

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One Hundred and Tenth

Legislature

OF THE

STATE OF MAINE

SECOND REGULAR SESSION

January 6, 1982 to April 13, 1982

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FOURTH SPECIAL SESSION

April 28, 1982 and April 29, 1982

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FIFTH SPECIAL SESSION

May 13, 1982

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SECOND CONFIRMATION SESSION

July 16, 1982

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HOUSE

Thursday, March 18, 1982

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

Prayer by the Reverend William Smith of the Windsor Memorial Baptist Church.

The journal of the previous session was read and approved.

The SPEAKER: The Chair would ask the following members of the Legislature to please go to my Office to act as escorts for Agricultural Day Queens.

Representatives:

JACQUES of Waterville
HUNTER of Benton
WEBSTER of Farmington
TREADWELL of Veazie
DEXTER of Kingfield
LISNIK of Presque Isle
POST of Owl's Head
MAHANY of Easton

Messages and Documents

The following Communication: (H. P. 2195)

State of Maine
Senate Chamber
President's Office
Augusta Maine 04333

March 16, 1982

TO MEMBERS OF THE 110TH LEGISLATURE:

Pursuant to the provisions of Joint Rule 13, the President and the Speaker have established Friday, March 19, at 12:00 noon as the time that all bills must have been voted upon and reported from committee, unless specific authorization is given by the President of the Senate and the Speaker of the House.

Sincerely,
S/JOSEPH SEWALL
President of the Senate
S/JOHN L. MARTIN
Speaker of the House

The Communication was read and ordered placed on file and sent up for concurrence.

The following Communication:

Committee on Election Laws

March 17, 1982

The Honorable John Martin

Speaker of the House

State House

Augusta, Maine 04333

Dear Speaker Martin:

The Committee on Election Laws is pleased to report that it has completed all business placed before it by the second regular session of the 110th Legislature.

Total number of bills received	1
Divided Report	1

Respectfully submitted,
S/GREGORY G. NADEAU
House Chairman

The Communication was read and ordered placed on file.

**Petitions, Bills and Resolves
Requiring Reference**

Bill "An Act to Amend the Charter of St. Mark's Home in Augusta" (H. P. 2192) (Presented by Representative Lund of Augusta) (Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 27)

Committee on Legal 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.

Bill "An Act to Amend the Charter of Coburn Classical Institute" (H. P. 2193) (Presented by Representative Mitchell of Vassalboro) (Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 27)

Committee on Legal 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.

Taxation

Bill "An Act to Establish the Discount Rate for the Tree Growth Tax Law" (H. P. 2177) (L. D. 2069) (Presented by Representative Brown of Bethel) (Cosponsors: Representatives Day of Westbrook, Ingraham of Houlton and Kilcoyne of Gardiner) (Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 27)

Bill "An Act to Revise the Definition of Forest Land for Purposes of the Tree Growth Tax Law and to Require Notification of Landowners' Obligation to Reapply" (Emergency) (H. P. 2178) (L. D. 2068) (Presented by Representative Masterman of Milo) (Cosponsor: Representative Brown of Bethel) (Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 27)

(Ordered Printed)

Sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

Transportation

Bill "An Act to Clarify and Make Corrections in the Motor Vehicle Laws" (H. P. 2185) (Presented by Representative Carroll of Limerick) (Cosponsor: Senator Emerson of Penobscot) (Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 27)

(Ordered Printed)

Sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

Orders

On motion of Representative McSweeney of Old Orchard Beach, it was

ORDERED, that Representative Merle Nelson of Portland be excused March 18 and 19 for Legislative Business.

Special Sentiment Calendar

In accordance with House Rule 56, the following items (Expressions of Legislative Sentiment) Recognizing:

Mary Ann McCrea, of Fort Fairfield, State President of Maine Association of Future Farmers of America; (H. P. 2188) by Representative Mahany of Easton) (Cosponsors: Senators Hichens of York, Wood of York and Representative Sherburne of Dexter)

The following Agricultural Nobility: Tina St. Pierre, of Clinton, Egg Queen; Wilma Sawyer, of Albion, Farm Bureau Queen; Barbara Hoeffler, of Phillips, Miss Rodeo Maine; Trina Lavertu, of East Eddington, Jr. Miss Rodeo Maine; Marlayne Corson, of Strong, Grange Queen; Christine Colbath, of Presque Isle, Potato Queen; and Carol Higgins, of Owls Head, Sea Goddess; (H. P. 2189) by Representative Mahany of Easton. (Cosponsors: Senator Hichens of York, Wood of York and Representative Sherburne of Dexter)

Maine farmers and the State's agricultural industry on Maine Agriculture Day, March 18, 1982; (H. P. 2190) by Representative Mahany of Easton. (Cosponsors: Senators Hichens of York, Wood of York and Representative Sherburne of Dexter)

Ella G. Kelly, of Island Falls, on the 90th anniversary of her birth; (H. P. 2186) by Representative Smith of Island Falls. (Cosponsor: Senator Sewall of Penobscot)

Lyda M. Banton, of Island Falls, on the 89th anniversary of her birth; (H. P. 2187) by Representative Smith of Island Falls. (Cosponsor: Senator Sewall of Penobscot)

The Honorable Melvin "Doc" Simon, of White River Junction, Vermont, National Vice Commander of the American Legion, on the occasion of his visit to Maine; (H. P. 2191) by Representative Kelleher of Bangor. (Cosponsors: Representatives Pearson of Old Town,

Hickey of Augusta and Connors of Franklin)

There being no objections, these items were considered passed and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

House Reports of Committees**Leave to Withdraw**

Representative Nelson from the Committee on Health and Institutional Services on Bill "An Act to Use Receivership Law as an Enforcement Mechanism" (H. P. 1880) (L. D. 1873) reporting "Leave to Withdraw"

Representative Martin from the Committee on Business Legislation on Bill "An Act to Clarify the First Lien Mortgage Exemption in the Maine Consumer Credit Code" (H. P. 1729) (L. D. 1714) reporting "Leave to Withdraw"

Representative Kany from the Committee on State Government on RESOLVE, Authorizing the Director of the Bureau of Public Lands to Convey Certain Lands of the State in Gorham, Cumberland County (H. P. 2009) (L. D. 1980) reporting "Leave to Withdraw" (Representative Holloway of Edgecomb - Abstained)

Representative Bell from the Committee on State Government on Bill "An Act to Revise the Term of Appointment of Legislative Directors and Officers" (H. P. 2143) (L. D. 2049) reporting "Leave to Withdraw"

Reports were read and accepted and sent up for concurrence. By unanimous consent, ordered sent forthwith to the Senate.

Ought to Pass in New Draft

Representative Masterman from the Committee on Taxation on RESOLVE, Reimbursing Certain Municipalities on Account of Taxes Lost Due to Lands Being Classified under the Maine Tree Growth Law (Emergency) (H. P. 1844) (L. D. 1840) reporting "Ought to Pass" in New Draft (Emergency) (H. P. 2194) (L. D. 2074)

Report was read and accepted and the New Draft read once. Under Suspension of the Rules, the New Draft was read the second time, passed to be engrossed and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

Ought to Pass**Pursuant to Joint Order H. P. 1846**

Representative Roberts from the Committee on Local and County Government pursuant to Joint Order H. P. 1846 reporting a RESOLVE, for Laying of the County Taxes and Authorizing Expenditures of Piscataquis County for the Year 1982 (Emergency) (H. P. 2196) (L. D. 2075) asking leave to report that the same "Ought to Pass"

Report was read and accepted and the Resolve read once. Under suspension of the rules the Resolve was read the second time, passed to be engrossed and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

Consent Calendar**First Day**

In accordance with House Rule 49, the following items appeared on the Consent Calendar for the First Day:

(H. P. 1936) (L. D. 1916) Bill "An Act to Ensure Continuation of the Residential Conservation Services" — Committee on Public Utilities reporting "Ought to Pass" as amended by Committee Amendment "A" (H-651)

(H. P. 2007) (L. D. 1978) Bill "An Act Concerning Revisions in the Maine Juvenile Code" — Committee on Judiciary reporting "Ought to Pass" as amended by Committee Amendment "A" (H-652)

(H. P. 1838) (L. D. 1835) Bill "An Act to Provide that Procedures Covered by the Maine Medical Assistance Program (Medicaid and Catastrophic Illness) Shall be Reimbursable Whether Performed by a Physician or Dentist"

— Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-654)

(H. P. 1973) (L. D. 1948) Bill "An Act to Clarify the Requirement that an Estimate of Debt Service Accompany Bond Issues Presented to the Voters" — Committee on State Government reporting "Ought to Pass" as amended by Committee Amendment "A" (H-656) (Representative Holloway of Edgecomb — abstained)

(H. P. 2144) (L. D. 2050) Bill "An Act to Authorize the Repair, Maintenance and Improvement of the Building and Grounds of the Statehouse" — Committee on State Government reporting "Ought to Pass" as amended by Committee Amendment "A" (H-655)

(H. P. 2021) (L. D. 1986) Bill "An Act to Authorize the Treasurer of State to Issue Tax Exempt Commercial Papers" — Committee on State Government reporting "Ought to Pass"

(H. P. 1733) (L. D. 1718) Bill "An Act to Regulate the Materials, Construction and Installation of Chimneys, Fireplaces, Vents, and Solid Fuel Burning Appliances" — Committee on Business Legislation reporting "Ought to Pass" as amended by Committee Amendment "A" (H-658)

(H. P. 2049) (L. D. 1997) Bill "An Act to Establish the Cost of the 1982 Spruce Budworm Spray Project" — Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "A" (H-660)

No objections being noted, under suspension of the rules, the above items were given Consent Calendar Second Day notification, passed to be engrossed and sent up for concurrence.

