

# MAINE STATE LEGISLATURE

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Legislative Record

OF THE

Eighty-Eighth Legislature

OF THE

STATE OF MAINE

1937

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**HOUSE**

Tuesday, April 20, 1937.

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

Prayer by the Rev. Mr. Hart of Gardiner.

Journal of the previous session read and approved.

**Orders**

On motion by Mr. Ford of Saco, it was

Ordered, that the Clerk of the House be directed to convey to Representative Montague Young the sympathy of the members of the House in his recent illness and their hope for a speedy recovery.

**Reports of Committees**

Mr. Donahue from the Committee on Appropriations and Financial Affairs on petition of 225 citizens of Vinalhaven in favor of appropriation for lobster rearing station (H. P. No. 1664) reporting that same be placed on file.

Mr. Ellis from the Committee on Ways and Bridges reported same on several petitions, resolutions and a memorial (H. P. No. 904) (H. P. No. 905) (H. P. No. 1668) (H. P. No. 1700) (H. P. No. 1747) (H. P. No. 1763) (H. P. No. 1764)

Mr. Viles from the Committee on Appropriations and Financial Affairs on resolve appropriating money to build a fishway on Meduxnekeag River (H. P. No. 1087) (L. D. No. 367) reported that same be referred to the 89th Legislature.

Mr. Paul from the Committee on Legal Affairs reported same on bill an act to define and limit the jurisdiction of courts sitting in equity and for other purposes (H. P. No. 1292) (L. D. No. 481)

Reports read and accepted and sent up for concurrence.

Mr. Murchie from the Committee on Appropriations and Financial Affairs reported ought not to pass on resolve in favor of dredging Chandler's River, Jonesboro (H. P. No. 1330) (L. D. No. 535)

Report read and accepted.

Mr. TABBUT of Columbia Falls: Mr. Speaker—

The SPEAKER: For what purpose does the gentleman rise?

Mr. TABBUT: I move, Mr. Speaker, that the House reconsider its former action with reference to

Item 5 on the first page of today's calendar, report of the committee on Appropriations and Financial Affairs, ought not to pass, on resolve in favor of dredging Chandler's River, Jonesboro, H. P. 1330, L. D. 535.

The motion prevailed.

Mr. TABBUT: Mr. Speaker, I now move that the resolve and the report be tabled pending acceptance of the ought not to pass report.

A viva voce vote being taken, the motion to table did not prevail.

The SPEAKER: The question is on the acceptance of the ought not to pass report of the committee. Does the gentleman wish to make any motion?

On motion by Mr. Hinman of Skowhegan, a viva voce vote being taken, the ought not to pass report of the committee was accepted and sent up for concurrence.

Mr. Russ from the Committee on Appropriations and Financial Affairs reported ought not to pass on resolve relating to the acquisition of Molasses Pond Dam (H. P. No. 1478) (L. D. No. 607)

Mr. Hinman from same Committee reported same on resolve in favor of the town of Eagle Lake (H. P. No. 1086) (L. D. No. 412)

Mr. Whitney from same Committee reported same on resolve in favor of the Knox Arboretum and Wild Life Sanctuary (H. P. No. 285)

Mr. Ellis from the Committee on Ways and Bridges reported same on bill an act to create and allocate a general highway fund (H. P. No. 1603) (L. D. No. 543) as it is covered by another bill.

Reports read and accepted and sent up for concurrence.

**First Reading of a Printed Resolve**

(H. P. No. 1886) (L. D. No. 1062) Resolve in favor of Knox Memorial Association, Inc., for support and maintenance of "Montpelier"

**Passed to be Engrossed**

(S. P. No. 516) (L. D. No. 1048) An act relating to production and sale of milk.

(On motion by Mr. Ellis of Castle Hill, tabled pending passage to be engrossed and assigned for later in today's session)

(H. P. No. 1882) (L. D. No. 1061) An act relating to the State Racing Commission.

(S. P. No. 517) (L. D. No. 1049)

Resolve in favor of Helen Newton Parker.

(S. P. No. 518) (L. D. No. 1050) Resolve in favor of Anton R. Jordan of Osborne Plantation.

(H. P. No. 1613) (L. D. No. 766) Resolve in favor of the propagation of lobsters, shad, etc.

(S. P. No. 515) (L. D. No. 1045) An act relating to local option provisions as amended by Senate amendment A.

Mr. MACK of East Millinocket: Mr. Speaker, I move that Senate Amendment A be indefinitely postponed.

Senate Amendment A read by the Clerk.

The SPEAKER: The question is on the motion of the gentleman from East Millinocket, Mr. Mack, that Senate Amendment A be indefinitely postponed. Is the House ready for the question? As many as are in favor of the motion to indefinitely postpone Senate Amendment A will say aye; those opposed no.

A viva voce vote being taken, the motion to indefinitely postpone prevailed.

Mr. MACK: Mr. Speaker, I now offer House Amendment A and move its adoption.

The SPEAKER: The gentleman from East Millinocket, Mr. Mack, offers House Amendment A and moves its adoption. The Clerk will read House Amendment A.

House Amendment A to S. P. No. 515, L. D. No. 1045, bill an act relating to local option provisions.

Amend said bill by striking out therefrom the 2 paragraphs that relate to a majority vote on questions 3 and 4, and inserting in place thereof the following:

'If a majority of the votes cast in a city or town in answer to question (3) are in the affirmative, the commission may issue licenses for the sale of malt liquor therein to be consumed on the premises subject to all provisions of law, provided, however, that not more than 1 license for the sale of malt liquor to be consumed on the premises where sold shall be issued for each 1000 population, or major fraction thereof, said population to be determined by the last Federal census. Provided, however, that any town shall be entitled to 1 such license and provided further that the state liquor commission may in its discretion issue short term malt liquor licenses to places of business in summer resorts to

meet the demand of seasonal population.'

'If a majority of the votes cast in a city or town in answer to question (4) are in the affirmative, the commission may issue licenses for the sale of malt liquor therein not to be consumed on the premises subject to all provisions of law, provided, however, that not more than 1 license for the sale of malt liquor not to be consumed on the premises where sold shall be issued for each 1000 population, or major fraction thereof, said population to be determined by the last Federal census. Provided, however, that any town shall be entitled to 1 such license and provided further that the state liquor commission may in its discretion issue short term malt liquor licenses to places of business in summer resorts to meet the demand of seasonal population.'

Mr. MACK: Mr. Speaker, the only difference in the two amendments is in the eighth line of the second paragraph. The original bill called for "1000 population, or major fraction thereof," and this House Amendment A is to correct that error.

Mr. LARSEN of Waterville: Mr. Speaker, Mr. Sleeper is out of town and I think he would like to have something to say on this bill. I think, if I am correct, this is going to issue a license for each one thousand in a town, and I do not know whether it would be the Liquor Commission or the Beer Commission that would issue this license.

In Waterville we have seventy-five places where they sell beer and I do not think it would be right to cut them all out in this way.

Mr. VARNEY of Berwick: Mr. Speaker, I am forced to agree with the gentleman who has just spoken in connection with this bill. As I understand it, it provides in substance that there can only be one person selling beer by the bottle for every one thousand people in the town. That strikes me as rather unfair legislation. I am not interested in the fellows who are selling beer, but in one of my particular towns I think there is a population of 2,900, and under this amendment that would mean that there could be but three grocery stores in the town that handle beer by the bottle. We have a village in the town and I think there are five or six grocery stores in the village, and there is another village some half mile away

where there are three more good, legitimate, honest men in the grocery business. There is another section of the town a mile and a half away where there are two other grocery men.

If this amendment is adopted, as I understand it the Liquor Commission, or someone, must say to the five grocery men in town, "One of you, and one only, can handle beer." I think that is rather class legislation.

We have increased our fees for licenses both for the handlers of beer by the bottle and handlers of beer on draught, as I understand it, and I see no reason why we should now say "You cannot have more than one grocery store selling beer for a population of one thousand in the town." I think it is the wrong kind of legislation, and for that reason I would like to see this amendment as presented fail of adoption.

Mr. WEATHERBEE of Lincoln: Mr. Speaker, I want to concur in the remarks of the gentleman from Berwick, Mr. Varney. In my town I understand that a large part of the beer sold is by grocers to tourists passing through the town. My town is a town of less than three thousand population. It is on the main highway to several points in Canada, and as I say, the large part of the beer sold by the grocers in that town is sold to tourists passing through the town. I fail to see how the cause of temperance is benefited in any way by allowing two or three grocers to sell beer and refusing that privilege to others. I think the same objection holds true as to the beer sold by the grocers in this town, or any other town, to the citizens of the town. I do not believe this can be properly called a temperance measure because it simply provides that one, two or three grocers in a town may sell beer in bottles or cans. It does not in any way affect the total consumption of beer in the town. The same number of people will buy the same amount of beer, the only difference being that some of the merchants are unfairly discriminated against as I believe, while others are allowed to handle the product with some profit to themselves. I believe very firmly in the cause of temperance but I do not think that this amendment can in any way

be classed as a temperance measure.

Mr. WILKES of Portland: Mr. Speaker, I agree with the remarks of the gentleman from Berwick, Mr. Varney, and the gentleman from Lincoln, Mr. Weatherbee. After a careful reading and due deliberation of this amendment which is now before us, I am firmly convinced that it is a vicious and detrimental measure. It does not operate in a fair and equitable manner and would result in being unreasonable and discriminatory class legislation. Under this proposed legislation, those who are already engaged in this occupation would suffer a great monetary loss, both in equipment, merchandise and in the general investment of their business. This license would only be granted on the basis of the population as provided for in this measure. It would also place the obtaining of the license to operate at a high premium and would open the door to fraud whereby only the highest bidder would be successful in obtaining a license for the sale of liquor to the exclusion of all others. This would also arbitrarily work in favor of one to the detriment of others and would also amount to a monopoly which is directly against the American principles of doing business. The tendency would be to decrease free enterprise and individual initiative without any competition in regard to price.

This amendment, by reason of its arbitrary provisions, would be an invitation to a law suit to determine constitutionality. It amounts to an unfair penalty and is against general public policy. It is not a real attempt at regulation or restriction for those who engage in the sale of liquor. The law already provides a sufficient amount of restriction, as for instance, the other day we passed a higher license fee. Also any official of a city or town where a store is engaged in the business of selling liquor can enforce its regulation and take away a license if any of the people engaged in that type of business violate or commit an infraction of the law.

So it seems to me that there are sufficient restrictions already. Why pick upon the liquor industry? We have legalized it to the extent of making it a lawful occupation. Why should we take away therefrom through this method or means?

As a matter of fact, every two years we have a local option regarding the sale of liquor which is submitted to the people. They can regulate it in that way. Already some towns have voiced their opinion along that line. That would be an honest attempt at regulation. This would not.

There are three hotels in the city of Portland, 134 restaurants and 121 retail package stores. What about the investment of those people already engaged in this type of business? In Bangor there are fifty restaurants and fifty retail stores. You would be simply taking away the rights of those who are engaged in this type of occupation.

Now it is needless for me to state that I believe that this legislation is hardly expedient at the present time aside from the fact that it would mean a loss of revenue to the State.

I have no personal interest in this matter whatsoever in connection with this amendment or legislation of this type; but I do believe that it is my duty as a citizen and as a Representative to see real fair play and I hope that you members of this House will agree with me and refuse to adopt this amendment.

Mr. VARNEY: Mr. Speaker, it has just been called to my attention that this provision to which I am objecting is now in the printed bill, which means, of course, that an amendment would have to be drafted taking this provision out of the printed bill. I will say, therefore, that if you indicate by your vote in refusing to adopt the offered amendment, that you would like this taken out, I will then ask that the printed bill be tabled until an amendment can be prepared taking that from the printed bill.

Mr. MAXIM of Portland: Mr. Speaker and Members of the House: I want to add my bit to the objection to this amendment. I am just as much in favor of temperance as any of you are and I will go along with any reasonable proposal to secure it, but I do not feel that this represents a wise way to handle this matter.

In my study of Portland, as the gentleman from Portland, Mr. Wilkes, has pointed out, there is something like 134 places which sell liquor for consumption on the premises and there are nearly as many more which sell beer by the bottle.

Now when we legalized the sale of beer, we gave these people to understand that they might go ahead, that it was perfectly legal and proper to go ahead, and fit up their places for business just the same as if they were engaged in some other business. I do not think it is proper to arbitrarily deny in the city of Portland the giving of licenses to all but seventy to sell liquor for consumption on the premises or to deny to a small number engaged now in the selling of liquor or beer in bottles, not for consumption on the premises, the right to continue. I believe the best way to handle this is to raise the price of the license fee on those who are selling liquor for consumption on the premises. I do not favor the raising of the license fee to those who are selling beer by the bottle for the reason that in my city we are having very little trouble with the package stores. They sell their goods and they are taken home and people do not consume them in such way as to become intoxicated or a nuisance to the public.

