

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

***One Hundred and Eleventh
Legislature***

OF THE

STATE OF MAINE

Volume II

FIRST REGULAR SESSION

May 16, 1983 to June 24, 1983

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HOUSE

Friday, November 18, 1983

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

Prayer by the Reverend Linwood A. Hanson of the Bryant Pond Baptist Church.

The members stood at attention during the playing of the National Anthem by the Winslow High School Black Raiders Band.

A roll call was taken. 142 members answered to their names and accordingly a quorum was found to be present.

Those who were absent were: Representatives Callahan of Mechanic Falls, Connors of Franklin, Day of Westbrook, Richard of Madison, Rolde of York, Tammaro of Baileyville and Telow of Lewiston. (Two seats vacant: Miss Brown of Bethel, resigned; and Mr. Mahany of Easton, deceased)

On motion of Representative Diamond of Bangor, it was

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

The Speaker appointed Representative Mitchell of Vassalboro to convey the message to the Senate, and she subsequently reported that she had delivered the message with which she was charged.

The following Proclamation:

WHEREAS, there exists in the State of Maine a need to make adjustments in the tax code of the State to bring it into closer conformity with the federal tax code; and

WHEREAS, these adjustments are necessary to simplify the process of filing income tax returns for Maine corporations and individuals; and

WHEREAS, these adjustments will enable Maine corporations and individuals to benefit from many of the recent changes in the federal tax code; and

WHEREAS, these adjustments must be made in a timely fashion to allow for the preparation of new income tax forms prior to the end of 1983;

NOW, THEREFORE, I, JOSEPH E. BRENNAN, Governor of the State of Maine, by virtue of the constitutional power vested in me as Governor, convene the Legislature of this State, hereby requesting the Senators and Representatives to assemble in their respective chambers at the Capitol at Augusta on Friday, the eighteenth day of November 1983 at ten o'clock in the morning, in order to receive communications and enact legislation improving the conformity of Maine tax law with the federal tax code.

Given at the Office of the Governor at Augusta, and sealed with the Great Seal of the State of Maine, this first day of November in the year of our Lord Nineteen Hundred and Eighty-three.

S/ JOSEPH E. BRENNAN
Governor

S. JAMES S. HENDERSON
Deputy Secretary of State

A true copy.

Attest: S. ELSIE I. BOWEN
Deputy Secretary of State

Was read and ordered placed on file.

SECRETARY OF STATE

Office of the Secretary of State

November 17, 1983

To the Honorable John L. Martin, Speaker of the House of Representatives of the One

Hundred and Eleventh Legislature:

In compliance with the Constitution and law of the State of Maine, I have the honor to herewith report the return of votes cast in Representative District 17 at the Special Election held on November 8, 1983, according to a review of the returns made by the Governor, to fill the vacancy that existed in that district, as follows:

B. Carolyn T. Mahany, Easton 1,466
Elaine E. Novak, Fort Fairfield 641

S/ JAMES S. HENDERSON

Deputy Secretary of State

Was read and ordered placed on file.

STATE OF MAINE

Office of the Secretary of State

November 17, 1983

To Edwin H. Pert, Clerk of the House of Representatives of the One Hundred and Eleventh Legislature:

In compliance with the Constitution and laws of the State of Maine, I hereby certify that a Special Election was held on November 8, 1983, in Representative District 17 for the purpose of electing a Representative to the One Hundred and Eleventh Legislature; that B. Carolyn T. Mahany of Easton having received a plurality of all votes cast in District 17, as contained in a report to the Governor on November 17, 1983, appears to have been elected a Representative to the One Hundred and Eleventh Legislature.

IN WITNESS WHEREOF, I have caused the Great Seal of the State of Maine to be hereunto affixed this seventeenth day of November in the year of our Lord, One thousand Nine Hundred and Eighty-three.

S/ JAMES S. HENDERSON

Secretary of State

Was read and ordered placed on file.

At this point, the Speaker announced the presence in the Hall of the House of Representative-elect Carolyn T. Mahany of Easton and asked Representative Lisnik from Presque Isle, Representative Crouse from Washburn, Representative Smith from Island Falls, and Representative Martin from Van Buren to escort Representative-elect Mahany to the Office of the Governor to take and subscribe the oath necessary to qualify her for the discharge of her official duties.

Subsequently, Representative Lisnik reported that the Committee had attended the duty with which it was charged.

The Speaker assigned Representative Mahany to Seat No. 147 and appointed her to the Joint Standing Committee on Agriculture.

STATE OF MAINE

Office of the Secretary of State

November 17, 1983

To the Honorable John L. Martin, Speaker of the House of Representatives of the One Hundred and Eleventh Legislature:

In compliance with the Constitution and laws of the State of Maine, I have the honor to herewith report the return of votes cast in Representative District 63 at the Special Election Held on November 8, 1983, according to a review of the returns made by the Governor, to fill the vacancy that existed in that district, as follows:

Barbara D. Brown, Bethel 1,134
Jeffery N. Mills, Woodstock 1,915

S/ JAMES S. HENDERSON

Deputy Secretary of State

Was read and ordered placed on file.

STATE OF MAINE

Office of the Secretary of State

November 17, 1983

To Edwin H. Pert, Clerk of the House of Representatives of the One Hundred and Eleventh Legislature:

In compliance with the Constitution and

laws of the State of Maine, I hereby certify that a Special Election was held on November 8, 1983, in Representative District 63 for the purpose of electing a Representative to the One Hundred and Eleventh Legislature; that Jeffery N. Mills of Woodstock having received a plurality of all votes cast in District 63, as contained in a report to the Governor on November 17, 1983, appears to have been elected a Representative to the One Hundred and Eleventh Legislature.

IN WITNESS WHEREOF, I have caused the Great Seal of the State of Maine to be hereunto affixed this seventeenth day of November in the year of our Lord, One Thousand Nine Hundred and Eighty-three.

S/ JAMES S. HENDERSON

Deputy Secretary of State

Was read and ordered placed on file.

At this point, the Speaker announced the presence in the Hall of the House of Representative-elect Jeffery N. Mills of Woodstock, and asked the Representative from Bangor, Mr. Diamond, Representative Mayo of Thomaston, Representative Erwin of Rumford and Representative Mitchell of Freeport to escort Representative-elect Mills to the Office of the Governor to take and subscribe the oath necessary to qualify him for the discharge of his official duties.

Subsequently, Representative Diamond reported that the Committee had attended the duty with which it was charged.

The Speaker assigned Representative Mills to Seat No. 104.

At this point, a message was received from the Senate, borne by the Assistant Majority Floor Leader of that body, Senator Carpenter of Aroostook, informing the House that a quorum was present and that the Senate was ready to transact such business as might properly come before it.

On motion of Representative Mitchell of Vassalboro, it was

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

The Chair appointed the following members:

Representative HIGGINS of Portland
Representative KANE of South Portland
Representative KILCOYNE of Gardiner
Representative MCCOLLISTER of Canton
Representative ANDREWS OF Portland
Representative CASHMAN of Old Town
Representative MASTERMAN of Milo
Representative DAY of Westbrook
Representative INGRAHAM of Houlton

Subsequently, Representative Higgins of Portland reported that the Committee had delivered the message with which it was charged.

At this point, the Speaker announced the following changes in seat assignments:

Representative Zirkilton of Mount Desert to Seat 20
Representative Randall of East Machias to Seat 62
Representative Michaud of East Millinocket to Seat 142.

Papers from the Senate

The following Communication:

The Senate of Maine

Augusta

October 28, 1983

The Honorable John L. Martin

Speaker of the House

111th Legislature

Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Judiciary, the Governor's nomination of Thomas E. Delahanty, II, of Lewiston for appointment as a Superior Court Justice.

Mr. Delahanty is replacing Louis Scolnik.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Judiciary, the Governor's nomination of Ian MacInnes of Bangor for appointment as an Active Retired Justice of the Maine Superior Court.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Business Legislation, the Governor's nomination of Dennis D. Soucy of Bangor for appointment to the Maine Real Estate Commission.

Mr. Soucy is replacing Ann Natasha Mathieu.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Business Legislation, the Governor's nomination of Robert F. Chadwick for appointment to the Maine Real Estate Commission.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing

Committee on Education, the Governor's re-nomination of Irving Kagan of Bangor for reappointment to the Board of Trustees of the Maine Maritime Academy.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Marine Resources, the Governor's reappointment of James L. Warren of Eastport to the Marine Resources Advisory Council.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Labor, the Governor's nomination of Gwendolyn Gatcomb of Winthrop for appointment as the Second Alternate Employee Member on the Maine Labor Relations Board.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Marine Resources, the Governor's appointment of Willis Spear, Jr. of Cousins Island for appointment to the Maine Resources Advisory Council.

Mr. Spear is replacing Peter Kelly.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Marine Resources, the Governor's nomination of David B. Turner of East-

port for appointment to the Marine Resources Advisory Council.

Mr. Turner is replacing Marshall E. Alexander.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Energy and Natural Resources, the Governor's nomination of Samuel M. Zaitlin of Biddeford for appointment to the Board of Environmental Protection.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Education, the Governor's nomination of Paul H. Phelan of Calais for appointment to the State Board of Education.

Mr. Phelan is replacing Julia Nault.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Labor, the Governor's nomination of Linda D. McGill of Litchfield for appointment as the First Alternate Employer Member of the Maine Labor Relations Board.

Sincerely,
S/ JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Aging, Retirement and Veterans, the Governor's nomination of Jon A. Lund of Hallowell for appointment to the Maine State Retirement System Board of

Trustees.

Mr. Lund is replacing Patricia McDonough.
Sincerely,
S/JOY J. O'BRIEN
Secretary of the Senate
Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333
Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Judiciary, the Governor's nomination of S. Kirk Studstrup of Winthrop for appointment as a Commissioner of the Workers' Compensation Commission.

Sincerely,
S/JOY J. O'BRIEN
Secretary of the Senate
Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333
Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on State Government, the Governor's renomination of Gloria E. Tardif-Ranslow for reappointment to the Maine State Housing Authority.

Sincerely,
S/JOY J. O'BRIEN
Secretary of the Senate
Was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

October 28, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333
Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on State Government, the Governor's renomination of Peter A. Howe for reappointment to the Maine State Housing Authority.

Sincerely,
S/JOY J. O'BRIEN
Secretary of the Senate
Was read and ordered placed on file.

Messages and Documents

The following Communication:
The Honorable John L. Martin
Speaker of the House
State House Station #2
Augusta, Maine 04333
Dear Mr. Martin:

Pursuant to 5 M.R.S.A. §4566(11), the Maine Human Rights Commission is pleased to forward to you its Annual Report for FY 82-83.

Sincerely yours,
S/PATRICIA E. RYAN
Executive Director
Was read and with accompanying report ordered placed on file.

The following Communication:
House of Representatives

Augusta, Maine

September 19, 1983

James S. Henderson
Deputy Secretary of State
State House Station 101
Augusta, Maine
Dear Jim:

In compliance with 3 M.R.S.A. Sec. 1, please accept my resignation from the House of Representatives, District 63, effective September 20th, 1983.

According to Article IV, Part First, Section 6 of the Constitution of Maine, this vacancy may be filled by a new election. I urge you to conduct such an election on November 8th so that the people of District 63 will be represented in the Second Regular Session.

Respectfully,
S/KAREN L. BROWN
State Representative
District 63

Was read and ordered placed on file.

The following Communication:
Office of the Governor and Council
Augusta, Maine
RESOLUTION
Number 7-3-83-5
of the Governing Body,
The Tribal Council, of the
Penobscot Nation

A motion was made by Watie Akins and seconded by Ken Paul to accept Maine L. D. 1755 as read designating Lorraine Dana, Tribal Clerk of the Penobscot Nation as the officer authorized to execute the certificate of approval/disapproval of Legislation.

CERTIFICATION

I, the undersigned, as Governor of the Penobscot Nation, do hereby certify that the Penobscot Tribal Council is composed of twelve (12) Council members of whom nine (9) were present at a Special Council Meeting held on August 3, 1983 and that the foregoing resolution was duly adopted by the affirmative vote of unanimous.

S/TIMOTHY LOVE
GOVERNOR

COUNCIL MEMBERS:
S/MICHAEL FRANCIS S/WATIE AKINS
S/KEN PAUL S/IRVING RANCO
S/FRANCIS RANCO S/FRANCIS MITCHELL
S/DENNIS PEHRSON S/GILBERT FRANCIS
S/BETH SOCKBESON

State of Maine
Department of State

I, the Secretary of State of the State of Maine, do hereby Certify that the paper to which this is attached is a true copy from the records of this office.

In Testimony Whereof, I have caused the Great Seal of the State to be hereunto affixed. GIVEN under my hand at Augusta, this twelfth day of September in the year of our Lord one thousand nine hundred and eighty-three.

S/RODNEY S. QUINN
Secretary of State

Was read and ordered placed on file.

The Following Communication: (H. P. 1378)
NATIONAL TRANSPORTATION
SAFETY BOARD
Washington, D.C.

