

# MAINE STATE LEGISLATURE

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Legislative Record

OF THE

Eighty-Fifth Legislature

OF THE

STATE OF MAINE

1931

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### HOUSE

Thursday, February 26, 1931.

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

Prayer by the Rev. Mr. Bradford of Hallowell.

Journal of the previous session read and approved.

Papers from the Senate disposed of in concurrence.

From the Senate:

Ordered, the House concurring, that for the purpose of facilitating the business of the 85th Legislature and of providing for fair consideration in the separate Houses of resolves carrying the appropriation of money for special purposes all committees having under consideration resolves available for report in blanket form are hereby requested and instructed to report in blanket form on or before Thursday, March 19th, all resolves now before them which have been heard and considered, and

Further Ordered, that all such committees be requested to make their reports on such resolves as cannot be then reported so that each separate item be separately considered.

Comes from the Senate read and passed.

In the House, on motion by Mr. Lowell of Lincoln, tabled pending passage in concurrence.

#### Senate Bills in First Reading

S. P. 75, L. D. 513: Resolve providing for the payment of certain amounts due exhibitors at the Central Maine Fair Association in 1929, on account of State stipend.

S. P. 145, L. D. 725: Resolve providing for an increase in State pension for Lorenzo D. Wright of Fairfield.

S. P. 246, L. D. 726: An act relating to the construction of a road in the town of Guilford.

S. P. 507, L. D. 734: An act to amend an act incorporating Alna Lodge.

S. P. 497, L. D. 727: Resolve providing for a State pension for Susie W. Morse of Auburn.

S. P. 498, L. D. 728: Resolve providing for a State pension for Heslyn York of Freedom.

S. P. 499, L. D. 729: Resolve providing for a State pension for Florence H. Baker of Liberty.

S. P. 500, L. D. 730: Resolve providing for a State pension for Lotie McFarland of Seasmont.

S. P. 501, L. D. 731: Resolve providing for a State pension for Nellie E. Turner of Auburn.

From the Senate: Resolve providing for a State pension for Cora B. Young of South Berwick (H. P. 220) (L. D. 699) which was passed to be engrossed in the House February 24th.

Comes from the Senate with the report of the committee ought to pass recommitted to the committee on Pensions in non-concurrence.

In the House, on motion by Mr. Varney of Berwick, tabled, pending reconsideration.

The following remonstrance and petition were received, and, upon recommendation of the committee on reference of bills, were referred to the following committees:

#### Legal Affairs

By Mr. Thomas of Woodland: Remonstrance of citizens of Washburn and Crouseville against the Sunday recreation bill. (H. P. 1185)

#### Pensions

By Mr. Friend of Skowhegan: Petition of residents of Skowhegan in favor of an old age pension. (H. P. 1184)

#### Orders

Mr. Hathaway of Milo presented the following order and moved its passage:

Ordered, the Senate concurring, that bill an act classifying sewage companies as public utilities, H. P. 990, L. D. 433, be recalled to the House from the committee on Public Utilities for such further action as the Legislature may order.

Mr. HATHAWAY: Mr. Speaker, this is a bill that I introduced, but since its introduction conditions have arisen so that I wish to withdraw the bill; and I would like to move that this order be sent by messenger to the Senate that that body may act on the same as it sees fit.

The order received passage, and was sent by messenger to the Senate for concurrence.

Mr. Morse of Oakland presented the following order and moved its passage:

Ordered, the Senate concurring, that the Joint Rules be and hereby are amended by striking out in section one, the words "On Insane Hospitals" and inserting in the proper alphabetical position in said section one, the words "On State Hospitals."

Mr. MORSE of Oakland: Mr. Speaker, addressing myself to the order before the House, I would like to make a short explanation. In the Senate and House Register under "Committees" you will find the committee on State Hospitals listed as "Insane Hospitals." The purpose of this order is to correct that error. By an act passed by the Legislature in 1913, "the name of the Maine Insane Hospital, located at Augusta, Maine, is hereby changed to Augusta State Hospital." At the same time, in 1913, the same name of the Bangor Hospital was changed from "Insane Hospital" to "State Hospital." To my mind, "State Hospital" sounds much better than "Insane Hospital," and this order has the endorsement of the Governor as well as Dr. Hedin of the Bangor Hospital and Dr. Tyson of the Augusta Hospital. Therefore we would like to have this order passed.

The SPEAKER: The question before the House is on the reference of this order to the committee on Rules and Procedure. Is it the pleasure of the House that it be so referred?

The motion to so refer prevailed and the order was sent up for concurrence.

Paper from the Senate, out of order, under suspension of the rules.

Ordered, the House concurring, that bill an act relating to regulation of loans by trust companies, S. P. 353, L. D. 376 be recalled from the engrossing department to the Senate for such further action as the Legislature may order.

Comes from the Senate, read and passed.

In the House read and passed in concurrence.

#### Reports of Committees

Mr. Burkett from the Commit-

tee on Judiciary on bill an act relating to Chiefs of Fire and Police Departments, city of South Portland (H. P. 618) reported that legislation on the same is inexpedient.

Mr. Farris from same Committee reported ought not to pass on bill an act to prevent fraudulent concealment or transfer of property after causing damages in motor vehicle accidents. (H. P. 591) (L. D. 159)

Mr. Tompkins from same Committee reported same on bill an act to authorize the Children's Protective Society to sign warrants for commitment of neglected children. (H. P. 581) (L. D. 201)

Reports read and accepted and sent up for concurrence.

Mr. Tompkins from the Committee on Judiciary reported ought not to pass on bill an act relating to the recovering of damages for flowing or by diversion of water. (H. P. 961) (L. D. 452)

(Tabled by Mr. Clement of Durham pending acceptance of report)

Mr. Hathaway from the Committee on Taxation reported same on bill an act relating to taxation of stock of trust and banking companies. (H. P. 135) (L. D. 54)

(Tabled by Mr. Fernald of Winterport pending acceptance of report)

Mr. Allen from the Committee on Education on bill an act in regard to qualifications of teachers (H. P. 6) (L. D. 14) reported same in a new draft (H. P. 1186) under same title and that it ought to pass.