Consent Calendar Second Day

In accordance with House Rule 49, the following items appeared on the Consent Calendar for the Second Day:

(H. P. 2068) (L. D. 2009) Bill "An Act Converting Grand Lake Stream Plantation into the Town of Grand Lake Stream" (Emergency)

(H. P. 2055) (L. D. 2002) Bill "An Act to Provide Staggered Expiration Dates for Terms of Inland Fisheries and Wildlife Advisory Council Members" (Emergency) (C. "A" H-649)

(S. P. 759) (L. D. 1817) Bill "An Act to Amend the Maine Consumer Credit Code Regarding Second Mortgages and Mobile Homes" (C. "A" S-408)

(S. P. 787) (L. D. 1852) Bill "An Act to Amend the Maine Consumer Credit Code Regarding Educational Loans and Cosigner Notices" (Emergency) (C. "A" S-407)

No objections having been noted at the end of the Second Legislative Day, the Senate Papers were passed to be engrossed in concurrence and the House Papers were passed to be engrossed and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

Passed to Be Enacted Emergency Measure

An Act to Establish the Cost of the Maine Forestry District in Fiscal Year 1982-83 (S. P. 842) (L. D. 1965)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure and a two-thirds vote of all the members elected to the House being necessary, a total was taken. 121 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.

Emergency Measure

An Act to Make the State Unemployment Tax Exemption for Individuals Engaged in Fishing Consistent with the Federal Unemployment Tax Exemption for such Individuals (H. P. 2008) (L. D. 1979)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed. This being an emergency measure and a two-thirds vote of all the members elected to the House being necessary, a total was taken. 114 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.

The SPEAKER: The Chair is pleased at this time to break in our normal calendar business to spend some time for you to hear from the various people who represent Maine agriculture, and at this time I would ask that the Sergeant-at-Arms escort the various Queens, with the legislators from their home districts, to the rostrum for the purpose of making whatever comments they may wish to make.

Thereupon, the Agricultural Queens were escorted to the rostrum amid applause of the House, the members rising.

The SPEAKER: I would like to have you here from Tina St. Pierre of Clinton; she is the Egg Queen.

Miss TINA ST. PIERRE: First I want to thank everyone for allowing all of us queens to come here, and thank my escort.

I participated in the Central Maine Egg Festival in Pittsfield, Maine, and my advisor was Lorna Chamberlain. I received a \$500 scholarship, along with this crown, sash and a trophy. I have been to Springfield, Massachusetts—that was the "Big E" as they call it. I have been in a lot of parades and I have one coming up in June and I will be giving up my crown in July.

The SPEAKER: At this time I would like to introduce to you Wilma Sawyer of Albion, and she is the Farm Bureau Queen.

Miss WILMA SAWYER: Good afternoon. I am very proud to be here today to represent the Maine Farm Bureau. I would like to tell all of you that I spent five beautiful days in San Diego representing the State of Maine at our national conference there.

In the Farm Bureau, we try not only to represent one type of farmer but everything from apples to vegetable farmers, from sheep to dairy. We are very proud that we are from the State of Maine and our national motto is, "As Maine Goes, So Goes the Nation."

The SPEAKER: Next is Barbara Hoeffler of Phillips, and she is Miss Rodeo Maine.

Miss BARBARA HOFFFLER: Hello, my name is Barbara, and I have just spent, actually in December, a whole week out in Oklahoma City at the National Finals Rodeo. I rode horses, I competed against 47 other states in personality and appearance and I had a great time representing the State of Maine. They all promised to come and visit you for the lobsters that they will receive when they come here. I had a great time.

The SPEAKER: Next is Trina Lavertu of East Edgington. She is the Junior Miss Rodeo Maine.

Miss TRINA LAVERTU: Hi, I'm Trina. My life hasn't been as exciting as Barbara's but I am trying to catch up with her. In a couple of years, I am hoping to try out for Miss Rodeo Maine.

I have travelled, I have gone to rodeos and I have had a lot of fun.

The SPEAKER: Marlayne Corson of Strong, the Grange Queen.

Miss MARLAYNE CORSON: Good afternoon. When I came down here last year as a senior to watch and listen to the House, I never expected to be up here addressing you as the Agricultural Queen for the Grange.

The grange is a farm-urban fraternity which has over 18,000 members in it and is one of the largest institutions in the United States. I have participated in quite a few functions and I had a great time. I hope I get to participate in a few more before I give up my crown.

The SPEAKER: The industry that made possible the potatoes today that you have on your

desks and representing the potato industry as the Potato Queen, from Presque Isle, Christine Colbath.

Miss CHRISTINE COLBATH: Good morning everyone. I am really pleased to be here. Actually, I have never been here before, so this is the first time I have ever seen the State House on the inside, so this is quite an experience.

I am really glad that I have the chance this year to represent the potato industry and work with the Potato Commission and, most of all, get to know a lot of nice people from Maine. It has been a really great year.

I would like to present these disposable barbecue aprons to Mr. Speaker on behalf of the potato industry.

The SPEAKER: Now, representing the Franklin County area, the Franklin County Queen, Angie Emery, who has just had a knee operation.

Miss ANGIE EMERY: As he said, I represent Franklin County, I am the Farm Bureau Queen for that county. And all you Pages, I know how you feel, I was here three years ago.

I am really having a good time. I was in the Winter Festival for Franklin County, but since then I have been pretty laid up and haven't gotten into a lot of things.

The SPEAKER: Now the State President of the Association of Future Farmers of America, Mary Ann McCrea of Fort Fairfield.

MARY ANN MCCREA: Good morning, I am glad to be here. Today, I am accompanied by my other state officers who are up in the balcony. One of our major goals in the Future Farmers of America is to promote agriculture and to promote youth participation in agriculture through our national organization, the Future Farmers of America.

Just recently, our state association elected an executive secretary. We also work under our state advisor, Mr. Dunbar Seamans. Both these people are very important to our organization, they help us immensely. They travel with us throughout the state, we try to recruit new members and to promote the agriculture business and promote your participation.

Again, at this time I would like to thank the Legislature for their help in the Future Farmers America and vocational education. Without your help, we wouldn't be here, and through the years we hope to see your devoted support, as we have seen in past years.

The SPEAKER: I think you will all agree that these young people represent an excellent cross-section of Maine's youth and do an excellent job in promoting Maine agriculture. On behalf of the Members of the House, to all of you we thank you for being a part of Maine agriculture and we certainly wish you the best. Thank you very much.

Thereupon, the Queens were escorted from the Hall, amid the applause of the House, the members rising.

Passed to Be Enacted

An Act to Amend the Charter of the East Edgington Public Hall Company (S. P. 792) (L. D. 1868) (C. "A" S-406)

An Act to Clarify Fish Inspection Responsibilities (H. P. 1742) (L. D. 1731)

An Act to Increase the Working Capital of the State Liquor Commission (H. P. 1807) (L. D. 1792) (H. "A" H-644)

An Act to Allow Priority Social Service Program Funds to Match Appropriate Federal Funds (H. P. 1835) (L. D. 1832) (C. "A" H-643)

An Act to Provide a Data Input and Retrieval System for the Workers' Compensation Commission (H. P. 1901) (L. D. 1886) (C. "A" H-640)

An Act to Allow the Transfer of Aquaculture Leases (H. P. 1955) (L. D. 1927)

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.

An Act to Eliminate Discrimination in Cases of Prostitution (H. P. 2121) (L. D. 2040)

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

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

Mrs. KANY: Mr. Speaker and Members of the House: I know there is a lot of support for this bill. It is seen as an anti-discriminatory measure and, because of that, I won't make the motion to indefinitely postpone it, but I would like to object to this kind of bill. The reason is that I am not assured by anyone that this bill would be enforced in a way which I believe is in keeping with the dignity in which I think laws should be enforced.

I would hope that someone could rise and assure me that this law would not only be enforced by decoys, in which perhaps employees of the state would pretend to be something that they actually are not and would be available to help people break the law. I personally find that to be a serious problem, and I just wanted to voice my concern with this bill on the record.

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

An Act to Increase the Sardine Tax (H. P. 2157) (L. D. 2057)

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 item of Unfinished Business:

Bill "An Act Relating to Informed Consent and Determination of Best Interest for those Unable to Give Informed Consent for Sterilization" (H. P. 2179) (L. D. 2064)

Tabled—March 15 (Until later today) by Representative McHenry of Madawaska.

Pending—Passage to be Engrossed.

Mr. McHenry of Madawaska offered House Amendment "A" and moved its adoption.

House Amendment "A" (H-650) was read by the Clerk and adopted.

The Bill was passed to be engrossed as amended by House Amendment "A" and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

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

An Act to Prohibit Public Drinking on School Premises Without Requiring Prior Warning by a Law Enforcement Officer (H. P. 1929) (L. D. 1912) (S. "A" S-400)

—In House, Passed to be Enacted on March 10.

—In Senate, Bill and Accompanying Papers Indefinitely Postponed.

Tabled—March 15 by Representative Lisnik of Presque Isle.

Pending—Further Consideration.

On motion of Mr. Lisnik of Presque Isle, retabled pending further consideration and tomorrow assigned.

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

JOINT ORDER—Relative to Joint Standing Committee on Taxation reporting out a bill to update current law to bring the state tax code into compliance with United States Internal Revenue Code (S. P. 922) — Read in House on March 15.

Tabled—March 15 by Representative Mitchell of Vassalboro.

Pending—Passage.

On motion of Mrs. Mitchell of Vassalboro, retabled pending passage and later today assigned.

The Chair laid before the House the third

tabled and today assigned matter:

Bill, "An Act to Change the Corporate Limits of the Kittery Water District" (H. P. 1872) (L. D. 1866)

Tabled—March 15 by Representative Davies of Orono.

Pending—Passage to be Engrossed.

The SPEAKER: The Chair recognizes the gentleman from Eliot, Mr. McPherson.

Mr. McPHERSON: Mr. Speaker, Ladies and Gentlemen of the House: This is my bill and it appears that it has drifted quite a ways away from what the officials of the Kittery Water District and myself originally agreed we wanted to do, and it appears that we need quite a bit more time, so I would move at this time that this bill and all its accompanying papers be indefinitely postponed.

Thereupon, on motion of Mr. McPherson of Eliot, the Bill and all accompanying papers were indefinitely postponed.

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

HOUSE REPORT—"Ought to Pass" as Amended by Committee Amendment "A" (H-614)—Committee on Public Utilities on Bill, "An Act to Clarify the Regulation of Sewer Districts" (H. P. 1791) (L. D. 1781)

Tabled—March 15 by Representative Davies of Orono.

Pending—Acceptance of Committee Report.

Thereupon, the Report was accepted and the Bill read once. Committee Amendment "A" (H-614) was read by the Clerk and adopted.

On motion of Mr. Davies of Orono, tabled pending second reading and later today assigned.