November 7, 1983

Forwarded to:
Honorable Joseph E. Brennan
Governor of Maine
Augusta, Maine 04333

SAFETY RECOMMENDATION(S)
M-83-78

Honorable Gerard P. Conley
President of the Senate
Augusta, Maine 04333
Honorable John L. Martin
Speaker of the House
Augusta, Maine 04333

The National Transportation Safety Board has long been concerned about the role of al-

cohol in the many recreational boating accidents, fatalities, and injuries that occur annually. As early as 1969, the Safety Board recommended that the Coast Guard and States use the same boating accident report and that it should include, as one important item, whether intoxication or other physical impairment was involved. 1/ Recent recreational boating accidents have heightened the Board's concern. Moreover, there is increased public awareness of the hazards of alcohol use in all modes of transportation. We know that your State shares the concern of the Safety Board for the protection of the recreational boating public and those involved in other water-related activities who are placed in life-threatening situations by those who dangerously operate boats while under the influence of alcohol. 2/

Two recent accidents have highlighted the problem. On July 27, 1983, two recreational boats, one 17 feet long and one 30 feet long, collided on the Severn River near Annapolis, Maryland, killing four persons. The 30-foot boat went through the hull and then over the small vessel. All four persons killed were on the small vessel. There was evidence that considerable amounts of alcohol had been consumed by the persons in the 17-foot boat; the operator of the boat had a blood alcohol concentration (BAC) of 0.21 percent.

In a similar occurrence on August 31, 1983, a 26-foot recreational boat collided with the 95-foot dinner vessel DANDY on the Potomac River, Washington, D.C. The DANDY has a 200-passenger capacity. Fortunately, none of the dinner guests were injured when the recreational boat struck the bow of the DANDY. However, the operator of the small recreational boat was fatally injured. It was determined that the operator of the recreational boat had a BAC of 0.23 percent.

1/ Safety Recommendation M-69-47 was issued February 13, 1969, in the National Transportation Safety Board's "Study of Recreational Boat Accidents, Boating Safety Programs, and Preventive Recommendations."

2/ For more detailed information, read Safety Study—"Recreational Boating Safety and Alcohol" (NTSB/SS-83/02).

In both of these cases, the BAC was more than twice the generally accepted BAC of 0.10 percent established by the National Highway Traffic Safety Administration, the Congress, and most States, including the District of Columbia, as the level at which highway drivers are considered to be driving while intoxicated.

During its study of the role of alcohol in recreational boating accidents, fatalities, and injuries, the Safety Board found that the Coast Guard and State boating law authorities suspect alcohol use to be a major factor in the high number of recreational boating fatalities. However, representative and credible national statistics are not available. Several factors affect the national statistics issued by the Coast Guard, including:

- Not all accidents are reported to the States or to the Coast Guard.
- Only in the approximately 25 percent of the fatal accidents investigated by the Coast Guard is there any assurance of verification of injuries, property damage, or definitive primary and secondary causes.

• Compliance with reporting requirements varies from location to location and is influenced by Coast Guard and State enforcement practices and programs.

• Boating accident reports are usually completed by the person involved in the accident or next of kin, who may not provide accurate and objective information about the accident.

Nationally, there are no uniform reporting requirements or guidelines for collecting information on the use of alcohol in recreational boating accidents, fatalities, and injuries. For example, in 1982, the Coast Guard received

reports on 5,377 recreational boating accidents which resulted in 1,178 fatalities, 2,682 injuries, and \$15.3 million in property damage. Based on data available to the Coast Guard, only 95 of these recreational boating accidents involved alcohol as a primary or secondary cause, resulting in 70 fatalities, 22 injuries, and property damage of \$46,700. This amounts to 1.8 percent of the accidents and 6 percent of the fatalities. However, based on some State data that have recently become available, the use of alcohol and its effects in recreational boating accidents, fatalities, and injuries appear to be grossly underreported. In two States, information received indicates that 35 to 38 percent of the fatalities in recreational boating accidents were "legally drunk" at the generally accepted BAC of 0.10 percent. Additionally, one State indicates that as high as 80 percent of the fatalities in 1 year were alcohol related, and in one State 75 percent of the accidents over a 3-year period were alcohol related.

Enforcement efforts for recreational boating are now primarily the responsibility of the States. However, a survey completed by the State of California's Department of Boating and Waterways revealed that in most States (39) and the District of Columbia, there was no defined BAC for intoxication, yet it is unlawful to operate a vessel under the influence of alcohol in 49 of the 51 jurisdictions which responded to the survey. The Safety Board believes that all States and the District of Columbia should establish a defined level of intoxication to strengthen and improve the States' marine programs to handle alcohol-related incidents and accidents. Ideally, that level should be, based on research, set at 0.035 percent BAC. However, as a beginning, it would seem realistic that the level should be the same in each State as that set for driving a motor vehicle while intoxicated. Some States have levels as low as a 0.08 BAC, but most States have a level of 0.10 percent BAC. A 0.10 percent BAC has been generally accepted by the U.S. Congress, the States, and highway safety organizations, and is the level most generally accepted by the American public as "legally drunk." Moreover, the Safety Board believes that States should provide for chemical testing requirements to determine alcohol involvement in the event a recreational boat operator either is suspected of being intoxicated or is involved in an accident. Further, there are no Federal or uniform State requirements for toxicological tests in the event of a recreational boating fatality. Without these tests, it is very difficult for State boating law officials to obtain conclusive and objective information on the true impact of alcohol use in recreational boating accidents, fatalities, and injuries.

Therefore, the National Transportation Safety Board recommends that the Governor/Legislative Leaders of the State of Maine:

Require procedures for toxicological tests in the event of a recreational boating fatality to document the role of alcohol in recreational boating accidents and fatalities. (Class II, Priority Action) (M-83-78)

The National Transportation Safety Board is an independent Federal agency with the statutory responsibility . . . to promote transportation safety by conducting independent accident investigations and by formulating safety improvement recommendations (P.L. 93-633). The Safety Board is vitally interested in any actions taken as a result of our safety recommendations and would appreciate a response from you regarding action taken or contemplated with respect to the recommendation in this letter.

BU RNETT, Chairman, and McADAMS, BURSLEY, and ENGEN, Members, concurred in this recommendation. GOLDMAN, Vice Chairman, did not participate.

S/By: JIM BURNETT
Chairman

Was read and ordered placed on file.

At this point, the Speaker announced the presence in the Hall of the House the Governor of Boy's State, Eric Thompson of Pittsfield and asked the Sergeant-at-Arms to escort him to the rostrum. (Applause)

The following Communication: (H. P. 1375)
State of Maine
House of Representatives
Augusta, Maine
November 14, 1983

John L. Martin
Speaker of the House
111th Legislature
Gerard P. Conley
President of the Senate
111th Legislature

Dear Mr. Speaker and Mr. President:

On November 14, 1983 one Bill was received by the Clerk of the House.

Pursuant to the provisions of Joint Rule 14, this bill was referred to the Joint Standing Committee on Taxation on November 14, 1983.

Taxation

Bill "An Act Providing Conformity with the United States Internal Revenue Code" (Emergency) (H. P. 1374) (L. D. 1806) (Governor's Bill)

Sincerely,
S/EDWIN H. PERT
Clerk of the House
S/JOY J. O'BRIEN
Secretary of the Senate

Was read and ordered placed on file and sent up for concurrence.

The following Communication:
111th Maine Legislature
November 14, 1983

Honorable Edwin H. Pert
Clerk of the House
111th Legislature
Augusta, Maine 04333
Dear Clerk Pert:

On September 8, 1983 pursuant to Chapter 41 of the Resolves of 1983 we appointed Senator Beverly M. Bustin of Kennebec to the Select Committee on Interagency Information Processing.

On September 16, 1983 pursuant to Chapter 41 of the Resolves of 1983 we appointed Representative Rita B. Melendy of Rockland to the Select Committee on Interagency Information Processing.

On September 29, 1983 we appointed Senator Judy C. Kany of Kennebec, Representative James Mitchell of Freeport and Representative Laurence L. Kiesman of Fryeburg as members to the Low-Level Waste Siting Commission Steering Committee.

Sincerely,
S/JOHN L. MARTIN
Speaker of the House
S/GERARD P. CONLEY
President of the Senate

Was read and ordered placed on file.

The following Communication:
State of Maine
House of Representatives
Speaker's Office
Augusta, Maine 04333
November 14, 1983

Honorable Edwin H. Pert
Clerk of the House
111th Legislature
Augusta, Maine 04333
Dear Clerk Pert:

On September 23, 1983 pursuant to Chapter 54 of the Private and Special Laws of 1983, I appointed Representative H. Craig Higgins of Portland and Representative Donald M. Hall of Sangerville to the steering committee to oversee the Office of Energy Resources evaluation of an excise tax exemption on ethanol fuels.

Sincerely,

S/JOHN L. MARTIN
Speaker of the House

Was read and ordered placed on file.

The following Communication:
Maine Human Services Council
Augusta, Maine

November 14, 1983

Honorable John L. Martin
Speaker of the House
House Chambers
State House
Augusta, ME 04333
Dear Speaker Martin:

Pursuant to Chapter 41 of the Resolves of 1983, I am pleased to inform you that I have appointed Ms. Corine Crossmon of Augusta and Rabbi Harry Z. Sky of Portland as the two Maine Human Services Council members of the Joint Select Committee on Interagency Information Processing.

Both individuals have accepted and qualified for each appointment.

The Maine Human Services Council complements the members of the 111th for addressing the issue of how to streamline processing of information by income supplementation and social service programs. We look forward to the Committee's work encouraging more effective help to people with human problems. Computer subsystems can operate more effectively in a compatible/coordinated fashion, and clients' right to privacy must be properly protected.

Sincerely,
S/EDWARD C. KELLEHER
Chairman

Was read and ordered placed on file.

The following Communication: (H. P. 1377)
State of Maine
House of Representatives
Augusta, Maine
November 16, 1983

John L. Martin
Speaker of the House
111th Legislature
Gerard P. Conley
President of the Senate
111th Legislature

Dear Mr. Speaker and Mr. President:

On November 16, 1983 one Bill was received by the Clerk of the House.

Pursuant to the provisions of Joint Rule 14, this bill was referred to the Joint Standing Committee on State Government on November 16, 1983.

State Government

Bill "An Act to Clarify the Allocation of Maine's Qualified Mortgage Bond Limit Pursuant to Federal Law" (Emergency) (H. P. 1376) (L. D. 1807) (Governor's Bill)

Sincerely,
EDWIN H. PERT
Clerk of the House
JOY J. O'BRIEN

Secretary of the Senate

Was read and ordered placed on file and sent up for concurrence.

By unanimous consent, all matters acted upon requiring Senate concurrence were ordered sent forthwith.

(Off Record Remarks)

House at Ease
Called to order by the Speaker.

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

On motion of Representative Mitchell of Vassalboro, the following Joint Resolution: (H. P. 1379) (Cosponsors: Senators Conley of Cumberland and Gill of Cumberland)

JOINT RESOLUTION IN SUPPORT
OF THE APPEAL FOR UNIVERSAL

AMNESTY FOR ALL PRISONERS OF CONSCIENCE

WHEREAS, thousands of men and women are in prison throughout the world solely because of their political or religious beliefs and others are held because of their color or ethnic origin; and

WHEREAS, we in the United States are blessed with a form of government and a rule of law which greatly reduces the incidence of repressive and inhumane practices and therefore imposes an especial ability to work for humane practices throughout the world; and

WHEREAS, a worldwide public appeal has been initiated by Amnesty International for a Universal Amnesty for All Prisoners of Conscience who have neither used nor advocated violence to be presented to the United Nations and all governments for their support; now, therefore, be it

RESOLVED: That we, the members of the 111th Legislature now assembled, support the appeal for Universal Amnesty for All Prisoners of Conscience and urge the support of this appeal by all citizens in hopes of advancing respect for human rights everywhere, thereby securing the foundations for justice, freedom and peace; and be it further

RESOLVED: That suitable copies of this resolution be transmitted to Amnesty International as testimony of this support.

The Resolution was read and adopted and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

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

Bill "An Act to Amend Certain Provisions of the Sunday Closing Law" (Emergency) (H. P. 1380) (L. D. 1808) (Presented by Representative Higgins of Scarborough) (Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26)

Committee on Business Legislation was suggested.

Under suspension of the rules, the Bill was read twice.

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

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I see some hesitation by my counterpart in the other corner. I have no doubt as to the motion that is going to be made on this issue, but I feel it is important that the legislature discuss the issue today. Unfortunately, there has not been a great deal of forewarning about that and I apologize, it was not done intentionally by myself, it simply was not a matter that was brought to my attention until earlier this week. I will explain it to you as best I can from what was explained to me both from talking with the Attorney General and with a constituent who is involved with this proposal on a daily basis.

My understanding of current state law is that if Christmas falls on Sunday, Maine law allows businesses to be open on Monday in the sense that basically you do not receive holiday pay, I guess, I suppose that depends on each individual business, but the point here is that there is no holiday other than Sunday on this year's calendar for businesses who would normally be closed on Sunday. I think that is wrong. I think, for whatever reason, it is a loophole in the law that allows businesses to be open the day after Christmas, and that is basically what we are talking about here, the day after Christmas.