I believe that the best interests of temperance would be served if we abandoned this scheme to limit the granting of licenses to one to every one thousand, or a major fraction, of the population, and gradually work up our license fees so that the need of restricting the number, if that is what we want to do, will be accomplished. In the city of Portland certainly several hundred thousand dollars have been expended in the fitting up of places for the sale of beer on the premises, an investment which this Legislature is, I think, fairly entitled to respect.

The matter of unemployment is a considerable factor. If you assume that five persons are employed in each one of these restaurants, which I think is a fair statement, you get into a matter of several hundred who would be thrown out of employment if these places were driven out of business. I would therefore like to move the indefinite postponement of this amendment.

The SPEAKER: The gentleman from Portland, Mr. Maxim, moves that House Amendment A be indefinitely postponed.

Mr. ELLIS of Fairfield: Mr. Speaker, I cannot entirely agree with the gentlemen who have spoken against this amendment. The last part of the amendment in regard to

those who sell by the package I agree to, but the statement is made that we have legalized the sale of liquor and beer. We have, but I think under proper restrictions, and I think, with the experience that many have had with these beer stores selling by the glass in many of our towns, would indicate that one to every one thousand inhabitants is sufficient, and I am in favor of the restriction of the number of licenses in that way.

Mr. THORNE of Madison: A few days ago I had occasion to look up this matter, but at that time I did not digest fully what I consider to be the danger in it. I also notice that the gentleman from Berwick, Mr. Varney, has called attention to Page 2 of L. D. 1045, as follows: "Provided, further, however, that the state liquor commission may in its discretion issue short term malt liquor licenses to places of business in summer resorts to meet the demand of seasonal population." I do not like the wording of that as it is capable of several constructions and I am afraid of it.

In my town, at the last election, the town voted "dry" as to beer. In the town of Madison is Lakewood, which now desires a beer license, and in view of the fact that the town of Madison has voted not to have any more beer licenses for two years, I fear the construction of that proposed law, and therefore I want to add my word in support of the motion to indefinitely postpone this amendment.

Mr. WEATHERBEE: Mr. Speaker and Members of the House: It seems to me that there is some confusion in the minds of most of the members of the House as to just what would be the effect of the adoption of this amendment. When I closed my argument I said hoped that the amendment would not be adopted. I am not sure now that I really meant that. If this amendment which Mr. Mack has introduced is not adopted, then any town under one thousand population will be unable to get a license of any sort, either for the consumption on the premises or consumption off the premises. Now there seems to be a very indefinite opinion as to this bill in the minds of a substantial group of us here, and it is my feeling that perhaps we would be unwise to kill the whole bill until we look it up and find out whether we object to every feature of the bill, and I would like to ask

the Chair to inform me just where this bill is at the present time.

The SPEAKER: The bill has had its third reading and the gentleman from East Millinocket, Mr. Mack, presented House Amendment A. The gentleman from Portland, Mr. Maxim, has moved that House Amendment A be indefinitely postponed, which is now the pending question.

Mr. WEATHERBEE: Will the Chair tell me if I am correct in thinking that the indefinite postponement of House Amendment A will have no effect upon the feature of the bill which the gentleman from Berwick, Mr. Varney, has objected to, that of the sale of beer for consumption off the premises instead of limiting it to one thousand population?

The SPEAKER: The indefinite postponement of House Amendment A leaves the bill before the House in an unamended condition. As to the effect particularly of the bill, the Chair does not feel that it is within its province to judge.

Mr. WEATHERBEE: Can the Chair tell me, then, how will it be possible to table that bill? Will it be possible to table it and prevent it from going further on its progress until it is possible to prepare an amendment such as the gentleman from Berwick (Mr. Varney) has suggested?

The SPEAKER: A motion to table the bill pending the motion of the gentleman from Portland, Mr. Maxim, that the amendment be indefinitely postponed, would be in order before or after the motion for indefinite postponement has been acted upon. A motion to lay on the table would be in order at this stage.

Mr. WEATHERBEE: Then I move, Mr. Speaker, that the bill be laid on the table and be assigned for later in today's session until I have an opportunity to prepare an amendment such as Mr. Varney has suggested or until he has that opportunity.

The SPEAKER: The gentleman from Lincoln, Mr. Weatherbee, moves that the bill and amendment be laid on the table pending the motion of the gentleman from Portland, Mr. Maxim, that House Amendment A be indefinitely postponed, and that the matter be specially assigned for later in today's session.

A viva voce vote being taken, the motion prevailed.

**Passed to be Enacted**

(S. P. No. 511) (L. D. No. 1035)  
An act relating to outdoor advertising

(H. P. No. 1415) (L. D. No. 603)  
An act relating to bastard children

(H. P. No. 1761) (L. D. No. 871)  
An act relating to mileage compensation

(H. P. No. 1870) (L. D. No. 1041)  
An act relating to the ferry between Indian Island and Old Town

(H. P. No. 1871) (L. D. No. 1042)  
An act to provide a census of crippled persons

(H. P. No. 1872) (L. D. No. 1043)  
An act relating to exemptions from taxation

**Orders of the Day**

The **SPEAKER**: Under Orders of the Day the House is engaged in the unfinished business which it was considering at the time of adjournment last evening, being Report A, Report B and Report C from the committee on Taxation on consolidated bills A, B and C, and the pending question is on the motion of the gentleman from Fairfield, Mr. Ellis, that Report C be accepted.

Miss **CHURCH** of Stockton Springs: Mr. Speaker and Members of the House; I understand we are now going to vote about taxation. I wish to make a few remarks about voting for taxes.

I want to say that my vote is my own and I shall use it in this matter of taxation as my conscience and the people back home dictate, regardless of any "substantial, organized opposition in Waldo County."

I was not elected in Waldo County by any machine or "well organized opposition" in the primaries last June—in short, I am not a machine woman and am not answerable to any machine for my vote.

I have here a telegram which reads as follows:

"On all tax measures Waldo County asks for roll call. (Signed) Wm. Farrell, State Committeeman."

My answer to this is I am willing that my vote shall go on record.

In my platform I supported old age assistance and education. I do not propose to go back to my constituents and tell them I did not have the backbone to back up these two declarations. I fully realize that we must, as the matter stands, raise the necessary funds for old-

age assistance and education or let them fall by the wayside. I shall vote for such taxes as are absolutely necessary, regardless of the threats which have been made to me and regardless of such newspaper articles as I now quote. I quote from an item in the Lewiston Journal:

"Will be Organized Opposition to 1938 Office Seekers Who Talk Taxes."

"At a meeting last night with Waldo county leaders, Fernald said 'it was the consensus that we in Waldo county could go before the State in 1938 with the continued program of economy.'

'Any Republican in Waldo who runs for office and votes for a sales, income or any tax will be opposed by substantial, organized opposition,' he said."

Also from an article in the Bangor Daily News:

"When the talking is over; the vote is the next thing. Our case has been presented completely."

Again I say my vote is my own and I shall use it as my conscience dictates for the good of the State of Maine, my district and Mr. and Mrs. Average Voter of Waldo County.

I most thoroughly believe in economy but not at the expense of good government. Therefore, I will not, in the interest of economy, vote for any unnecessary taxes but only for those I deem necessary. (Applause)

The **SPEAKER**: The pending question is on the motion of the gentleman from Fairfield, Mr. Ellis, that Report C, reporting consolidated bill C, be accepted. Is the House ready for the question?

Mr. **VARNEY** of Berwick: Mr. Speaker and members of the House: I believe that this House is fairly determined that we want, in the first place, an adequate old age assistance program, and, secondly, that we want to do something for our schools. I believe that this House will do that before we adjourn. I am firmly convinced that we do not need a sales tax to do it.

I do not propose to weary you with my arguments against the sales tax. You have heard them continuously in the corridors for the past three months and a half. You know what they are. You know whether they are correct or not. I cannot understand why this House apparently insists on tying



the sales tax up with an income tax provision.

I believe in a tax based to a large extent on the ability to pay. I do not think the sales tax is that tax.

Now we have before us at the present time three possible programs: One is the sales tax that I with several others are definitely opposed to. The other is the sales and income tax as a combination, and I must stand opposed to that, for I am opposed to a sales tax no matter what you tie to it.

say to you who apparently believe in an income tax and apparently believe as I do that the tax program should be based at least in part on the ability to pay: Why do you insist on tying that onto this terrible octopus, the sales tax? Why not defeat the combination; why not defeat the sales tax, and why not sit down and take our Report A, I believe it is, and re-draft it into a tax that will be fair and equitable for everyone to pay?

I do not say that I am heartily in accord with all the provisions of Report A. I do not say that I am in accord with the idea of having a head tax of four dollars a head which the poor man and the rich man must pay alike, but I do say that I believe that head tax could be revamped into a head tax based upon the ability to pay. For instance, why not let each man, each resident of the State of Maine, file a simple affidavit as to the amount of his income. Let those with an income up to one thousand dollars pay a head tax of two dollars or one dollar; let those with a gross income of two thousand dollars pay a head tax of three dollars, and those with a gross income of four thousand dollars pay a head tax of four dollars. Now I am not saying that I am giving you the correct figures, but I do say that this could be worked out so that your head tax would be based upon your ability to pay, and we could tie with the head tax some other forms of taxes, perhaps some of those that are now included in Report A and perhaps some even that have been left out from Report A, and, when we get all through, have a tax program that would be substantially based on the ability to pay and would not be oppressive to those who reside along the border towns, and would not be a tax which you

are not only requiring us to pay but which is driving us out of our very business.

Now I think perhaps I am in a peculiar position when I come down here from the county of York and say that I am opposed to a sales tax, because as long as I remain a resident of the county of York I do not believe I would have to pay a dollar of sales tax: I could buy everything I needed in the State of New Hampshire.

Last night, as I walked over here to the House, I happened to come with a man who produces milk in large quantities in York county, and he said to me: "Do I understand under that sales tax that I have got to pay a tax on the milk that I sell?" I said: "Well, I think so; but I think perhaps a way you could get away from that would be to sell your milk wholesale to a man who lived in New Hampshire, and then let him sell it in New Hampshire at retail and deliver it in the town of Berwick and South Berwick." He said, much to my surprise: "Well, that is exactly what I do now."

I could go on here for two or three days and point out holes and defects in this sales tax, but I say to you that if this House will now take a vote—and I think it is high time we do vote—we know whether we want a sales tax or do not want a sales tax. We have talked about wanting a sales and an income tax or that we do not want a combined sales tax and income tax, and we know whether we want a tax based partly upon the ability to pay. If you want that, then I say let us kill the sales and income tax as a joint tax, let us kill the sales tax as a tax alone, and then let us sit down and draw under Report A a tax we can all agree upon and one that the people of the State of Maine will be willing to pay. (Applause)

Mr. MOSHER of Farmington: Mr. Speaker and Members of the House: I would like to speak a few moments on my preference of these three proposals that we are discussing, and that is Report A.

I can agree with the distinguished gentleman from Portland, Mr. McGlauffin, when he said we should consider the interest and wishes of the State as a whole, instead of any particular section of the State. I do, however, wonder if to carry

out that idea it becomes necessary for us to go against the wishes of our people at home.

The people in Franklin county have spoken in no uncertain terms as to what they believe to be the least objectionable of the three proposed revenue measures. I believe I can speak for the farmers with some authority. I am connected with a farmers' cooperative general store with approximately 600 members, and our sales last year amounted to \$360,000. The most of the members have been contacted while at the store with reference to the general sales and selective taxes. I have also called the business men of Farmington together for the purpose of determining their choice between the two measures, and the business men as well as the farmers claim a selective tax would be the least objectionable of the two.

The main objection to a selective tax raised by the proponents of the sales tax is it will not produce money enough. The gentleman from Portland, Mr. Maxim, gives us his idea of how much we could expect from this selective bill now before us, which is much less than two of our highly respected department heads believe it would produce.

Items in a selective tax can be changed by amendments, as there is a large field to draw from, while that would not be possible with either the general sales or general sales and income tax. I therefore hope that the choice of this Legislature will be a selective tax measure which will provide the amount of money we need.

Mr. WILKES of Portland: Mr. Speaker, I dislike very much to rise again. I will attempt to be as brief as I am able to under the circumstances. I feel, however, it would be impossible for me, coming from Portland, not to voice some opposition with respect to this proposed motion of the gentleman from Fairfield, Mr. Ellis.

There is nothing so sure as death and taxes. I realize as we all do that the functions of a State government must be based upon the revenue that it receives, but getting it from a sales and income tax would be against the interests of the people of Maine.