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

An Act to Adjust Fees for Licenses issued by the Real Estate Commission (Emergency) (H. P. 1809) (L. D. 1794) (C. "A" H-612)

—In House, Failed of Passage to be Enacted on March 9.

—In Senate, Passed to be Enacted in non-concurrence.

Tabled—March 15 by Representative Brannigan of Portland.

Pending—Motion of the same gentleman to Recede.

On motion of Mr. Brannigan of Portland, retabled pending the motion of the same gentleman to recede and specially assigned for Tuesday, March 23.

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

An Act Relating to the Compensation of Public Utilities' Commissioners (H. P. 1921) (L. D. 1903) (C. "A" H-626)

Tabled—March 15 by Representative Davies of Orono.

Pending—Motion of Representative Cunningham of New Gloucester to Reconsider Failing of Enactment.

The SPEAKER: The Chair recognizes the gentlewoman from Pittston, Mrs. Reeves.

Mrs. REEVES: Mr. Speaker, Ladies and Gentlemen of the House: I ask that you vote no on reconsideration of this bill. The House had a decisive vote against giving the PUC commissioners a raise last week, and I think we should stick to that, and I would ask for a division when the vote is taken.

I have been to two major public hearings at the Public Utilities Commission this fall, and neither one of them was attended by the commissioners. Elderly, low-income people and just plain people come from all across the state to attend these hearings, but the commissioners don't seem to feel that they should take the time to listen to ordinary people, only to lawyers and people from the company.

These commissioners see themselves as 'technicrats' and I don't think giving them a raise is going to help them understand the basic

issue that they should listen to the people telling them that rate increases hurt. Even if they have to increase the rates, I think the commissioners should know that this is very hard on people.

The commissioners are called quasi-judicial, but at court trials, the judge has to be there for a trial to take place, so I don't see that they are like judges.

When the public has been slighted and ignored by these commissioners, it is not the time for this legislature to give them a raise. I would like to ask you to vote no and I would like to have a division.

The SPEAKER: The Chair recognizes the gentlewoman from Auburn, Miss Lewis.

Miss LEWIS: Mr. Speaker, Ladies and Gentlemen of the House: I would like to echo the words of Representative Reeves in urging you to vote no on reconsideration.

There are many reasons why we decisively killed this bill last week. First of all, the bill is tied to pay raises for the judges, so actually the statement of fact should be much higher than those figures that are on there.

Secondly, as the gentlelady pointed out to you, the present commissioners are not attending hearings.

I would also like to point out to you that working people in this state, including state employees, are doing without raises. Is it really important that we give these high salaried people raises when the working people in this state are doing without them?

Finally, I would like to point out to you that we did, indeed, give the Public Utilities Commissioners a raise last year.

On your desks was distributed an editorial from the Lewiston Daily Sun that explains why you should vote no, against reconsideration. I urge you to vote no.

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

Mrs. KANY: Mr. Speaker and Members of the House: I urge you to vote to reconsider. I believe members of our committee are interested in redrawing this legislation, and I hope that you will go along with the motion to reconsider and then a motion to recommit to the Committee on State Government, so that we can all evaluate this question in an unemotional atmosphere.

For instance, there are a number of items pending that have been mentioned. Representative Lewis talked about a problem with commissioners attending hearings, and I do know that the Public Utilities Committee, for instance, has addressed that and there will be, I believe, a unanimous bill before the legislature within the next couple of days to address that particular problem.

Regardless, I hope that you do go along with the motion to reconsider and then we can send this back to the committee.

The SPEAKER: The pending question is on the motion of the gentleman from New Gloucester, Mr. Cunningham, that the House reconsider its action whereby this Bill failed of passage to be enacted. All those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

Whereupon, Mr. Vose of Eastport requested a roll call vote.

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

Mr. DILLENBACK: Mr. Speaker, Ladies and Gentlemen of the House: The idea of having to table this, if you wouldn't reject this bill at this time, is to take it back to commit-

tee, as Mrs. Kany has said. The reason we want to take it back is that it is a minimal raise. When the judges' raise came into effect, we weren't aware of it, we didn't know the bill was there, so consequently that is why there is a conflict. If this bill could come back to us, I think it would give a minimum raise of around \$2,500 to the PUC commissioners. There is a new commissioner to be appointed next year. We would like to have qualified people on this board, we want to have people who can do a good job for us.

I realize there have been some problems, and I have attended some of these PUC hearings, but with the problems we have today in the State of Maine, we need the very best qualified people that we can have on the PUC, and I think it is being shortsighted if you vote against this bill today. Give us an opportunity to take it back to committee. Then when we bring it back on the floor if you don't like what we have done, at that time you could vote against it, but please give us an opportunity to at least work the bill over again.

The SPEAKER: The Chair recognizes the gentleman from Kennebunk, Mr. Murphy.

Mr. MURPHY: Mr. Speaker and Members of the House: This House should be up front with salaries and not piggyback or hide them within the judicial salaries.

There is no party issue here, but there is an accountability issue before us today. My constituents have told me that they want this chamber to hold the PUC commissioners accountable. If we follow this concept that is contained within this L.D., those commissioners will no longer be accountable to this chamber.

I think one factor to keep in mind also is that in carrying out their duties, the judges appear in court, and from what we have read and the accounts in the recent papers, the commissioners either stay home or they work in their offices shuffling papers.

I think we have an opportunity here today to say that there is no emergency, and I would hope that we would stand by our earlier vote on reconsideration and vote no.

The SPEAKER: The Chair recognizes the gentleman from Fryeburg, Mr. Kiesman.

Mr. KIESMAN: Mr. Speaker, Ladies and Gentlemen of the House: We seem to be addressing this issue on the basis of emotionalism rather than the facts or good common sense, and I will just put one issue to you. When the issue comes forward on raising the compensation for legislators, you won't mind if I borrow Representative Reeves' speech and reread it to you in regard to the attendance of legislators at hearings, do you, and whether they should receive a pay raise?

The SPEAKER: The Chair recognizes the gentleman from Orono, Mr. Davies.

Mr. DAVIES: Mr. Speaker, I would like to bring this back to the issue that really is at hand.

Representative Kany from State Government has requested that we reconsider this bill so we can return it to the Committee on State Government to report it out in a substantially different form than you have it in the amendment H-626. The reason why, is, just as was said earlier, there was not the knowledge in the State Government Committee that judicial pay raises were going to go through. The original bill did not tie it to judicial pay raises, and the proposal that the committee will be considering when it is returned to committee, if it is returned to committee, would detach it from that tie that the amendment has to judicial salaries.

I would also like to reassure Representative Lewis and Representative Reeves that in fact the Public Utilities Committee is reporting out a bill, either in unanimous or nearly unanimous form, that will allow the Chairman of the Public Utilities Commission to require that a member of the commission, either himself or another member, be present at public hear-

ings. We think that this is an important step forward and we would like to have the opportunity to get it before you for your consideration. But don't allow the fact that we haven't considered it yet affect your vote, because it is coming. I assure you that it will be before this body, and it is our intent to make sure that commissioners will be attending public hearings in response to the public outcry that we have heard.

I hope that you will not allow these related but extraneous facts to effect your vote on this. Please allow the State Government Committee an opportunity to reconsider what it reported out and to report out an alternative view that is substantially different from the one that you have before you.

The SPEAKER: The Chair recognizes the gentleman from Auburn, Miss Lewis.

Miss LEWIS: Mr. Speaker, I would like to pose a question to the Chair. First of all, how many more legislative days are there? Secondly, what is the date by which all bills must be reported out of committee and to the floor of the House?

The SPEAKER: The Chair would advise the gentleman that she can read her calendar to tell the number of days that are left. In reference to the second question, all bills have to be voted on by tomorrow noon but not out of committee.

The Chair recognizes the gentleman from Enfield, Mr. Dudley.

Mr. DUDLEY: Mr. Speaker and Members of the House: At this late date, I am opposed to reconsideration. I think this committee has had ample time to come up with a bill to cover the subject. However, I am sure the public that you represent are not that much different than mine and they are taking, most of them, a cut in pay. They are down to 40 hours in most cases, and some have lost their jobs, been laid off, on unemployment, and they view this as a very bad time to give any department down here an increase in pay. I happen to agree with them, and perhaps that is why I have been here for so long, because I have agreed with them down through the years. I suggest that maybe there are some here that like being here, and if you would like to come back, you had better consider the people's thoughts back home. I am sure those from your district are not that much different from mine.

I hope that you will not reconsider, and the net result will be, we will not give these commissioners a raise in pay at this time when everybody in the State of Maine is either getting less hours or less pay or no job at all.

The SPEAKER: The Chair recognizes the gentleman from Cape Elizabeth, Mrs. Masterton.

Mrs. MASTERTON: Mr. Speaker, Ladies and Gentlemen of the House: If you would just take a look at the original bill, 1903, I think you will see the direction in which we are headed back towards. That bill came into our committee, we amended it with H-626, which did tie the PUC commissioners' salaries to the judges. Unbeknownst to us, another bill went sailing through which gave the judges a raise. When we learned of this fact, we perceived that of course this amendment would not be acceptable because the raises that the PUC people would get would be too precipitous, not at all what we planned.

All we are asking you to do today is to reconsider our action so that we can strip the bill of its amendment, go back to the original bill, which I must emphasize does not give a raise to the PUC. If you will look at it, all it does is remove the steps in the range at which they are presently set, keeps them in the same ranges and provides three different conditions on which the Governor can give them a raise, and that is what we would like to go back to. I emphasize again, we are not talking about a raise in this bill, we are talking about a procedure by which the Governor can raise their salaries if

the conditions are met.

The SPEAKER: A roll call has been ordered. The pending question is on the motion of the gentleman from New Gloucester, Mr. Cunningham, that the House reconsider its action whereby this bill failed of passage to be enacted. All those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA—Bell, Benoit, Boisvert, Bordeaux, Brannigan, Brenerman, Carroll, Carter, Clark, Davies, Day, Diamond, G.W.; Diamond, J.N.; Dillenback, Fowle, Gillis, Gwadosky, Hall, Hayden, Hickey, Hobbins, Hutchings, Kane, Kany, Kiesman, Kilcoyne, LaPlante, Lisnik, Livesay, Lund, MacEachern, Mahany, Manning, Martin, H.C.; Masterman, Masterton, McCollister, McGowan, Michaud, Mitchell, E.H.; Mitchell, J.; Nadeau, O'Rourke, Paradis, E.; Paradis, P.; Paul, Pearson, Peterson, Post, Richard, Ridley, Roberts, Rolde, Small, Soulas, Soule, Swazey, Theriault, Thompson, Vose, Weymouth, The Speaker.