I think we should try to shy away from commercializing Maine to any greater extent than it is. I know the issue of Sunday sales, allowing businesses to be open on Sunday between Thanksgiving and Christmas, was hotly debated in this body and in the other body for a number of days, and I supported that legislation, but I do think that it is wrong for busi-

nesses to be open the day after Christmas. You are asking people in this state to work seven days a week from Thanksgiving to Christmas; Christmas day, which is on Sunday, they will have the day off, and then you are asking them to come back to work Monday morning bright and early. I think the Christmas season deserves better treatment than that and I think the people of the state deserve to have an additional day off.

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

Mr. BRANNIGAN: Mr. Speaker, Men and Women of the House: Certainly some of the things that Representative Higgins has said bear to be listened to and eventually, I believe, to be worked on. The fact is, we do not have Christmas in our laws, it is December 25, December 25 falls on a Sunday and therefore that is the holiday; the day after is December 26, the same with the 4th of July. July 4 is a holiday, July 5 is not.

There are many issues involved in this. It is an area that needs to be treated with a lot more thought than an emergency measure on a day when we are considering many others. Therefore, I would ask you to vote against this, but we will be taking this up in the future when we can have a public hearing, when it can be totally aired, and when we can give it the proper consideration.

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

Mr. DIAMOND: Mr. Speaker, I request a division.

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

Mr. HIGGINS: Mr. Speaker, I would ask for the yeas and nays.

The argument brought forth by my good friend from Portland, Mr. Brannigan, is that we ought to study this and make some determination later, and I object to that for the simple reason that it will be another seven years before we have to worry about Christmas falling on Sunday. I say to you, if you are concerned about making people work on Monday, the day after Christmas, and not allowing them to have a two-day holiday, then you know how you are going to vote on this particular piece of legislation.

There are a number of businesses in this state that do not really want to be open the day after Christmas, that being Monday, but they have to be because their competitor is open the day after Christmas. I think that is wrong and we in the legislature have the capabilities of identifying and solidifying public support and public policy in this state, that is what we are elected to do, and I for one do not believe that the people of this state should be forced to work the day after Christmas.

The SPEAKER: The Chair recognizes the gentleman from Lincoln, Mr. MacEachern.

Mr. MACEachERN: Mr. Speaker, Ladies and Gentlemen of the House: It is really refreshing to find out that finally Mr. Higgins has a concern for the working man.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of all the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

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

The SPEAKER: The pending question is on passage to be engrossed. All those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA—Anderson, Armstrong, Bost, Bott, Brown, D.N.; Cahill, Carrier, Cashman, Curtis, Davis, Dexter, Dillenback, Drinkwater, Foster, Greenlaw, Higgins, L.M.; Hobbins, Holloway, Ingraham, Joyce, Kane, Kiesman, MacBride, Mahany, Manning, Masterman, Matthews, K.L.;

Matthews, Z.E.; Maybury, McGowan, McHenry, McPherson, McSweeney, Murphy, E.M.; Murphy, T.W.; Paradis, E.J.; Parent, Paul, Pines, Randall, Reeves, J.W.; Roderick, Salsbury, Scarpino, Sherburne, Small, Smith, C.B.; Stevenson, Stover, Tuttle, Walker, Wentworth, Weymouth, Willey, Zirkilton.

NAY—Ainsworth, Allen, Andrews, Baker, Beaulieu, Benoit, Bonney, Brannigan, Brodeur, Brown, A.K.; Carroll, D.P.; Carroll, G.A.; Carter, Chonko, Clark, Conary, Connolly, Cooper, Cote, Cox, Crowley, Daggett, Diamond, Erwin, Gauvreau, Hall, Handy, Hayden, Hickey, Higgins, H.C.; Jackson, Jacques, Jalbert, Joseph, Kelleher, Kelly, Ketover, Kilcoyne, LaPlante, Lebowitz, Lehoux, Lewis, Lisnik, Livesay, Locke, MacEachern, Macomber, Martin, A.C.; Martin, H.C.; Masterton, Mayo, McCollister, Melendy, Michael, Michaud, Mills, Mitchell, E.H.; Mitchell, J.; Moholland, Murray, Nelson, Norton, Paradis, P.E.; Perkins, Perry, Pouliot, Racine, Reeves, P.; Ridley, Roberts, Rotondi, Seavey, Smith, C.W.; Soucy, Soule, Stevens, Strout, Swazey, Thompson, Vose, Webster.

ABSENT—Bell, Callahan, Connors, Crouse, Day, Dudley, Gwadosky, Nadeau, Richard, Rolde, Sproul, Tammara, Telow, Theriault, The Speaker.

Yes, 55; No, 81; Absent, 15.

The SPEAKER: Fifty-five having voted in the affirmative and eighty-one in the negative, with fifteen being absent, the motion does not prevail.

Sent to the Senate.

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

The following Communication:
The Senate of Maine
Augusta

November 18, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333
Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Fisheries and Wildlife, the Governor's nomination of F. Paul Frinsko of Scarborough for appointment to the Inland Fisheries and Wildlife Advisory Council.

Mr. Frinsko is replacing Robert E. Moore.

Sincerely,

JOY J. O'BRIEN

Secretary of the Senate

The Communication was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

November 18, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333
Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Fisheries and Wildlife, the Governor's nomination of Nathan Cohen of Eastport for appointment to the Inland Fisheries and Wildlife Advisory Council.

Sincerely,

JOY J. O'BRIEN

Secretary of the Senate

The Communication was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

November 18, 1983

The Honorable John L. Martin

Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Labor, the Governor's nomination of Donald W. Webber for reappointment as the First Alternate Public Representative of the Maine Labor Relations Board.

Sincerely,
JOY J. O'BRIEN

Secretary of the Senate

The Communication was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

November 18, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Labor, the Governor's nomination of Sidney W. Wernick of Portland for appointment as the Chairperson, Public Representative of the Maine Labor Relations Board.

Sincerely,
JOY J. O'BRIEN

Secretary of the Senate

The Communication was read and ordered placed on file.

The following Communication:
The Senate of Maine
Augusta

November 18, 1983

The Honorable John L. Martin
Speaker of the House
111th Legislature
Augusta, Maine 04333

Dear Speaker Martin:

In accordance with Joint Rule 38, please be advised that the Senate today confirmed, upon the recommendation of the Joint Standing Committee on Fisheries and Wildlife, the Governor's nomination of Lawrence J. Hawkes of Lincoln for appointment to the Inland Fisheries and Wildlife Advisory Council.

Mr. Hawkes is replacing Dennis Smith.

Sincerely,
JOY J. O'BRIEN

Secretary of the Senate

The Communication was read and ordered placed on file.

(Off Record Remarks)

House at Ease

Called to order by the Speaker.

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

**Report of Committee
Ought to Pass**

Representative Ketover from the Committee on State Government on Bill "An Act to Clarify the Allocation of Maine's Qualified Mortgage Bond Limit Pursuant to Federal Law" (Emergency) (H. P. 1376) (L. D. 1807) reporting "Ought to Pass"

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

By unanimous consent, ordered sent forthwith to the Senate.

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

The following Communication:
State of Maine
Executive Department
State Planning Office

November 18, 1983

The Honorable John L. Martin
State House Station 2
Augusta, ME 04333

Dear John Martin:

I enclose for your interest a copy of the State Planning Office's Proposed Statement for the 1984 Community Development Block Grant Program.

The Proposed Statement describes how the Planning Office would distribute the \$10.5 million in Federal Community Development funds available to Maine cities and towns in 1984. It has been drafted with the energetic assistance of our Community Development Advisory Committee, whose members are listed on page 67 of the document.

There will be public hearings on the Proposed Statement on November 29th at the following places and times across the State:

Belfast, City Hall — 3 p.m.

Farmington, Town Hall — 10 a.m.

Augusta, State House Room 135 — 1 p.m.

Presque Isle, 203 Folsom Hall, UMPI — 1:30 p.m.

Brewer, City Council Chambers — 10 a.m.

Saco, City Hall — 10 a.m.

Please consider this an invitation to attend one of these meetings, and to provide us with any suggestions or comments you may have. I shall also be happy to hear from you by mail or phone.

Thank you for your support with the Community Development Block Grant Program in the past two years. With your thoughtful help, we have now distributed \$22,052,176 million in awards to 71 Maine cities and towns with many positive, often dramatic results.

Best wishes.

Sincerely,

RICHARD E. BARRINGER

Director

The Communication was read and ordered placed on file.

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

The following Joint Resolution: (S. P. 644)
**JOINT RESOLUTION MEMORIALIZING
CONGRESS TO END IMMEDIATELY THE
FUNDING OF UNITED STATES COVERT
PARAMILITARY OPERATIONS IN
CENTRAL AMERICA**

WE, your Memorialists, the Senate and the House of Representatives of the State of Maine in the Second Special Session of the One Hundred and Eleventh Legislature, now assembled, most respectfully present and petition the Congress of the United States, as follows:

WHEREAS, military action against recognized governments of nations in Central America is in violation of American and international law, and this violation is now under court-ordered investigation by the United States Department of Justice; and

WHEREAS, covert paramilitary operations run a grave risk of provoking full scale war at a time when over 5,000 United States troops are in Honduras and United States warships are stationed off both coasts of Nicaragua; and

WHEREAS, these covert paramilitary operations do serious injury to the world reputation of the United States as a defender of peaceful democratic change; and

WHEREAS, funding of such covert paramilitary operations contradicts our own democratic process by denying the United States Congress and the American public any information or debate on this action; now, therefore, be it

RESOLVED: That We, your Memorialists, do hereby respectfully urge and request the Uni-

ted States Congress to vote to end immediately the funding for United States covert paramilitary operations in Central America; and be it further

RESOLVED: That a duly authenticated copy of this resolution be immediately submitted by the Secretary of State to the Honorable Ronald W. Reagan, President of the United States, the Honorable George Bush, President of the Senate and the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives of the United States Congress, and to the members of the United States Senate and the United States House of Representatives from the State of Maine.

Came from the Senate read and adopted.

In the House, the Resolution was read.

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

Mrs. REEVES: Mr. Speaker, Men and Women of the House: This Joint Resolution is extremely timely, and that is why it deserves our consideration today in this special session.

There are now over 5,000 U.S. soldiers stationed in Honduras and U.S. warships are off both coasts of Nicaragua. The people of Honduras and Nicaragua feel that a U.S. induced war is coming very soon.

I just came back from a tour of these two countries last month. It was a fact-finding tour for U.S. local elected officials, and the poverty of these countries is overwhelming, that is the primary fact. Eighty percent of the population does not have enough to eat.

I saw first hand the counter productiveness of the CIA sabotage program against Nicaragua, blowing up oil supplies and gas lines and training in supporting guerrilla raids that killed many innocent civilians. These are seen as actions against people, not governments.

The U.S. House of Representatives wants very much to end this covert paramilitary program. They have voted three times since last July to defund it. Congresswoman Snowe and Congressman McKernan are both against this covert program because they believe it is wrong, and I would like to quote briefly from their letters to me.

On November 3, John McKernan writes: "Covert military assistance to the anti-Sandinista forces is counterproductive and only threatens to aggravate an already volatile situation in Central America. Congress has a responsibility to change this policy."

Olympia Snowe writes on November 9: "I hope the administration will note the feelings of Congress and the American people on this important issue and will work with the OAS and other countries to devise a nonmilitary solution to the problems of Central America."

The U.S. Senate so far has not concurred with the House on this issue and a critical vote is due immediately. I believe the people of Maine feel strongly that this covert program runs counter to our values as a nation, and our legislature can take an important action by sending this joint resolution to Congress.

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

Mr. DILLENBACK: Mr. Speaker, Ladies and Gentlemen of the House: I would like to ask for 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. All those desiring a roll call vote will vote yes; those opposed will vote no.

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

The SPEAKER: The pending question is on Adoption in concurrence. All those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA—Ainsworth, Allen, Andrews, Baker, Beaulieu, Bost, Brannigan, Brodeur, Carroll, D.P.; Carter, Cashman, Chonko, Clark, Con-

nolly, Cooper, Cote, Cox, Crouse, Crowley, Daggett, Diamond, Erwin, Hall, Handy, Hayden, Hickey, Higgins, H.C.; Jacques, Jalbert, Joseph, Kane, Kelleher, Kelly, Ketover, Kilcoyne, LaPlante, Locke, MacEachern, Macomber, Mahany, Manning, Martin, A.C.; Masterton, Matthews, Z.E.; Mayo, McCollister, McGowan, McHenry, Melendy, Michael, Mills, Mitchell, E.H.; Mitchell, J.; Moholland, Murray, Nelson, Paradis, P.E.; Perry, Pouliot, Reeves, P.; Roberts, Rotondi, Smith, C.B.; Stevens, Thompson, Tuttle, Vose, The Speaker.