Mr. Burkett from the Committee on Judiciary on bill an act relating to probation officers for Cumberland County (H. P. 820) (L. D. 306) reported same in a new draft (H. P. 1187) under same title and that it ought to pass.

Mr. Farris from same Committee on bill an act providing appeals in certain tax cases (H. P. 955, L. D. 466) reported same in a new draft (H. P. 1188) under same title and that it ought to pass.

Reports read and accepted and the new drafts ordered printed under the Joint Rules.

Mr. Snow from the Committee on Judiciary reported ought to pass on bill an act relating to Hancock County Publishing Company. (H. P. 817)

Mr. Blanchard from the Committee on Legal Affairs reported same on bill an act relating to Mount Hope Cemetery Corporation. (H. P. 827)

Mr. Ford from the Committee on Sea and Shore Fisheries reported same on bill an act relating to catching smelts in Salt Pond in the towns of Bluehill, Sedgwick and Brooklin. (H. P. 133)

Mr. McLoon from same Committee reported same on bill an act relating to lobster fishing in waters adjacent to Criehaven (H. P. 663) together with petition (H. P. 664)

Reports read and accepted and the bills ordered printed under the Joint Rules.

Mr. Tompkins from the Committee on Judiciary reported ought to pass on bill an act to amend an act to supply the town of Bucksport with water. (H. P. 574) (L. D. 196)

Mr. Burkett from same Committee reported same on bill an act relative to vacating location of streets. (H. P. 956) (L. D. 447)

Same gentleman from same Committee reported same on bill an act relating to prosecutions and violations of liquor law. (H. P. 959) (L. D. 450)

Mr. Authier from same Committee reported same on bill an act relating to appointment of receivers; attachments dissolved. (H. P. 908) (L. D. 362)

Reports read and accepted and the bills having already been printed were read twice under suspension of the rules and tomorrow assigned.

#### **First Reading of Printed Bills and Resolves**

(H. P. 138) (L. D. 754) An act relating to the towns of Lincoln and Enfield.

(H. P. 1180) (L. D. 756) An act relating to the care of children of women committed to the Reformatory for Women.

(L. D. 755) (H. P. 867) Resolve in favor of the State School for Boys.

(H. P. 1181) (L. D. 757) Resolve in favor of the State School for Girls.

#### **Passed to be Engrossed**

(S. P. 1) (L. D. 712) An act to amend Chapter 44 of the Private and Special Laws of 1887 en-

titled to act to incorporate the Skowhegan Water Company, as amended by Chapter 154 of the Private and Special Laws of 1917.

(S. P. 269) (L. D. 241) An act relating to the issuance of stock by public utilities corporations for organization purposes.

(S. P. 453) (L. D. 714) Resolve providing for a State pension for Harold E. Trueworthy of Athens.

(H. D. 625) (L. D. 737) An act to incorporate the City of Belfast School District.

(H. P. 750) (L. D. 272) An act to provide a town council and manager form of government for the town of Presque Isle, in the county of Aroostook.

(H. P. 1171) (L. D. 740) An act relating to payment of damages done by dogs or wild animals.

Mr. Perham of Paris offered House Amendment A, and moved its adoption as follows:

**HOUSE AMENDMENT A**, to House Paper 1171, Legislative Document 740.

Legislative Document 740 is hereby amended by inserting in the fifteenth line of said document, after the word "damage" the following words: 'within thirty days from the date of investigation;' and by striking out in the twenty-six, twenty-seventh, twenty-eighth and twenty-ninth lines of said document the words: "In case one party refuses or neglects to select a referee, the referee selected by the other party, together with the duly authorized agent of the commissioner of agriculture after thirty days from the time the notice of the aforesaid damage was given or received, shall choose a third," and substituting in place thereof the following words: 'or his duly appointed agent. In case one party refuses or neglects to select a referee the referees selected by the other two parties after thirty days from the time the notice of the aforesaid damage was given or received, shall choose a third.'

Thereupon House Amendment A was adopted and the bill as amended by House Amendment had its third reading and was passed to be engrossed.

(H. P. 1179) (L. D. 748) An act to increase the salary of the Judge of the Farmington Municipal court.

(H. P. 634) (L. D. 736) Resolve providing for an increase in State pension for Emily F. Grotton of Washington.

(H. P. 637) (L. D. 738) Resolve providing for a State pension for Bertha M. Spear of West Gardiner.

(H. P. 638) (L. D. 739) Resolve providing for a State pension for Flora E. Babb of West Gardiner.

(H. P. 1172) (L. D. 741) Resolve providing for a State pension for Roxie C. Harvey of Belfast.

(H. P. 1173) (L. D. 742) Resolve providing for a State pension for Henry W. Plummer of Whitefield.

(H. P. 1174) (L. D. 743) Resolve providing for a State pension for Charles S. Follett of Industry.

(H. P. 1175) (L. D. 744) Resolve providing for a State pension for Bertha Gordon of Union.

(H. P. 1176) (L. D. 745) Resolve providing for a State pension for Alden Doe of Washington.

(H. P. 1177) (L. D. 746) Resolve providing for a State pension for Kate Bird of Farmingdale.

(H. P. 1178) (L. D. 747) Resolve providing for a State pension for Ellen Bird of Farmingdale.

At this point a message was received from the Senate, through its Secretary, proposing a Joint Convention of both branches of the Legislature forthwith in the hall of the House for the purpose of extending an invitation to the Honorables Henry Lord and Henry W. Sargent to attend the convention.