NAY—Aloupis, Armstrong, Austin, Baker, Beaulieu, Berube, Brodeur, Brown, A.; Brown, D.; Brown, K.L.; Cahill, Callahan, Carrier, Chonko, Conary, Connors, Connolly, Cox, Crowley, Cunningham, Curtis, Damren, Dexter, Drinkwater, Dudley, Erwin, Fitzgerald, Foster, Gavett, Gowen, Hanson, Higgins, H.C.; Higgins, L.M.; Holloway, Hunter, Ingraham, Jackson, P.T.; Jackson, P.C.; Jacques, Jordan, Joyce, Ketover, Laverriere, Lewis, Locke, MacBride, Macomber, Martin, A.; Matthews, McHenry, McPherson, McSweeney, Michael, Moholland, Murphy, Nelson, A.; Norton, Perkins, Perry, Pines, Pouliot, Randall, Reeves, J.; Reeves, P.; Salisbury, Sherburne, Smith, C.B.; Stevenson, Stover, Strout, Studley, Tarbell, Telow, Treadwell, Tuttle, Twitchell, Walker, Webster, Wentworth, Willey.

ABSENT—Boyce, Davis, Huber, Jalbert, Kelleher, Lancaster, Nelson, M.; Racine, Smith, C.W.;

Yes, 62; No, 80; Absent, 9.

The SPEAKER: Sixty-two having voted in the affirmative and eighty in the negative, with nine being absent, the motion does not prevail. Sent to the Senate.

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

Ought Not to Pass

Representative Pearson from the Committee on Appropriations and Financial Affairs on Bill "An Act to Create Manpower Distribution Incentives in the Fields of Medicine, Dentistry, Optometry and Veterinary Medicine" (H. P. 1948) (L. D. 1925) reporting "Ought Not to Pass"

Was placed in the Legislative Files without further action pursuant to Joint Rule 22 and sent up for concurrence.

The following paper from the Senate was taken up out of order by unanimous consent:

The following Communication: (S. P. 929)

State of Maine Senate Chamber President's Office Augusta Maine 04333

March 17, 1982

Honorable Dana C. Devoe
Honorable Barry J. Hobbins
Chairmen
Joint Standing Committee on Judiciary
State House
Augusta, Maine 04333
Dear Chairmen:

Please be advised that Governor Joseph E. Brennan is nominating Ronald D. Russell of Bangor for appointment to the Maine District Court Judge-at-Large seat.

Pursuant to Title 4 Section 157, this nomination will require review by the Joint Standing Committee on Judiciary and confirmation by

the Senate.

Sincerely,
JOSEPH SEWALL
President of the Senate
JOHN L. MARTIN
Speaker of the House

Came from the Senate read and referred to the Committee on Judiciary.

In the House, the Communication was read and referred to the Committee on Judiciary in concurrence.

The following paper from the Senate was taken up out of order by unanimous consent:

The following Communication: (S. P. 928)

State of Maine
Senate Chamber
President's Office

March 17, 1982

Honorable David R. Ault

Honorable Judy C. Kany

Chairmen

Joint Standing Committee on State Government

State House

Augusta, Maine 04333

Dear Committee Chairmen:

Please be advised that Governor Joseph E. Brennan is renominating Roderick E. Farnham of Hampden and Annalee Z. Rosenblatt of Scarborough for appointment to the State Personnel Board.

Pursuant to Title 5 MRSA Section 591, these nominations will require review by the Joint Standing Committee on State Government and confirmation by the Senate.

Sincerely,
JOSEPH SEWALL
President of the Senate
JOHN L. MARTIN
Speaker of the House

Came from the Senate read and referred to the Committee on State Government.

In the House, the Communication was read and referred to the Committee on State Government in concurrence.

The Chair laid before the House the following matter:

Bill "An Act to Clarify the Regulation of Sewer Districts" (H. P. 1791) (L. D. 1781) which was tabled and later today assigned pending second reading.

On motion of Mr. Davies of Orono, the House reconsidered its action whereby Committee Amendment "A" (H-614) was adopted, and on motion of the same gentleman, the Amendment was indefinitely postponed.

Under suspension of the rules, the Bill was read the second time.

Mr. Davies of Orono offered House Amendment "A" and moved its adoption.

House Amendment "A" (H-661) was read by the Clerk.

The SPEAKER: The Chair recognizes the gentleman from Orono, Mr. Davies.

Mr. DAVIES: Mr. Speaker and Members of the House: This has been sitting on the table for quite a while and I wanted to let you know that the problem has not been one of major consequence but simply getting the language of the amendment drawn in such a tight fashion that it wouldn't inadvertently affect other sewer districts in a way that we had not anticipated. The language is narrowed in a fashion that all parties that are interested in it are convinced that it does just what it intends to do and doesn't do anything more than that. I just wanted to provide some reassurance to the members of the legislature.

Thereupon, House Amendment "A" was adopted.

The Bill was passed to be engrossed as amended by House Amendment "A" and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

The SPEAKER: I will first attempt to give you the background and the reasoning so you are aware of what happens when it happens.

Following the series of offering orders and discussion of those orders last week, the President and I met on Monday and reached the following conclusions: basically four to five issues, and they are being jointly applied to in both bodies and I would like to tell you what those are.

There arose, as a result of this particular order, a series of questions and I will attempt to lay out the questions to you. Pursuant to the germaneness ruling on the Joint Order which is on your printed calendar, Senate Paper 919, it does not necessarily encompass the four or five questions which were arrived at, but in order to put it in perspective, what I thought I would do is attempt to lay it out to you so you would know what it is we are dealing with and what the results are and why, rather than attempting to simply give a ruling on that one, which would be different and leave you in a quandry as to what the reasoning is.

First of all, the first question was, is it proper for a bill to appear in a joint order, because if you note in the original order, the first order that was put in, which is Senate Paper 919, the order, in effect, laid out what the bill would be. In answer to that question, let me indicate to you that any order which is passed by both bodies which spells out what a committee is to do precludes the right of a committee to do any amending or changing or altering of any issue dealing with that. That is set out in two parliamentary documents, Hughes and Sturgis, if you wish to refer, and I would be more than happy to show it to you. The issues then are to be amendable not by the committee but the committee must report intact exactly what the order calls for and therefore would not be, as I said, subject to amendment in committee. However, they would be subject on the floor of either body but not in committee.

Second, the question as to whether or not an order dealing with taxes can originate in the Senate. This particular one is somewhat more dangerous to deal with, but the Constitution seems clear, and the President and I and the Attorney General agree that the Constitution seems to imply that orders dealing with taxes, calling out a taxation committee bill, can originate in either body, provided that the bill is returned to the House of Representatives to be dealt with.

The third question, does an order such as this one or the one which has been tabled until later today require a majority or two-thirds vote. The answer to that question is found in Rules 25 and 26, and that answer is two-thirds vote is required in both bodies for introduction.

The rules specify that after cloture all bills must be introduced through the Legislative Council process, except orders which deal with the daily business of the House, and since these orders reporting out a bill are not that kind of an order, both the President and I have agreed that it requires suspension of the rules for introduction of these kinds of orders which attempt to circumvent the Legislative Council process.

That is the basis for all the issues that are before us.

The Chair laid before the House the following matter:

JOINT ORDER—Relative to Joint Standing Committee on Taxation reporting out a bill to update current law to conform the state tax code to the United States Internal Revenue Code (S. P. 919) Read in House on March 11.

Tabled—March 11 by Speaker Martin of Eagle Lake.

Pending—Ruling of the Chair.

The SPEAKER: In reference to this Order this Order appears in violation of the rules on this calendar because it did not receive a two-thirds vote in the Senate. Therefore, it is re-

turned to the other body to be disposed of accordingly.

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

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I believe in order for us to discuss the ruling of the Chair, there must be an appeal.

The SPEAKER: The Chair would advise the gentleman that it is not debatable in either case under the rules.

Mr. HIGGINS: Mr. Speaker, I would appeal the decision of the Chair.

The SPEAKER: The question now before the body is shall the decision of the Chair be sustained. It is not debatable.

Mr. HIGGINS: Mr. Speaker, may I pose a question.

The SPEAKER: The gentleman may pose his question.

Mr. HIGGINS: Could the gentleman explain to me where—I have read my Mason's Rules and it appeared in there that once the appeal was offered by a member of the body, it was debatable and the Chair could correspond with the person appealing the ruling of the Chair.

The SPEAKER: The Chair would answer in the negative.

Mr. HIGGINS: Where is that ruling, Mr. Speaker?

The SPEAKER: Would the member please take his seat. The gentleman from Eagle Lake requests when the vote is taken, it be taken by the yeas and nays.

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 gentleman from Bangor is out of order—the gentleman may state his inquiry.

Mr. TARBELL: Mr. Speaker, is it appropriate for me to ask for consent to the address the House?

The SPEAKER: The Chair would answer in the negative.

Mr. TARBELL: I would appeal that ruling, Mr. Speaker, and ask for a roll call.

The SPEAKER: The Chair would advise the gentleman that that decision is not appealable because it is an improper request of the gentleman from Bangor. The Chair would advise the gentleman that the matter will not be put to that body. It is not an appealable matter and the gentleman from Bangor knows that.

Mr. TARBELL: Mr. Speaker, is not your ruling to deny me consent or the opportunity to request consent to address this body, is that not a ruling?

The SPEAKER: The Chair would advise the gentleman from Bangor, Mr. Tarbell, that the business before the body is on the original appeal. You may not make two appeals at the same time, and that is not a matter to be discussed.

Mr. TARBELL: Mr. Speaker, it seems to me that a member can ask consent at any time to address the other 150 members of this body.

The SPEAKER: The Chair would ask him, would he please, as the Chair has asked him since he has been a member of this body, to read the rules.

The SPEAKER: A roll call has been ordered. The pending question before the House is on the appeal of the gentleman from Scarborough, Mr. Higgins, that the decision of the Chair be overturned. If you are in favor of sustaining the Chair, you will vote yes; those opposed will vote no.