The income tax will cost the State more than it can possibly hope to obtain in the loss of possible inheritance taxes. Not only will the sales tax drive business out of the

State, not only will it hinder the merchants of the State, not only is it a nuisance, but we will lose a tremendous amount of money which should be left here in the State of Maine but which, instead, will leave our borders.

I received a letter the other day from Loring, Short and Harmon, and I wish to quote therefrom with reference to the sales tax.

“. . . We know that sales taxes are operating in a number of different states. We do not believe that the states in which this tax is operating successfully can be compared to Maine; as in most instances you will find there is a reason why a man does business in that state other than the fact that he was born there. Maine is away from the raw material market and away from the consumer market. Therefore the merchants have to get a fair profit on their goods. The sales tax will not only tend to stop the revival of business, but, to our mind, will set it back again; because when a man lays down one week's work out of a year for the income tax, and another week for the gasoline tax—to say nothing of working awhile for the Social Security, and other incidentals upon which he is taxed, it doesn't leave a great deal of time for him to support the family and get ahead a little each year.”

There is also an editorial which I believe would be apropos at this time.

In the first place, what we need is about four and a half million dollars for the next two fiscal years. Although it is admittedly true that the sales and income tax would possibly give us five million dollars, why burden the people with such additional taxation? The selective method of taxation is the only fair one that can be adopted. I disagree with some portions of the selective tax—for illustration, such as the head tax; and I believe that the taxation committee could bring in a new amendment which would clarify the selective tax proposition.

Another thing: In passing on to a selective method of taxation we do not have to set up any new bureaus. It can be collected through our own State tax assessors; no new commission need be created; no new enforcement need be made; no new money need be expended. That, in addition to being feasible, is a real economy measure. We

have talked so much about economy that we are blue in the face. We all believe in economy—I do—but let us economize in the right way. So much for the interests of the people of Maine.

Now for the second proposition. I dislike very much to say this, but I am going to get it off my chest. Overwhelmingly, we have long stated that we are a good old Republican state. I dislike very much to bring in a party proposition; we are not here to discuss this particular element. But please remember this: That it is high time that we became liberal; it is high time we throw off our cloak of ultra-conservatism and go in the right direction. The people are sick of taxes. We have got to have them, that is true, but we ought to have reasonable ones and just ones.

This editorial was in today's Express:

"Pass Selective Sales Tax."

"The House and Senate meet again this week and will not adjourn until they have acted to pass some kind of a measure to raise the needed money for old age pensions and schools. Practically all the members of the Legislature believe that this should be done.

"The issue lies between a sales and income tax and a selective tax which will provide all the money needed for the two projects to which the State is committed.

"The first things to consider in connection with any kind of a tax is what will cost the people the least who pay the taxes. We don't suppose anyone will question, but if that test is applied, the selective tax will be the one adopted.

"By the sales and income tax it is estimated that about \$5,000,000 will be raised. From the selective tax the estimated yield will be about \$3,000,000, which will be enough to provide all the imperative needs of the State. If one kind of a tax will do that and another kind more than twice that, it is difficult to understand the logic in choosing the more expensive proposition.

"The only argument in favor of the larger tax is that it will make it possible to lower the State property tax by a couple of mills. This would be the saving of a couple of dollars to people who own property assessed at a thousand dollars. Two dollars is two dollars, of course, but let anyone who can multiply take his pencil and figure what he would

be paying into the State treasury if the sales tax plan should prevail. If he bought only a hundred dollars worth of commodities there would be the two dollars, and if he bought \$800 worth, which is about the least anyone could get by with, there would be \$16. Where is the logic in paying \$16 when the payment of two dollars will take care of everything? That is really the issue when it comes down to dollars and cents, and that is what taxes deal with.

"The foregoing ought to answer all questions, but there is another consideration. That is the question of public approval. If a sales tax is adopted a referendum will be attached to the bill. The legislators can do as they like, but the people of the State are not going to tax themselves to pay \$16 when they can get by with two dollars. When given the chance, they would turn the sales tax down and turn it down by a big margin.

"It is proverbial that almost any kind of a tax will be voted down if submitted to the people and with all the arguments against it, this one surely would be."

That, I believe, hits the crux of the situation, and, for the reasons that I have stated, I trust that the motion of the gentleman from Fairfield, Mr. Ellis, will not prevail.

Mrs. THURSTON of Bethel: Mr. Speaker and members of this House: As I understand it, the question before the House is Legislative Document 1060, which consists of combination sales tax and income tax. A remark was made here last night that one of the reasons why this combination tax should be passed was because it would reduce the burden of taxation on real estate.

It is my understanding that the State tax rate on real estate as fixed in the last two legislatures is seven and one-quarter mills and that the present plan is to continue that seven and one-quarter mills for the next two years. Therefore, this combination tax does not reduce the burden of taxation on real estate. It increases the tax on our people, and for that reason I wish to go on record as being opposed to this measure.

There was another remark made last night by the first speaker, and again this morning by the gentleman from Berwick, Mr. Varney, to the effect that the speaker was well

aware that all the members of the House had made up their minds on just which measure they were going to vote on. I thoroughly believe that. I believe that the House was ready for the question last night, and I think it is ready for it now, and I believe this Legislature should get down to real business and go into concerted action. I now move the previous question.

The SPEAKER: The lady from Bethel, Mrs. Thurston, moves the previous question. To authorize the Chair to entertain that motion, the assent of one-third of the members present is necessary. As many as are in favor of entertaining the motion for the previous question will rise and remain standing until counted and the monitors will make and return the count.

A division of the House was had.

The SPEAKER: Obviously more than a sufficient number having arisen, the motion is entertained. The question is, shall the main question be put now? As many as are in favor will say aye; those opposed no.

A viva voce vote being taken, the main question was ordered.

The SPEAKER: The question is on the motion of the gentleman from Fairfield, Mr. Ellis, that Report C, L. D. 1060, bill an act to provide for old age assistance, to guarantee a minimum educational program, to relieve property from its present burden of taxation and to provide revenues therefor by means of sales and income taxes, the report being ought to pass, be accepted. The gentleman from Readfield, Mr. Newton, has asked for a division of the House. As many as are in favor of the motion for the acceptance of the ought to pass report on Consolidated Bill C will rise and remain standing until counted and the monitors will make and return the count.

A division of the House being had,

Sixty-four voting in the affirmative and 71 in the negative, the motion to accept the ought to pass report did not prevail. (Applause)

Mr. HINMAN of Skowhegan: Mr. Speaker, I now move that Report B be accepted, reporting ought to pass on the Consolidated Bill providing revenue by means of a sales tax.

Mr. Speaker, I am not going to argue the sales or any other tax to any extent because of the fact that we have been over it so many times. I do want to say this in reply to

the opposition from the standpoint of border towns: As far as New Hampshire is concerned, I have been told by a gentleman who is politically interested in New Hampshire that they were awaiting our action in Maine and would pass a sales tax in all probability at such time as the State of Maine did.

As far as I am concerned, I can see no reason why we should attempt to produce a lot more money than is needed. I can see no reason why we should turn to a conglomeration of many forms of taxation when one will do. I look upon it as a temporary measure, not of so much importance as to whether or not it is the particular tax that we want, but whether it is a tax that is known to give us the amount that we require with the least possible expense in collecting. We have a Department of Taxation that is most competent and it can be collected through that department with very little effort. We are not obliged to keep it if we do not want it. At the expiration of the two-year period, should we decide that we had better turn to something different we are free to do so and we are not tied up for any length of time. I hope that we may take care of our temporary needs through this measure.

Mr. VARNEY: Mr. Speaker, I hesitate to rise again, but I cannot let the statement made by the gentleman from Skowhegan (Mr. Hinman) go unchallenged. I think I know about as much as to what is going on in the State of New Hampshire, and their Legislature, as the gentleman from Skowhegan, Mr. Hinman. I do not know where he got the information upon which he bases his authority for the fact that the State of New Hampshire will pass the sales tax. I do not hesitate to say that it is my personal opinion, from my personal observation, that the State of New Hampshire will not pass the sales tax. I will say, however, that I do not think that whether or not the State of New Hampshire is to pass a sales tax should have anything to do with whether or not the State of Maine passes such a tax. If it is a good tax, it is a good tax for the State of Maine whether or not New Hampshire passes it.

I want to say further to those of you who apparently believe with me that this tax should be based partly, at least, upon the ability to pay,

now let us defeat this sales tax which is in no degree based upon the ability to pay and then redraft our Report A, I believe it is, and put it upon such a basis. (Applause)

Mr. MAXIM of Portland: Mr. Speaker, I think we are losing sight of the issue that is squarely presented to us in this new situation in which we find ourselves now that the combination sales and income tax has not met with the approval of this House.

For weeks the Taxation Committee has conferred as to possible means of raising the necessary funds to finance old age assistance and the schools. All the possible revenue measures have been fairly presented; we have held hearings on them; the individual members of the committee have had ample opportunity to bring forward such taxes as they individually felt would answer the requirements. The proposal made under the heading of miscellaneous taxes is the only alternative we have to the general sales tax to date.

Now I submit to you that the miscellaneous taxes as presented will not produce the necessary revenue. I went into that matter last night, and I do not think it is necessary to any more than refer to it this morning. I am not going to refer to it in detail, but I will say that the bulk of this program of the selective tax depends on the head tax.

Now I want to ask you if in all fairness it is proper to present a tax measure for the production of revenue for the coming biennium on which no public hearings have been held—we have no bill before us calling for a head tax, nobody from the State had a chance to say whether he wished for that tax or did not wish for that tax. This has all been trumped up—or perhaps that is a harsh word to use. May I say the members of that committee have been grasping for straws and have sought this head tax as a possible straw to piece out an inadequate tax program.

This is not a subject on which we should vote on our feelings. None of us want any new taxes, I am perfectly certain of that. It is just a matter of mathematics as to what tax is going to produce the necessary revenue. Now making a fairly liberal allowance for the production of revenue under the item of head tax, the entire program

that they have proposed, as near as I can estimate it by careful calculation—and I admit that this is only my opinion and best judgment, and I may be wrong—is \$1,730,000.

Now for the first year of the biennium we are going to need two million dollars; for the second year of the biennium we are going to need two and a half million dollars. There certainly is no reasonable ground, so far as I can see, for anyone to say we have in this miscellaneous tax program a sufficient revenue measure to produce the necessary funds. Now inasmuch as we are about to make a change in our whole tax structure, should we not look ahead to the situation which will exist at the end of the present biennium?

We have embarked, whether wisely or not we cannot tell, on this matter of old age assistance. I think we all realize that this is going to run into far greater figures than are now being currently mentioned. If we accept 20,000 estimated beneficiaries of this act, we shall in the first year of the coming biennium have an expense of \$2,500,000 plus the \$500,000 for education if that is continued, making \$3,000,000, for which any such program of so-called selective taxes would be utterly inadequate.

It is the opinion of many who are familiar with the way pension programs have worked out in other states that we are probably headed for an eventual expense of anywhere from three to three and a half million dollars on old age assistance alone. Now it seems to me to be the height of folly, since we are taking a step in the direction of revision of our tax structure, to do it in such a short-sighted way that we shall be left at the end of the coming biennium in a similar position to what we are now, where we have no adequate system for raising the necessary funds.

It has been stated here that the sales tax is a terrible octopus. May I ask you, if twenty-two states in the Union have found the sales tax a terrible octopus, would they continue it? Such a statement on the face of it is absurd. The sales tax has gone permanently into the taxation system of twenty-two states.

It is true that originally the sales tax was enacted generally to produce emergency revenue only for relief purposes, and most of the original acts did carry a limitation

clause confining them to the current tax period, usually the biennium, sometimes one year. However, it has been found that the sales tax has worked so fairly and uniformly that eleven or twelve states have permanently embodied it in their taxation system. Just the other day I read of some state—I think it was North Dakota—which had passed the act again without any limitation. Now the states find it is such a valuable source of revenue that more and more they are coming to depend on the sales tax as a means of securing revenue.

In 1935-36, the fiscal year, the sales taxes in the 21 states which had this tax yielded approximately \$344,000,000. In the same year income taxes yielded only \$165,000,000, showing that the sales tax has taken the lead compared with the income tax as a revenue producer.

Now the matter of ability to pay I feel is misunderstood by many members of this House. The sales tax is not an unfair tax. It is fairly graduated in accordance with ability to pay, or up to the point where the wealthy, of whom there are a comparatively few, do not pay a corresponding tax on that amount of their income which they do not spend for taxable commodities. But the same is true of the special gasoline tax when we drive up to the gasoline pump. I drive up in my modest Chevrolet, and some wealthy person drives up in his Cadillac. I do not feel I am discriminated against because he pays the same amount per gallon of gasoline as I do. The same can be said of cigarettes, which are taxed by the Federal government by a selective tax; and the same can be said of cosmetics and many other things—the measure of ability to pay has fairly been based upon the ability to buy, and the people who actually pay the sales tax are not the very poor but the great body of the middle class residents. Now the reason for that ought to be quite obvious. The purchases of the very poor are naturally very restricted. In the farming population, the matter of food which has to be purchased from a store is considerably limited, and anyone knows that the purchases that the poor make run into such a small amount of money that they really contribute in absolute amount a very small part of the revenues under any sales tax measure.