NAY—Anderson, Armstrong, Bell, Bonney, Bott, Brown, A.K.; Brown, D.N.; Cahill, Carrier, Carroll, G.A.; Conary, Davis, Dexter, Dillenback, Drinkwater, Foster, Greenlaw, Higgins, L.M.; Holloway, Ingraham, Jackson, Kiesman, Lebowitz, Lehoux, Lisnik, Livesay, MacBride, Masterman, Matthews, K.L.; Maybury, McPherson, McSweeney, Michaud, Murphy, E.M.; Murphy, T.W.; Norton, Paradis, E.J.; Parent, Paul, Perkins, Pines, Racine, Randall, Reeves, J.W.; Ridley, Robinson, Roderick, Salsbury, Scarpino, Seavey, Sherburne, Small, Smith, C.W.; Soucy, Stevenson, Stover, Strout, Swazey, Theriault, Walker, Webster, Wentworth, Weymouth, Willey, Zirkilston.

ABSENT—Benoit, Callahan, Connors, Curtis, Day, Dudley, Gauvreau, Gwadosky, Hobbins, Joyce, Martin, H.C.; Nadeau, Richard, Rolde, Soule, Sproul, Tammara, Telow.

Yes, 68; No, 65; Absent, 18.

The **SPEAKER**: Sixty-eight having voted in the affirmative and sixty-five in the negative, with eighteen being absent, the motion does prevail.

Order Out of Order

On motion of Representative Jackson of Harrison, the following Joint Resolution: (H. P. 1381) (Cosponsors: Representatives Zirkilston of Mount Desert, Roderick of Oxford, and Brown of Livermore Falls)

JOINT RESOLUTION IN MEMORY OF THE UNITED STATES MARINES WHO LOST THEIR LIVES IN LEBANON AND GRENADA

WHEREAS, in recent weeks several hundred United States citizens were killed while serving in the United States Marine Corps in Lebanon and Grenada; and

WHEREAS, these brave young people made the ultimate sacrifice which can be asked of any American by giving their lives in the service of their country; and

WHEREAS, the people of this country have every reason to be proud of these courageous individuals; and

WHEREAS, among these Marines were two young men from Maine, Corporal Bruce Howard of Strong and Major Andrew Davis of Raymond; and

WHEREAS, the people of Maine share in the sorrow of the loss of these two men; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Eleventh Maine Legislature, now assembled in special session, join in recognizing the bravery and in mourning the loss of these courageous Americans, including our two native sons.

This Resolution was received out of order by unanimous consent, read and adopted and sent up for concurrence.

By unanimous consent, all matters acted upon requiring Senate concurrence were ordered sent forthwith.

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

Divided Report

Majority Report of the Committee on Taxation reporting "Ought to Pass" as amended by Committee Amendment "A" (H-440) on Bill "An Act Providing Conformity with the United States Internal Revenue Code" (Emergency) (H. P. 1374) (L. D. 1806)

Report was signed by the following members:
Senators:

TWITCHELL of Oxford
WOOD of York

— of the Senate.

Representatives:

KILCOYNE of Gardiner
MCCOLLISTER of Canton
CASHMAN of Old Town
ANDREWS of Portland
KANE of South Portland
HIGGINS of Portland

— of the House.

Minority Report of the same Committee reporting "Ought to Pass" as amended by Committee Amendment "B" (H-441) on same Bill.

Report was signed by the following members:
Senator:

TEAGUE of Somerset

— of the Senate.

Representatives:

INGRAHAM of Houlton
MASTERMAN of Milo

— of the House.

Reports were read.

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

Mr. **HIGGINS**: Mr. Speaker, Men and Women of the House: I move acceptance of the Majority "Ought to Pass" Report.

The **SPEAKER**: The gentleman from Portland, Mr. Higgins, moves that the Majority "Ought to Pass" Report be accepted.

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

Mr. **HIGGINS**: Mr. Speaker, Ladies and Gentlemen of the House: First, I would ask for a roll call on the motion before us, and then I would like to perhaps go into the debate of the issue of tax conformity.

The issue here really is equity, equity as to who is going to pay for tax conformity for the men and women and corporations, the people of the State of Maine, and I submit to you that the Governor's bill before us today, the bill we are about to vote on, this version of it anyway, unduly penalizes the corporate community in that it makes them pay for the entire cost of total tax conformity.

If you will look at the little yellow book that was sent out to us a week or so ago from the Finance Department, you will see at the bottom of the page that the total tax impact for individuals, the loss in revenue to the State of Maine, is \$5.2 million, that is for individuals and individuals alone. The total tax impact for corporations is \$4.6 million, for a total cost to the state treasury of \$9.833. I think it is unfortunate to ask the business community, or demand of them, to pay for conformity for individuals. If you want to ask them to pay for conformity for themselves, let's do so, let's ask them to do that, or demand them to do that, but let's not ask them or demand them to pay for conformity for individuals as well. There is a lot of talk about equity and fairness, and this bill does not do that.

I know my counterpart from Portland is going to get up and say—but Linwood, you supported this bill four months ago. This body and the other body and the Governor signed a bill that raised corporate income taxes \$14 million, or about 25 or 30 percent, last June. I was opposed to that then, I am opposed to it now, but I am even more opposed to this particular piece of legislation before us.

We have several methods, different ways in which conformity can be handled by this body if it so chooses, but to identify one single group of people to pay for the entire cost of conformity is wrong, it is wrong, it is bad tax policy and it does not do a great deal to enhance the economic climate in the State of Maine.

Again, there has been much talk over the last year or so about how delighted we are to bring businesses into this State of Maine and we try to encourage them to do so, but I wouldn't want to be on the other end of the bargaining

table with some business asking them to come to the State of Maine when they ask, what have you done for us lately? Well, we passed a 30 percent increase in the corporate tax, we already have one of the highest cost workers' compensation systems in the nation, and just recently, by the way, we decoupled our tax laws from the federal system for accelerated cost recovery. I don't think that is a great track record to stand on in trying to entice people here to create jobs for those people in the State of Maine who wish to work, who wish to stay here in the State of Maine and be with their parents.

I would hope that you would vote against the prevailing motion in front of us now and perhaps consider another alternative.

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

Mr. **HIGGINS**: Mr. Speaker, Men and Women of the House: The first thing I would like to do is address very briefly the question of equity brought forth by Mr. Higgins of Scarborough. What we have tried to provide here, within our economic means here today, we have tried to provide a solution to a problem which we discussed on June 23 of that particular year. I would like to recall some of the discussions here on that day. I would like to quote from the Record.

"I will be brief, believe me, but I feel very strongly about this issue. I have to respond only to the concern or what appears to be, or at least as far as some may be believing that I am inconsistent. I may be inconsistent on this issue in not supporting full tax conformity for corporations, and the reason that I'm inconsistent is simply this—I happen to be a realist as well. The money simply is not there, was not there, will not be there for tax conformity for corporations because the cost is \$7.2 million—that's the bottom line." That was said by Mr. Higgins, not this Mr. Higgins, that Mr. Higgins. The money still isn't there for corporations.

I would like to go on a little further and quote again from the Record. "So I looked at the problem of how we can best address tax conformity with the least amount of fiscal damage to the State of Maine, and I came up with a proposal that I thought was reasonable, palatable, did not devastate the financial revenues of this state. And that was a proposal to have an add-back provision for corporations in which they wouldn't have to keep two sets of books, but they would not be able to take the benefits of accelerated cost recovery as quickly as they could on the federal level." That also was the gentleman from Scarborough, Mr. Higgins. I think he said it pretty well those days and I think his arguments are very valid today as well.

What are the other states in the United States doing with the issue of tax conformity? Twelve of the 44 states with income taxes are the ones that would suffer more than 50 percent of the state revenue losses attributable to ACRS. These are the big states, the capital intensive states, the industrial states, states like Maine that have a lot of machinery and equipment. Some of the states that have not conformed, the big ones, California, New Jersey, New York.

What are the key features of this bill? It provides full conformity with the federal tax code for 462,000 individual taxpayers. It provides full conformity with the federal tax code for 61,900 people who filed a Schedule C, which is a proprietorship, sole proprietorship tax form, and also the Schedule F, which is for the farmers. It provides full conformity with the 5,000 or so Subchapter S corporations that file income tax returns in Maine, and it provides full conformity for the 4,200 partnerships in this state. Ninety-six percent of the businesses in this state benefit from full conformity; 4 percent don't. Out of this 96 percent, 90 percent of them are small businesses.

One of the advantages I think big business

has here is that they generally have the accountants that have to do their tax work anyhow, and I think the minor revision required under this add-back provision can be handled by their professional staff.

Apparently in the last five months we have forgotten a lot of things or another issue has come up—petty party politics—and I think that is the issue here.

The SPEAKER: The Chair recognizes the gentleman from Houlton, Mrs. Ingraham.

Mrs. INGRAHAM: Mr. Speaker, Ladies and Gentlemen of the House: I signed on for the minority report and I would like to explain to you why. Although it has been said that this is pretty much the same bill as presented last year, in the meantime we have passed a 25 to 30 percent corporate tax.

This bill discriminates, it discriminates against those who chose the option of incorporating. This means businesses ranging from one family ownership, small business, to large corporations. Subchapter S and partnerships are given conformity, not corporations regardless of size.

Also, the estimated \$9.8 million, \$5.2 is for individual tax benefits. It does not allow full depreciation, and as we have historically, it suggests by the amendment that we will "look at it again in February." That's a tough way to run a business. If there is no insurance that anything positive will be done, there is no commitment.

We are concerned about the business climate of Maine, and here is a law that discriminates against business which, in turn, will affect those employed in Maine and those who want to live in Maine.

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

Mr. CASHMAN: Mr. Speaker, Ladies and Gentlemen of the House: Just to address a couple of issues that would add to what has been stated by the Chairman of the Taxation Committee, and maybe to correct a few misconceptions that have been laid out.

I think we should address what has been done for the 4 percent of the taxpayers who are not given full advantage of accelerated cost recovery system under this proposal. One of the biggest complaints we have heard on taxation by not conforming totally to the federal government's system was that they had to keep two sets of books. Under this system, that's no longer necessary. There aren't two depreciation tables, there is one. All we are requiring here is one adjustment in the federal adjusted gross income onto the state form.

Number two, the companies that are held not to receive full benefits under ACRS are not hurt in respect to how they were treated to ACRS being adopted. Since ACRS has been adopted, the state has always referenced back to the 1980 Federal Corporate Tax Code. They have the same advantage under this bill that they had last year, the year before and prior to ACRS being passed. So to term this a tax increase, I think is unfair.

Also, one other misconception that has been brought up here is that we have passed a corporate tax increase since this bill was debated last year. I don't have total recall, but my memory is that we passed a corporate tax increase the day before this bill was debated on the floor of the House. The statements made by the gentleman from Scarborough were made after the corporate income tax had already been passed. Nothing has changed since he made those statements.

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

Mr. HIGGINS: Mr. Speaker, Men and Women of the House: Apparently, we are facing another taste of momentary amnesia, because the case that Mr. Cashman has made, the fact remains that the Democratic budget was passed on June 22, 1983. The comments of the gentleman from Scarborough and the commit-

tee report and the debate were done on June 23, 1983, the next day, so what really has changed?

I think we should all be aware as well that the bill that we have before us is the same bill reported out by the minority party. All of the members of the minority party on the Taxation Committee voted for this bill, and in reviewing the roll call here for this exact same bill, I find that every member of the minority voted for it then. What really has changed since then?

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

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

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

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I think everybody knows that during the debate over the issues surrounding conformity at the end of the last session there was a significant amount of other things going on, and I can't take lightly the fact that somehow this is interpreted to be an attempt to embarrass me or to harm my credibility.

I make no bones about the fact that I have always felt that tax conformity was a very important issue and that we in this body, or at least the Republican Party, feels very strongly about total tax conformity, and, yes, at the same time I am a realist and I did say those words and I certainly would not retract them now, but given the situation that we were in at the time, in an attempt to pass a balanced budget and in an attempt for us to put some money in our budget that would fund conformity, we tried to live within those means. Since then, yes, a few things have happened.

I feel very strongly that the state should maintain a well-known and thought out tax policy. I think this particular piece of legislation puts it off again. We were told at the end of the last session that we would put the bill back in committee and we would discuss it and study it and probably when we came back into special session—the special session in August for the bond issues—that we would bring it up then. Did we bring it up then? No, we did not. So now we have brought it up in another special session and we have been asked to implement part of it now and put off the big question until later. How long are we going to have to put off the ultimate decision as to whether or not we are going to treat people fairly or not?

While we are reading from the record, I guess I would just read from a testimony that was given by Mr. Irland, the State Economist from the State Planning Office, last week to the Taxation Committee in which he, in the end, said—the end of his report says: "In summary, we cannot base our tax policy on generalizations. All the statistics in the world won't change the fact that business climate is a psychological matter and that confidence in the future is fragile. Maine has tremendous strengths as a location, but we can't overlook some major weaknesses. At present, the level of business taxation is not a weak point in Maine's business climate, but in relation to nearby states, it is not a strong point either. There is valid concern that Maine's business tax policies are not being made in a way that enhances confidence in Maine as a place to do business."

If this particular piece of legislation doesn't deal in generalizations, I don't know what does. It does not give straightforward answers to the business community, and certainly anybody that has anything to do with the psychological nature of confidence, as he menti-

oned, in the business climate here is pretty well undermined by this piece of legislation.