Thereupon, on motion by Mr. Smith of Masardis, it was voted that the House signify to the Senate its concurrence in the proposal for such Joint Convention, and that the Clerk of the House so notify the Senate.

The Clerk subsequently reported that he had performed the duty assigned him, and his report was accepted with the thanks of the House.

At this point the Senate came in and a Joint Convention was formed.

IN CONVENTION

The President of the Senate in the Chair.

On motion by Mr. Weeks of Somerset:

ORDERED that a committee be

appointed to wait upon the Honorable William Tudor Gardiner, Governor, and extend to him an invitation to attend the Convention.

The Chairman appointed as members of such committee; Senators Weeks of Somerset, Weatherbee of Penobscot and Weymouth of Penobscot; and on the part of the House, Representatives Burkett of Portland, Scates of Westbrook, Smith of Bangor, Potter of Bangor, Palmer of Bangor, the member from Bangor, Miss Martin, and Sargent of Brewer.

Mr. Weeks subsequently reported that the committee had discharged the duty assigned it, and that the Honorable William Tudor Gardiner, Governor, was pleased to say that he would attend the Convention forthwith.

Thereupon William Tudor Gardiner, Governor, with his suite, entered the hall, amid the applause of the Convention, the members rising.

CHAIRMAN MARTIN of the Convention: The Chair is advised, and was advised this morning, that primarily there are two distinguished guests here today, really as guests of the House, and that the House has kindly suggested that the Senate meet with the House in this joint convention in order that we might pay our respects to these gentlemen who are to be here today and the Chair will appoint as a committee to escort these gentlemen in, the Senator from Hancock, Senator McLean, and the Senator from Penobscot, Senator Weymouth. The committee will kindly attend to its duties.

Subsequently the committee escorted the distinguished guests into the hall of the House of Representatives, amid the applause of the convention, the members rising.

CHAIRMAN MARTIN: Members of the Convention: This is a unique occasion today and I doubt if any of you can recall when similar honor has been extended to any citizens of the State. But it does seem that we might pause a moment today in our deliberations to welcome the gentlemen who are here. They are possibly old in years, but they have imbibed the tonic of Maine air and are as young in spirit today as they have always been young during the years that have passed.

In 1878, which is 53 years ago, the gentleman upon my left was the

Speaker of the Maine House. A few years passed and in 1889, he was President of the Maine Senate. The gentleman sitting beside him is from Hancock County and was in the Senate in 1889 when Mr. Lord presided over that body. I understand also,—and I trust that he may be in the House at the present time,—that there is a member from York County who was in the House at that time, in 1889, A. I. Q. Mitchell, who also only a few years ago was a member of the House.

It is a personal pleasure and privilege for me to present these gentlemen, particularly because my mother happened to live in Bangor when she was about eleven years old and her Sunday School teacher happened to be the distinguished gentleman on my left.

It is a great pleasure and a real privilege to present to you at this time—and I will interrupt my remarks a moment because I see Mr. Mitchell is approaching and I know you will want to greet him.

(Mr. A. I. Q. Mitchell was escorted to a seat beside the Chairman, amid the applause of the convention, the members rising.)

**CHAIRMAN MARTIN:** It is a great pleasure and a real privilege to present to you this man who some 53 years ago presided over this House, and judging from the brief talk that I have just had with him, I think he is fully capable of presiding over this House today. I present to you the Honorable Henry Lord of Bangor. (Prolonged applause, the convention rising.)

**Mr. LORD:** Members of the Eighty-fifth Legislature: There is quite a difference between standing before a legislative body when you are 30 years of age and 84 years of age. When I was 30 I had a voice and could make myself distinctly heard, I think, but this morning I doubt if you can all hear me.

I will say a word or two about the Legislature of 1878. Selden Connor was Governor at that time. Hannibal Hamlin and James G. Blaine were United States Senators. William P. Frye, Stephen D. Lindsey, Llewellyn Powers, Eugene Hale and Tom Reed were in the lower branch—a pretty strong, able body of men all around. There were 151 members, of course, of that House

of 1878. There are just four of those members living today and they are all well along in the eighties. Augustus Moulton of Portland, State Historian, who has, I understand, given Bowdoin College over \$100,000, is one of them; Lindley M. Webb who is still practising law with his son in Portland; and Gideon Mayo, an old retired Baptist minister, and myself are living in Bangor.

In the House of 1878 there were three future governors, Robie, Burleigh and Bodwell, and there were half a dozen men who afterwards reached high positions in the State of Maine. The baby of the House was Leslie Cornish, afterwards Chief Justice. They were a good body of men.

Four years ago I was shown the high honor of being called up here by the Speaker, I said a few words at that time and I made a remark then which I will repeat now because it is true. I said it was a very good looking body of men but they didn't have the dignity of the body over which I presided, because three-quarters of the members of that house wore whiskers and beards, and there is hardly a whisker to be seen now. (Laughter and applause.)

I am going to take advantage of this opportunity; I didn't expect that I should be able to talk before a convention; I came over here to talk before a committee this afternoon to advocate placing a statue of Hannibal Hamlin in Statuary Hall in Washington, D. C.

In 1878 James G. Blaine and Hannibal Hamlin presented a statue to Statuary Hall, of William King, the first governor of Maine. Fifty-three years have passed and Maine is the only New England state, about the only one, that has not placed a second statue beside the one of William King. This afternoon that committee will act upon a matter asking for an appropriation of \$8,000. We have a splendid statue of Hannibal Hamlin in Bangor, and I hope a duplicate can be placed in Washington for that sum. I hope it will be the unanimous vote that that sum of money shall be appropriated and that the statue of Hannibal Hamlin will be

placed in Statuary Hall. He was a hero of two great political parties. He was a Democrat before the Civil War. Now in that Statuary Hall there were twenty great men, in their day and generation, put there because they were the most prominent men of the different states, and they were his colleagues and if Hannibal Hamlin's statue is placed there, and those men could speak, they would welcome him as one of their peers. Daniel Webster was another one. Henry Clay, John C. Calhoun, Thomas H. Benton, Sam Houston, Oliver P. Morton and other men who I cannot perhaps name but I do remember Zachariah Chandler.