Let us go to the other end of the economic order and take the wealthy. The wealthy spend liberally for taxable commodities, but there are so few of them that they do not pay any large part of the total revenue derived under a sales tax measure. The large middle class are the people who pay the bulk of revenue under the sales tax, and any statement to the effect that the sales tax is not based upon ability to pay is very largely fallacious, qualified only by that one provision, that the very wealthy do not pay on that amount of their income which does not go into taxable commodities.

Now it is true that we should take into account, and seriously, the matter of the equity of any tax measure that we should pass. It is an important thing, but there is another thing that is more important and that is adequacy. I do not feel that in a situation like this, where we are confronted with extraordinary expenses that it is worth while to split hairs too finely over the equity of a tax measure; the thing that must interest us more than the equity, or along with it anyway, is the amount of yield. We must have measures which have been tried out in other states, the practice is well standardized and which are known to be dependable for years. Now twenty-two states, as I have already said, have enacted sales tax measures; thirty-two states have enacted income tax measures. The vote of the House this morning shows that we are not ready yet to embark on the income tax for the obtaining of additional revenue. About forty-three of the forty-eight states have enacted either sales or income tax measures or both. Now in only one state have they depended to any great extent on selective taxes to produce their revenue, and that is the state of Florida, and the state of Florida does not get any large amount from most of these miscellaneous taxes. They derive their largest benefit from the very high tax on gasoline. They derive about eighteen million dollars from the sale of gasoline and the gasoline tax, I have forgotten whether it is seven or eight cents, the State tax, in addition to which all the various towns and counties add their own taxes, so that in some towns you may pay twelve cents a gallon tax on gasoline.

Now certainly the experience of twenty-two states ought to count for something as to the workability of a sales tax set-up. Now it seems to me to be incumbent upon the people who are fighting the sales tax to present to us some dependable measure as an alternative which will produce the necessary revenue. The tax committee has had an opportunity to consider the various other taxes which have not been included in this measure, and they have not presented it. They have presumably picked out these three taxes, chief among which is the head tax, as the best measure they can produce. I submit to you that that is not an adequate program; that the State will almost certainly run into a deficit if it adheres to it,—or take it the other way around, according to the present provision in the bill, the educational and old age assistance funds will be curtailed in direct proportion to the failure of such tax as we may enact to yield the necessary revenue. Now you who are interested either in old age assistance or in education do not want your funds cut in half in the first year and perhaps cut down to two-fifths in the second year through the failure of the selective tax to produce the required revenue.

I submit, after all these weeks of effort on the part of this body and on the part of the tax committee, which has been carefully considering this subject, and on the part of the committee of fifteen, which has also been considering the subject, that unless some group can present to this Legislature a tax program that is more sound and more likely to produce revenue than these miscellaneous taxes, that it is not seriously entitled to consideration.

I just want to say one word in regard to this matter of reduction of tax on real estate, because that has been referred to. It is definitely proposed to appropriate in advance the surplus of whatever money which may be collected from such measure as we may enact to provide for the reduction of the real estate tax of the organized cities, towns and plantations. Now that can be done in one of two ways: We can either cut so many mills off from the general property tax in advance by estimating the yield as carefully as we may, or we can provide that all the surplus above necessary expenses under old age as-

sistance shall be returned to the towns. Now it is the best judgment of your Taxation committee and of the committee of fifteen that that revenue under the sales tax act alone should produce on the average for the biennium about two and one-third million dollars a year, which can and will be applied to the reduction of the State property tax. Now that amounts to about three and one-half mills, and that is a little less than one-half of the State property tax. It seems to me that if we go that far—and it is evidently the intention of this House not to go further at this time, to which I subscribe, that we have done a very constructive piece of work in showing our real estate owners that at least the Legislature of the State of Maine recognizes their plight and is willing to begin shifting the tax burden to other tax bases, and at least will indicate to them as time goes on there may be still further relief in this direction. I look forward to the time when the entire State property tax may be cut off and leave real estate and tangible personal property as the sole base for the use of the assessors of our towns and cities to raise their local levy. I, therefore, want to urge on you, even in spite of some of the prejudice which has been created on this issue, to enact the sales tax bill because it is a measure based essentially upon ability to pay; it is a measure which works fairly over the whole population, because instead of taking a few lines of business and penalizing them with a heavy tax we spread it over the whole in a measure which certainly will produce revenue enough to meet all these needs, with a balance for real estate, and, in addition, leave us at the end of the biennium, when we are going to need more money for old age assistance, in a condition where our system without change can be automatically and easily adapted to meet that situation. (Applause)

Mr. AYER of Union: Mr. Speaker and Members of the Legislature: I dislike very much to disagree with my associate on the tax committee. He states that we are opposing a measure which has never had a hearing, the head tax. Now I would like to know which is the worst to adopt—the proposed measure, which has not had a hearing, or to ignore the hearing which we had on the

sales tax. I think anybody who has not a biased opinion, a biased mind, will agree that the evidence submitted during the sales tax hearing was far more opposed to it rather than for it.

Now this same gentleman has inferred, and has stated, in fact,—he has belittled this proposition which has been signed by four members of the Taxation committee; he has belittled every one of these propositions, so that you might almost infer they would produce a negligible amount of money.

Now in getting at the amount we believe this would produce we have consulted one of our State officials who, I think, is as capable a man as we have in this government of ours, and we have taken what he honestly and sincerely believes this would raise. Now it is a question, gentlemen, whether you want to take the opinion of this gentleman or the opinion of the gentleman from Portland (Mr. Maxim). Now there is nobody married to this report. The gentleman knows as well as I do that we have several measures on the taxation desk which have not been reported out, simply because they are held in reserve in case that we need them to supply something in place of the sales tax. They are there, and they can be reported out if necessary to take care of this proposition.

Now, as I said before, I am not married to any particular proposition. The gentleman from Berwick, Mr. Varney, says we can work out some head tax that will be equitable to all. If we can do that, why would not that be almost equivalent to an income tax. If we can put the largest amount on those who are able to pay it, why is it not a good proposition? Now, as I previously have stated, in the Taxation committee, time and time again, I would sit down with them and give and take on any proposition that did not include a general retail sales tax, and I stand by that proposition. I would be untrue to my own convictions; I would be untrue to my constituents, if I did not oppose anything that pertains to a general retail sales tax. I think if you will just vote not to have this general retail sales tax that the gentlemen who are in favor of some substitute can get together and work out a measure which will be just and equitable to everybody concerned. (Applause)

Mr. FELLOWS of Augusta: Mr. Speaker and Members of the House: It has been a considerable pleasure for me to work with the members of this Taxation committee for the past three months. They are all very fine gentlemen, and I cannot say that I have ever met a finer group anywhere. The last remarks of the gentleman from Union, Mr. Ayer, however, remind me that we here in the House now are in the same position that your Taxation committee has been in for the past three weeks and a half. We have not been able to get anywhere. Now when are we going to start?

I want to go on record as being not in favor of any additional tax, but I also want to go on record as being in favor of taking care of the aged of this State and of helping our schools, and I am now satisfied after my more than three months and a half of very serious work with that committee, that the answer to the question "Where is the money coming from?" is "From a general sales tax."

Now I realize that I probably am in the minority here on this floor, but I am going to ask you to be patient with me, because I have some actual facts and statistics which I would like to give to you. You previously have had some guesses given to you as well as some facts.

Now it was mentioned last evening, in reference to the income tax; "Soak the rich." For the time being, we have passed by the income tax, and now I am going to change that verbiage for the moment in speaking against the selective sales tax which has been proposed, and I will change it to use the words: "Sock the poor." Now if you want to sock the poor, I do not know how you can do it any better than by putting on a head tax that is going to jump that cost up from three dollars now to eleven dollars. If you again want to sock the poor, put through your amusement tax, which is proposed in the selective sales tax bill. I do not know of a larger class of people in the State that would be hit any harder than the poorer class, your working class. I might claim that I belong to that working class and have belonged to it since I was nine years of age, since I started out for myself.

Now let us take this general sales tax measure and consider it from a rural standpoint. For myself, I



cannot see where this tax is going to work a hardship on the rural people. Under the present bill, fertilizer is exempt, and other things are exempt which eventually will come out into re-sales and will be so taxed. I recall that my father—and, incidentally, I used to live in a rural community—that he had but one new coat in twenty years, and I do not think that the rest of the rural people are purchasing very many clothes, certainly no more than they actually need. I do not see where this tax is going to hurt the rural people.

Now, on the other hand, let us consider the urban standpoint, your cities and larger towns. I have made some inquiries here in this State, and I find, unfortunately, there are quite a few people that are drawing nothing more than fifteen dollars per week. Now when you consider the fact that of that amount a person has to pay at least five dollars per week for his rent, that leaves him ten dollars a week to spend on the necessities of life, and if he does spend that ten dollars that way, the most that he can possibly spend for the tax is twenty cents, which would substantially amount to about ten or eleven dollars per year.

I am not going to touch that phase of the situation relative to a reduction of the State property tax, because that has already been touched upon by a speaker who is better prepared to talk about it than I am on that angle. Now the chief objection, as I understand it, is, first, because it is going to hurt the poor, and I am trying to show you why I think it is not going to hurt the poor. We have heard another objection in the case of the border towns. I will answer that in a moment with figures and facts. The committee have heard of opposition to this general sales tax bill because of the fact that mail order houses will greatly increase their business and thereby hurt our merchants. Now as far as the opposition in Augusta is concerned to a general sales tax, I cannot say that I have been approached by more than three people who are opposed to it, except the merchants—and in that statement I do not criticize the merchants—the same thing has happened in other states—the merchants, from the beginning, have been very much opposed to the sales tax.

Now let me take your time for a few moments to quote you some figures. There is a sales tax in the state of North Dakota. My letter here is from D. D. Williams, who is Tax Commissioner, as I understand, of that state. He says this so far as the merchants are concerned: "Very few retail merchants fail to cooperate with us in every respect. The sales tax has slightly diminished the personal property tax. However, it was not the intention of the Legislature, when they enacted this law, that it was to replace personal property or real estate levy. They felt that an emergency existed and that this money was needed to keep our common schools open and to furnish subsistence for the many unemployed," and he goes on to say this: "We get very few kick-backs from the general public in regard to paying the sales tax. We feel that it is rather a painless tax as most people fail to realize that they are paying much money out for sales tax. . . . We do not feel that the mail order houses have increased their business in any appreciable amount during the time that this law has been active. We do, however, have a few complaints from our border towns bordering the Minnesota line. As you know, many of our larger towns are in the Red River valley and that a large business is transacted in that area, but for the population of the area the complaints are very few."

Now I have a letter here from Mr. Fraser of the Arizona State Tax Commission: "There was considerable opposition as to the enactment of the original act due to the fact no provision was made in the law for the use of bracket schedules" and so forth. "At the present time, however, there is little, if any, opposition, but occasionally we do receive a complaint from some small merchant. . . . The people of the state of Arizona now, more or less, ignore mentioning the tax. We do have an occasional few, however, that we term 'aginners' who are against it. However, this group is in the minority and are usually found to be non-taxpayers, except possibly upon personal property. . . . Now we do not believe that we have suffered any considerable loss of revenue by the so-called 'driving of business across state lines'."

Now I have another letter from

the state of Oklahoma, in which the Commissioner states: "There was not a great deal of opposition to the law at the time it was enacted and the number of complaints is diminishing rapidly." He goes on to state: "In our opinion, the administration of the Consumers' Tax Law has driven very little business away from the merchants in the state of Oklahoma."

I have another letter from the State Board of Equalization in California in which the same sentiment is expressed in almost exactly the same words: "There was some opposition to the retail sales tax from retail merchants prior to the adoption of the tax and for some time thereafter. That opposition, however, has practically disappeared, and there is at the present time, no organized movement among the retail merchants for the repeal of the tax."

In order to be fair to those members from the border towns, I will read this paragraph too: "The imposition of the sales tax has undoubtedly driven some business to points outside this state. We are unable, however, to make any reasonable estimate of the amount of business which has thereby been diverted from this State."

Now from the state of Utah, the Tax Commissioner states: "Retail merchants opposed the enactment of the law but their opposition now is not so pronounced. \*\*The sales tax has no doubt increased mail order business and has resulted in Utah residents purchasing goods in other states. This objection has been eliminated, however, by the surrounding states also having sales tax acts. We have no information as to the amount of reverted business but in our opinion it would be very small\*\*\*."

