend to vote in favor of this actually \$20.1 million subsidy to the Bath Iron Works, although we are only dealing with a large portion of it in this bill.

I think clearly, although there are risks, there are also benefits, and we have heard them detailed for us this morning and I won't repeat them.

I can only hope that given the limited amount of time that we have had, as the gentlewoman from Waterville so well pointed out, I hope that the legislation has been properly drafted and that we have taken care of any foreseeable potential problems.

I do think, though, that we shouldn't lose sight of the fact that this assistance is a subsidy, just as tax incentives are a form of subsidy and, yes, just as milk price controls are a form of subsidy. I had a little difficulty understanding how our Governor can at one point sing the praises of free enterprise concerning the milk bill and then turn around and support the request of a specific firm for a \$20 million plus subsidy.

We are now, and the voters of Maine will, in the fall, have the opportunity to decide the wisdom of providing Bath Iron Works with this subsidy, and I am sure that there will be good public information to enable the voters to do that. Assuming that we do this, I trust that no one will be surprised if in the near future our approval generates similar requests for subsidies from private business, and perhaps some of the fears that Mrs. Kany has rightfully raised will be confronting us again.

I think it has been said many times on the floor of the House here that a tax is a tax is a tax, and by the same token, a subsidy is a subsidy is a subsidy. Bath Iron Works knows this just as much as the Maine dairy farmer does.

Finally, I would just point out that our job in these issues and others is to decide if such assistance is in the best interest of the people of the State of Maine. I believe and trust that this will be the basis on which we will continue to act on the issues as they come before us.

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

Mr. DILLENBACK: Mr. Speaker, Ladies and Gentlemen of the House: I think we have had all the information we need on the record. I think everybody expressed their view very carefully. I see no reason why we can't vote on this because nobody is going to object to it, as far as I can find.

Having been a member — I hesitate to say this — but having worked for Todd-Bath Shipyards in the City of Portland prior to the great war, I want you to know that business really hums when you have a shipyard. People really work, it brings industry in and the beer halls do a great job, everybody is working and the money is invaluable to the state. So what do you say, let's vote on this.

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

Mr. PEARSON: Mr. Speaker, Ladies and Gentlemen of the House: I really would like to know how old the previous speaker is at some point, but I would like to address a few remarks to the reply that Representative Mitchell gave to my question about whether there were any other agreements. She listed the agreements that had been brought forth by the Bath Iron Works and the State, and she added at the very end of it that the state would, of course, want to give Bath Iron Works the best

title that they could to any land that we might have, and I think that is a reasonable position to take. I think it is reasonable to take that position to Bath Iron Works, and I think it is reasonable to take that to anybody else along the coast that is involved in submerged lands.

I am looking down the road, I think, at the same thing that Representative Post was looking at, a special situation. I would hope that that wouldn't occur, that everybody would be treated equally.

I am not from the coast, but I would suggest to you, all of you from Penobscot, Aroostook, or all of the other counties that are not from the coast, that we are going to be looking very closely and listening very closely to the coastal people and their problem with submerged lands, and if one person is treated differently than everybody else, I feel that is wrong.

The SPEAKER: The Chair recognizes the gentleman from Limerick, Mr. Carroll.

Mr. CARROLL: Mr. Speaker, Ladies and Gentlemen of the House: The Statement of Fact, I felt, left out just a little bit of explanation, and so to satisfy certain people, I would like to add this statement.

The language of this legislation allows flexibility for the problems at other cargo ports, such as Eastport, should there be funds available.

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

Mr. McHENRY: Mr. Speaker, Ladies and Gentlemen of the House: I am not totally opposed to this but, let me tell you, what we are doing by voting for this, we are going to increase the state average wage. You people are familiar with the workers' comp problem that we have been dealing with. Now, as you see, we have industry coming in and workmen's comp. wasn't such a big problem, was it?

I object very much to having our state officials deal with public lands, public money, behind closed doors without an unimportant person such as myself or yourself, elected officials, having one word to say. I cannot amend this bill, we cannot amend it, we cannot do a thing about it. We have to swallow it hook, sinker and everything, either way. I object to having behind closed door negotiations on public lands and public money. Anything that belongs to the public should be out in the open and dealt with in the open.

I might be voting for it or I might not be voting for it, but that is my feeling.

The SPEAKER: The Chair recognizes the gentleman from Yarmouth, Mr. Jackson.

Mr. JACKSON: Mr. Speaker and Members of the House: In our family, the great war was always World War I.

I would like to make a couple of comments on this. I am thoroughly in favor of this. I think the state should be involved in this type of thing. I think that Representative Huber was very much on target in her comparison of the milk to this and I think the same issues were at stake and we were divided on some of these, but I think they were.