They are all there and Hannibal Hamlin ought to be there and I hope you place him there.

Pardon me for taking advantage of this opportunity. I didn't expect to have it. I wanted to talk to a committee and I am talking to a convention. Now gentlemen, I will not speak much longer because I know that perhaps you do not care to hear me, but I will say just a few words more. When I was Speaker of the House, the Speaker's chair was over yonder and today I can see that House plainly as it stood then, that is, I can see where the prominent men were in those days. Down here on the left were three very prominent Democrats. One of them was Colonel Charles P. Mattocks, six feet two inches in height. He was the Democratic candidate for Speaker and when I was escorted to the Chair that morning, 30 years of age, I thought he was seven feet tall. (Laughter.) He was the editor of the Portland Argus and I know people thought he was terribly bitter. And then there was the "Duke" of Fort Kent who always wore a blue broadcloth coat with brass buttons and who was always asking for appropriations for the schools and roads in his district. He used to tell them about the large families in his district. There were lots of families with 12 or 14 children, and one, as I remember, with 21 children. Then there was General Smith of Waterville, one of the finest dressed men, who was candidate for Governor on the

Democratic ticket; and there were three men that visitors used to inquire who they were, in some respects the best looking men in the whole crowd, and we had other good men. There was the treasurer of Bowdoin College who had a coterie of young men around him and he used to encourage them to speak upon certain subjects when there wasn't anything else to do, and those men afterwards all became prominent men. Joe Moore was a Democrat. He was a graduate of Bowdoin College and afterward President of the Senate; and George Seiders, afterwards President of the Senate and later Attorney General. And in my contest for the Speakership there were three mayors of different cities: the mayor of Augusta who was afterwards Speaker of the House, the mayor of Lewiston, head of a large corporation and trustee of Colby College, and the mayor of Saco, who afterwards held high public office.

I might go on and talk at some length further but, gentlemen, this is entirely unexpected and it is an occasion I wish I could rise up to and talk as I ought, but I want to say a word or two more about Hannibal Hamlin. He was the youngest Speaker that Maine ever had, three times Speaker early in life, once when he was 28 years old. He was elected to Congress early in his 30's, and to the United States Senate before he was 40, and he left the Democratic party when they repealed the Missouri Compromise and then came back and organized the Republican Party in 1856 and was its first Governor. Then, when he was not renominated Charles Sumner said to the President that he must be made Collector of the Port of Boston, the best office in the gift of the government. He held that office for one year and resigned because he didn't agree with Andrew Johnson. He was made Minister to Spain and then sent back to the United States Senate and for over 55 years, more than any other man he labored for the welfare of the State of Maine. During the last years of his life he helped to develop the north country. He was president of the Bangor and Piscataquis Railway and President of the European and North Ameri-



can Railroad, and died on the fourth day of July, 1891, when he was 82 years old. It was my good fortune as a boy, when he was vice president, to help him get a load of hay. And I tell you Hannibal Hamlin could pitch hay just as well as Abraham Lincoln could split rails. He was born the same year as Abraham Lincoln. And then it was my good fortune to hear his last speech. I was president of the Bangor Board of Trade during Merchant's Week and they wound up with a big mass meeting in Norumbega Hall and Hannibal Hamlin came in and made his farewell speech,—his valedictory, his swan song—and he died the next Fourth of July.

I thank you for this opportunity. I appreciate the great honor and I wish I was equal to it but I am not, but I thank you nevertheless, for giving me this opportunity to speak before this splendid body of men and women. (Prolonged applause, the convention rising).

CHAIRMAN MARTIN of the Convention: The Chair is advised that our other two guests do not desire to address the convention.

MR. LORD: Let me say that one of these men is 82 years old and has been around Cape Horn three times in an American clipper ship.

CHAIRMAN MARTIN: To show you what a really unique occasion this is, or to show our guests, I would like to have any member of the Senate or House who expects to be a member of either the Senate or House or expects to be back addressing the convention 53 years from today to rise and stand and the monitors will take count. (laughter) It is a unanimous vote.

MR. LORD: It is my opinion that he will be Governor.

CHAIRMAN MARTIN: The Chair recognizes the Senator from Penobscot, Senator Crosby.

SENATOR CROSBY: Mr. President, it is well for men to pause on occasions, to turn back their gaze down the corridor of time to a former day when our predecessors held sway in these halls, and a warm wave of pleasure goes over us as we recognize three distinguished and venerable gentlemen on whom I am sure black care has not rested and over whom the years have passed lightly. And to you, Mr.

Lord, and you, Mr. Sargent, and you, Mr. Mitchell, in behalf of the Eighty-fifth Legislature of the State of Maine, I bid you welcome. May you live long and prosper and may you be pleased to accept these flowers as a slight token of our respect and esteem.

The convention rose and applauded as the flowers were presented.

MR. LORD: I wish to say that I am glad these flowers are presented to me during my lifetime and not at my funeral. (Prolonged applause, members rising).

CHAIRMAN MARTIN of the Convention: I know the Convention will be very glad to hear from the Governor of Maine. (Prolonged applause, convention rising).

THE GOVERNOR: Members of the Eighty-Fifth Legislature and distinguished guests: It is a great pleasure to participate in these observances. It was a great pleasure, Mr. Lord, to welcome you as I sat here as Speaker of the House and it is a great pleasure indeed to greet you now as Executive of the State, representative of our citizens. It is a pleasure for us all to hear of the old days and I know you will be glad to know that in the Executive Department we are endeavoring to carry on the traditions of your service, and there serves on the Executive Council the grandson of the Robie with whom you were associated so many years ago in the Legislature. We honor your service, your long period of public life, and we assure you that we will endeavor to carry on in the same way which you, preceding us, have set for the State of Maine. (Applause)

The Governor and suite then retired.