I have quite a few other letters here which I do not care to take your time to read all of them or extracts from all. I will close with this one from New Mexico: "The public is quite favorable toward the tax, due in all probability to the fact that the money is used exclusively for school purposes." Here in this State you have that money used exclusively for schools and old age assistance.

I have not the slightest idea that I have changed the opinion of one person in this House, but I have felt that I should state my reasons for being for this tax, I have done

so, and I will go further and say, in my opinion, if you pass this thing, before you pass it there should be a referendum clause attached to the end of it. (Applause)

Mr. LARSEN of Waterville: Mr. Speaker, I want to go on record as opposed to the sales tax.

In the remarks made by Mr. Maxim of Portland, last night, he stated that in the five and ten cent sales that one could take a fast selling item and mark it up to fifteen cents which would be an increase of thirty-three and a third per cent on certain items. I think that is the wrong way for any retailer to do—I am a retailer myself—to feel that he can take out of a few people thirty-three and a third per cent to pay that tax. I feel that it is very poor business to do anything like that. Furthermore, if this fast-selling item of ten cents is jacked up thirty-three and a third per cent, it will make it a slow-selling item. He also made a statement about not taxing certain articles which are in this bill such as fertilizer and things like that. I think that if one man has to pay a tax on his business, every man should pay a tax on his business. I do not think anybody should have the power to say that I shall pay a tax and the next man shall not pay a tax and I am bitterly opposed to the sales tax. If I am right, I would like to make a motion to indefinitely postpone Report B on the calendar.

Mr. HIGGINS of Ellsworth: Mr. Speaker, I want to make a few comments on the proposed sales tax, stating at the outset that I am favorable to its passage.

Two years ago the Legislature, in the closing week of the session, discussed possible tax measures in a half-hearted way and did nothing about any of them. At this session we have followed a different procedure and we now come to what we all hope are the closing hours on the session. It seems to have been highly in vogue this morning to read from editorials, and I will read just one sentence from an editorial in the Portland Sunday Telegram of April 4th, as follows: "The standing of the Legislature and the place it will occupy in Maine history depends almost wholly on the way that the tax matter is settled." Now it did not take a very profound thought to state that. I think we are all in agreement that the place

that this particular Legislature will hold in history will depend almost entirely on the way in which we handle this matter of taxes.

This year we have approached the matter of taxes, I believe, in a much saner way than we did two years ago. From the earliest days of the session people have been working diligently on the proper solution of this question; and, as I look back, it is of considerable interest to find our committee of fifteen reporting out almost unanimously that we should adopt a sales tax as the best way of solving our problem.

As we note these various reports before us now, we find that there are more people favorable to the sales tax scheme than any other tax; and, holding the view that I do, naturally I feel that the committee of fifteen was correct and I believe the five members who signed the report favoring the sales tax were also correct. I think it is a tax that is highly fair. If I thought it was a tax that would weigh out of proportion upon the poor, I would probably not be favorable to it. But there are a few things that stick out in my mind clearly, and they are that this entire program, the very reason we are raising these additional taxes, is to help the less fortunate person, to help those who are not well off financially. Those who are well to do are not going to receive old age pensions, now or in later years. That entire sum will be to take care of those who have been less fortunate. So with your educational program to a large extent, it is to help the poorer towns. The other day it was demonstrated that many people spoke favorably to it and I believe every one prefaced his remarks by saying, "My town gets nothing out of this." There again, it is going to help those who are not so well off financially in life as some of the others.

Now it is suggested that the well-to-do man, the man who is better off, will not pay his proportionate part. I believe that he pays his proportionate part. Most people spend the greater part of their income. Those who get to a point where they earn \$2,500 or \$3,000 will be paying a Federal tax. There is a penalty. Just the minute a man gets above the bare necessities of life, he has to pay a Federal tax and a part of that money comes back to this State to help us pay

pensions. It is going for the same general causes. For that reason I feel that we are all treated just about the same.

Another thing, I have noticed in my own community in regard to that man who is a little better off, he does a great deal more along the line of charity work. That is not a tax but it amounts to the same thing. The man with from three to four or five thousand dollars income is the man who is giving generously to worth-while charitable projects, and in that way he evens up by doing a little bit more for charity and the worthwhile things in his community. That is one of the reasons why I favor this tax. I feel that it is a fair and equitable tax for all persons concerned, having in mind the fact that this very program of additional taxes is for the benefit of the less fortunate persons in our communities.

Another reason why I like this tax as above all other taxes is—I do not know as I like it, I do not like any tax—but I believe that it is a practical tax if it becomes a law. I think if this House goes on record as favoring the passage of this sales tax, later action will be taken where it will be signed by the Governor and become law.

Now some people suggest that if you pass the tax there will be a referendum on it that is going to kill it and the bit of evidence used most frequently is this poll that was in the Portland paper a couple of weeks ago showing that fifty-eight per cent of the people of the State were opposed to the sales tax and forty-two per cent were favorable to it. That has been used as evidence that the sales tax would not pass in this State. I use it as evidence that the sales tax will pass in this State. The fifty-eight per cent who voted against the sales tax voted on this question: "Do you favor a sales tax in your State?" Now I believe that if any one of you voted on that, your answer would be no because it is not tied in with anything definite; it is just another tax. The natural instinct is to say, "I do not want an additional tax, and, based on that particular question, only fifty-eight per cent, eight per cent more than one half, voted against it.

Now my thought is: How are the people of the State going to vote upon this question? Do you favor

an act to provide for old age assistance, to guarantee a minimum educational program and to relieve property from its present burden of taxation? And to provide revenue by means of a sales tax? Do you think that is going to change the eight per cent and more than the eight per cent? I do. I feel that there are enough people in the State of Maine who are interested in old age pensions, schools and removing the burden on property, so that we have not got to worry about a referendum. I do not mind whether a referendum is put on or not. I feel that the people of this State, where the purposes are to help the aged, to help the school situation, and to relieve property in part, think it is a practical tax, even to the point of a referendum and they will come out on top.

If we do not have this sales tax program, we are going to get, probably, a luxury tax program, so-called. The gentleman from Augusta, Mr. Fellows has pointed out the fact of where the real burden will fall in your luxury tax program. Certainly it is going to fall very heavily on the poor, and remarks on the floor this morning have shown how little thinking has gone into that luxury tax program—not on the part of the members of the Taxation Committee who voted it,—I do not mean that, but by some of the other speakers who say, "Oh, give us time and we may get something in shape. I do not like a head tax. Let's change the head tax and make a different kind of head tax. I am not sure that I like the amusement tax, and let's change that." In other words, the proponents of the luxury program are in about the same position that they were in fifteen or sixteen weeks ago. I venture the opinion that if we adopt the luxury tax program, we will have a hodge-podge program that will not be satisfactory. We are very apt to find that we will be in need of revenue before two years are over. We will build up a further deficit. I am not very favorable to the luxury program at the present moment.

To bring these few remarks to a close, I want to state that I have a friend, not a member of this body, who somewhat facetiously, but also in a spirit of seriousness, advised me that "if you vote for a sales tax, you will never be back." That was the way he worded it. Now I think

he is wrong and I, for one, am willing to take the chance that in my own community I will be back if I have the opportunity of running again. I am going to say that I will, and I think he is wrong in that declaration that we will not come back. I think we can go out to the people of the State of Maine, if we pass the sales tax, and say to them: "This is the position that we found ourselves in. We came to Augusta the first part of January, 1937, and found the State in the position of having a substantial deficit of something over two million dollars, and what did we do about that in the very early weeks of the session? We passed tax measures to take care of that deficit, helping our predecessors and future generations to that extent. We found more than that, that old age pensions had been brought to a close due to certain activities the latter part of December, 1936, and that the pensioners were not receiving their pensions—the four thousand who had received them previously. Well, what did we do about that matter? We immediately passed another tax measure to put those four thousand pensioners back on the payrolls and they have received the pension since that time and it is my thought that this Legislature is going to see that they receive them for the next two years at least.

"More than that, we found that we needed to pass some permanent laws to take care of pensions and also to help out education, and we have done that as time went on, possibly too much time, and we have done that by passing a sales tax, which tax is highly fair and equitable and which will take care of our program in its entirety.

I believe this is the most scientific and the most statesmanlike bit of tax legislation that has been presented in this House. I certainly hope that the sales tax will be written upon the statute books by this 88th Legislature. (Applause)

On motion by Mr. Ellis of Rangeley,

Recessed until two o'clock this afternoon.

#### After Recess—2:30 P. M.

The Speaker in the Chair.

The SPEAKER: The House is proceeding under Orders of the Day and considering Report B. The gentleman from Skowhegan, Mr. Hinman, moved that Report B be

accepted and the gentleman from Waterville, Mr. Larsen, has moved that Report B and the accompanying new draft, Consolidated Bill B, be indefinitely postponed. The question now is on the motion of the gentleman from Waterville (Mr. Larsen) for indefinite postponement.

Mr. McGLAUFNIN of Portland: Mr. Speaker, the newspapers and the lobbyists have been telling us what to do and what not to do in regard to passing these tax measures. Some years ago we had an issue of 16 to 1. Today, according to the newspaper accounts quoted by the gentleman from Portland, Mr. Wilkes, the issue is 16 to 2, because one of our tax measures would take sixteen dollars, the editorial said, while the other would take only two dollars, and the remarkable thing about it was that apparently each one was going to raise the same amount of revenue. I do not think we are quite so dumb as the editor of that paper seems to think.

The one point that I have stressed since coming to this Legislature is that we were sent here to do a big job and that we should do it well. No matter what tax we raise, we are going to be criticised, but if we do not raise these taxes, we are going to be despised. We have got to raise these taxes and we have got to raise enough to do the job right.

Now I came here opposed to the sales tax. I could argue for half an hour against that tax, but, after giving considerable consideration to the matter for a long time before the Taxation Committee met for hearing on that tax, I was convinced that the only way that we could raise an adequate amount of money to meet the situation was to have some kind of a sales tax, and therefore I argued for that tax before the Taxation Committee.

Now I stated last evening that my first preference under all the circumstances was for a combination sales and income tax. It has been indicated here this morning that the majority of you do not favor that combination. Therefore we are left with two sets of taxes for consideration. It is my opinion that in order to do this job and do it right, we have now got to have the sales tax. Therefore I hope the members of this House will vote for the sales tax today.

Mr. FINDLEN of Fort Fairfield: Mr. Speaker and Members of the House: The real job for which this Legislature was assembled was to provide revenue not only for current expenses but for emergencies that existed, namely the deficit, which has been taken care of by the beer tax. The old age pension, something for schools and emergency relief are left.

We have been floundering around for weeks and to all of us it has been very apparent that there are only two sources of revenue that are sufficient to produce the necessary funds. One of those sources of revenue is the combination sales and income. We have voted on that and it is very apparent that we cannot get a combination.

The next source of revenue is a sales tax. Therefore the logical thing to do now is to vote for a straight sales tax if we wish to accomplish the purpose for which we are assembled.

The features of the sales tax and its revenue - producing measures have been so well explained that they need no further comment from me. I wish to state, however, that in my judgment Consolidated Bill A is just a poor excuse for producing real revenue. Mr. Maxim has studied taxation for two years or more, and according to his statements this bill will not produce sufficient money to pay the bills. I think he is right.

Now it seems to me that we have only one thing left,—a straight sales tax. Let's not dodge the issue. Let's vote for a straight sales tax, send the bill along and return to our homes and get to work. I hope the Consolidated Bill B has a passage. (Applause)

Mr. PIKE of Bridgton: Mr. Speaker and Members of the House: I think there is one thing that we all have in common. I think we are tired, I think we are tired of staying here and tired of so much talk. I am for a sales tax. I have been home and seen my folks and I find the majority of them are for it. I hope it will come to a vote.

Mr. WILKES of Portland: Mr. Speaker, I realize that we have had a long, tedious session. I realize that we are tired. Probably no one is more anxious to get home than myself, but I do believe that we should proceed with caution and should be prudent. We should look at this as a reasonable man would.

Let us not be too anxious to go home. At least, when we do go back to our towns, cities, villages and plantations, let the people back home say: "Well done, thou good and faithful servant."

Now there are a few questions that I would like to answer, and I will attempt to do so. The gentleman from Augusta, Mr. Fellows, this morning, said that the sales tax would help the farmers, that fertilizer was exempt. What about the machinery, and what about the equipment that he uses on his farm? What about constructing a new barn? What about his potato diggers? They will be taxed, and the tax will be passed right on to the farmer.

Now the gentleman from Ellsworth (Mr. Higgins) has stated that this bill might have tacked to it a referendum, and that it will be turned down by the people and there will have to be a special session called at great expense to the State.