ROLL CALL

YEA—Baker, Beaulieu, Benoit, Boisvert, Boyce, Brannigan, Brennerman, Brodeur, Carrier, Carroll, Carter, Chonko, Clark, Connolly, Cox, Crowley, Davies, Diamond, G.W.; Diamond, J.N.; Dudley, Erwin, Fitzgerald, Fowle, Gwadosky, Hall, Hayden, Hickey, Hig-

gins, H.C.; Hobbins, Jacques, Joyce, Kane, Kelleher, Ketover, Kilcoyne, LaPlante, Laverriere, Lisnik, Locke, MacEachern, Macomber, Mahany, Manning, Martin, A.; Martin, H.C.; McCollister, McGowan, McHenry, McSweeney, Michael, Michaud, Mitchell, E.H.; Mitchell, J.; Moholland, Nadeau, Norton, Paradis, P.; Paul, Pearson, Perry, Post, Pouliot, Reeves, P.; Richard, Ridley, Roberts, Rolde, Smith, C.B.; Soule, Swazey, Theriault, Thompson, Tuttle, Twitchell, Vose, The Speaker.

NAY—Aloupis, Armstrong, Austin, Bell, Berube, Bordeaux, Brown, A.; Brown, D.; Brown, K.L.; Cahill, Callahan, Canary, Connors, Cunningham, Curtis, Damron, Davis, Day, Dexter, Dillenback, Drinkwater, Foster, Gavett, Gillis, Gowen, Hanson, Higgins, L.M.; Holloway, Hunter, Hutchings, Ingraham, Jackson, P.T.; Jackson, P.C.; Jordan, Kiesman, Lancaster, Lewis, Livesay, Lund, MacBride, Masterman, Masterton, Matthews, McPherson, Murphy, Nelson, A.; O'Rourke, Paradis, E.; Perkins, Peterson, Pines, Randall, Reeves, J.; Salsbury, Sherburne, Small, Smith, C.W.; Soulas, Stevenson, Stover, Strout, Studley, Tarbell, Telow, Treadwell, Walker, Webster, Wentworth, Weymouth, Willey.

ABSENT—Huber, Jalbert, Kany, Nelson, M.; Racine.

Yes, 76; No, 70; Absent, 5.

The SPEAKER: Seventy-six having voted in the affirmative and seventy in the negative, with five being absent, the decision of the Chair is sustained.

Returned to the Senate.

(Off Record Remarks)

The Chair laid before the House the following matter:

Joint Order—Relative to Joint Standing Committee on Taxation reporting out a bill to update current law to bring the state tax code into compliance with the United States Internal Revenue Code (S. P. 922) which was tabled earlier in the day and later today assigned pending passage.

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

Mrs. MITCHELL: Mr. Speaker, under your previous ruling considering a bill being properly before us it needed a two-thirds vote from the other body, is this one properly before us?

The SPEAKER: The Chair would advise the gentlewoman the Order is properly before us but requires a two-thirds vote according to the decision.

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

Mr. KELLEHER: Mr. Speaker, I would request the yeas and nays.

The SPEAKER: For the Chair to order a roll call, it must have the expressed desire of one fifth of the members present and voting. Those in favor 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 Chair recognizes the gentlewoman from Owl's Head, Mrs. Post.

Mrs. POST: Mr. Speaker, Men and Women of the House: I would ask you at this point to vote against this particular order. Although it does not have some of the details in it as far as the previous order had, it does mandate that we conform entirely to the new Internal Revenue Code. That does not give any flexibility as far as this Legislature or the committee making decisions as to what parts of the code we might accept and are appropriate and what other parts of the code we not accept. It also does not give any flexibility as far as making decisions, as many of our editorial writers have urged us to do if necessary, to provide funds to some other kinds of increased taxes to fund the tax breaks, if you will, that are given to various in-

dividuals and corporations.

There is one particular loophole, I think, in the present Internal Revenue Tax Code; there has been a great deal of it in the press lately. I just received yesterday an article about the windfall benefits that General Electric will receive. It is probably one of the biggest tax loopholes that has ever been passed by the United States Government and I think it is particularly inappropriate for the state to adopt that loophole and I will be presenting an order. I don't know whether it will be available today or whether it will be available tomorrow, but I will be presenting an order that would, in fact, conform us to those provisions in the new Internal Revenue Code which would benefit your individuals and your corporations except for the big loophole, which is the accelerated cost depreciation and the leasing of that depreciation for corporations, and until there is some kind of action taken by the federal government, I think that is the only stance that this legislature fiscally and responsibly can take.

I would ask you to vote against this particular order at this time, understanding that there is an order in process now that would take care of most of the bookkeeping problems but put on hold the State of Maine going along with the big loopholes of corporations as far as the buying and selling goes.

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

Mr. TARBELL: Mr. Speaker, Ladies and Gentlemen of the House: This order that is before you today, sponsored by Senator Wood from the other body, is a measure that would ask the Taxation Committee to report out a bill to us here in the House which would virtually be identical to the measure which we passed in this House last December in Special Session before the 1981 tax year was up.

There is a list of about 25 items that would mean tax cuts to Maine citizens, out of which probably 75 percent of those tax cuts are to individuals and a few are to businesses and corporations. If we went along with the order, you would be letting this legislative session have a bill, debate a bill, have a public hearing on a bill to allow the State of Maine to continue to piggyback with the federal tax code so that we would not have two separate tax laws and tax codes in the State of Maine.

If we do not have an order in here to bring this measure in before us, we are basically telling the Maine people that, first, we are not willing to pass along around \$10 million worth of tax cuts, state tax cuts, to them. We don't believe that that is an important enough issue to have before us this year in this body to compete with all the other fiscal issues that we have before us. We would be telling the Maine people, secondly, this is individual as well as business, small, medium and large, we would be telling the Maine people that we think you had better start keeping two sets of books, one for your federal tax laws and one for your state, because we can't tell you or guarantee you whether or not come the end of this tax year you are going to have to file on the basis of two separate sets of books.

We would also be telling our State Bureau of Taxation, you had better gear up to have a Maine Internal Revenue Service, a state internal Revenue Service, and we had better give you two to four million dollars for additional bureaucracy this year before you have to set up a new tax form and a new tax system to administer a separate state tax system.

I would like to read you just some of the items that would be involved—the federal tax cut bill that Congress passed last year and is spread over a three or four year period of time is over 200 pages long. All of those items in the federal tax cut bill would not affect us at the state level, only 25 items. This comes from Rod Scribner's office in the Bureau of Taxation. Only a handful of items that would affect the adjusted gross income line on our state tax

form would be impacted. Now, tell me whether or not you think these are important enough—marriage penalty relief for married people who pay more taxes just because they are married—approximately \$2.4 million in tax savings; child dependent care credit for people who have dependent care and day care; charitable contributions by individuals made to non-profit public service organizations; a roll-over period for elderly citizens who have to sell their homes in order to recoup some of that money for our elderly; the Keough retirement plan and the IRA, individual retirement account plans, which are tax shelters for the low income and the middle income taxpayers of our state, not for the rich and the wealthy, they have got their tax shelters, but IRA and Keough is for the middle income people to have their retirement tax shelters, that is worth a million dollars worth of our tax cuts for them; the All Savers Certificate, which is a tax shelter for savers who want to save under the Maine State Income Tax system, that is over a million dollars of savings, and then the big item that isn't just corporations, as Mrs. Post would want you to believe—\$4 million tax savings to small businesses, middle businesses and large businesses, \$4 million savings on their capital equipment that they have in order to provide jobs, in order to operate, they are accelerating their depreciation.

Then, the one I like the best is this, and this Order would not, if we went along with the piggybacking on the federal tax form, wouldn't only be \$10 million worth of tax cuts but also would be a tax increase, a tax increase for the rich under our state income tax, for the rich who have so much money that they are able to play what is called "tax straddles"—sit on the fence and figure out which way they want to go in order to save some money. We would be plugging that tax loophole for the rich under our state tax code if we went along with this order and went along in piggybacking on the feds, with their federal income tax system.

This measure does not involve in any way the buying and selling of loss items and sophisticated utility operations and big business operations or oil leases or anything like that, for big corporations that are involved in the federal tax law. It is only 25 simple items, nuts and bolts basically, for the average Maine taxpayer in our state.

It is a big price tag, it is \$10 million, but if we don't let this order in and under the ruling of the Chair and under the ruling of the House today it will take a two-thirds vote. I think that this measure ought to have an equal opportunity to compete with all the other budgetary process measures that we are here to decide. That is the most important issue this session, the state budget and the competing fiscal issues. Don't you think that the taxpayers have an equal right to have this measure in here competing along side of the highways, along side of other social programs, along side of other state government items?

In the last Special Session, this bill took a total of 36 hours from the minute that it was introduced and drafted, heard in public hearing and enacted on the floor of the House and the other body and signed by the Governor. It is not too late to introduce the measure and I urge you to do so. Give the tax committee a broad-base order, which this order is, to allow that committee to look at the entire issue, not part of the issue, and that is what this order does.

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

Mrs. MITCHELL: Mr. Speaker and Members of the House: Mr. Tarbell is right, it is not a party issue, it is a matter of who controls Maine state tax policy. It is unfortunate that Representative Tarbell did not hear the Chairwoman on the Taxation Committee who said that the committee is working on an order which would allow us to deal with this issue but would not be so rigid as the order before us

which simply says we must conform to the federal tax code.

Under the ruling of the Chair, we just heard, if an order is very rigid it can't be amended in the committee, only on the floor. The Taxation Committee, or at least certain members of it, are working on an order which would specify or give the committee a little room to move to which of those federal changes that we think in Maine are appropriate and which we think we can afford.

Representative Tarbell may have a lot more confidence about what is happening in Washington than some of the rest of us, but I don't think the State of Maine is willing to follow the example of our federal representatives who give a deficit in excess of \$100 billion. So I think in Maine we shall continue to be conservative and will insist on setting our own tax policy and we will vote against this order until the Taxation Committee can give us an order to deal with the question that gives us the flexibility to decide which changes the State of Maine should make.

The SPEAKER: The Chair recognizes the gentleman from Durham, Mr. Hayden.

Mr. HAYDEN: Mr. Speaker, Ladies and Gentlemen of the House: I just wanted to add a couple points to what Representative Mitchell has said. What we are being asked to do here is to take a choice between embracing an order that right now there probably aren't five people in the U.S. Congress that would vote for.