The gentleman from Portland talked a great deal about some states that are not using ACRS, but he didn't tell you that there were 29 states that were—New Hampshire, Vermont, Massachusetts, New Mexico, North Carolina, there is a significant number of those states that are using the ACRS provisions now, expanded depreciation. I know to some people it sounds like ACRS is some method of really enhancing the pockets of the business community and, yes, to some extent it is because it allows them to take depreciation earlier and deduct it as an expense from their cost of doing business. But in the long run it is not, because in the long run you can only depreciate an asset to the value that you paid for it. If you buy a piece of equipment for \$10,000, you can only depreciate that equipment, or take that \$10,000 deduction once. Under the old method, you might have been allowed to take \$2,000 a year for \$5,000; under this method you are saying you can take \$3,333 for three years, that's the federal law, but what you are doing here is, you are only going to be able to take a percentage of that \$3,333. So it is a tax increase, because those corporations who would previous to this be allowed to take \$10,000 in depreciation over the life of the asset on their tax returns at the state level are no longer going to be allowed to do that. They are only going to be allowed to take a percentage of that, and that is a tax increase no matter how you cut it.

As far switching horses in mid race, or whatever, I think this House can remember the fact that there was a great deal of switching that went on over credit card sales of liquor. This House killed that bill on numerous occasions and in the end, when we needed a few extra bucks, we passed it. So, the Republicans aren't always guilty, or at least I am not always guilty of changing my mind, there are others here who, in a pinch, would change their minds as well.

One other thing, this particular piece of legislation reinstates the safe harbor leasing provisions of the federal law, and it wasn't that long ago that I can remember a great number, and probably all the Democratic leadership, saying to me, that's a total anathema to our caucus, we want no part of it, and yet it is in this bill.

So, there are ways and means for people to change their minds around here when things make one want to do so.

I still say it is a method of fairness and I still say that if we should not ask corporations to foot the whole bill. If we are going to pass on tax breaks, tax cuts to individuals, that perhaps they ought to shoulder some of the burden as well and we should not ask one specific group to pay for the whole deal. That is what we are doing here and I think it is wrong.

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

Mr. KANE: Mr. Speaker, Ladies and Gentlemen of the House: I am glad that the gentleman from Scarborough, Mr. Higgins, brought up safe harbor leasing, and he is accurate about the way the Democratic leadership and most Democratic members of the Taxation Committee responded to safe harbor leasing, and what has happened in the interim and why, there is nothing offensive about safe harbor leasing being in this bill, as Senator Bob Dole and the Finance Committee have caught up with the Maine Legislature and have pretty well gutted safe harbor leasing. When it was realized in Washington what a hemorrhaging effect this was having on the federal treasury, they turned it around. It was one of the most ludicrous examples of a straight give-away without any relation to business need that the U.S. Code had ever seen and it just didn't last that long. I think that this year, as far as we are concerned, what is left of safe harbor leasing will

probably cost us, as far as our General Fund goes, about \$50,000, and that is a lot different than last year.

With regard to the characterization of accelerated cost recovery just being another form of depreciation, there is one thing I would like to point out, that the enactment of accelerated cost recovery in Washington represented a really historic break in traditional tax patterns. It was the first time that the U. S. Congress had ever really stopped even trying to make an attempt to associate depreciation with useful life, and it just said, you know, for purely economic and political reasons that all property will fall into these arbitrarily set categories and people will depreciate according to them. So it is really not depreciation associated with the useful life of any sort of an asset, that is why they call it cost recovery. It is just how one gets his money back.

The assertion by the minority leader that it really sort of doesn't matter when one gets his money back, I mean we spent a lot of time over the last few days in Taxation with a lot of accountants just saying, well, it is only a timing mechanism. Well, this whole tax law is all a timing mechanism. I mean, the only thing that matters really is when you get the deduction. If one makes an investment and is able to deduct it entirely the first year, then in effect assuming he rates a tax, then the practical effect of that is to exempt the return on that income from taxes. So really, the accelerated cost recovery was a real boon to the business world. It cost the first year, but my understanding is that it cost the federal treasury \$54 billion, and that is a lot of money, and we suffered quite a bit of loss from it too.

As one Democratic member of the Taxation Committee, I am willing to give any sort of assurances that people would like that I am serious, for my part, about coming back here, when we get back in January, and finding some — I think there ought to be a recovery of this add back. My reasons for it are largely political. I think it is a threat to the State of Maine if the legislature, of whatever party mixture, is perceived as having some sort of anti-corporate animus, and I think that that is a legitimate thing for all of us to worry about. The fact of the matter is, we can take care of our budgetary problems, come back here and work out a reasonable solution to recovering the add back, we can find out who it is going to affect and why. We really worked on it very hard over the last couple of days and we weren't very successful. This, I think, is the best thing we can depend on and no one will be hurt if we don't do it between now and then.

The SPEAKER: The Chair recognizes the gentleman from Monmouth, Mr. Davis.

Mr. DAVIS: Mr. Speaker, Ladies and Gentlemen of the House: I would just like to point out that ACRS was put in place for one big reason, so that our industry could retool, they would have money to retool to compete with all the markets, foreign markets, that we were losing and are losing or have lost during the last few years. The idea was to allow these corporations and businesses, no matter whether they are corporations or what, to depreciate their machinery in a quicker time in order to allow them to have money to retool to be in a better competitive position. That is what ACRS is all about, and I think it has had that definite effect.

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

Mr. ANDREWS: Mr. Speaker, Men and Women of the House: I think that the comment of Representative Davis is an indication and gives us a hint at what underlies perhaps some of the partisanship of this debate.

When we talk about ACRS, we are talking about a policy that is coming from Washington by a Republican administration, and it is based upon an assumption known as supply side economics, that if we take an enormous

amount of money, put it into the pockets of corporations, that we will incite so much economic activity, that we will bring so much money back into the treasury, that we will be able to pay for it with that increased revenue. As we know, that has not happened. What has happened is, this country is facing the most extraordinary budget deficits in our history. We are now floating with \$200 billion, much of which is directly responsible — blame has been laid by many economists to ACRS. As a matter of fact, as we listen to the debates in Washington, we hear moves from Republicans in the Congress to try to not only deal with the problem of safe harbor leasing but now they are addressing their attention to ACRS knowing that we simply cannot afford as a nation this kind of giveaway.

Fortunately, in the State of Maine, we don't have the luxury of building up huge, massive deficits. We have to, as the good gentleman from Scarborough has said, balance our budget, and so it comes to a very practical matter, and I hope that we in both parties can take a look at the practical situation that we are confronted with here with this ACRS.

I suppose if you were to assume that the State of Maine would always thoughtlessly jump onto the federal tax bandwagon, whatever it may be, that in fact this could then be considered a tax increase because we wouldn't be passing along the bonuses that the federal government is passing along because we think we have a different idea. Well, thank goodness we have a requirement in this state that as legislators we take a look at our own fiscal house, we take a look at our own state, we take a look at our own public policy and tax policy, and we don't make a decision just on the basis of what they do in Washington. We make a decision on what is good for the people of Maine, for the business climate in Maine and for the State of Maine government. And when you take a look at it from that perspective, when you assume that responsibility, and when you take a look at the State of Maine and our treasury, you recognize that all corporations, regardless of what happens here, will be able to take full advantage of ACRS from the federal side. They are still going to be able to recoup that which is the lion's share of the benefit. When you take a look at the practical dollars and cents reality of balancing our budget, I think it is fairly safe to assume that a reasonable person, regardless of what party, if we can put party politics aside, will say look, let us take a reasonable, responsible look at this, let's not try to get some kind of a flashy, golden apple solution. Let's realize that it is going to take some time and it is going to take some study and it is going to take some thought to see how we can finance the ACRS provision of conformity.

Before I sit down, I just want to make one other observation that I heard in the debate, a partisan comment that has been made here on the floor and certainly was made several times in the Taxation Committee, and that is about the corporate income tax increase that has been suffered by corporations in the State of Maine. Again, I think that those kinds of over-generalizations are quite dangerous, they seem to fuel the fire of partisanship, certainly, and I suppose it has the intention of painting some people into a corner of being anti-business, but I think if you take a look responsibly at what happened last year, you will realize that we didn't pass a business tax increase on all the businesses in the State of Maine. In fact, we reduced the tax rates of over 80 percent of the businesses here in the State of Maine.

Last week, we had a work session on the business climate here in Maine, and we had business after business after business that came before us talking about how unfortunate it was that their company was now in a 9.3 bracket and they told how it compared to other states in the country. Well, ladies and gentlemen, in order for you to be in that 9.3 bracket, you have

to make a net profit of over \$250,000 or more. In a public hearing in which the business community was telling us that business is so bleak, I was shocked to see so many businesses are making over a quarter of a million dollars in profits or more. That represents the top tier of the businesses in this state, when in reality most businesses are making far less than that and therefore, for the vast majority of businesses that are making \$50,000 or less, they are actually getting a tax deduction.

Let's be responsible in our floor debate, let's represent exactly what we did last year in terms of our tax policy, we passed a good tax law, and let's take a look at a responsible course of action as far as the ACRS conformity issue.

The SPEAKER: The Chair recognizes the gentleman from Monmouth, Mr. Davis.

Mr. DAVIS: Mr. Speaker, Ladies and Gentlemen of the House: I think Representative Andrews misunderstood me. I didn't say that the corporations were putting this money into their pockets, I said they were putting it into modern machinery so that the American people can compete in the marketplace with foreign markets. That is what I said, I didn't say they were putting it into their pockets.

With the unemployment going from ten point something down to eight point something, that shows something has been going right, at least there are more people working.

Now, in reference to corporations who might earn \$250,000 and another one might earn \$50,000—you know, that corporation earning \$250,000 might be one held by stockholders numbering 2,500 people, wherein the one earning \$50,000 might be held by 2 people. So you really can't say that because they earn \$250,000 that they are earning excessive monies. We have to realize that we have many people involved, and if you have many people, naturally you are going to earn more money or those people are going to sell their stock and they are going to be looking for something else.

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

Mr. BROWN: Mr. Speaker, Ladies and Gentlemen of the House: I can't help but respond to my friend, Mr. Andrews' comments. He ended his rather emotional appeal by saying "let's put politics aside" after he made his very partisan remarks against the present administration in Washington concerning supply-side economics and blaming this whole situation on supply-side economics, totally unfounded in my opinion. I heard a lot about obsolete equipment and the fact that American industry is in the situation now where it can't compete effectively with foreign industry is because of the obsolescence that presently exists. So, Mr. Andrews, that problem was with us long before the catch phrase "supply-side economics" was ever heard of.

I come from an area where big business abounds, IP, International Paper Company. One of the biggest paper companies in the world is in my area. I haven't heard a word from International Paper Company concerning this issue, but I suspect I know where they stand. But I will tell you who I have heard from, I have heard from small corporations, I have heard from, today, an equipment processor in my district. I have heard from a surveyor who has to buy thousands of dollars worth of equipment to run a seasonal operation. I heard from a store that has to buy expensive refrigeration equipment, and we all know what kinds of problems those folks are facing. They are facing a severe problem with trying to stay in business, and this is just one aspect that will enable them to do so, will enable them to compete. So we are not necessarily talking about the big corporations, we're talking about the small corporations as well. I think we do have to put that into perspective and I do think we have to say that ACRS is not a product of supply-side economics necessarily but rather

is attempting to address, as Mr. Davis pointed out very effectively, the problem that is facing American industry at this point in time, and that is one of the obsolete equipment in view of very high labor costs, very high energy costs. It is a problem that is not going to go away, folks, it is a problem that means jobs, jobs for your constituents and my constituents, and if we continue to ignore the fact that business, whether it is big or small, does supply jobs, then I think we are doing an extremely disservice to our state.

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

Mr. CASHMAN: Mr. Speaker, Men and Women of the House: Again, just to try to clear up the misconception, Mr. Brown talks about the difference between small corporations, large corporations, one member corporations that he feels aren't being allowed to conform because they are incorporated. I think it is important to note that Chapter S corporations, the main qualification to qualify as a Chapter S corporation is to have 25 stockholders or less. If a corporate entity is currently not filing their taxes as a Chapter S corporation, they can elect to do so by simply declaring that to be the case the next time they file their taxes. If ACRS total conformity is that big an issue to a refrigerator repair shop, they can change their filing status simply by requesting that change.

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

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: I somehow knew from reading this letter that was on my desk from the Democratic members of the Taxation Committee that we were going to bring up Reaganomics and huge deficits at the federal level and cast aspersions on Reagan and the Republican Administration. But those sort of cries of deficits rang rather hollow with me. The Democrats controlled Congress and the Presidency for a number of years and they ran deficits too, and I just can't get overly—I am as concerned as anybody about them, but somehow I can't seem to get that magic of enthusiasm from the Democrats saying that the Republicans are running up huge deficits in Washington. It is sort of like Hugh Heffner complaining about skinny dipping in Sebago Lake; I just can't buy that argument.