We are here to do a job. Let us do it. Do not take the line of least resistance. We can all come here and sit back quietly and pass a two per cent sales tax and go back home, and that is the easiest way out. Why not take the hardest way out? Why not show the people that we are capable of fulfilling the job they sent us here to do.

Now in regard to the retail sales tax in Maine: The average retailer in Maine does a business of about twenty thousand dollars a year. For the retailer who is barely making a living, any tax which unjustly irritates his customer is a serious one. Whom does this bill affect? It affects the man in the low income bracket. He spends all his income at home, generally pays cash, and is one of the retailers' best customers. Anything that affects him, affects the merchants, and anything that affects the merchant affects our local communities in the State.

What Maine needs is more business more than it needs more taxes. Maine is a lovely State, endowed with many advantages, but Maine has many handicaps to industrial and popular development. Let us not continue to add to or to hamper them. Today will mark a milestone in the history of this Legislature. May God bless you with the reasoning power of a Blackstone, the intestinal fortitude of a Spartan, the

courage of a Jackson and the kindly sympathy of a Lincoln when you cast a vote upon this measure.

Mr. HINMAN of Skowhegan: Mr. Speaker, when the vote is taken, I would request a division.

Mr. PHILBRICK of Cape Elizabeth: Mr. Speaker, I have been hoping for many months that we would find some way to get by without a sales tax. I have not liked the idea of a sales tax, and I think almost every member of the Taxation committee and almost every member of this House have made an effort to find a satisfactory substitute. I am disappointed with the substitute which was brought out in Report C. Because of the practical difficulties in collecting a head tax, I do not think it has seemed to any of us fully acceptable. In view of the remarks by the committee on Taxation in the last day or two, and particularly the remarks of the gentleman from Augusta (Mr. Fellows) and in view, as I see it, of the failure of Report A to meet with the general acceptance, it seems to me that probably if we are to meet the appropriations that we are expected to meet here, that some form of sales tax is not only necessary but is also the only way out of our difficulties. Having reached that conclusion, I want to make a protest against the Legislature going on and levying any more taxes than are absolutely necessary for the purposes of our appropriation.

I believe there are many people in this State, and I hope many of us, who will recognize that we have been sent here to do a job, in the language of the gentleman from Portland (Mr. Wilkes). They do not want us to go beyond that and levy additional millions of money which is not absolutely needed.

We have before us here a bill which calls for a maximum appropriation the first year of two million dollars, increasing to two and a half million the second year. To meet that, we are offered Report B, which, in the estimate of the proponents, would raise four and a half million dollars when it goes into full effect. In other words, we are asked to raise one dollar in new money, and, to do that, levy taxes calling for two and a half dollars. Where in that program is the protection against the proposition of unnecessary taxes that the speakers for the program of the combination tax last night so loudly

spoke for? It is said that this excess would go to relieve the present high taxes on real estate. The bill as printed does not contain any provision for putting that into effect, and I understand the reason why that provision is not in the bill is because the draftsmen have found great difficulty in preparing provision that would allow the relief of the tax in the cities and towns and would not at the same time cut the wild land tax in half. Admittedly no relief can be made in 1937, for there will be no funds under this bill, if there is a referendum, until 1938. If we grant that proposed relief could be given in 1938, I recall the action of the Legislature in 1933, when it set up the State store system for the sale of liquor and provided that the profits of those stores should go to the relief of real estate. Almost the first thing that the Legislature did in 1935 faced with a need for more money for poor relief, was to grab the pockets of the stores and put them into the general fund. I can well imagine the 1939 Legislature, faced with demands for more and bigger pensions, seeing this easy money there available not yet returned to the taxpayers in the town but merely treated as a credit on their State tax, might well grab it, and the relief to real estate would remain a great illusion.

Even if that relief could be granted, where the average tax rate in so many of our small towns is fifty, sixty or even more mills, the relief of three or four mills seems to me largely a drop in the bucket. If there is to be any real relief against taxes on real estate, it should originate in the towns where the appropriations are made to run up those high rates. And so, if we can see that a sales tax of some form is the only practical, and, I hope, acceptable possibility, let us make it as light as possible. I have prepared an amendment reducing the rate from two per cent to one per cent. It seems to me that that rate would be so much easier on the consumer that it would remove many of the objections that the consumer might make. I would hope that it would also remove to some extent the objections of my friends from York county who see their border town trade vanishing into New Hampshire. Because on so many purchases the one per cent would be

negligible, I would hope that we might induce the merchants of these towns to feel that this tax would not put too great a burden on them and that the people of their towns would accept it.

Another thing: I have heard it said that a sales tax would be and should be temporary only for the emergency for which it was passed. I can see how a one per cent tax might be temporary, or, at the end of the two year period for which we are now legislating, we would have available the beer tax, producing one million dollars or more a year, and we might also have available substantial economies and savings which I believe and trust our Governor and his Council are going to make in the regular appropriations in this coming two years. I cannot see how a two per cent tax could be temporary, because I cannot see where four or four and a half million dollars could be replaced by any other tax or by any saving. I shall, therefore, at the proper time, if this report is accepted, move an amendment, and I hope that the fact that that amendment is in sight may to some extent remove the objections of some of the members of this House to voting for any kind of a sales tax program.

Mr. WEATHERBEE of Lincoln: Mr. Speaker and Members of the House: I had not intended to speak on this matter today. In fact, I have thought it over the last several days whether or not I was going to be able to vote for this report or for what one of the reports I was going to be able to vote.

The gentleman from Cape Elizabeth, Mr. Philbrick, has just said he hopes the fact that an amendment is in sight may induce some members of the House to feel that they are able to vote for this report for a general sales tax. The gentleman may feel satisfied to some extent, because he has convinced at least one. I feel I can vote for this report with the amendments which the gentleman from Cape Elizabeth has suggested are in sight.

There is not any member of this House who hates any more than I do to vote for any new form of taxation. I do not think there are many members who have felt any more uncertain and hesitant about voting for a sales tax than I have felt, but, as I have followed the course of things in the last few weeks in this Legislature, and as I

have listened to the expert opinion of men far more conversant with these matters than I am I have become convinced that is the only practical solution that is open to us.

I am not sure just how much consideration I should give to the possible question of the people back home, whether some of my people or enough of them would be dissatisfied with my action so that they would decide to send somebody else in my place; but I do feel that my people sent me here to vote as I saw fit on every question, and that is exactly what I intend to do on this one, and if they feel that my judgment has not been good, they will, I feel sure, and they are welcome, to send someone back in my place two years from now. I would like to have them say, as the gentleman from Portland, Mr. Wilkes, has quoted "Well done, thou good and faithful servant." I feel that the majority of them will, as far as my action on this question goes, when they have considered the matter as carefully and as deliberately as I think most of the informed voters will do. One thing I do know and that is when I get home I am going to be able to say to them: "We were faced with a problem as difficult as any which has faced any Legislature. When we came here we knew that we were faced with it. We were sure that whatever we did we were going to offend some part of the group which had elected us. But we considered that problem carefully; we made up our minds, taking into consideration only the best interests of the State. We found no other way in which we felt so certain that this money could be raised so we decided to raise it by a general sales tax. But we also took into consideration the fact that this is a new form of taxation, that it is objectionable to a substantial portion of our citizens, and that it may have effective ramifications which we do not know of at present, so that we are raising by that tax only enough money to meet the immediate needs. We intend to raise only what money is absolutely necessary, and, in doing so, we feel we have done our job which we were sent here to do."

Now I do not think that I could vote for this bill if I felt certain that it had to be a two per cent tax. I do feel, however, that I can vote for it if there is a possibility that this House may see fit to so

amend it that it may be a one per cent tax. For that reason, when the vote is taken, I shall vote yes for the adoption of this report. (Applause)

Mr. CARLETON of Alna: Mr. Speaker, it is with reluctance that I rise at this time. This sales tax has been discussed from Maine to California and they have referred to Report A as well as B, and the head tax has been referred to a number of times. I have heard it spoken of many times that there should be a tax placed on old maids. I never realized that that matter would come up before the 88th Legislature and I do not think it is a proper time to tax old maids or have a head tax. But under these sales tax propositions here, I have never had a request from any resident of my town or my district of six towns, or my county of eighteen towns and a plantation, asking or requesting me to vote for a sales tax. I have, however, had many requests from prominent citizens asking me to oppose a sales tax.

Now in reading this section here I find that every bit of this sales tax is passed on to the consumer in every way, shape and manner, whether it be farming implements, food, clothing, groceries or services, which is spoken of here, and I cannot see why the poor consumer, the man with a family struggling to get a bread and butter existence, should stand all this expense. Section 4, page 14, says: "Addition of tax to price. It is the purpose and intent of this act and it is expressly provided that the average equivalent of the tax levied hereunder shall be added to the sales price of merchandise and services, and thereby be passed on to the consumer instead of being absorbed by the vendor. When so added, the tax shall constitute a part of such price, shall be a debt from vendee to vendor until paid, and shall be recoverable at law in the same manner as other debts."

Now there are many people throughout the State of Maine who are purchasing their furniture, their household goods, on the installment plan. If any member of this House wants to buy a two hundred dollar frigidaire, and he has got the money to pay cash, he gets a discount. If a poor widow wants a washing machine, she buys it on the installment plan and she has to pay an extra price, and this sales tax is



passed on to this poor widow. I know of two cases in my county where a family sent to Sears, Roebuck and bought a cook stove. The woman said that it was a cheap stove, but she could get along all right with it and it was paid for. Another family bought a high priced stove, \$139.00 or \$169.00, on the installment plan, and how did that turn out? A man had to sell one of his work horses to make the payment on the stove. Therefore I say that this additional sales tax works harder on the poor people than it does on the rich. As I have said here before, I stand for the poor people, for the common people, for the hard-working, honest people trying to get a living and pay their bills, therefore I am opposed to a sales tax. (Applause)

Mr. FLANDERS of Auburn: Mr. Speaker, we have been discussing the tax question for the last twenty-four hours, and we have not arrived at anything yet. I wonder what the gentleman (Mr. Carleton) who has just spoken, favors. I wonder if he favors the head tax where every member of the family over twenty-one years of age will have to pay four dollars. I say to you, that is going to be a greater hardship on the people of the State of Maine than the sales tax. If there is anyone here who should be opposed to a sales tax, I think I have a reason to take that stand as much as anyone because I have been in a retail business for the past thirty-two years. If we had faced this situation as we should have two years ago and put on a one cent sales tax and not had a deficit of two million dollars, we could have gone home without any sales tax or any tax measure except what is already set up today.

Now I certainly am in favor of this sales tax and I think the idea is that we have been catering to the merchant, asking him if he is opposed to a sales tax. Two years ago I called the merchants of Auburn in conference, and after considering this matter they voted to stand with me. They said they had rather see a sales tax than not to have old age assistance. The merchants today are stronger that way than they were two years ago. I think from Kittery to Calais the merchants are looking for us to have a sales tax and I think that is what we should do. Let us face the situation as it is, ladies and gen-

tlemen, and let's go home and have them say that we have done a good job. I think if we enact a one or two per cent sales tax, we can do it.

Mr. LEE of Rumford: Mr. Speaker, when the vote is taken, I ask for the yeas and nays.

The SPEAKER: The pending question is on the motion of the gentleman from Waterville, Mr. Larsen, that Report B and Consolidated Bill B be indefinitely postponed. Is the House ready for the question? The House may be at ease.

#### House at Ease

The SPEAKER: The pending question is on the motion of the gentleman from Waterville, Mr. Larsen, that Report B and the accompanying new draft, Consolidated Bill B, be indefinitely postponed, and the gentleman from Rumford, Mr. Lee, has asked for the yeas and nays. The Chair recognizes the gentleman from Waterville, Mr. Larsen.

Mr. LARSEN: Mr. Speaker, I withdraw my motion for indefinite postponement.

The SPEAKER: The pending question is on the motion of the gentleman from Skowhegan, Mr. Hinman, that Report B be accepted. The Chair recognizes the gentleman from Rumford, Mr. Lee.

Mr. LEE: Mr. Speaker, I now move that when the vote is taken, it be by the yeas and nays.

The SPEAKER: The gentleman from Rumford, Mr. Lee, asks for the yeas and nays. Under the Constitution, the yeas and nays are ordered at the request of one-fifth of the members present. As many as are in favor of taking the vote by the yeas and nays will rise and remain standing until counted.

A division of the House was had.

The SPEAKER: Obviously more than a sufficient number having arisen, the yeas and nays are ordered. The Chair will remind the House, the yeas and nays having been ordered, that no member is permitted to leave his seat during the roll call or until the result has been determined and declared. The pending question is on the motion of the gentleman from Skowhegan, Mr. Hinman, that Report B, ought to pass, on Consolidated Bill B, an act to provide for old age assistance, to guarantee a minimum educational program, to relieve property from its present burden of taxation,

and to provide revenues therefor by means of a sales tax, be accepted. As many as are in favor of the motion to accept the ought to pass report will answer yes to the roll call; those opposed will answer no. The Clerk will call the roll.