What this order includes is for us to embrace the accelerated cost recovery system, which has been described to you before as probably one of the most revolutionary ideas in business tax deductions that we have heard in the last 70 years in this country. Right now in Congress, people are trying to disassociate themselves from parts of that program like rats jumping off a ship, and at that moment we are being asked to open-arm embrace it as our own and say, whatever happens, whether Congress comes through and changes it to make it more reasonable or whether it doesn't, we are going to take it on as our law in Maine as the way people in our state are taxed. I submit to you that that is absolute and utter nonsense.

We have an opportunity to vote for an order coming up that will accept all the other aspects of this tax bill. It won't create the double book-keeping system that our Representative Tarbell would love to have us believe in order that we would agree with his position—that order is coming before us and it is a chance for us to make a decision on how we will react to these federal tax cuts, but it is those tax cuts absent one glaring mistake that nearly everyone in the U.S. Congress right now will agree has been made.

I urge you to vote against this measure and to be patient with us until an order that is much more reasonable comes before us.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Miss Aloupis.

Miss ALOUPIS: Mr. Speaker, I would like to pose a question through the Chair to the gentlelady from Vassalboro. I don't know if I heard quite accurately, Representative Mitchell, did you say several members of the committee were working to send out legislation, or is it the entire committee that is working on a proposal?

The SPEAKER: The gentlewoman from Bangor, Miss Aloupis, has posed a question through the Chair to anyone who may respond if they so desire.

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

Mrs. MITCHELL: Mr. Speaker and Members of the House: To my knowledge, it is several members of the committee. I have no knowledge what the entire committee is planning to do at this point.

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

Mrs. POST: Mr. Speaker, Men and Women of

the House: I think to further answer the question of the gentlelady from Bangor, as I stated before, the problem with this order, the order that is presently before us, is that it mandates that we do in fact conform to all of the IRS changes that have been made, including the one which Representative Hayden mentioned, which is the big loophole, the way that corporations can buy—actually the term is that they buy somebody else's depreciation. Actually, they have to go through some leasing arrangements, but they are able to take advantage of some of the new regulations in a way that nobody anticipated when the bill was passed, and essentially what it looks like it is going to do is almost entirely wipe out corporate income tax in this country. There has been a great deal of discussion on the federal level of changing that particular section of the legislation. It hasn't happened yet. We don't know whether it will happen, so I think it is inappropriate at this time for us to pass an order that directs the committee to conform to all of those IRS changes, including that big loophole section that probably 95 percent of the members of Congress would not vote for if they had a chance again.

The order that is coming along, I have at least given it to the Clerk at this point, as I stated before, is an order which would direct that committee to report out a bill which conforms us to the Internal Revenue Code except for Accelerated Cost Recovery System for corporations other than Subchapter S Corporations. Subchapter S Corporations, generally speaking are your smaller corporations. They are not able to take advantage of this big loophole; neither are partnerships and neither are self-employed individuals even though they may depreciate their equipment.

The order that is coming is an order that would take care of your marriage penalty people, it would pick up the people on the Keough plan, it would pick up the people on the savings proposals, it would take care of all the laundry list that Representative Tarbell mentioned. What we are saying is, until Washington straightens up that mess that they made on Accelerated Cost Recovery Systems for corporations, we are not going to accept that situation because we are not willing to wipe out corporate income tax in this state and then pass the burden on to the individuals, and that is what that order is essentially presenting.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Miss Aloupis.

Miss ALOUPIS: Mr. Speaker, I am having a hard time with this. I guess as one of 151 members, I trust the judgment and wisdom of the Taxation Committee, but I guess as one who is not a member of Taxation, I would sincerely appreciate being able to make that decision on the floor with the rest of the colleagues. Are we to assume that in fact before we adjourn in this session that there will be something out on the floor for us to debate on?

The SPEAKER: The gentlewoman from Bangor, Miss Aloupis, has posed a question through the Chair to anyone who may care to respond.

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

Mrs. POST: Mr. Speaker, Men and Women of the House: Anybody who has been reading the papers lately knows that the Taxation Committee can't make any agreement on any bill that is going to appear on the floor of this House. There is a process and the process is before us. I told the gentlelady that there is an order. The problem is, what you end up doing is you end up debating tax policy before you even get through the committee with this process, but I certainly can make no commitment on any bill coming out from the Taxation Committee and appearing on the floor of the House. I just don't have the power to do that.

The SPEAKER: The Chair recognizes the gentleman from Westbrook, Mr. Day.

Mr. DAY: Mr. Speaker, Ladies and Gentlemen of the House: There has been a great deal of discussion on this in front of you good folks here in the House, and it is my feeling, in talking about depreciation and those types of things, that the best estimate I have from the various bureaus around here is that we have 22,000 businesses in this state. We have roughly 5,000 farmers and there is no information as to how many people are landlords that would use depreciation in their business in terms of rents, renting garages warehouses and those types of things, so we are dealing with over 60,000 people who are going to be very, very interested in what this depreciation thing is going to be, whether it is going to be for the big corporations or not the little ones and so forth. This thing should be debated and I would hope that we would vote to bring this to a point where we can have a public hearing on it and settle this thing a little earlier in the year, rather than coming back here as we did last year on December 8th and 9th and, in a hurry, passing something that should have been passed before.

The SPEAKER: The Chair recognizes the gentleman from Livermore Falls, Mr. Brown.

Mr. BROWN: Mr. Speaker, Ladies and Gentlemen of the House: It seems to me that if we defeat the order before us, we are doing so on a promise and a whim, a whim that there are some people on the Taxation Committee working on something that may come before this body at some time-maybe.

The big question seems to be centered around whether or not the order before us can be amended or where it can be amended. According to the ruling of the Chair, if I understand that ruling and I will have to admit that the way the fur was flying I kind of got caught a little bit and not sure that I understood it, but if I understood it correctly, I understand the ruling to say that the amendment process can occur on the floor but not at the committee level. Perhaps that is not so bad; at least we have something before us. If we reject it, we have nothing before us, and we have a promise and a whim that maybe before we get out of here in only 12 days there will be.

Representative Dudley, a few moments ago, made a speech on another matter and he said that your folks are a lot like my folks, and I tend to believe that; in fact, that comment struck me. But there is one thing that people are saying to me back home, why can't you people do something about the tax law, bringing them into conformance with the federal laws? They are afraid, ladies and gentlemen.

My people are telling me basically two things: one, tax relief, please; and, secondly less red tape, not more. That is the one thing they are concerned about, why don't you folks act. Well, we have a measure before us, some say it is not perfect, perhaps not, but if I understand the ruling of the Chair, it can be amended on the floor and I would much rather take that in exchange for a promise.

I urge you to vote for the Order.

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

Mr. TARRELL: Mr. Speaker, Ladies and Gentlemen of the House: I would just like to clarify a couple of points. First, the accelerated depreciation for equipment, business equipment, chairs, tables, desks, typewriters, as well as machinery, if we went along with the federal provisions of this area alone for just one year, this tax year, 1982, would cost a whopping \$4 million in tax savings for all the businesses in the State of Maine. Is that a lot of money for a tax cut, \$4 million spread among all of them? That is small, medium and large. Is that going along with some ridiculous measure that Congress has passed and new regrets that they have done? Some may regret down in Congress as well as back here that they went along with some of the oil company cuts and some of the buy and lease-sell arrangements by

corporations, as Mrs. Post referred to, but they are not in this order and they wouldn't be in this bill, they are outside of the scope of this. This is just for capital equipment—\$4 million tax saving.

Mrs. Post would like to have an order, and apparently we have a document before us, just appeared out of nowhere. Mrs. Post would have you believe or would have you exempt corporations unless they are Subchapter S. That is a special kind of corporation, but not all small corporations are under Subchapter S. Your Mom and Pop grocery stores aren't necessarily under Subchapter S. Your local gas station owner isn't necessarily under Subchapter S. They are a small business, but she would have you exempt them from a piece of \$4 million savings of their equipment in 1982.

One other point, if we do not conform, we can debate that issue, let them debate that at the public hearing in the committee, let's debate it on the floor of the House and the other body, but if we do not completely conform to the federal tax form, return forms, so our state return conforms to their return, you will have two sets of books. The small businesses under Subchapter S will have to keep two sets of books for depreciation. That will mean they will have to set up a depreciation division of the Bureau of Taxation across the way in the other building because they don't have to do that now and they don't know how to do that now, so you would have to set up a separate division over there and we would have to fund it. We are going to have two tax codes for some people but for other people we won't have two tax codes. If you are a Subchapter S corporation, small corporation, you won't have two tax books and tax codes, but if you don't happen to be one of those, you will. Now, is that right?

The measure that is before you, sponsored by Senator Wood, is a blanket broad-base measure. It allows all the flexibility in the world for debate and amendments on this floor. The measure that Mrs. Post would like to float before you narrows what kind of bill could come out of that committee. They are not telling you the truth when they tell you, don't support the one that is before you, the Wood version, because that is too restrictive, it ties our hands and conforms completely. Support the one that is more flexible. The one that is more flexible, that hopefully we won't even need to look at at this point in time, ties the hands and dictates what kind of measure would come out.

I would urge you to support this measure and let's not play hanky-panky with it any longer.

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

Mrs. POST: Mr. Speaker, Men and Women of the House: Representative Tarbell evidently does not understand the issue that is before us today, because the issue of the leasing provisions which are new in the Internal Revenue Code, and what that means in terms of an unprofitable company transferring or selling their depreciation is, in fact, before us because that, in fact, is part of what we would have to conform to if the Taxation Committee reports out the bill that Senator Wood's Order tells us to do. It tells us to conform to the new Internal Revenue Code. Part of that code contains the new provisions for leasing.

Now, the reason that the second order specifically requests that the Taxation Committee report out a bill that does not allow the Accelerated Cost Recovery System for corporate taxpayers is because Congress chose, when they made this loophole, to not let individuals take advantage of it and to not let partnerships take advantage of it and to not let the Subchapter S corporations take advantage of it, that is what Congress chose.