CHAIRMAN MARTIN of the Convention: As there is no further business to come before the Convention the convention is now dissolved and the Senate will retire to its Chamber.

The purpose for which the Convention was assembled having been accomplished the Convention was dissolved, and the Senate retired to the Senate chamber, amid the applause of the House.

Shortly thereafter the guests of the Convention, Messrs. Lord, Sargent and Mitchell, retired amid the applause of the House, the members rising.

**IN THE HOUSE**

The Speaker in the Chair.

**Passed To Be Engrossed**

(S. P. 165) (L. D. 477) An act to incorporate the Federal Employees' Credit Union of Maine.

(S. P. 196) (L. D. 583) An act relating to the April term of the Superior Court for Penobscot County.

(S. P. 197) (L. D. 582) An act relating to the removal of unworthy attorneys.

(S. P. 198) (L. D. 584) An act to extend the charter granted to the Sandy River and Rangeley Lakes Railroad Company.

(S. P. 201) (L. D. 585) An act changing the charter of the Fort Kent Water Company.

(S. P. 202) (L. D. 586) An act increasing the capital stock of the Frontier Water Company.

(S. P. 203) (L. D. 587) An act relating to the Seal Cove Water Company.

(H. P. 4) (L. D. 394) An act to extend the charter of the Quebec Extension Railway Company.

(H. P. 200) (L. D. 554) An act to provide for the general up-keep, enlargement, and betterment of the Law Library in the county of Androscoggin.

(H. P. 203) (L. D. 145) An act relating to certified copies of certain records in County of Aroostook.

(H. P. 216) (L. D. 125) An act to increase the powers of the Fort Kent Village Corporation.

(H. P. 580) (L. D. 555) An act to extend the charter granted to the Union Terminal Company.

(H. P. 583) (L. D. 556) An act relating to the right of Warren Memorial Foundation to hold property.

(H. P. 595) (L. D. 203) An act additional to the acts which constitute the charter of Colby College, formerly Colby University.

(H. P. 596) (L. D. 204) An act to repeal Section 2 of Chapter 19 of the Private and Special Acts of 1887.

(H. P. 621) (L. D. 538) An act relating to the Bangor Theological Seminary.

(H. P. 622) (L. D. 557) an act authorizing the payment of an

annuity by the City of Portland to Rosa B. Reidy.

(H. P. 624) (L. D. 537) An act to provide a better government for the town of Bar Harbor.

(H. P. 1042) (L. D. 558) An act to amend the charter of the President and Trustees of Colby College.

**Finally Passed**

(H. P. 1043) (L. D. 559) Resolve in favor of granting teacher's pension to Cora B. Crabtree of Vinalhaven.

(H. P. 1044) (L. D. 560) Resolve granting teacher's pension to Mrs. Susan Pope of Westbrook.

**Orders Of The Day**

Mr. FERNALD of Winterport: Mr. Speaker, I would like to take from the table House Paper 135, L. D. 54, an act relating to taxation of stock of trust and banking companies, previously tabled by me, and I would like to speak on this matter. I rise to explain to the members of the Eighty-fifth Legislature.—

The SPEAKER: Will the gentleman defer until the motion is carried to take from the table? The gentleman moves to take from the table House Report, ought not to pass, on bill House Paper 135, L. D. 54, tabled by that gentleman earlier in the session.

The motion prevailed.

The SPEAKER: The Chair recognizes the gentleman from Winterport, Mr. Fernald.

Mr. FERNALD: Mr. Speaker, I wish to explain to the members of the Eighty-fifth Legislature a bill which, through the next decade, will lift from the shoulders of our taxpayers a tax burden amounting to several million dollars. It will lift from their shoulders a tax burden from the farm, from the factory, from the sawmill, from the bakery, from the quarry, from all industry, and from the very life that makes up the State of Maine—a tax burden of four million dollars. In other words, fellow members, an amount sufficient to build a white ribbon of concrete thirty feet wide from here to Portland, or, if you prefer to go the other way, from here to Bangor. I rise, fellow members, to place before you the merits of a bill,—the only measure before

this Legislature that attempts to make a substantial reduction in the tax burden of the farm, of the factory, and of the homes of Maine.

Let us consider the political expediency of the measure. That is always an important matter for us to consider as legislators. What will be the consequences of this measure? What will be the effect back home? I bring these matters before you because, in the first instance, when this matter had its hearing before the committee there were several members of the committee, I am informed, who were somewhat in doubt as to what the report on the bill ought to be, for example. If there is any question at any time, I will be glad to answer it.

There are twenty-five members present here whom this bill will effect by reducing the tax burden on their homes and factories from one to five hundred dollars. There are twenty-one present, who, if this bill passes, can say that their tax burden on home, shop or factory is reduced from five hundred to a thousand dollars. Eighteen it effects to the extent of two thousand dollars; twelve to the extent of three thousand dollars; four to the extent of four thousand dollars; eight to the extent of five thousand dollars, and eight to the extent of six thousand dollars, including such places as Eastport and Saco. Six to seven thousand dollars will be the reduction in Belfast, Biddeford and Pittsfield; seven to eight thousand dollars in Ellsworth and Guilford; eight to nine thousand dollars in Brunswick, Caribou and Calais; and up in Fort Fairfield from nine to ten thousand dollars. The city of Rockland will be benefited from ten to eleven thousand dollars, likewise Rumford. Houlton, twelve to thirteen thousand dollars; Waterville, from thirteen to fourteen thousand dollars; Sanford, from fifteen to sixteen thousand dollars; Skowhegan, seventeen to eighteen thousand dollars; Bath, thirty-four thousand dollars; Bangor, fifty-four thousand dollars; Auburn, twenty-seven thousand dollars; Lewiston, thirty-one thousand dollars. In this city of Augusta the tax burden will be reduced one hundred and one thousand dollars on the homes of Augusta, and in the city of Port-

land, one hundred and twenty-eight thousand dollars.