YEA—Alden, Allan, Portland, Bird, Bucknam, Buker, Cambridge, Chase, Crockett, Currier, Cushing, Dean, Ellis, Castle Hill, Ellis, Rangeley, Emery, Fellows, Findlen, Flanders, Gyger, Haley, Haskell, Lee, Haskell, Windham, Higgins, Ellsworth, Hinckley, Hinman, Hodgkins, Lausier, Mack, Martin, Milford, Maxim, McGlaulin, Newton, Norwood, Owen, Palmer, Paul, Payson, Portland, Philbrick, Pike, Bridgton, Pike, Lubec, Plummer, Ramsdell, Robinson, Russ, Ryder, Smith, Van Buren, Snow, Stilphen, Weatherbee, Webber, Whitney.—50

NAY—Allen, Bowdoin, Ayer, Batchelder, Bates, Belanger, Boothby, Boucher, Bragdon, Brown, Bangor, Brown, Eagle Lake, Bruce, Burgess, Carleton, Church, Churchill, Colby, Cole, Coolidge, Davis, Day, Demers, Dennison, Donahue, Douglass, Dorr, Dow, Jay, Dow, Kennebunkport, Dow, Norway, Dutil, Dwinal, Eddy, Elliot, Ellis, Fairfield, Erswell, Everett, Fadden, Fernald, Ford, Fergie, Fuller, Goss, Hamel, Hammond, Harriman, Harris, Hascall, Monmouth, Higgins, Dennyville, Howes, Jewett, Keller, Labbee, Larrabee, Larsen, Latno, Lee, Leonard, Lord, Maheu, Martin, Oakland, Maxell, McGaughy, Melanson, Merrill, Meserve, Morgan, Mosher, Murchie, Noyes, Packard, Parsons, Payson, Brooks, Peakes, Phair, Porell, Poulin, Prince, Detroit, Prince, Harpswell, Ramsey, Russell, Sawyer, Seabury, Smith, Westbrook, Stoddard, Stone, Story, Tabbut, Thorne, Thurston, Varney, Viles, Wallace, Weed, Whitney, Wilkes, Woodbury, Wyman.—95.

ABSENT—Barter, Harkins, Richardson, Sleeper, Young.—5.

Fifty voting in the affirmative and 95 in the negative, the motion to accept Report B, ought to pass, did not prevail.

The SPEAKER: The Chair recognizes the gentleman from Rangeley, Mr. Ellis.

On motion by Mr. Ellis, the bill and the several reports were tabled until later in today's session.

#### Paper from the Senate

(Out of order and under suspension of the rules)

From the Senate: Report of the Committee of Conference on the disagreeing action of the two branches of the Legislature on bill an act relating to insanity as

cause of divorce (H. P. No. 669) (L. D. No. 214) reporting that they are unable to agree.

(Signed)

Messrs. Thorne of Madison  
Bird of Rockland  
Dow of Norway

—Committee on part of House.  
Miss Laughlin of Cumberland

Messrs. Willey of Cumberland  
Fernald of Waldo

—Committee on part of Senate.

Comes from the Senate, read and accepted.

In the House, read and accepted in concurrence.

From the Senate: The following order:

Whereas, bill an act relating to safety of highways", being identified as (S. P. 71) (L. D. 47) having been reported ought to pass in new draft by the Committee on Ways and Bridges, and subsequently, after the report of said committee, and while the original copy of the bill was in the Senate, said original bill having been lost;

Now, therefore be it

Ordered, the House concurring, that the Secretary of the Senate be authorized and directed to substitute for the original bill, a copy of the printed document number 47, together with his certificate of the action of the Senate thereon, as shown by the Journal of the Senate, and a like certificate of the Clerk of the House (S. P. No. 528)

Comes from the Senate, read and passed.

In the House, read and passed in concurrence.

On motion by Mr. Flanders of Auburn, the House recessed for half an hour.

#### After Recess—4:20 P. M.

The Speaker in the Chair.

The SPEAKER: The House is still proceeding under Orders of the Day. The Chair recognizes the gentleman from Rangeley, Mr. Ellis.

On motion by Mr. Ellis, it was voted to take from the table Reports A, B and C of the committee on Taxation and the accompanying bills, L. D. 1058, 1059 and 1060.

Mr. ELLIS: Mr. Speaker, we have got to the end of the road. The road is getting damned rocky, and I move to accept Report A, ought to pass, L. D. 1058.

Mr. WILKES of Portland: Mr. Speaker, I request that when the vote is taken, it be taken by a division.

The SPEAKER: Is the House ready for the question?

Mr. VARNEY of Berwick: Mr. Speaker, I think this body has just expressed its sentiments in regard to the general proposition of a sales tax. I think it has also expressed its sentiment in regard to the general proposition of a sales and income tax combined. I think there are many of us who are not satisfied with Report A in its present form. I think that those of us who are not satisfied with Report A in its present form, for the sake of hastening legislation and eventually arriving at a report which will be acceptable to this body,—I think we should now proceed to accept Report A. I want to make this statement, that if Report A is accepted by this vote, as I understand it, then this bill could eventually be passed on to the other body in order that they may take an expression in there of their sentiments. I will, at the proper time, present amendments to Report A which I believe eventually will come down to a form of taxation to which we can all agree and which will provide necessary funds for old age benefits and the school system on an equitable basis and will not have in it a provision for a sales tax. For that reason I trust that this House will now, without too much further debate, proceed to accept Report A even though there are features in that report that we do not care to go along with now. By accepting Report A we do not agree that we will vote for the bill in its present form. It can be, and I trust will be, amended before it is adopted by this Legislature.

Mr. PAUL of Portland: Mr. Speaker, I hesitate to rise on this occasion, but it does seem very proper that I should make a statement in reference to my position on Report A. Of all the three programs that have been presented, without any question in my mind, Report A is the weakest program that we have had the privilege to pass on. I can find no part of that bill as presented that is either sound, logical or in any way feasible to be carried out in a State tax program. I hesitate, and I shall continue to hesitate, about voting to accept a report on a bill which

we know nothing about. That bill as presented carries with it the provision for a head tax, and of all the provisions that I think is unsound, that is the one. Amusements! I cannot conceive of denying to the poor people, the children of this State, the privilege of attending and receiving education and amusement that they now receive by attending the pictures. I never walk up the street in my city but what little boys approach me for money to buy a ticket to some moving picture house, and I say now that the adoption of this bill, or any part of it, to my mind is just about as unsound as it could be, and I hope the motion does not prevail. (Applause)

The SPEAKER: Is the House ready for the question? The pending question is on the motion of the gentleman from Rangeley, Mr. Ellis, that Report A be accepted. The gentleman from Portland, Mr. Wilkes, has asked for a division of the House. As many as are in favor of the motion will rise and remain standing until counted and the monitors will make and return the count.

A division of the House was had. Sixty-five voting in the affirmative, and 60 in the negative, the motion that Report A be accepted prevailed.

Thereupon, the rules were suspended and the bill was given its two several readings, and on motion by Mr. Ellis of Rangeley, the rules were further suspended and the bill was given its third reading.

The SPEAKER: The Chair recognizes the gentleman from Berwick, Mr. Varney.

On motion by Mr. Varney, the bill was tabled pending passage to be engrossed.

The SPEAKER: We are still proceeding under Orders of the Day and the Chair lays before the House the first today assigned matter, an act relating to shipping clams beyond the borders of the State, H. P. 1575, L. D. 716, tabled on April 17th by Mr. Varney of Berwick, pending the motion of that gentleman that the bill be indefinitely postponed; and the Chair recognizes that gentleman.

Mr. VARNEY: Mr. Speaker, in view of the enforced absence of the gentleman from Rockland, Mr. Sleeper, who is very much interested in the other side of this question, I would ask the indulgence of

the House in my motion to lay this on the table pending his return.

The SPEAKER: The gentleman from Berwick, Mr. Varney, moves that the bill be laid on the table pending the motion of the same gentleman that the bill be indefinitely postponed.

The motion prevailed.

The Chair lays before the House a matter tabled earlier in today's session and specially assigned for today, S. P. 516, L. D. 1048, bill an act relating to production and sale of milk, tabled on motion of the gentleman from Castle Hill, Mr. Ellis, pending its passage to be engrossed; and the Chair recognizes that gentleman.

Mr. Ellis: Mr. Speaker, I now move that the bill be passed to be engrossed.

Thereupon, the motion prevailed, and the bill was passed to be engrossed in concurrence.

The Chair lays before the House another matter assigned for today, S. P. 515, L. D. 1045, bill an act relating to local option provisions, tabled earlier in today's session on motion of the gentleman from Lincoln, Mr. Weatherbee, pending the motion of the gentleman from Portland, Mr. Maxim, that House Amendment A be indefinitely postponed.

The Chair recognizes the gentleman from Lincoln, Mr. Weatherbee.

Mr. WEATHERBEE: Mr. Speaker, the gentleman from Berwick, Mr. Varney, is preparing two amendments to this bill and it is my understanding that he intends to explain them to the House.

Mr. VARNEY: Mr. Speaker, I have amendments prepared which, of course, I cannot offer until after the amendment which was offered this morning has been indefinitely postponed. If the motion to indefinitely postpone Amendment A prevails, then I will offer amendments, taking out from the bill the provision which provides that there shall be only one license for the sale of malt liquor for each one thousand population or major portion thereof, and also taking out from the bill the provision that the State Liquor Commission may, in its discretion, issue short-term malt liquor licenses to places of business and summer resorts to meet the demand of seasonal population. I hope that

the motion to indefinitely postpone the amendment prevails.

The SPEAKER: The pending question is on the motion of the gentleman from Portland, Mr. Maxim, that House Amendment A be indefinitely postponed. Is the House ready for the question? As many as are in favor of the motion will say aye; those opposed no.

A viva voce vote being taken, the motion prevailed and House Amendment A was indefinitely postponed.

The SPEAKER: The Chair recognizes the gentleman from Berwick, Mr. Varney.

Mr. VARNEY: I now offer House Amendment B and move its adoption.

The SPEAKER: The gentleman from Berwick, Mr. Varney, offers House Amendment B and moves its adoption. The Clerk will read the amendment.

House Amendment B to S. P. No. 515, L. D. No. 1045, bill, an act relating to local option provisions.

Amend said bill by striking out beginning in the 47th line of the bill the following: "provided, however, that not more than 1 license for the sale of malt liquor to be consumed on the premises where sold shall be issued for each 1000 population or major portion thereof. Provided, further, however, that the state liquor commission may in its discretion issue short term malt liquor licenses to places of business in summer resorts to meet the demand of seasonal population."

Mr. MAXELL of Orient: Mr. Speaker, if it is in order, I would like to move at this time the indefinite postponement of this entire bill, No. 1045.

The SPEAKER: The gentleman's motion for indefinite postponement is in order, but the motion to amend takes precedence, and the question will first be put on the motion to adopt House Amendment B.

The gentleman from Orient, Mr. Maxell, moves that the bill be indefinitely postponed. The gentleman from Berwick, Mr. Varney, moves the adoption of House Amendment B. The question is on the motion of the gentleman from Berwick, Mr. Varney, that House Amendment B be adopted. Is the House ready for the question? As many as are in favor of the adoption of House Amendment B will say aye; those opposed no.

A viva voce vote being taken, House Amendment B was adopted.

Mr. VARNEY: Mr. Speaker, I now offer House Amendment C and move its adoption.

The SPEAKER: There is a motion pending. The gentleman presents House Amendment C and moves its adoption, which takes precedence over the motion of the gentleman from Orient, Mr. Maxell, that the bill be indefinitely postponed. The Clerk will read House Amendment C.

House Amendment C to S. P. No. 515, L. D. No. 1045, bill, an act relating to local option provisions.

Amend said bill by striking out beginning in the 57th line of the bill the following: "**provided, however, that not more than 1 license for the sale of malt liquor not to be consumed on the premises where sold shall be issued for each 1000 population or major portion thereof. Provided further, however, that the state liquor commission may in its discretion issue short term malt liquor licenses to places of business in summer resorts to meet the demand of seasonal population.**"

Mr. VARNEY: Mr. Speaker, I just want to explain that the only difference between House Amendment B and House Amendment C is that one takes out the provision with reference to the sale of beer to be consumed on the premises; and the other takes out the provision with beer not to be consumed on the premises.

Mr. THORNE of Madison: Mr. Speaker, am I to understand that House Amendment A takes out of the original bill the last paragraph on page two, continuing on to page three?

The SPEAKER: Does the gentleman ask his question of the gentleman from Berwick (Mr. Varney)?

Mr. THORNE: Yes, Mr. Speaker.