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

Mrs. MITCHELL: Mr. Speaker, Men and Women of the House: I know the hour is late and I agree with Representative Higgins, I am not at all interested in discussing federal deficits in Washington. However, I am interested in getting right to the point of the bill as has been reported out by the Taxation Committee. I am interested in deficits in Maine, and I really don't understand how the gentleman intends to fund his full tax conformity. The only proposal that was seriously brought forth in that committee had to do with taking money from another program which many people in this body feel very strongly about, and that had to do with property tax relief for the citizens of Maine. I am concerned about state deficits, and I would like to know how the gentleman intends to avoid state deficits if he pursues with this folly.

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

Mr. DUDLEY: Mr. Speaker and Members of the House: I know I am generally out of tune with this House in late years, perhaps because I have had some experience in the field of business, perhaps it is just because I have been around this state too long.

I see this as sort of a thing like we called it back on the farm—killing the goose that laid the golden egg. If we don't have job, we are not going to have anything. I would like to see more people have jobs. My people want jobs, they don't want handouts, and we seem to be more interested in giving handouts than trying to get

them employed. I, for one, would like to get them employed. In my district, I saw one industry move to Louisiana, another one move to St. Mary's, Georgia, another one move to another place in the south—I was going to tell you but it has slipped my mind—but they went for a reason. There are going to be more if we do this, if our plants can't modernize. I went out of the sawmill business because I didn't feel I could modernize it. One man came in there and modernized it and the others have got to modernize if they stay, but they can't stay if we keep stepping on them. And these people employ people. They're not big corporations, but big corporations or small, they are all affected alike. In order for them to make jobs for the people that I want to find jobs for, they have got to have some consideration given to them to put modern machinery in. You can't compete with Japan and West Germany and these places with all modern machinery with machinery that was built in 1923 and 1925 and 1930.

In my town, we are anticipating a new power station. The corporation is the Bangor Hydro corporation, electrical company. This is on the borderline—they were going to do it this summer, they are going to do it next summer, but these are the things that keep them from doing it. The wheels in my town, water wheels and generators, were put there in 1923. They make about 1500 kilowatts per hour. The new machine makes 15,000 kilowatts per hour, but they have got to have some help to get them there.

Who is Bangor Hydro, who pays this? Eventually, it is the very people you are trying to help, the ratepayer. He is paying through the nose because they are trying to make power out of obsolete equipment. It is the same thing with the manufacture of shoes. They are in here with their foreign shoes. They wouldn't be if we had the same equipment to make them with, modern equipment. It is up to us in Maine to be foresighted enough to see that our industry, whether it be a shoe factory or electrical plant or paper company or what have you, or a man in the sawmill business, there has got to be automation, he has got to have it or he's not going to be in business. It is up to us people here to try to help them, try to help these people that need jobs, and these are the people that are making jobs. If we don't do anything about it, we are just killing the goose that laid the golden egg and we are going to have more people looking for handouts. If you want to try to find enough money to have handouts for everybody, you are going to have to have more than this tax, I can tell you, because what we have got to have is jobs, not handouts. There are plenty of bums and plenty of leeches looking for money and they will always be around. There are some where I come from that are looking for jobs, and those are the ones that I want to help, they are the ones that are paying the bills, and if we don't do something about it right here—I have sat in this House and seen us pass legislation that actually has put the really small businesses out of business, they only have one or two employees, they went two or three years ago with the legislation that we passed. They couldn't keep the books we wanted kept, for one thing, and now we are going a notch further and we are getting the other ones, the little bigger ones.

This state can't survive on just the tourists coming here as well as I wish they could. That would be fine if we could, but we cannot survive on just the tourist industry and our recreation. We just can't find payroll enough to pay the people that are paying the bills.

This is going to be done tonight, you are going to push out a few more and I am not going to have a part of it, but I feel sure the House is going to and I just want people to know that I am not going along with it. This rubs me the wrong way and it is going to rub the people in the State of Maine the wrong way

when they find out how many less jobs they are going to have when they see some more industry moving to the southern states.

That's another thing nobody has mentioned—how many other states have done this? We have got to compete with other states as well as other countries. It's all well and good if the other 49 states pass similar legislation, but let's wait until some of them do it and then maybe we could, but I don't think we can do it until the other states do it, we can't be the first in this area. I can tell you for sure, this is going to hurt us and I hope you will really think about it or you really knew something about what you are voting on.

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

Mr. JACKSON: Mr. Speaker, Ladies and Gentlemen of the House: I sort of hope that what the gentleman from Enfield said didn't fall on many deaf ears in this body. I guess it is no secret how many of us feel considering ACRS, what ACRS has done for the State of Maine. In view of the high energy costs, transportation costs, other costs that we are burdened with in industry and in business, I have to think back to what Representative Andrews stated earlier about the 9½ percent and what you have to earn in order to be over the threshold of \$250,000. I would submit, ladies and gentlemen, that many of these companies that do have profits in excess of \$250,000 probably have investments in this state exceeding \$250 million. And if I was to get 1 percent, 2 percent, 3 percent on my money, I definitely wouldn't have any industry in the State of Maine, I definitely would have it in the bank where I could get 8½, or federal notes or whatever the case may be if I had that type of money, earning 12, maybe 13 percent.

I just feel that when you take a look at Maine, and I don't think you can compare Maine with other states in the nation, we have an unusually long winter here, energy costs are very, very high, transportation costs, we are limited. Everything that we get as far as raw materials, many of the products that are produced by small corporations or small industries in this state have to be transported in here and transported out, and I just feel as though the arguments that we can't afford ACRS, and the state can't afford it, I just feel that those remarks are hollow because we need it, industry needs it in this state if we are going to continue to thrive, and as somebody indicated a little earlier, the unemployment rate going from 10+ percent to 8+ percent, what will it be next month, what will it be the month after? I have to submit, and I think everybody will have to agree here, that Maine's tax policy probably had a little bit to do with that, and ACRS is part of the policy today.

What will happen if we don't have it? A year from today, two years from today, and the feds still have it, some other states still have it, what is going to happen to industry in this state, the industry that provides jobs for the people in this state and which in turn provides revenues to the tax coffers of the state? If we don't have those proceeds to push about for the University of Maine, for educating our children throughout the areas here in the State of Maine, the human service programs, what is going to happen? I just think that we are not being very farsighted.

One comment has been made, how are you going to fund it? Well, I think that would be simple—add on and recapture. Whatever the process may be, I am sure we have got some good heads in this session of the legislature here and we could come up with a plan that might be over three years, four years, five years, to give us an opportunity to recapture where it wouldn't cost us \$5 million in the first year or \$6 million in the first year or \$9 million. It might cost us \$1.5 or \$1 million, but I am sure there are plenty of people here that are capable of figuring that out.

I just feel that today, if we accept conformity without accepting full conformity, we are making a mistake, but that is just one person speaking, and I just hope you people have been listening, listening to the debate of the gentleman from Enfield, I think he hit it right square on the head. If we don't have the jobs, we don't have the money and we don't have the programs.

The SPEAKER: The Chair recognizes the gentleman from Sangerville, Mr. Hall.

Mr. HALL: Mr. Speaker and Members of the House: I guess first of all I would like to clear the air in one respect. I am a small business and we are incorporated, but I am not in business to create jobs, I want you to know that now. I am in business to make money. When I keep hearing people say here that business creates jobs, they do it because they have got good rapport with industry. I'm not creating jobs for somebody, what I am trying to do is cut jobs all I can so I can make money for me and my people, and I don't mind telling you so.

Something was said about other states doing it. I would like you to take a look, Mr. Dudley, if you would at Vermont. Right now Vermont is pretty near bankrupt, and one of the things that made it go bankrupt was this conformity. I would like to see this go through as well as anyone else, but where are you going to get the money? I have heard it said that I have got the assurance from the Taxation Committee that we will address that, but you aren't going to address it tonight, we haven't got the time.

My position is, let's get this done with now. I want to get back home so I can make some more wreaths and make some money.

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

Mr. CASHMAN: Mr. Speaker, Men and Women of the House: Again, I rise to try to clear up a misconception. I think the previous two speakers to Representative Hall created an impression that our action in this bill will cripple the industries adversely affected. I would point out in response to that 85 percent of the advantage of ACRS is a federal advantage; 15 percent of the advantage is a state advantage. We are providing even on the worst scenario of 15 year scheduled property—the 40 percent add-back provides for 60 percent, or actually 74 percent advantage in terms as related to the 100 percent advantage if we had full conformity, so the firms are actually receiving 95 or 96 percent of the advantage that they would normally receive. It is not as if we are cutting their legs off.

The other point I guess I would like to make is that Taxation is doing a business climate study at the present time. There has been a lot of claims made that the taxation policy, the corporate tax adjustment we made in the regular session, this particular action here is adversely affecting the business climate. You know, there are other factors. As a matter of fact, I think one of the things that has come up in the climate study is that one of the major factors that attracts business is a trained labor force. It seems to me that we met here in September and refused to consider a bond issue that would have added the necessary money to the VTI program in this state to provide a trained labor force.

It is very easy to selectively pick what we should and shouldn't do for the climate of business in this state. I think sometimes we can make arguments that ring hollow.

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, very brief on this. There are just a couple of things I would like to point out. One is that we have been talking about the tax treatment of businesses in Maine, and I think that it is fair to say that our tax treatment of businesses is very fair itself. For example, in 1970, which was the first full year of the Maine income tax, 70 percent of the

income taxes were from individuals and 30 percent was from corporations. In 1982, it was over 85 percent from individuals and less than 15 percent from corporations. That, to my mind, is a dramatic tax shift, but it has just found its way along bit by bit without any specific enactment on the part of the legislature to make it so.

Also, in some of the previous remarks it seems that if we pass the bill before us, it would somehow penalize those corporations that take their profits or have taken their profits in Maine and reinvested them in new plant equipment—it is just not so. It is interesting to talk about the deficits and obsolescence of equipment and all that, but if we want to talk about the bill before us, this bill will give absolute conformity, no matter how generous it is, to everything except those corporations, and I think that people really ought to accept as sincere that section of the bill which says that we have every intention of getting together when we can take the time and find out a way to allow recovery or recapture of that add-back. I am not saying that just to persuade people today and then come back after Christmas and say we have changed our minds.

I think it is very consistent with what we did last year, it is very consistent with what we have done since ACRS went in, and that is the bill before us.

The SPEAKER: A roll call has been ordered. The pending question is on the motion of the gentleman from Portland, Mr. Higgins, that the Majority "Ought to Pass" Report be accepted. All those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA—Ainsworth, Allen, Andrews, Baker, Beaulieu, Benoit, Bost, Brannigan, Brodeur, Carroll, D.P.; Carroll, G.A.; Carter, Cashman, Chonko, Connolly, Cooper, Cote, Cox, Crouse, Crowley, Daggett, Diamond, Erwin, Gauvreau, Hall, Handy, Hayden, Hickey, Higgins, H.C.; Hobbins, Jacques, Jalbert, Joseph, Joyce, Kane, Kelleher, Kelly, Ketover, Kilcoyne, LaPlante, Lehoux, Lisnik, Locke, MacEachern, Macomber, Mahany, Manning, Martin, A.C.; Martin, H.C.; Matthews, Z.E.; Mayo, McCollister, McGowan, McHenry, McSweeney, Melendy, Michael, Michaud, Mills, Mitchell, E.H.; Mitchell, J.; Murray, Nelson, Norton, Paradis, P.E.; Paul, Perry, Pouliot, Racine, Reeves, P.; Roberts, Rondini, Smith, C.B.; Soucy, Soule, Stevens, Swazey, Theriault, Thompson, Tuttle, Vose, The Speaker.

NAY—Anderson, Armstrong, Bell, Bonney, Bott, Brown, A.K.; Brown, D.N.; Cahill, Carrier, Clark, Conary, Curtis, Davis, Dexter, Dillenback, Drinkwater, Dudley, Foster, Greenlaw, Higgins, L.M.; Holloway, Ingraham, Jackson, Kiesman, Lebowitz, Livesay, MacBride, Masterton, Masterton, Matthews, K.L.; Maybury, McPherson, Moholland, Murphy, E.M.; Murphy, T.W.; Paradis, E.J.; Parent, Perkins, Pines, Randall, Reeves, J.W.; Ridley, Robinson, Roderick, Salsbury, Scarpino, Seavey, Sherburne, Small, Smith, C.W.; Sproul, Stevenson, Stover, Strout, Walker, Webster, Wentworth, Weymouth, Willey, Zirkilston.

ABSENT—Callahan, Conners, Day, Gwadzsky, Nadeau, Richard, Rolde, Tammaro, Telow.

Yes, 82; No, 60; Absent, 9.

The SPEAKER: Eighty-two having voted in the affirmative and sixty in the negative, with nine being absent, the motion does prevail.

Thereupon, the Bill was read once.

Committee Amendment "A" (H-440) was read by the Clerk and adopted.

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

Mr. Higgins of Portland offered House Amendment "B" and moved its adoption.

House Amendment "B" (H-444) was read by the Clerk.

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

Mr. HIGGINS: Mr. Speaker, Ladies and Gentlemen of the House: This amendment, as I understand it, removes the emergency clause from the bill. I would pose a question through the Chair to the gentleman from Portland, Mr. Higgins. Last spring, we enacted the budget on a simple majority vote and then ran into problems later on, or what we thought were problems later on. The concern I have is, this bill was an emergency measure because it supposedly took effect at the end of this calendar year, December 31, 1983, and I want to make sure that he has checked with the appropriate authorities and that by doing so we are not creating an administrative nightmare somehow by not having this go into effect in 90 days.