I think what the State of Maine legislature ought to be saying is, yes, it might be kind of tough on some corporate businesses to have to go along with depreciation schedules they have

been living with for the past 20 years, that might be a little bit difficult. We are not talking about keeping totally two sets of books. What we are talking about is keeping different depreciation schedules. A lot of businesses do that already. They do one depreciation schedule on their capital investment for the banks and one of the Internal Revenue Code, so instead of doing two, they might have to do another one for awhile until Congress makes up its mind that they are in fact going to repeal some of these loopholes that would so drastically reduce corporate income tax.

The issue of those loopholes is before us and what the second order does is say, okay, we will go along agreeing to a traffic mistake that was made in Washington. Until such time as Congress can clean up their act, we are going to keep our depreciation schedule for corporations the way they are.

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

Mr. KANE: Mr. Speaker, Ladies and Gentlemen of the House: I will be very brief. I just wanted to applaud the remarks of the gentleman from Westbrook, Mr. Day, when he said that he didn't want to find himself in the position of acting on this thing in a hurry. I couldn't agree with him more and there is just simply no rational reason for us to act on this before we get done with this session.

With regard to these leasing arrangements that Mrs. Post just mentioned, you might be interested to know that Senator Robert Dole, who is currently Chairman of our Senate Finance Committee, is publicly advising companies to take advantage of these with great circumspection and he further advises them that they may not be around for very long, that the Congress probably did a little more than it intended to do and that companies like General Electric, that find themselves with huge benefits as a result of taking advantage of these things, may live to regret it.

It seems to me that Senator Dole and some of the other leadership of the Republican party in the U.S. Senate realize that they are running a runaway freight train and the gentleman from Bangor, Mr. Tarbell, and other people would have us attach our caboose to it. There is just no reason why we have to adopt any of this. Believe me, it is a pig in a poke and we just don't need it until the end of the year.

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

Mr. McHENRY: Mr. Speaker, Ladies and Gentlemen of the House: Not unlike my good friends Representative Brown and Representative Dudley, I do tend to listen to my people. My people, I believe, want a tax break for the average earner and the corporation, I might have one corporation in my district which I doubt would take advantage of this tax break, so therefore I am opposed to this one but I would support the next one coming up, the next Joint Order.

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

Mr. HIGGINS: Mr. Speaker, Men and Women of the House: Perhaps many of you have been wondering why I have entered into the debate, and I guess I am trying to console myself on what I would call one of the biggest abuses of power I have seen in quite some time....

The SPEAKER: The Chair would advise the gentleman to please discuss the matter before him.

Mr. HIGGINS: I intend to, Mr. Speaker, I am glad we are going to have the chance.

The SPEAKER: The Chair would advise the gentleman that he may proceed to do so at this time.

Mr. HIGGINS: Thank you very much. There are many issues here and I think perhaps it turned into—although many of us, at least one of the initial speakers indicated that he hoped that partisan politics wouldn't get involved—

well, my goodness, this is the closest thing to a three ring circus I have seen in a long time.

They had a Joint Order put in the other body, sent it down here, tabled it pending a ruling, had another one sent down, and that one has been dilly-dallying around for two or three days and then all of a sudden, members of the committee, some members of the committee anyway, we can't figure out just who yet, have had a big pow-wow and they decided that they are going to put in a Joint Order too that is going to solve all of our problems. I say "bunk."

The effect that we have had this morning on this issue, in my opinion, is stifling a minority not only in this House but the State of Maine. We are capable of writing laws, tax policy laws, here on the floor of the House and any ruling or any rhetoric that has come out so far indicates that perhaps we are not capable of doing it, and I guess I would agree with that, we aren't, and that is why the bill ought to have a public hearing and we hadn't ought to be discussing some vague term as to whether or not it can be amended on the floor or amended in committee.

There are many bills, many Joint Orders that are put in here every single day, and I have a list of them here—unfortunately, I was not able to talk about them—where each and every one of us have the opportunity to put in an Order for a bill to be reported out of committee. Now, no discussion has ever been held on whether or not that could be amended or not and certainly every Joint Order that has gone in has had the opportunity to be amended when it has gone to committee. I don't care whether it is raising county taxes or if it is defining a loose or thrown cord of wood, we do it every time.

This Joint Order that has just come across at least my desk, I don't know if it has come across yours, isn't any less rigid than the one we have got before us right now. In fact, it is more rigid and it is more rigid because it eliminates a good portion of tax law. Despite our political rhetoric of people, rats jumping ship, which I don't care to comment on other than to say it is ridiculous, the issue here is, are you in favor of conforming our tax laws and giving our people a tax cut or not? That is the issue, the issue to discuss openly on the floor of this House and in committee. If you don't want to do it, you will vote no, and if you do, you will vote yes. I say you vote yes.

The good gentlelady from Owl's Head is talking about loopholes. These are not loopholes. If they are passed, the bulk of Maine people are going to get them, they are tax cuts, they are not loopholes. We went through all that last year, last December.

All we are asking for is an opportunity to discuss the issue openly, and the reason that it is late, Mr. Kane, and I think you are well aware of it, is because the Governor's Office intended or at least led many of us into believing that perhaps the Governor was going to put a bill in. On two different occasions, the Legislative Council, in December, discussed whether or not we ought to bring a bill in and on a straight party line vote—no, we aren't going to let it in because the Governor is thinking about putting in a bill, so we deferred to the second floor. Now all of a sudden, perhaps not all of a sudden, I guess I might have to say it was probably contrived, we aren't going to talk about it, only in some peripheral form, and I think that is unfortunate.

If we can talk about revamping the DEP and we can talk about the Maine Turnpike Authority and a tax bill on mining operations in the State of Maine between now and the end of the session, I think we can discuss this matter pretty adequately too, since we already talked about it three months ago.

I would submit to you that part of the game plan is to forget about the whole thing and hope that it goes away and then through some magic, sometime either prior to the primary or

prior to the General Election in the fall, depending upon what the polls say, we might have a Special Session and, my gosh, we might have a Governor's Bill that would come in and say, let's give back that \$10 million. I don't think that that is fair.

I think if we are going to talk about changing our tax laws and putting ourselves on an equal course with everyone else, it ought to be discussed now in the session before we go out of here and before we go home and we have spent all the money, and hope that somehow we get a few extra bucks over and above what we have got budgeted.

As I said, if you are in favor of giving a tax cut, and they are not loopholes, you will vote for it, and if you are not, you will vote against it.

One other thing I might just add—there has been a lot of political rhetoric and I am going to say it right here, I am tired of being rapped around on budget cuts and then not implementing the other half of the program which is tax saving to the people of this state and the nation. You can't have it both ways. If you are going to blame Washington for the spending cuts, you can't turn around and not take advantage of the other half of the program. They are supposed to go hand and glove. Whether you believe in them or not, they are supposed to, so let's clean up our act, I guess, and let's not blame Washington for one thing and not take advantage of the other side.

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

Mr. KELLEHER: Mr. Speaker, Ladies and Gentlemen of the House: I always listen quite attentively to my colleague down in the corner; not only do I have the highest respect for him but most of the time he has something to say. I have been listening to him here this afternoon and he is talking about we should buy both the programs that came from Washington, we should accept the program cuts and the states have been trying to plug the holes in those cuts that came from Washington and we also should buy the tax program that Washington gave us. One of the big reasons that they are in trouble down in Washington, my good friend, is that they bought both packages. That is why the states are taking the time, not only here in Maine but across the nation, accepting the other hand, the other gift that came out of Washington.

Last December, and I learn something here every day, I wanted to put an amendment on the tax bill, which was eventually ruled out of order, but one of my prime reasons for putting it in was to create discussion on the floor of this House to deal with all of the problems that we were going to have in December, which we reflect on right now and what can happen between March and next December. We are going to be back in session in here. I would believe, at least once before the next session of the legislature, but for sure we are going to be back in here in December because there is going to be a 151 people sitting in these very chairs you are I am sitting in. Some of us may be here and others may not be.

I suggest we not only kill the amendment that is before us right here but the one offered by the good gentlelady right over there. Let's give them equal bipartisan support, kill the both of them. We have a few days left in this session, we have serious problems here dealing with highways and the budget as it is. You want us to buy a \$10 million item that we don't know where the money is going to come from. You can play your political games, Mr. Floor Leader, and I know perhaps we will play ours, but the ultimate thing is, what is the best choice for the people of Maine at this time and the best choice, in my humble mind is, we kill this Order from whence it came and we take care of the good gentlewoman's Order when and if she does present it here today.

The SPEAKER: The Chair recognizes the

gentleman from Enfield, Mr. Dudley.

Mr. DUDLEY: Mr. Speaker, and Members of the House: I will try to be brief. This doesn't require a long conversation.

I suspect that there is nothing wrong with having two vehicles before this House, seeing as we have the opportunity to amend in this House either one of them. Remember, there is another body besides this body, and the other body sent that here with a two-thirds majority. That means to me that people from all the parties in there must have voted for it, to get two-thirds, because neither party has a two-thirds vote in there.

We can talk here all this afternoon and two or three other afternoons, which we really don't have the time to do, and the net result, in the end we are going to have to comply somewhere along the line with the other body. If we don't, we'll have nothing.

Now, to this extent, I agree with Representative Kelleher of Bangor—I am in favor of killing them both. But for the time being, I don't mind having two vehicles before the House, knowing that we can amend either item. I see no harm in accepting this vehicle before us now, and the other vehicle will obviously be before us and we as members will have a chance to vote on them. And the majority party, if they don't want to accept certain amendments, I am sure they will have a chance to exercise their vote here. But I think enough has been said and we should accept this vehicle and then we may be in compliance with the other body a little later down the road a little ways, and it might save us a couple of afternoons of conversation.

The SPEAKER: The Chair recognizes the gentleman from Brooksville, Mr. Perkins.

Mr. PERKINS: Mr. Speaker, could I ask a question through the Chair. These orders that we have here, I am sure people have thought a lot about them. I would just like to ask one question—suppose the rest of the nation goes along with the first order that we have in and we would go along with Mrs. Post's order, would that mean that our large corporations that we have in the state might be uncompetitive?

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

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

Mrs. POST: Mr. Speaker, Men and Women of the House: First of all, many, many state tax codes do not automatically piggyback on the federal tax codes anyway, and you can decide for yourself whether that makes Maine businesses competitive or non-competitive—it depends on what other states use as their basis and more importantly perhaps, what their rates are.