There is the political expediency of the matter that the people back home will talk about. I will leave that with you for your judgment, your consideration.

Now let us offer a scientific yardstick, a yardstick proposed by a Scotchman, Adam Smith. He laid down his four principles of taxation as equality, certainty, convenience and economy. The present law that is on the Statute books conforms as to certainty and convenience and economy, but the quarrel that I have with the present bill is as to Adam Smith's principle of equality. Adam Smith in his work on the Wealth of Nations, which is considered the foundation of public finance, states this under the principle of equality: "The subjects of every State ought to contribute toward the support of the government as nearly as possible in proportion to their respective abilities; that is, in proportion to the revenue which they respectively enjoy under the protection of the State."

Bear in mind, that is the principle that I am quarreling with in this bill, Legislative Document 54. There is no question but what the tax burden today in the State of Maine on the shop, on the mill, on the factory, is unbearable. I do not believe there is a member in this House who would rise and state that he feels that the farms of Maine, the homes of Maine, the factories of Maine, are not paying too much taxes today. But the problem that we have before us is not that we are raising too much revenue, but that the tax burden that is being imposed is not equally distributed. Harking back to Adam Smith's principle of equality based upon your ability to pay is not the guiding spirit that moves our present law, especially the one under consideration today.

I wonder how many people know that this tax that we have under consideration now is not a tax on the trust companies, is not a tax on the national banks. As a matter of fact it is not a tax on any bank. Let me carry it one step further. As a matter of fact this law will reduce the tax on banks. Think that one over! How many people know that it is the bank corporation that

owns the real estate, the vaults and the safe deposit plant of a bank? Now comes our problem. How many people know that the stockholders own the stock and that it is illegal for a bank to own its own stock? This tax, members of the House is a tax on bank stock, not a tax on banks. Let me carry it back a bit! When the law was changed, when the tax rate was thirty-five mills and you saw fit to make the discrimination and say that they should pay fifteen mills, at that time there were in the State of Maine 3,520 abandoned farms. How are we to continue functioning if our farms are abandoned? How many people know that it is a fair statement to say that in agricultural states less than one half of the income pays eighty per cent of the taxes? Think of it! How many people know that out of every one hundred dollars that a farmer takes in twenty-eight dollars of it goes to the payment of taxes? I see a number of the members of the Senate present, and just for their information I would like to say—

The SPEAKER: The gentleman is not in order in addressing any member of the Senate or referring to the Senate members personally or as a body.

Mr. FERNALD: I apologize for making the remark. I will state to the members representing the counties that it effects the sixteen counties in this way: It will mean that Androscoggin, if this bill is passed, will have its local tax burden reduced for the next two years on its real estate, its factories, and its industries, \$72,000; Aroostook, \$43,000; Cumberland, \$157,000; Franklin, \$18,000; Hancock, \$18,000; Kennebec, \$126,000; Knox, \$26,000; Lincoln, \$10,000; Oxford, \$27,000; Penobscot, \$68,000; Piscataquis, \$16,000; Sagadahoc, \$39,000; Somerset, \$32,000; Waldo, \$14,000; Washington, \$29,000; York, \$49,000.

This tax proposes to reduce during your term of office the real estate taxes in your locality, throughout the State, nearly three quarters of a million dollars—\$774,000. How many people realize that in the last ten years in Maine bank stock has earned as high as 24 per cent annually and has paid as high as 18 per cent in dividends and averaged 12 per cent in annual dividends?

Show me the farm in the State of Maine that can equal that showing. I challenge any member in this House to rise and show me by one reasonable argument why bank stock, that is considered among the most productive properties in the State of Maine, should have a tax rate of fifteen mills, whereas your radio, your broken-down farm, your horse and buggy, pays an average rate of 44 mills and as high as 80 mills in the State of Maine. Equality! Ability! How are you going to answer the question when somebody meets you at the cross-road why bank stocks pays fifteen mills and we pay 75 mills if we can get it? How many people know that Financial Institutions Incorporated controls in the State of Maine over forty-one banks and branches with total assets of \$86,000,000, and that the same holding company in 1930 paid a dividend on its common stock of 20 per cent? How many people know that this same Financial Institutions Incorporated earned over 21 per cent in 1930? These figures are from a paid advertisement in the Portland Press Herald of February 10th I believe. How many people know, how many lawyers know, that the law of Maine says that bank stock shall be assessed at the full market value or, in the vernacular of the street, at a price that obtains between a willing seller and a willing buyer?

The SPEAKER: The Chair feels obliged to call the gentleman's attention to the fact that he has exceeded by several minutes his allotted time under the rules of the House. Is it the pleasure of the House that the gentleman may proceed longer?

(The gentleman from Winterport, Mr. Fernald was accorded the privilege of continuing.)

Before being interrupted I had just pointed out that the law of Maine says that bank stocks shall be assessed at full market value; but how many people know that in the State of Maine bank stock was assessed by the Board of State Assessors, employed and hired by the people of Maine, on a basis of 70 per cent, and that in the line-up for 1931, it is to be 66 per cent? How many people know that the tax rate on homes, farms and fac-

tories has been increased more than 200 per cent in the last few years while the tax on bank stock has decreased over 33 per cent in the past thirty years? Why, in fifty years they won't be paying any tax at all; we will be paying them a bounty. Why is it that their taxes should be reduced—the most productive property in the State of Maine and so considered? People do not come in and buy up and get control of 41 banks and their branches if unproductive and not a paying proposition, because, if they did, there would not be 3500 abandoned farms in Maine because these same people would come in and buy those farms. The average tax throughout the State is 44 mills. Now why is it that of all the property in the State of Maine the Legislature in its wisdom should single out bank stock and say "You pay only a tax rate of 15 mills," and then the State Assessors give them a 30 per cent rebate on top of that? Why this discrimination? Why this inequality? How are you going to explain it to the man back home? I cannot do it and I wish somebody would tell me. Why not take some other type of property? Why not take the one horse chaise or the tin Lizzie? There is plenty of property that we should discriminate against to more advantage to the people than this. How many people know that the independent banks of Maine have decreased over 16 per cent in the last ten years? At the same time the rate of taxation on this same bank stock has decreased from 35 mills down to 15 with a rebate by the Board of State Assessors of \$125,000 a year.