The SPEAKER: The gentleman from Scarborough, Mr. Higgins, has posed a question through the Chair to the gentleman from Portland, Mr. Higgins, who may answer if he so desires, and the Chair recognizes that gentleman.

Mr. HIGGINS: Mr. Speaker, Men and Women of the House: Considering the possibility that this House would not be able to provide 101 votes on this measure, I have consulted with the Bureau of Taxation and it is my understanding that the earliest they ever send refunds out for personal and corporate income taxes is February 1. Because this bill would take effect 90 days from this date, I believe that would bring us up to February 18, 18 days after the normal operating procedure in mailing refunds out. So the effect is, it would delay refunds a matter of 18 days potentially.

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

Mr. JALBERT: Mr. Speaker and Members of the House: I am going to vote for this amendment over my personal protest. This is the second time it has happened to me, it happened to me personally on one of my own pieces of major legislation at the last session. I would think that somewhere along the line, and I have got nothing but respect for the House Chairman and the members of the Taxation Committee, they have been good to me personally, they have been good to me as a friend, but somewhere along the line, I would think when 13 people meet, when you saw that the report of that committee was going to be 8 to 5, this could delay us hours if anything went wrong, I would think that if you saw that bill being 8 to 5, somebody would have had the sense to take off the emergency right then and there. If you knew it was going to be a party line deal, and that is exactly what it is, it shouldn't be, but that is what it is, then the amendment should have been put on right then and there so we would have had it on the bill and not spend any time and money that it costs here in Augusta and the possibility of holding us up for a long time.

I will vote, however, for the amendment, but I had to get this off my chest.

Thereupon, House Amendment "B" was adopted.

Mr. Murphy of Kennebunk offered House Amendment "D" and moved its adoption.

House Amendment "D" (H-446) was read by the Clerk.

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

Mr. MURPHY: Mr. Speaker, Men and Women of the House: At the end of our last session, we heard quite a bit in terms of total tax conformity. We have heard that during the time period that the Taxation Committee has been meeting and we have heard that throughout the day. I think many of us, as we look at the two positions in terms of the majority and minority report, really aren't that comfortable with either one. One side says that it is an economic issue that we cannot afford in 1983; the other side says that it is excluding certain businesses from the types of deductions that are available to all Maine citizens, and those are really the only two choices that have been before us. So throughout the day we have worked

at an amendment that is before you, filing number 446, and what it does, it provides for an add-back based upon the classification of the type of the property. What we are saying is that in 1983 those businesses will not be allowed to use that deduction in terms of that return but that we are making a commitment that they be included in terms of add-back beginning in 1984.

The overall cost of the bill was included in the fiscal note, and there is a difficulty coming up with the fiscal note. There is a difficulty for our citizens in this state to have placed before them clear taxation policy, and it is stiffer each and every year. In 1981, we had full conformity; in 1982, we had an add-back, 18 percent, which could be recovered in three equal installments, and with that add-back we were able to accurately project each of those three-year costs. In 1983, we have a bill that has been accepted up to second reading which creates a situation that a multi-million dollar partnership can take advantage in terms of those types of depreciation deductions, whereas Ma and Pa store, which decides to buy maybe a cash register, cannot take that type of depreciation. So the difficulty in coming up with it is that we have an estimated range of \$3 million to \$44½ million.

In terms of the taxpayers who are eligible, that is the worst case scenario, as if every taxpayer that has been excluded under that regular bill filed for recovery in a three-year period, the reality is that it will probably be in the area of some \$2 million.

We have worked on this bill all day, or this amendment, because I think each and every one of us, no matter whether we have a "D" or an "R" behind our names, have talked to our constituents and we have a deep down desire that we want jobs in this state.

There are many of you that are fellow teachers in this body, and each year I have had to watch young people who graduate from the school in which I taught leave this state. And those of you whose districts are in northern or eastern Maine, that problem is even more severe. So I think what we have with this amendment is an opportunity to address the cost as well as make a commitment. We are telling those businesses, we'll make that commitment in terms of depreciation, but you are going to have to wait a little longer to take it. We haven't achieved fair equity, they are not as equal as the other taxpayers who are covered, but there is a commitment here. We have said, we want jobs to remain in this state and we want businesses to relocate here because we want jobs for our people, and this amendment is an opportunity to vote for that type of commitment. It is not as far as we should go, but it is farther down the road than the majority report that is available to us.

Many of you, both sides of the aisle, said that you just are not comfortable with the two choices that have been available to you today, and the Taxation Committee has labored under a great deal of pressure to try to resolve this problem, but we are in the eleventh hour. And when the gentleman from South Portland, Mr. Kane, indicates that the committee will be studying that in February, he is a very honorable man and I know that that will receive his full attention in February, but I think we all know that in terms of the actions of the citizens in the recent referendum, that Taxation Committee is going to be looking at the boat tax, they are going to be looking at the question of current use versus highest and best use in terms of taxation. That committee has its hands full, and what it should be doing in February is preparing tax policy for the 1984 tax year, and I am afraid that if we don't address it this evening, then 1983 will be gone.

With this amendment, you have an opportunity for deferring full tax conformity and let that Taxation Committee undertake a very difficult task in February of preparing our tax

policy at the beginning of the year rather than the end of the year.

Mr. Speaker, when the vote is taken, I would ask that a roll call be taken.

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

Mr. GAUVREAU: Mr. Speaker, Men and Women of the House: When I came to Augusta this morning, I was troubled, I really had difficulties with both the Governor's bill which is before us and also the proposal that was put forth by Representative Higgins of Scarborough. I felt that the state simply was not in the fiscal position to fund full conformity, and nothing I have heard today dissuades me from that view.

On the other hand, I was troubled and remain troubled by what I perceive as a fundamental inequity inherent in the Governor's bill which would effectively deprive certain taxpayers from the opportunity to recapture add-back. As you know, there has been a great deal of discussion on the add-backs, and they are predicated upon, first of all, the type of taxpayer and also the type of property which is being depreciated. But one thing remains clear, we can have fairly similarly situated taxpayers paying substantially different tax burdens for no apparent rational purpose.

This situation readily obtains, in the case of a small corporation which might be grossing or earning thirty, twenty, ten thousand dollars a year, they compare that business to a partnership, perhaps a law partnership, that could be grossing in the area of a hundred thousand or more a year, and yet they are paying substantially different tax rates and for really no viable, rational tax policy. I think all of us are troubled with that, and I certainly respect the views that have been put forth today by the people on the Taxation Committee. I think they have labored long and hard with this and are going to labor long and hard with this problem. I don't think anything we do today is going to solve this problem. But I really am troubled by allowing an inequity to go on if we deprive taxpayers of their rights under an existing tax law to recapture the add-backs. Therefore, I find Representative Murphy's amendment to be attractive to me. I am troubled, there are certain features of it that do give me concern, obviously the financial uncertainty. We really don't know exactly what this is going to cost the State of Maine, and that is a legitimate cause for concern. Unfortunately, at this point in time, we don't have available to us the requisite facts and information to allow us to pinpoint with any more certainty the financial impact that this amendment would accrue.

We have to bear in mind an overriding principle in taxation, whether we be Republicans, Democrats or whatever, and that is that all taxpayers have to be treated fundamentally fairly, and if the state, the government, represents that there is in effect a certain tax policy, I think all taxpayers have a right to rely upon that tax policy in their planning for future years. In the case of our corporate taxpayers, I think they have a right to rely upon, in this case, the ACRS provision so when they make investment strategies, they do so projecting out the recapture for the entire useful life of the property that is being depreciated, or under the new jargon, I guess, ACRS supposedly substitutes for the depreciation.

I would submit that Representative Murphy's proposal is unreasonable. I think it is not going to portend dire financial consequences to the state, it is going to allow a moderate period of recapture ranging from two to eight years, depending upon the type of item in service. We will have to make adjustments in future tax years, certainly.

I would point out that it is my understanding that the great experiment with accelerated cost recovery in Washington is winding down and it is unlikely, due to the massive deficits the federal government is experiencing, that

ACRS will remain with us much longer. I think that will have the effect of bringing the possible adverse financial consequences to the state, but if in the event there are unexpected contingencies, we can always make adjustments in the future.

But the cardinal principle here, again, is fundamental fairness to all taxpayers—treat equal taxpayers in an equal fashion. We are not doing that if we single out corporations without any further logical means to discriminate.

I find it ironic in this situation that I am parting company with some of my political friends, I am certain I will be with them on future issues, but in this situation I really feel that we have to be fair to all taxpayers. If I had been a member of the U.S. Congress, I can most assuredly represent to you that I would have voted and argued against accelerated cost recovery systems. I don't believe in that as a viable means of predicated tax policy, but I think if we have it in effect, it is irresponsible of us to change the rules in mid course, and it is for that reason that I would urge you to accept and approve Representative Murphy's amendment.

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

Mr. HIGGINS: Mr. Speaker, Men and Women of the House: I find that the proposal put forth by Mr. Murphy is done in good faith and I respect his efforts here very much today. In fact, I think it would be an asset to the Taxation Committee to have him with us on this committee and I think he is aware that there is one opening on it right now.

The proposal he has put forth is one which four members of the Taxation Committee, the Governor's Office, the Speaker and the Majority Leader discussed at great length yesterday afternoon and last evening. It was one of four proposals that were discussed, and it is one of the four proposals that I hope we could consider in the study commission prior to March 1.

There appears to be at least four deficiencies here that I would like to share with you. The four deficiencies that appear here today, it is hard to get an answer on them because we don't have the basic information that we need, really, to answer these questions. Most of the information provided in the yellow books that you have received from the Department of Finance were compiled on materials put together by the Treasury Department, their tax policy office. One of the things that they failed to break down on which it is very essential to make a long-term proposal here today is how much the different categories of property is going to cost over the next few years. What we are talking about is the three year, the five year, the ten year and fifteen year property, but beyond this I think we all realize that the budget for the second year of the biennium has already been passed.

It is my understanding that this bill has a fiscal impact of a minimum of \$3 million and as high as \$4.5 million. I don't have the budget document here, apparently it has been boxed up with the rest of my material, so I would have to defer to the Appropriations Committee to ask them if sufficient revenues exist in the second year of the biennium in order to fund this?

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

Mr. JOYCE: Mr. Speaker, Ladies and Gentlemen of the House: I would like to move the indefinite postponement of House Amendment "D" and ask for the yeas and nays.

The SPEAKER: The gentleman from Portland, Mr. Joyce, moves that House Amendment "D" be indefinitely postponed.

The Chair recognizes the gentleman from Winslow, Mr. Carter.

Mr. CARTER: Mr. Speaker, Ladies and Gentlemen of the House: A question has been asked of the Appropriations Committee as to

whether or not we would have sufficient revenues in the second year of the biennium, and it is pretty difficult for me at this point to be able to guesstimate what is going to transpire in the second year of the biennium.

I would like to ask the sponsor where the money is going to come from more specifically, and then perhaps I might be able to answer.

The SPEAKER: The gentleman from Winslow, Mr. Carter, has posed a question through the Chair to the gentleman from Kennebunk, Mr. Murphy, who may answer if he so desires, and the Chair recognizes that gentleman.

Mr. MURPHY: Mr. Speaker, to respond to the question—we have hard money in hand of \$2.1 million that is a surplus, carryover from the previous fiscal year. As of this date, in terms of the economy recovering, we are running ahead, \$3.8 million ahead of our estimates. Even though the amendment carries a fiscal note of "worst possible scenario" of \$3 million to \$4.5 million, those people who have looked at the amendment have said that it would likely be in the area of \$2 million, and we do have \$2.1 million in hand.

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

Mr. CARTER: Mr. Speaker, Ladies and Gentlemen of the House: Representative Murphy has indicated where the funds might come from. It is true that there is a small surplus; however, it is also true that we have not yet settled the pay raises for the state employees. The general cost of wages in this state are pegged at around \$150 million. A one percent increase in the pay scale would project to about \$1.5 million, and there isn't much left. I don't think the funds will be adequate to take care of the employee pay raise, let alone provide funds for anything else unless we have a tax increase, or cut some other programs.

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

Mr. HIGGINS: Mr. Speaker, Men and Women of the House: Just a couple more points. This happens to be one of the potential solutions of several which we could consider in a way of funding ACRS. There is another one Representative Cashman has proposed that upon the sale or discontinued use of capital equipment there would be a recapture there.

In case you haven't noticed, this is Amendment "D" in drafting this. This is the fourth try in drafting this amendment in the proper way. I think we have some very technical aspects here. I would hope that it would be right this time, but trying to make tax policy in one afternoon just doesn't make sense.

Lastly, we have a 6 percent add-back for this year, next year and the following year on our income tax form. This would provide for a 2½ percent add-back in addition to this.

We have one other issue—that is the \$13 million for ACRS in this next year. Is this going to require a third add-back? Are we simplifying our tax forms in any way? It seems to me that we're making them more complex. It seems to me that what we are doing is, we are getting something today in providing tax benefits, tax breaks, for corporations and yet we are mortgaging our future and paying for it tomorrow.