I can tell you that this debate that is going on here today as far as the accelerated cost recovery system is one that is going on in legislatures all over this country. Even those states which have traditionally, such as Maine, almost automatically accepted the federal tax changes they are not doing so this year because they are very concerned about what has happened in Washington and whether that is appropriate any longer for their own state tax policy. So this debate that is going on here is going on across the country.

I think one thing that I am concerned about is, I think as legislatures say no, Washington, you made a mistake when you passed some of those changes, we are not going to accept them, that helps increase the pressure on Washington to go back and rectify their mistake. Because, you know, once you have given somebody a big tax benefit, it is awfully hard to go back and take that away.

We are not talking about a tax break. I don't know what Representative Higgins' definition is of a break and a loophole, but one example,

and obviously a lot of the tax returns are confidential and so this is only indicative of what is going on across the country now, and this comes from the Wall Street Journal of Monday, March 15, 1982. "When General Electric Company, which earned \$1.65 billion in 1981 as the biggest U.S. electrical manufacturer, files its federal income tax return September 16, it may have a bit of surprise for Uncle Sam, and if General Electric or any other company pays taxes in Maine, it may have a big surprise for the State of Maine, too. GE expects to have 1981 taxes of \$50 million to \$60 million, compared with \$330 million for 1980. It is going to pay between fifty and sixty million dollars this year, and in 1980 it paid \$330 million. I call that a loophole. It is because of the leasing arrangements. In addition to that, it will claim a refund of more than \$150 million of taxes for prior years namely, in 1978. That's the kind of tax policy that Senator Wood's order would direct the Taxation Committee to report out a bill to adopt.

I think that would be disastrous for the State of Maine. That is why I ask you to vote against this order which would allow this kind of taxation to go on, and then vote in favor of the second order and at least pass on some of those tax benefits to some of the people we care about that says no to a \$280 million decrease to companies like GE.

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

Mr. TARBELL: Mr. Speaker, Ladies and Gentlemen of the House: I would like to say one thing. We are not following the Washington Tax Code completely. It is a 200-page bill; we are only following, if we conform with some of the cuts, 25 items. We are not following the oil depletion allowances and tax breaks and the leasing. I am sorry, Mrs. Post, but we are not following it.

A former member of the committee, Representative Carter from Bangor, testified before that committee before and I am sure he would testify before it again, we are not adopting those wholesale, large corporation breaks that we passed by Congress and are being reconsidered by Congress. The things that Congress is reconsidering and changing don't have anything to do with what we might do here; these matters they won't touch.

I ask you again, is \$4 million, that is just one item, in equipment, business equipment depreciation, is that a big, whopping tax cut for the tens of thousands businesses throughout the State? Is that a major tax loophole? That is what we are talking about—\$4 million spread over tens of thousands of businesses.

Mr. Kelleher, we have got Mom and Pop corporations back home on the corner in my district and your district, and if we adopt your policy and vote for the measure you would like to vote for, just because they are Mom and Pop stores and they happen to be a corporation, they get nothing for their equipment in terms of a tax cut, but if they aren't a corporation, they will, and that doesn't make sense.

We have the budget process before us. This is a matter that ought to be dealt with in its entirety in the budget process. Do you think Senator Wood would introduce a measure for tax loopholes for the rich and the big corporations? I ask you.

Now, what you are faced with is two competing documents, and politically what you are being told implicitly is this—vote against the Wood measure that is before you because we are going to give you another one you could vote on and then neither of the two will pass because they will be in non-concurrence between the two bodies, they won't get two-thirds vote and we will go out of here with nothing and you can go back home and tell your people back home—they voted for theirs and I voted for mine and somehow it didn't pass. If that is what you want, let's keep up the charade.

The SPEAKER: The Chair recognizes the

gentleman from Harrison, Mr. Jackson.

Mr. JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: I have listened to this debate for approximately an hour with great intent.

I think probably what is going to happen this afternoon probably has already happened. We have two Joint Orders, one in front of us and one that probably will be proposed a little later this afternoon in the session.

We had a gentleman refer to a pig in a poke. I look at the order that we have in front of us presently as not a pig in a poke. It is a genuine Order directed to the Taxation Committee to report out a piece of legislation that will bring our income tax laws into conformity with the federal laws.

I have heard comments regarding Congress's adoption of accelerated depreciation. I often wonder how many members of this body recognize why that is in there. It wouldn't be because most of our industrial production plants across the nation are antiquated would it? This might bring them, with this tax break, the opportunity to afford to upgrade their processes. I would hate to think that we would want to deny that to any industry in this state that provides jobs.

I will not allude to the other 24 items that the Assistant Minority Leader alluded to. I feel that as a state, when we adopted our income tax laws, we adopted them to conform to federal laws and we have also gone up the ladder with the federal laws and now we have adopted one year to go down and we aren't going to extend that adoption to reduce the potential of another year.

The gentleman from, I don't recall his district but I believe it is on the coast or inland just a little bit from the coast, alluded to the fact of the possibility of adopting the proposed Order where we would deny certain businesses in this state the opportunity to take advantage of the accelerated depreciation to bring us into an economic disadvantage or discrimination in bidding or trying to sell Maine products out of state to out-of-state purchasers, we might be denied that because of the fact that we would not be able to compete economically with these people. I can't refer to other states, how many other states in this nation have adopted or are in conformity with the federal tax laws as it stands presently, but I just think it is fair that we have adopted it on the way up and we should adopt it on the way down.

I am going to support the Joint Order that is in front of us and I would urge every member in this body to do also.

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

Mrs. KANY: Mr. Speaker and Members of the House: I have been listening to this debate, no choice, you can't get out, and I would just like Representative Tarbell to please explain to me how we cannot be adopting these tax benefits, such as Representative Post outlined, if we are using the lower figure from the federal taxable income, that after we have subtracted the amount of those benefits, it just doesn't make sense to me. It would make sense to me that we would be adopting those tax benefits because we would only be taxing that lower figure.

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

Mr. TARBELL: Mr. Speaker, Ladies and Gentlemen of the House: Mrs. Kany I will try to respond but I hope it doesn't take you and me all afternoon.

All we are adopting is federal tax cuts which would affect the adjusted gross income line on your state tax form, that is it. Now, for those of you who fill out your state tax form every year, you know you reach a line in your state tax form which is your adjusted gross income. Only those federal tax cuts which affect that computation in your state tax form would we be adopting. There are only 25 of them. You adopted every single one of them last Decem-

ber. You basically have the same measure before you, not identical but basically the same measure before you. That is why the 200-page tax reform act that Congress passed last October in Washington, we are not adopting that 200-page drastic, Draconian bill that was passed by the federal officials in Washington. We are only adopting those 25 items, that is it, that happen to affect our state tax form in figuring out your adjusted gross income, that is it.

The SPEAKER: A roll call has been ordered. The pending question before the House is on passage of the Order. Those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA—Aloupis, Armstrong, Austin, Bell, Boisvert, Bordeaux, Brown, D.; Brown, K.L.; Cahill, Callahan, Chonko, Conary, Conners, Cunningham, Curtis, Damren, Davis, Day, Dexter, Diamond, G.W.; Dillenback, Drinkwater, Dudley, Foster, Gavett, Gillis, Gowen, Hanson, Higgins, L.M.; Holloway, Hunter, Hutchings, Ingraham, Jackson, P.T.; Jackson, P.C.; Jordan, Kiesman, Lancaster, Lewis, Lisnik, Livesay, Locke, Lund, MacBride, Masterman, Masterton, Matthews, McPherson, Murphy, Nelson, A.; O'Rourke, Paradis, E.; Perkins, Peterson, Pines, Randall, Reeves, J.; Salsbury, Sherburne, Small, Smith, C.W.; Soulas, Stevenson, Stover, Studley, Swazey, Tarbell, Telow, Treadwell, Walker, Webster, Wentworth, Weymouth, Willey.

NAY—Baker, Beaulieu, Benoit, Berube, Boyce, Brannigan, Brenerman, Brodeur, Brown, A.; Carrier, Carroll, Carter, Clark, Connolly, Cox, Crowley, Davies, Diamond, J.N.; Erwin, Fitzgerald, Fowlie, Gwadosky, Hall, Hayden, Hickey, Higgins, H.C.; Hobbins, Jacques, Joyce, Kane, Kany, Kelleher, Ketover, Kilcoyne, LaPlante, Laverriere, MacEachern, Macomber, Mahany, Manning, Martin, A.; Martin, H.C.; McCollister, McGowan, McHenry, McSweeney, Michael, Michaud, Mitchell, E.H.; Mitchell, J.; Moholland, Nadeau, Norton, Paradis, P.; Paul, Pearson, Perry, Post, Pouliot, Reeves, P.; Richard, Ridley, Roberts, Rolde, Smith, C.B.; Soule, Strout, Theriault, Thompson, Tuttle, Twitchell, Vose, The Speaker.

ABSENT—Huber, Jalbert, Nelson, M.; Racine.

Yes, 74; No, 73; Absent, 4.

The SPEAKER: Seventy-four having voted in the affirmative and seventy-three in the negative, with four being absent, the Order fails of passage.

Sent up for concurrence.

Mrs. Post of Owl's Head presented the following Joint Order and requested a roll call vote:

ORDERED, the Senate concurring, that the Joint Standing Committee on Taxation report out a bill conforming Maine Tax Law to changes in the United States Internal Revenue Code as follows:

1. For noncorporate taxpayers under Title 36, chapters 801 through 815 and for taxpayers under chapter 817 who are Subchapter S corporations as defined under the code, conformity with federal law means the United States Internal Revenue Code as in effect on December 31, 1981.

2. For corporate taxpayers under chapter 817 who are not Subchapter S corporations as defined under the code, conformity with federal law means the United States Internal Revenue Code as in effect on December 31, 1981, with the exception of the provisions of the Economic Recovery Tax Act of 1981 relating to the Accelerated Cost Recovery System. (H. P. 2197)

Mr. HIGGINS: I object.

The SPEAKER: There is objection. The gentleman from Scarborough, Mr. Higgins, objects to the Order being introduced at this time. In order for the rules to be suspended, it requires a two-thirds vote. Those in favor of

the rules being suspended for the introduction of the Joint Order, will vote yes, those opposed will vote no.

A vote of the House was taken.

33 having voted in the affirmative and 95 in the negative, the motion did not prevail.

(Off Record Remarks)

On motion of Mr. Davies of Orono, Adjourned until twelve thirty tomorrow afternoon.