Now if I may quote from the Sage of Monticello. He said "The small land holders are the most precious part of the State. Bear in mind this sacred principle, that, though the will of the majority is in all cases to prevail, that will, to be rightful must be reasonable; that the minority possess their equal rights, which equal law must protect, and to violate would be oppression."

Let me quote to you what General Joshua L. Chamberlain, former Governor of Maine, president of Bowdoin College, paraphrasing what

he said in an address before the Maine Legislature, Feb. 6, 1877, as follows:

"We are not opposed to capital nor to banks. We understand that diversification of industries, division of labor and the utilization of the forces of nature as well as the materials, is the way to wealth and the law of growth. Great manufacturing interests demand capital but the balance ought not be so great against agriculture. It does not appear to me that the only banks that we should long for are the ones controlled by the holding companies and foreign manipulators who do not understand our institutions nor care to. The strength of this State lies in its farms. Our people are not wretchedly poor but they are moving away. Our lands are not usurped by a few. They are abandoned by the many. But part of the result is the same. If we have not misery we have desolation. It is a great evil to have our farms stripped. If need be exempt the old farm from taxation instead of the new bank."

Let me quote from the Board of State Assessors in 1898: "Unequal taxation is unjust taxation;" and in 1922: "It is for the Legislature to be the guiding force in bringing relief to property that is now bearing all the burden by enacting laws that shall produce additional revenue and reach persons and property that now escape in part or entirely."

Now gentlemen and members, I will not bother you further, but let me take you back to ancient Greece, to Plato's allegory of the Cave where he portrays men in darkened dungeons, chained to the wall, chained by their feet and with chains on their heads so that they could neither move to the right nor to the left; and I say to you today cast off your chains, not the chains of ignorance, not the chains of darkness, not the chains of superstition,—but cast off the chains of '31, the threatening trinity of '31, the chain power company, the chain newspaper and the chain bank and give the little man renewed life and renewed hope to carry on the struggle. Mr. Speaker, I move the substitution of the bill for the report. (Applause)

Mr. VARNEY of Berwick: Mr. Speaker and members: I hate to

appear before this so-called circus, but I am trying to find out what bill he is speaking on. If it is in order, I would like to inquire.

The SPEAKER: The gentleman has been speaking on the acceptance of the report on House Paper 135, L. D. 54, relating to the taxation of stock of trust and banking companies, and the question before the House is on the substitution of the bill for the report.

Mr. ASHBY of Fort Fairfield: Mr. Speaker, I move that the report lie on the table pending the above motion.

The SPEAKER: The gentleman's motion should be to lie on the table, pending the motion to substitute the bill for the report and all those in favor will say aye and those opposed no.

A viva voce vote being taken, the motion failed of passage.

The SPEAKER: The question is upon the substitution of the bill for the report.

Mr. ALLEN of Sanford: Mr. Speaker and members of the House: I have listened with a great deal of interest to the gentleman from Winterport, Mr. Fernald. He has a great fund of information. Where he gets his figures from I haven't the ghost of an idea, but it surely is a fund of information that should be opened to all of us, and I might suggest with all due respect to the gentleman from Winterport that he become incorporated and have a Board of Directors to dispense this wonderful fund of knowledge.

He has given us to understand that this reduces bank stock taxation. That is not true. This bill calls for a thirty mill rate as against a fifteen mill rate already existing. Up to 1923 bank stock was taxed at the same rate as real estate, he says taxed at 35 mills. It never was taxed at 35 mills; it might have been in some towns. It was taxed at the rate existing in the town where the stock was owned. It was admitted by everybody that this was manifestly unfair and in 1923 there came before the Legislature a bill to revise that in some way. This measure of 15 mills was a compromise measure. I, myself, at that time was a member of the Senate and Chairman of the committee on Taxation, and I think I know the circumstances. This was all threshed out at the time and a compro-

mised bill of 15 mills was introduced. Now this bill has doubled that and in doubling that tax he claims it will save the State of Maine four million dollars. Now why stop at 30 mills? Why not call it 45 or 50? Let's save a lot of money while we are about it. We wished to be fair in this matter and in being fair we passed the bill in 1923 to make this a 15 mill tax and that is as it stands today. This bill calls for a double taxation, that is, twice that—30 mills.

I am not going to take up much of your time because the most of the time has already been taken up by the gentleman who made the motion. I hope that the motion to substitute the bill for the report will not prevail.

The SPEAKER: The question before the House is on the motion to substitute the bill for the report.

Mr. FERNALD: Mr. Speaker, I understand that I have a right to reply to the gentleman.

The SPEAKER: The gentleman has.

Mr. FERNALD: I was not a member of the Legislature when the law was enacted but I believe it was enacted in 1921.

The gentleman takes issue with me on the point that this would not reduce the tax on banks. It will. It will increase the tax on bank stock. For instance, in the city of Augusta, the banks of Augusta pay a tax on real estate just the same as a member of the bank pays a tax on real estate. In Augusta they pay a tax on real estate just the same as in any other part of the State. If the tax rate of Augusta is lower the tax on the real estate owned by the banks will be lower and it will reduce the tax burden in the city of Augusta, \$101,000 and that would be a considerable reduction on the real estate held by the banks in the city of Augusta.