The SPEAKER: The gentleman from Madison, Mr. Thorne, asks through the Chair a question of the gentleman from Berwick, Mr. Varney. The gentleman from Berwick may answer if he wishes.

Mr. VARNEY: Mr. Speaker, I will say that House Amendment B, which is the first one I offered, takes out from the printed bill on page two thereof down near the bottom of the page, beginning in the heavy type in next to the last paragraph, beginning with: "Provided further, however, that not more than 1 license for the sale of malt liquor not to be consumed on the premises where sold shall be is-

sued for each 1,000 population or major portion thereof. Provided, further, however, that the State Liquor Commission may in its discretion issue short term malt liquor licenses to places of business in summer resorts to meet the demand of seasonal population."

Mr. THORNE: Mr. Speaker, the explanation of the gentleman from Berwick is satisfactory to me.

The SPEAKER: The pending question is on the motion of the gentleman from Berwick, Mr. Varney, that House Amendment C be adopted. Is the House ready for the question? As many as are in favor will say aye, those opposed no.

A viva voce vote being taken, the motion prevailed, and House Amendment C was adopted.

The SPEAKER: The pending question is now on the motion of the gentleman from Orient, Mr. Maxell, that the bill be indefinitely postponed.

Mr. PHILBRICK of Cape Elizabeth: Mr. Speaker, a few years ago I wrote the present local option law which provides three alternatives, and, in doing that, I combined the sale of beer for consumption on the premises with the sale of beer to be taken away in the bottle or can, because I was afraid that putting more than three alternatives into the law might be confusing by the length of the ballot that would result.

Last fall when we had our first election under that law, I found that a great many people did not understand the options, and when we came here in January a number of the Representatives from the smaller towns objected that their towns had not understood the vote and requested that the option be broken up so that the voters could vote on those two questions separately. I, therefore, wrote a change in the law to provide for that fourth option. When the bill came out of committee, it was reported in a new draft with this section limiting the number of licenses, one per thousand of population, added into the bill. Those same provisions are contained in Legislative Document 1040, which is on our table at the present time, and it seems to me they should be voted on in connection with Legislative Document 1040, as they have no possible connection with the original bill now before us. The House Amendments which we have just adopted eliminate from

the bill the provisions which were added in the new draft and put the bill right back where it was when it was introduced. I believe there is a real demand for the bill and I hope the motion of the gentleman from Orient (Mr. Maxell) will not prevail.

The **SPEAKER**: As many as are in favor of the motion of the gentleman from Orient, that the bill be indefinitely postponed, will say aye; those opposed no.

A viva voce vote being taken, the motion to indefinitely postpone the bill did not prevail.

Thereupon, the bill was passed to be engrossed, as amended by House Amendment B and House Amendment C, in non-concurrence.

Mr. **PHILBRICK** of Cape Elizabeth: Mr. Speaker, I move that the House reconsider its action of yesterday on L. D. 390, bill an act to create a State Aeronautical Commission. Our action of yesterday was to adhere to our previous action; but as some of the members seem to feel that there may be some merit in this bill, something that could be saved by a committee of Conference, it would seem to be much more seemly to go to the extent of agreeing to a committee of Conference; and, if my motion prevails, I will move that we insist and join in a committee of Conference.

A viva voce vote being taken, the motion to reconsider did not prevail.

#### House at Ease

##### After Recess—4:55 P. M.

The Speaker in the Chair.

The **SPEAKER**: The House is proceeding under Orders of the Day. Are there any matters that can be taken from the table?

On motion by Mr. Philbrick of Cape Elizabeth, it was voted to take from the table the tenth unassigned matter, Joint Order relative to return of personnel bill, L. D. 970, to the Senate, which was tabled on April 19th by Mr. Philbrick of Cape Elizabeth, pending passage in concurrence.

Mr. **PHILBRICK**: Mr. Speaker, I understand that the Personnel Bill went to the Senate last night in its regular course and has now been acted upon by that body.

The **SPEAKER**: The gentleman

must not refer to the action of the Senate.

Mr. **PHILBRICK**: Mr. Speaker, I move that the order be indefinitely postponed.

A viva voce vote being taken, the order was indefinitely postponed.

On motion by Mr. Higgins of Ellsworth, it was voted to take from the table the eleventh unassigned matter, an act to provide for annual audits in cities, towns, plantations and village corporations, S. P. 408, L. D. 796, tabled by that gentleman on April 19th, pending the motion of Mr. Wyman of Benton, that the bill be indefinitely postponed.

Mr. **HIGGINS**: Mr. Speaker and Members of the House: Mr. Wyman's motion was a great surprise to me. The matter was given consideration by the Legal Affairs Committee. Many people from various towns came before us, urging that the bill should be passed. We considered that it had considerable merit. I think you are all familiar with the general provisions of the bill which would make it mandatory that the towns and cities of the State of Maine should have an annual audit and that they should have a reasonable system of book-keeping. The thought was that this established a protection to the town and a benefit to the town. It is not an expensive procedure, as a later speaker this afternoon will show you. It is a kindred measure, perhaps, to the Emergency Finance Bill, which we passed. That one, you remember, was to be effective after the horse had been stolen and we were going to lock the door. That was the one whereby towns that are proved to be defunct may have some official sent in to help them out of their difficulties. This one is of a different nature. The plan here is to lock the door before the horse is stolen; in other words, that each town and city in the State have an annual audit so they will know where they stand and avoid the difficult situation of perhaps getting into financial difficulty.

As I say, we felt that the bill was meritorious and should have a passage. I will say no more about it this afternoon because there are other persons who will speak upon this bill who have had experience in their own towns under the State system. I will suggest that if there are reasons why it should be in-

definitely postponed, we will be glad to hear them this afternoon.

Mr. ELLIS of Castle Hill: Mr. Speaker and Members of the Legislature: If you wish to visit a town where silence echoes, then I would urge you to visit South Hope. (Laughter) If you would like to visit the most beautiful place in the State of Maine, I would urge you to visit Ellsworth, and its suburb, Bar Harbor. If you would like to visit a town that tries to be up to date and keep a record of its doings, then come to Castle Hill, way up in Aroostook County.

For several years prior to 1934 I served as Town Auditor of my town. In town meeting that year the voters gave us permission to set up a State system of auditing, and perhaps my experience with that system may be of benefit to you. The cost of setting up the system and the books was a little over sixty-three dollars. The way we went about this was to start right in where I left off. Immediately after town meeting we called in the Auditor who was approved by the State Auditor and obtained the books and started on from there. The original cost was thirty-five dollars for the Auditor and twenty-six dollars and a few cents for the books. In the latter part of that year we found that we had left out the tax deeds and they were not included in the resources, and the Auditor was called back, and with that call and helping to straighten out the tax deeds and make the audit, at the end of the year meant \$97. In 1936 our cost was \$45. In 1937, \$39.

Now Castle Hill is a small town with six hundred population. Our commitment runs from \$14,000 to \$16,000. We estimate the amount each year for an audit at \$35. We have run over a little each year, as you will notice from my notes, but we hope we will learn to keep our books a little better and keep within the budget committee estimate.

There are seventy-one towns in Aroostook county and fifty-two of these towns have adopted the State system of accounting, and twenty-five of these towns have an annual audit. I feel that all towns should have an annual audit. I feel that the property taxpayers of those towns should demand an annual audit. Therefore I hope that the motion of the gentleman from Benton, Mr. Wyman, does not prevail.

Mr. FLANDERS of Auburn: Mr.

Speaker and Members of the House: I think this bill has real value to it. Two years ago I was interested in this bill and went into it quite closely with Mr. Hayford, but for some reason or other the bill was defeated. The other day I visited Mr. Hayford's office and he showed me a letter from one of the smaller towns in the State of Maine, stating that he had a request from that town asking for a State auditor. The gentleman who wrote the letter said the treasurer was sick abed. The gentleman who was chairman of the Board of Selectmen had been in office some ten years. He said he started in well with the Poor Department but had so many "in-laws" that they could not get rid of him and he said he wished he knew where they stood.

I saw another record in Mr. Hayford's office where, in a small town, the man drew some three or four hundred dollars a year but had presented a bill for \$1,300 for expenses and another bill for the use of his car, mileage, gas, and so forth, \$800. So I asked for a list of those towns which had had the State audit, and the expense, because last year they thought it was too expensive. It cost the town of Albany \$56.30, Barre, \$30.00, Bangor, \$327.13—and I will say that that is not expensive for the city of Bangor. In the city of Auburn we have our regular auditor and we pay him \$600 a year. It cost Brewer \$71.00; Carmel, \$31.35; Durham, \$21.25; Greene, \$50.90; Livermore, \$87.00; Newport, \$29.95; New Sharon, \$81.20; Owl's Head, \$15.00.

I think, if this Legislature wants to do a real service to the State of Maine, that it will see that this bill has a passage and I oppose the motion of the gentleman from Benton, Mr. Wyman, to indefinitely postpone it.

Mr. PAYSON of Portland: Mr. Speaker, I am sorry I cannot follow the usual pattern in starting a speech in the House because I came down here this afternoon fully intending to speak on this matter, contrary to the usual procedure. I might say, to illustrate my point, that it reminds me of Mr. Bolster down in South Hope. (Laughter) Now South Hope is not what it used to be in the old days because these summer tourists are getting into the place a lot. One hot day in July Mr. Bolster was sitting out on the store step a'whittling on a cedar

shingle. I think he was going to make a toothpick out of it. The temperature was about 105 in the shade and 110 in the sun, and this was in the sun. One of those summer tourist ladies came along and saw Mr. Bolster a'settin' there in the boiling hot sun and she said: "Why, Mr. Bolster, you are sitting out here in this boiling hot sun on a day like this." And Will looked up and said: "Well, I've been a'settin' here an hour aiming to move." (Laughter)

South Hope has no diplomas to give nor honorary degrees to confer but I am sure that all the gentlemen who have spoken so kindly about South Hope, here in the House, will be glad to receive from the municipal officers of that village a certificate of honorary residence which I will see is forwarded to you.

On the bill itself, as the gentleman from Ellsworth (Mr. Higgins) has said, this is a case of preventive medicine while the Emergency Municipal Finance Bill is a case of emergency surgery. This bill will help the towns to maintain their financial help. The very fact of the bill and of an annual audit will be a great help to prevent defalcations and embezzlements by town officers, if that is necessary. It will also bring to the town officers experience in helping them make the audit. It will help them through the assistance of these auditors and will present to the people of the town a clear financial statement from which they can see just where they are going. I hope the gentleman's motion will not prevail.

Mr. TABBUT of Columbia Falls: Mr. Speaker, I would like to say a few words about this bill. In the town of Columbia Falls, I believe that the first year I was chairman of the Board that our Treasurer had to have a new book. Instead of buying the old kind of book that he had been using I bought the books recommended by our State Auditor in his system. The next year we had to have new books for the Selectmen, and instead of buying the old kind of books, I bought the State Auditor's books. The total cost of those books for the Treasurer and for the Selectmen was a little over forty-five dollars. After discounting the cost of the ordinary books, I do not consider that very expensive. I started the accounts myself so that the total cost to the town was \$45.50.

Mr. DAY of Durham: Mr. Speaker, I would just like to touch on one point that has not been mentioned. In this new system we have had an argument at most every town meeting as to the acceptance of the report of the officer; but after having this system installed and the Auditor's report printed in the town report we have had very little trouble and very little argument in regard to the acceptance of the town reports. I think it is a great help. I hope that the motion of the gentleman from Benton (Mr. Wyman) does not prevail.

Mr. STILPHEN of Dresden: Mr. Speaker, I move the previous question.

The SPEAKER: The gentleman from Dresden, Mr. Stilphen, has moved the previous question. To entertain that motion requires the assent of one-third of the members present. The matter is not debatable before the question of assent is determined. As many as are in favor of entertaining the motion for the previous question will rise.

A division of the House was had.

The SPEAKER: A sufficient number obviously having arisen, the motion is entertained. The question is, shall the main question be put now? The Chair recognizes the gentleman from Cape Elizabeth, Mr. Philbrick.

Mr. PHILBRICK: Mr. Speaker, regardless of how any of us may feel on this bill, we have not heard a word from the gentleman who made the motion to indefinitely postpone. I think it is only fair to him to give him a chance to speak. Therefore I oppose the motion for the previous question at this time.

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

A viva voce vote being taken, the motion did not prevail.

Mr. WYMAN of Benton: Mr. Speaker, I was about to withdraw my motion. (Laughter and applause)

The SPEAKER: The gentleman from Benton, Mr. Wyman, withdraws his motion for the indefinite postponement of the bill.

On motion by Mr. Wyman, the bill was passed to be enacted.

On motion by Mr. Stone of Littleton,

Adjourned until ten o'clock tomorrow morning.