The only thing that I would, I guess, chide the House a bit on is that it seems very easy for us to address major companies when they come seeking help and they bring in a lot of jobs and they help the state. It is very easy for all of us to target in on all of these things.

Bath Iron Works is a Maine company that has a tremendous reputation throughout the whole United States. It is going to bring jobs in, it is going to help one of our major cities. As Representative Small pointed out, there is going to be a tremendous spin-off benefit to small companies in the state.

I think my greatest concern here is maybe the small, small companies and I wish this legislature could be more in tune to help them. There have been issues that have come before us in the last session and there will be again. We seem to have no trouble grasping the major, big companies, the big chunks of jobs,

we have trouble with the small ones, and I hope that we can address that.

I think our whole problem with workmen's comp in the last session would have helped small companies in Maine tremendously. I think there have been a number of bills come through here and I hope this legislature can more tune itself to all the industry in the state and all the small jobs and that from now on we will do a great deal more for the state.

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

Mr. STOVER: Mr. Speaker, Ladies and Gentlemen of the House: I rise to support this legislation. I think one of the things that makes me want to support it is the fact that this Bath Iron Works is not a fly-by-night operation. They have a proven track record. They have produced more of the best ships in the nation, but they also produce them below budget and ahead of schedule, something no other yard has been able to attain.

As Mr. Dillenback says, this has been pretty well covered, but the thing that really stands out is that it is pumping money into the economic bloodstream of this state. It is creating jobs, and we who have had jobs sometimes perhaps don't realize what it must be like for someone who is out there searching for a job.

Although I have never worked in the Bath Iron Works and I don't work in the Bath Iron Works now, I have always been a beneficiary of the fact that Bath Iron Works has been in the City of Bath. However, Bath Iron Works has never been in the position that it is today under the leadership of John Sullivan and Bill Hagggett and the Congoleum Company. They are employing over 6,000 people and I couldn't help, when I went back over the records, as you know, I manage a small housing project and back in 1964, when the Bath Iron Works was at a far lower ebb than it is now, out of 250 apartments, we had 107 vacancies. You can imagine what that must be like. Today, we not only have complete occupancy, but probably have between 100 and 150 on the waiting list. I think this brings out dramatically just what impact an organization such as Bath Iron Works does have in an area. I hope you all support it.

The SPEAKER: The Chair recognizes the gentleman from Scarborough, Mr. Higgins.

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I guess as the Minority Floor Leader here today, I feel as though we should somehow get our two cents' worth in and endorse this proposal a hundred percent.

We had, as I am sure you are aware, some initial concerns over a couple of issues that surfaced. We had sufficient time to deal with the Governor on these matters and as far as I am concerned, those concerns have been addressed by the Governor and we are quite satisfied with the proposal that has been brought before you today.

But I would like to take issue with the fact that someone called this a bailout. I don't think this is a bailout at all, I don't think there is going to be any question about the results here today, but I think the gentledady from Falmouth, Mrs. Huber, hit the nail on the head pretty well when she said, "Is this in the best interest of the people of the State of Maine?" I think for all intents and purposes, there is no one here that could deny that it is.

The alternatives to this plan, simply put, is that Bath Iron Works expands their operation to Boston and that we go down the road and develop a cargo port facility in Portland of unknown quantity and unknown ownership. I think to that end, this certainly is a much better alternative and certainly in the best interest of the people of the State of Maine.

My concluding remark would be, while this may at some point appear to be the end of an economic development program, I would hope that it certainly would be a beginning to some additional programs throughout the State of Maine. We have one of the lowest per capita in-

comes in the nation, that is well known by most of the people who live and work in this state, so I guess I would conclude by saying that I hope that rather than this being an ending, that it be a beginning for continued economic development of clean, viable and good employers for the entire State of Maine.

With that, I would hope we would go on with the vote and we could be out of here in time for lunch.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mrs. Nelson.

Mrs. NELSON: Mr. Speaker, pursuant to Rule 19, I ask to be allowed to abstain on this important issue due to a perceived conflict of interest.

The SPEAKER: The Chair will grant the request of the gentleman from Portland, Mrs. Nelson, and she will be excused from voting pursuant to Rule 19.

The Chair will order a vote. Pursuant to the provisions of Section 14 of Article IX of the Constitution, this being a bond issue, it requires a two-thirds vote of all those present and voting. All those in favor of this bond issue being passed to be enacted will vote yes; those opposed will vote no.

A vote of the House was taken.

143 having voted in the affirmative and one having voted in the negative, the Bill was passed to be enacted.

Signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

The following paper appearing on Supplement No. 7 was taken up out of order by unanimous consent:

Passed to Be Enacted Bond Issue

An Act to Amend a General Fund Bond Issue for the Purposes of Assisting Municipalities with Resource Recovery of Solid Waste (S. P. 716) (L. D. 1696)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. In accordance with the provisions of Section 14 of Article IX of the Constitution, a two-thirds vote of the House being necessary, a total was taken. 139 voted in favor of same and 4 against, and accordingly the Bond Issue was passed to be enacted, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

The following paper appearing on Supplement No. 8 was taken up out of order by unanimous consent:

Passed to Be Enacted Bond Issue

An Act to Amend a Bond Issue for Highway and Bridge Improvements (S. P. 715) (L. D. 1695)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. In accordance with the provisions of Section 14, Article IX of the Constitution, a two-thirds vote of the House being necessary, a total was taken. 141 voted in favor of same and none against, and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith to the Senate.

(Off Record Remarks)

House at Ease

Called to order by the Speaker.

The following paper appearing on Supplement No. 9 was taken up out of order by unanimous consent:

Non-Concurrent Matter

Bill "An Act to Amend a General Fund Bond Issue for the Purposes of Assisting Municipalities with Resource Recovery of Solid Waste"

(S. P. 716) (L. D. 1696) which was Passed to be Enacted in the House on August 3, 1981.

Came from the Senate failing of Passage to be Enacted in non-concurrence.

In the House:

The SPEAKER: The Chair recognizes the gentleman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, I move that we recede and concur.

The SPEAKER: The Chair recognizes the gentleman from Scarborough, Mr. Higgins.

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I am not exactly sure of what happened at the other end of the hall, I happened to be in here speaking with some members of the House when the vote was taken.

I am going to vote against the motion to recede and concur, not because I am particularly in opposition to this bond issue relative to resource recovery, but I do feel that we struck an agreement with the Executive Branch of government and that the Republicans, at least, shared a concern with him that we wanted to reduce \$5 million worth of authorized bonds. His proposal to us included this \$500,000 cut from the solid waste bond issue that we passed in June. While I wasn't particularly happy with that choice, the alternative was one that was even less palatable than this one.

I guess I view this whole package that was put together last week and culminated on Friday as just that, a package, and while I am not particularly happy with cutting back this particular issue, I do feel that we struck a deal, so to speak, and that this House, at least, ought to go along with it and send a message to the other body. If we adhere on this bill, we can send it down to the other end, and if they want to kill it, then let them kill it, but I, for one, am not going to go along with changing votes in mid stream, if you will, and renege on what I consider a fairly reasonable deal that was struck 72 hours ago.

I would hope you would oppose the motion to recede and concur and we could stay with an agreement that was previously reached.

The SPEAKER: The Chair recognizes the gentleman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, Men and Women of the House: I can understand the gentleman's concerns about an agreement which he may have made. I think we all get a bit frustrated when we are here dealing with packages that are presented to us when we come into special session.

My concern is that what we are doing here by reducing the amount of bonded indebtedness by this amount does not seem like that great an amount in terms of the overall package, and yet we would be cutting this by the assistance to municipalities for resource recovery of solid waste by a third.

My priorities may be different from the gentleman from Scarborough, and I don't think we want to place this burden on all the municipalities in this state as part of a package for this development in Portland. I don't think that it is necessary.

I am concerned about the effects of the costs of resource recovery on the communities in my area and around the state. I think we are jeopardizing the future of some of these areas so somebody could prove a point that we do indeed, in order to make this development in Portland, we will indeed be reducing some of our bond indebtedness. I am not willing to place the burden of the development in Portland on all the communities in the rest of the state. That is why I voted against this bill previously when it was here, and I would hope that we would go along with the other body's wise action and vote to recede and concur.

The SPEAKER: The Chair recognizes the gentleman from Falmouth, Mrs. Huber.

Mrs. HUBER: Mr. Speaker and Members of the House: I think you should know that I sponsored this bill originally, although the draft is a

committee draft, unanimously reported out by the Committee on Energy and Natural Resources. When it came to the floor, it was a \$2.5 million bond issue. Leadership, in their wisdom, reduced it once to \$1.5 and, as you know, it is my understanding that Republican leadership and the Governor agreed on the further reduction to \$1 million. My priority happens to be solid waste also, as it is Mrs. Post's, but I am going to vote to adhere because, frankly, now we are playing games and I don't think we can afford to jeopardize the development bond issue which we passed here on this floor a little while ago.

I think the important thing here, more important than the dollars at stake, is to get the program going. It was mentioned that it really wouldn't matter because it wouldn't take effect until November. Well, what has happened already, we wrote the bill in such a way so that communities can be eligible for a matching grant as of July 1. In other words, if they have a contract with a consultant, they can apply to have part of that paid for with funds from this bond issue, if it was signed, as of July 1. It really is just a question of getting voter approval, and even then it will be retroactive to the July 1st date.