I think this is a very reasonable proposition. It will reduce the tax burden on real estate three quarters of a million of dollars and over a decade it will reduce the tax burden four million dollars. The average tax rate throughout the State in 1922 was 35.77 mills on a very conservative valuation. I will not trespass upon your time to show

you the valuation but bank stock is valued very conservatively.

Mr. HATHAWAY of Milo: Mr. Speaker, we heard at length all of the so-called facts and figures before the committee on taxation, of which I have the honor to be House chairman. We listened very carefully and attentively to the gentleman from Winterport, Mr. Fernald, and despite what he said, or on account of what he said, I don't know which, we did not then vote on the bill but laid it on the table so that we could go over his statements, verify them if necessary and read and study the bill. He says there were members of the committee who showed doubt. Now when we took this up in executive session there was no doubt shown in in word, act or deed, and we were unanimous that the bill ought not to pass; and, Mr. Speaker, I feel very sure that this House will have confidence in the integrity of its committee on Taxation and will bear out the report that the bill ought not to pass.

The SPEAKER: Does any other member wish to be heard on this question?

Mr. FERNALD: Mr. Speaker, may I have the permission of the House to answer the gentleman from Milo?

The SPEAKER: The gentleman from Winterport (Mr. Fernald) asks permission of the House to address the House a third time. Is this the pleasure of the House?

Permission was granted.

Mr. FERNALD: Mr. Speaker, at the hearing I presented my facts and I asked the leading lawyers of the interests here to bring forth their evidence and take issue with me on any facts that I presented, and were it not for the fact that it is so near dinner time I could prove every statement I have made here. I have got a key to it and I have got my evidence right here. I did not intend to bring any personalities into this discussion because it is a discussion of taxation; but your Bank Commissioner presented for the consideration of this committee a typewritten statement which I have here, and in that statement of one page there are four errors of fact, and I can prove

them to you right here. This statement was given to me by the Bank Commissioner himself. If they are going to question my facts, Mr. Speaker, I can show the facts brought in by the other side are not altogether up to the standard the committee required. The first statement was that no industry, no business, no line of endeavor, is of such vital importance to the prosperity and happiness of the people of our State as our banking institutions. Now that is not so and here is a question of fact.

The next one is that you double the tax by increasing the tax rate from 15 mills to 30 mills and this is figured on the actual value. That is not so. It is figured on the basis of 70 per cent and next year at 66 per cent, and today under the present law the State of Maine is losing \$125,000, and in your period of office, \$250,000.

The third statement that the present tax is considerably higher than in other States, particularly Connecticut. I have five actual cases before me contradicting that statement. For instance the Maine Trust and Banking Company under the Connecticut law would pay \$3.50 more and the Merrill Trust Company \$2.79 more, and so on.

Gentlemen, I just want to bring to your consideration the fact that the other side is somewhat in error, though it be a solid phalanx of corporation counsel going arm in arm with the Board of State Assessors and the Bank Commissioner. I thank you.

Mr. BOODY of Windham: Mr. Speaker, I move that the House adjourn.

A viva voce vote being taken, the motion to adjourn failed of passage.

The SPEAKER: Does any other gentleman wish to be heard on this question?

Mr. SMITH of Bangor: Mr. Speaker, I would like to ask a question dealing with the orderly conduct of the House in all of these matters, and that is, what the question before the House is at the present moment.

The SPEAKER: The question before the House is on the motion of the gentleman from Winterport, Mr. Fernald, that the bill be substituted for the report.

Mr. SMITH: And the report is the unanimous report of the committee on taxation, ought not to pass?

The SPEAKER: It is.

Mr. SMITH: I move the previous question.

The SPEAKER: The gentleman from Bangor, Mr. Smith, moves the previous question. As many as are in favor of the Chair entertaining the previous question will rise and stand in their places until counted and the monitors have returned the count. The Chair will state that the motion for the previous question, if carried, stops debate, and brings about an immediate vote upon the motion. The demand has been made for the previous question. Those in favor of the Chair entertaining the motion for the previous question will rise and stand until counted and the monitors have returned the count.

A sufficient number arose.

The SPEAKER: The question now before the House is shall the main question be now put? As many as are in favor of the Chair putting the main question now will say aye; those opposed no.

A viva voce vote being taken, the motion that the main question be now put prevailed.

The SPEAKER: The question before the House is on the motion of the gentleman from Winterport, Mr. Fernald, to substitute the bill for the report. All those in favor will rise and stand in their places until counted, and the monitors have returned the count.

A division was had,

Nineteen voting in the affirmative and 74 in the negative, the motion to substitute the bill for the report failed of passage.

Mr. FERNALD of Winterport: I ask for a roll call.

The SPEAKER: The Chair will rule that the motion for the yeas and nays is not in order inasmuch as the Chair had declared the vote.

Mr. HATHAWAY of Milo: Mr. Speaker, I move that we accept the report of the committee that this bill ought not to pass.

A viva voce vote was doubted.

The SPEAKER: The viva voce is doubted. All those in favor of acceptance of the report of the committee will rise and stand in their places until counted and the monitors have returned the count.

Seventy-five voted in the affirmative.

Mr. FERNALD: Mr. Speaker, before the vote is declared, I would like to ask for a roll call.

A division was had, and an insufficient number having arisen, the motion for the roll call was lost.

The SPEAKER: All those opposed to the motion of the gentleman from Milo, Mr. Hathaway, that the report be accepted will rise and stand in their places until counted and the monitors have returned the count.

None rising, the motion to accept the report prevailed.

Mr. FERNALD: Mr. Speaker, I move that the matter lie on the table.

The SPEAKER: The Chair will inform the gentleman from Winterport (Mr. Fernald) that the motion is not in order.

O: motion by Mr. Thomas of Harpswell, a viva voce vote being taken, the House adjourned until tomorrow morning.