Five months from now will be March 1, we will have had five more months of additional tax collections, and perhaps we will have appropriate revenues to fund it at that time when the study committee of three legislators and four members of the business community report back to the legislature under the bill we have before us.

I would hope that we would follow the course that we have, and I would support the motion to indefinitely postpone.

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

Mr. KANE: Mr. Speaker, I would like to address a question through the Chair. I would like to ask the sponsor of the bill if there are any corporations in Maine who currently don't

have any 1983 state income tax liability and who will only be affected by this amendment by receiving a refund or increasing the refund?

The SPEAKER: The gentleman from South Portland, Mr. Kane, has posed a question through the Chair to the gentleman from Kennebunk, Mr. Murphy, who may answer if he so desires, and the Chair recognizes that gentleman.

Mr. MURPHY: Mr. Speaker, in response to the question, I attended the Taxation Committee hearing yesterday when that question was posed and the staff was not able to respond back in terms of individual returns or a pattern that might be established, but 12,000 corporations do file in this state; 6,000 make enough money to be able to file a return.

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

Mr. KANE: Mr. Speaker, apparently I didn't phrase the question very clearly. In any event, I think the boiled down answer is that Mr. Murphy doesn't know and I don't know and no one in here knows, which is the real reason why we ought to reject this amendment. We really just don't know what it will do. I just can't phathom what the mystical value is in getting something like this passed tonight. There won't be any detrimental effects, and as far as the political effect of this thing, it is really up to us. Everybody has heard about Murphy's Law—if something can go wrong, it will. This is Murphy's Law!

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

Mr. CASHMAN: Mr. Speaker, Men and Women of the House: Just one point I wanted to make. Both Mr. Gauvreau and Mr. Murphy in their remarks made the statement that we should have a tax policy that the corporate world and other taxpayers can rely on, and I couldn't agree with them more. That is precisely the reason why we should reject this amendment. The worst possible thing we could do is to pass something here tonight, after 15 minutes of intense study, that we would then have to go back in the next session and redo and completely change the tax policy that we established here tonight.

I urge you all to support the motion to indefinitely postpone.

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

Mr. MURPHY: Mr. Speaker, Men and Women of the House: I may be prejudice, but I have always held that the definition of Murphy's Law is good common sense, and I feel that what is before you in the way of the amendment is good common sense. I would hope that we could defeat the motion to indefinitely postpone so that we might add this amendment "D" to the bill.

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

Mr. ANDREWS: Mr. Speaker, Men and Women of the House: I will try to be very brief. I have one basic comment to make and I will try to make it as non-partisan as I possibly can.

I would like to just admit to you as a member of the Taxation Committee, I think I speak on behalf of all the Democratic members of the committee, and all the members of the committee for that matter, that there is a problem with this original bill, that there is an issue of discrimination against the four percent of those corporations that are going to be affected by this. And I am not secure at all in the principle of taxation underwriting that, I think it is a serious problem and that is why I am very, very sincere in trying to solve that problem in a reasonable way.

But the issue of discrimination comes up with this alternative as well. In our hearing on this bill, this issue, two days ago, we heard from a representative of small businesses, and that representative said that one of the most important principles you have to keep in mind when you pass a tax policy as far as small busi-

nesses are concerned is simplicity. If you complicate unnecessarily the tax structure, the corporate tax structure, it is not going to be a real big deal for a large corporation, they pay full-time tax accountants and attorneys to take care of that, no big deal. But if you are a small business person who tries to do your own books, or if you are a small business person and have to hire someone to come in and do your books, the point that our chairman made as far as the increased complexity of this bill becomes a very serious and important factor; in fact, it could mean dollars and cents to a small corporation. So not only may a corporation have to deal with the add-back schedule of 6 percent, but in addition to that there is an additional add-back schedule of 2½ percent and so on, and we haven't addressed how we are going to pay for the second year of the biennium, the \$13 million, and perhaps we will have a third set of schedules. Those heads are going to be spinning so fast that unless you are a paid professional CPA, it is going to spin right off the table.

I think as far as discrimination is concerned, we should keep in mind that message from the small business community to our Taxation Committee and that we not pass this amendment, that we support the indefinite postponement motion, and that we sit down in a very sincere way, take a look at this type of proposal and other proposals and try to come up with a way that we can consistently deal with this problem.

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

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

The SPEAKER: The pending question is on the motion of the gentleman from Portland, Mr. Joyce, that House Amendment "D" (H-446) be indefinitely postponed. All those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA—Ainsworth, Allen, Andrews, Baker, Beaulieu, Benoit, Bost, Brannigan, Brodeur, Brown, A.K.; Carrier, Carroll, D.P.; Carroll, G.A.; Carter, Cashman, Chonko, Connolly, Cooper, Cote, Cox, Crouse, Crowley, Daggett, Diamond, Erwin, Hall, Handy, Hayden, Hickey, Higgins, H.C.; Hobbins, Jacques, Jalbert, Joseph, Joyce, Kane, Kelleher, Kelly, Ketover, Kilcoyne, LaPlante, Lehoux, Lisnik, Locke, MacEachern, Macomber, Mahany, Manning, Martin, A.C.; Martin, H.C.; Matthews, Z.E.; McCollister, McGowan, McHenry, McSweeney, Melendy, Mills, Mitchell, E.H.; Mitchell, J.; Murray, Nelson, Norton, Paradis, P.E.; Paul, Perry, Pouliot, Racine, Reeves, P.; Roberts, Rotondi, Smith, C.B.; Soucy, Soule, Stevens, Theriault, Thompson, Tuttle, Vose, The Speaker.

NAY—Anderson, Armstrong, Bell, Bonney, Bott, Brown, D.N.; Cahill, Clark, Conary, Curtis, Davis, Dexter, Dillenback, Drinkwater, Foster, Gauvreau, Greenlaw, Higgins, L.M.; Holloway, Ingraham, Jackson, Kiesman, Lebowitz, Livesay, MacBride, Masterman, Masterton, Matthews, K.L.; Maybury, Mayo, McPherson, Michaud, Moholland, Murphy, E.M.; Murphy, T.W.; Paradis, E.J.; Parent, Perkins, Pines, Randall, Reeves, J.W.; Ridley, Robinson, Roderick, Salsbury, Scarpino, Seavey, Sherburne, Small, Smith, C.B.; Sproul, Stevenson, Stover, Strout, Swazey, Walker, Webster, Wentworth, Weymouth, Willey, Zirkilton.

ABSENT—Callahan, Connors, Day, Dudley, Gwadosky, Michael, Nadeau, Richard, Rolde, Tammaro, Telow.

Yes, 79; No, 61; Absent, 11.

The SPEAKER: Seventy-nine having voted in the affirmative and sixty-one in the negative, with eleven being absent, the motion does pre-

vail.

Thereupon, the Bill was passed to be engrossed as amended by Committee Amendment "A" (H-440) and House Amendment "B" (H-444) and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

(Off Record Remarks)

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

**Passed to Be Enacted
Emergency Measure**

An Act to Clarify the Allocation of Maine's Qualified Mortgage Bond Limit Pursuant to Federal Law (H. P. 1376) (L. D. 1807)

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. 116 voted in favor of same and 19 against, and accordingly the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

The following paper from the Senate appearing on Supplement No. 10 was taken up out of order by unanimous consent:

The following Joint Resolution: (S. P. 645)

JOINT RESOLUTION IN MEMORY OF THE

LATE JOHN FITZGERALD KENNEDY

WHEREAS, John Fitzgerald Kennedy, the 35th President of the United States, was felled by an assassin's bullet in Dallas, Texas, on November 22, 1963; and

WHEREAS, President Kennedy was a man of highest physical and moral courage which was tested and proved in both war and peace; and

WHEREAS, in only 34 months in office he bore enormous responsibilities in a troubled world and met them with fortitude and hope; and

WHEREAS, he was an outspoken advocate as he strove to achieve full civil rights, the dignity of the individual and self-sufficiency, both for Americans and for the less fortunate people the world over; and

WHEREAS, he walked with dignity, upholding the faith of our fathers which is freedom for all; and brought life, color and, to use his favorite word, vigor with him everywhere; and

WHEREAS, he was a man of wisdom, strength and peace who did not shrink from his responsibilities, but welcomed them; so he would not have us shrink from carrying on his work; now, therefore, be it

RESOLVED: That We, the Members of the 111th Legislature of the State of Maine, now assembled in special session, take this opportunity to inscribe this resolution in the memory of John Fitzgerald Kennedy, a great leader of this Nation and the world, whose name will long linger to nourish the faith of all who serve that same great land; and be it further

RESOLVED: That our profound sympathy be tendered to the members of the family of the late President in token of our continued bereavement.

Came from the Senate read and adopted.

In the House, the Resolution was read and adopted in concurrence.

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

Order Out of Order

On motion of Representative Carroll of Gray, the following Joint Resolution: (H. P. 1382) (Cosponsor: Senator Diamond of Cumberland)

**JOINT RESOLUTION URGING RESTORATION
OF THE GREYHOUND PUBLIC
TRANSPORTATION SYSTEM**

WHEREAS, the people of Maine depend upon reliable and efficient means of public

transportation; and

WHEREAS, the Greyhound Bus Company has for many years provided this necessary service, so vital to the numerous rural areas of the State; and

WHEREAS, there currently exists a situation of disagreement between the management and the employees' union of the Greyhound Bus Company; and

WHEREAS, the current differences between the union and the management have effectively curtailed the operations of the company and imposed hardships on the citizens of Maine; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Eleventh Legislature, now assembled, in special session, respectfully urge and request the management and the employees' union of the Greyhound Bus Company to negotiate in good faith, without resort to violence, in order that a rapid resolution be resolved and the system of public transportation be restored; and be it further

RESOLVED: That suitable copies of this resolution be sent forthwith to the management of the Greyhound Bus Company and to the officers of the employees' union.

The Resolution was received out of order by unanimous consent, read and adopted and sent up for concurrence.

House at Ease

Called to order by the Speaker.

The following paper appearing on Supplement No. 11 was taken up out of order by unanimous consent:

Passed to Be Enacted

An Act Providing Conformity with the United States Internal Revenue Code. (H. P. 1374) (L. D. 1806) (C. "A" H-440; H. "B" H-444)

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.

By unanimous consent, ordered sent forthwith.

The following paper appearing on Supplement No. 13 was taken up out of order by unanimous consent:

Order Out of Order

On motion of Representative Zirnkilton of Mount Desert, the following Joint Resolution: (H. P. 1383) (Cosponsors: Representatives Jackson of Harrison, Roderick of Oxford, and Brown of Livermore Falls)

**JOINT RESOLUTION IN SUPPORT OF THE
RESCUE MISSION IN GRENADA**

WHEREAS, on October 19, 1983, a radical army junta seized power in the tiny island nation of Grenada after slaying Prime Minister Maurice Bishop and an undetermined number of his followers; and

WHEREAS, following this bloody coup, the lives of hundreds of Americans on Grenada and the civil rights of the people of Grenada were in jeopardy; and

WHEREAS, to insure the well-being of those Americans and to relieve the oppression of the citizens of Grenada, a rescue mission of United States Armed Forces and forces from other neighboring nations took control of Grenada; and

WHEREAS, this rescue mission uncovered irrefutable evidence of extensive Cuban activity in Grenada and huge stores of Cuban and Russian arms; and

WHEREAS, freedom and peace have been restored to the nation of Grenada as a result of this multi-national mission; now, therefore, be it

RESOLVED: That We, the Members of the 111th Maine Legislature, in special session now assembled, join in expressing our support of the successful mission to Grenada and our congratulations and gratitude to those who so bravely participated in that mission.

The Resolution was received out of order by unanimous consent, read and adopted and sent up for concurrence.

By unanimous consent, ordered sent forthwith to the Senate.

At this point, the Speaker appointed Representative Mitchell of Vassalboro to inform the Senate that the House had transacted all business before it and was ready to adjourn without day.

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

At this point, the Speaker appointed the following members to wait upon His Excellency, the Governor, and inform him that the House had acted on all matters before it and was ready to adjourn without day:

Representatives: CROWLEY of Stockton

Springs

VOSE of Eastport

MANNING of Portland

MITCHELL of Freeport

AINSWORTH of

Yarmouth

MELENDY of Rockland

MILLS of Woodstock

MAHANY of Easton

HOLLOWAY of Edgecomb

SALSBURY of Bar Harbor

SCARPINO of St. George

Subsequently, Representative Crowley reported that the Committee had delivered the message with which it was charged.

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

The SPEAKER: The Chair recognizes the gentlewoman from Brunswick, Mrs. Martin.

Mrs. MARTIN: Mr. Speaker, Ladies and Gentlemen of the House: I move the House stand adjourned sine die.

The SPEAKER: The gentlewoman from Brunswick, Mrs. Martin, moves that the House adjourn without day. Is this the pleasure of the House?

The motion prevailed and at 7:22 p.m., Eastern Standard Time, Friday, November 18, 1983, the Speaker declared the House adjourned without day.