I think the critical thing here is to get it going and, frankly, I am not convinced that there will be a knuckling under at the other end. I don't think it is worth our staying here the rest of the day and perhaps into the evening playing chicken or whatever you want to call it, and I would hope you would vote to adhere and we can all go home and get all these programs underway.

The SPEAKER: The Chair recognizes the gentlewoman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, Men and Women of the House: I think we are playing games if we say that we are going to increase one bond issue in the amount that we are in terms of the development by \$5 million, that the only way we can do that is to reduce the bonding money that is going to be available to all of our communities by \$500,000. I think that is playing games.

Resource recovery is a critical problem in my area. I ask for the yeas and nays.

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. All those desiring a roll call vote will vote yes; those opposed will vote no.

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 on the motion of the gentlewoman from Owl's Head, Mrs. Post, that the House recede and concur. All those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA — Brodeur, Brown, A.; Carroll, Carter, Chonko, Clark, Connolly, Cox, Crowley, Davies, Diamond, G. W.; Diamond, J. N.; Erwin, Gwadosky, Hall, Hayden, Hickey, Higgins, H. C.; Jacques, Kane, Kany, Kilcoyne, LaPlante, Lisnik, Locke, Macomber, Mahany, Martin, H. C.; McCollister, McGowan, McHenry, McKean, Michaud, Mitchell, E. H.; Mitchell, J.; Nadeau, Paradis, P.; Paul, Perry, Post, Pouliot, Richard, Roberts, Smith, C. B.; Soule, Swazey, Tuttle, Webster, Mr. Speaker.

NAY — Aloupis, Armstrong, Austin, Beaulieu, Bell, Benoit, Berube, Boisvert, Bordeaux, Brannigan, Brenerman, Brown, K. L.; Callahan, Conary, Curtis, Damren, Day, Dexter, Dillenback, Drinkwater, Foster, Gavett, Gowen, Hanson, Higgins, L. M.; Holloway, Huber, Hunter, Hutchings, Ingraham, Jackson, Jalbert, Jordan, Kiesman, Livesay, MacBride, Manning, Masterman, Masterton, Matthews, McPherson, Nelson, A.; Nelson, M.; Norton, Paradis, E.; Pearson, Perkins, Peterson, Prescott, Racine, Reeves, J.; Ridley, Salsbury,

Sherburne, Smith, C. W.; Soulas, Stover, Strout, Studley, Tarbell, Telow, Theriault, Thompson, Treadwell, Walker, Wentworth, Weymouth.

ABSENT — Baker, Boyce, Brown, D.; Cahill, Carrier, Conners, Cunningham, Davis, Dudley, Fitzgerald, Fowlie, Gillis, Hobbins, Joyce, Kelleher, Ketover, Lancaster, Laverriere, Lewis, Lund, MacEachern, Martin, A.; McSweeney, Michael, Moholland, Murphy, O'Rourke, Randall, Reeves, P.; Rolde, Small, Stevenson, Twitchell, Vose.

Yes, 49; No, 67; Absent, 34; Vacant, 1.

The SPEAKER: Forty-nine having voted in the affirmative and sixty-seven in the negative, with thirty-four being absent, the motion does not prevail.

Thereupon, on motion of Mrs. Beaulieu of Portland, the House voted to adhere.

By unanimous consent, ordered sent forthwith to the Senate.

House at Ease

Called to order by the Speaker.

At this point, a message came from the Senate, borne by Senator Conley of Cumberland, informing the House that the Senate had transacted all business before it and was ready to adjourn without day.

The Speaker appointed Representative Mitchell of Vassalboro on the part of the House to inform the Senate that the House had transacted all business before it and was ready to adjourn without day.

Subsequently, Mrs. Mitchell reported that she had delivered the message with which she was charged.

The Chair appointed the following members on the part of the House to wait upon His Excellency, Governor Joseph E. Brennan, and inform him that the House had transacted all business before it and was ready to adjourn without day:

Representatives:

CARROLL of Limerick
McKEAN of Limestone
FOWLIE of Rockland
REEVES of Pittston
MACOMBER of South Portland
MOHOLLAND of Princeton
STROUT of Corinth
HUTCHINGS of Lincolnville
HUNTER of Benton
McPHERSON of Eliot

Subsequently, Mr. Carroll, for the Committee, reported that they had delivered the message with which they were charged.

(Off Record Remarks)

The SPEAKER: The Chair recognizes the gentleman from Easton, Mr. Mahany.

Mr. MAHANY: Mr. Speaker, I move that the House stand adjourned without day.

The SPEAKER: The gentleman from Easton, Mr. Mahany, moves that the House adjourn without day. Is this the pleasure of the House?

The motion prevailed, and at 4:40 p.m., Eastern Daylight Saving Time, Monday, August 3, 1981, the Speaker declared the House adjourned without day.