

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

Legislative Record

OF THE

Eighty-Ninth Legislature

OF THE

STATE OF MAINE

1939

KENNEBEC JOURNAL COMPANY
AUGUSTA, MAINE

SENATE

Thursday, April 13, 1939.

The Senate was called to order by the President.

Prayer by the Reverend L. E. Stiles of Hallowell.

Journal of yesterday, read and approved.

Message from the House

Mr. President:

I have the honor, Sir, to bear a message from the House of Representatives to this Honorable Senate, inviting the members of this Honorable body to attend the Mock Session of the House, to be held in the Hall of the House at eight P. M. this evening. The House respectfully requests that the Honorable Senators come prepared to withstand any barbs of misplaced wit that the Dishonorable Committee may allow to be hurled in their direction.

The usual inconspicuous seats will be reserved.

The PRESIDENT: The Senate hears the message.

From the House:

Bill "An Act Relative to Exemption from Registration Fees of Certain Vehicles Owned by Non-Residents." (H. P. 2131) (L. D. 1118)

(In the Senate on April 6, passed to be engrossed in concurrence)

Comes from the House, passage to be engrossed reconsidered under suspension of the rules, House Amendment "A" read and adopted in concurrence and the bill as amended passed to be engrossed in non-concurrence.

In the Senate, on motion by Mr. Beckett of Washington, under suspension of the rules, that Body voted to reconsider its former action taken on April 6 whereby the bill was passed to be engrossed; and on further motion by the same Senator House Amendment A was read and adopted in concurrence and the bill as so amended passed to be engrossed in concurrence.

From the House:

Bill "An Act Regulating Automobile Finance Business." (H. P. 2124) (L. D. 1112)

(In the Senate on April 5, passed to be engrossed in concurrence.)

Comes from the House, passage to be engrossed reconsidered under suspension of the rules; House

Amendment "A" indefinitely postponed; House Amendment "B" adopted and the bill as amended by House Amendment "B" passed to be engrossed in non-concurrence)

In the Senate, on motion by Mr. Thatcher of Penobscot, under suspension of the rules, that Body voted to reconsider its action taken on April 5 whereby the bill was passed to be engrossed; on further motion by the same Senator, House Amendment A was read and indefinitely postponed in concurrence; House Amendment B was read and adopted in concurrence and the bill as so amended was passed to be engrossed in concurrence.

From the House:

Bill "An Act Relating to Election of Commissioners of Police in Sanford." (H. P. 1981) (L. D. 1051)

(In the Senate, on April 5, passed to be engrossed as amended by Senate Amendment "A" in non-concurrence.)

Comes from the House, passage to be engrossed reconsidered; Senate Amendment "A" indefinitely postponed; House Amendment "A" adopted, and the bill passed to be engrossed as amended by House Amendment "A" in non-concurrence.

In the Senate, on motion by Mr. Wentworth of York, tabled pending consideration.

From the House:

Bill "An Act Authorizing Peabody Law School to Confer Degrees." (H. P. 6) (L. D. 13)

(In the Senate, on April 4, bill indefinitely postponed in non-concurrence)

Comes from the House, passage to be engrossed reconsidered, House Amendment "A" read and adopted, and the bill passed to be engrossed as amended by House Amendment "A" in non-concurrence.

In the Senate, on motion by Mr. Cony of Kennebec, tabled pending consideration.

From the House:

Bill "An Act Regulating the Operation of Motor Vehicles." (H. P. 2058) (L. D. 1094)

(In the Senate on March 31 passed to be engrossed in concurrence.)

Comes from the House, passage to be engrossed reconsidered; House Amendment "A" adopted, and subsequently bill and amendment inde-

finitely postponed in non-concurrence.

In the Senate, on motion by Mr. Beckett of Washington, that Body voted to insist on its former action whereby the bill was passed to be engrossed, and ask for a Committee of Conference.

From the House:

"Resolve Relative to the Purchase of Land Adjoining Land of the State Military Department, at Augusta, Known as Camp Keyes." (S. P. 549) (L. D. 1105)

(In the Senate on April 1, passed to be engrossed as amended by Senate Amendment "A")

Comes from the House, passed to be engrossed in non-concurrence.

In the Senate, on motion by Mr. Spear of Cumberland, under suspension of the rules, that Body voted to reconsider its former action taken on April 1st whereby the bill was passed to be engrossed as amended by Senate Amendment A; on further motion by the same Senator, Senate Amendment A was indefinitely postponed in concurrence and the bill was passed to be engrossed in concurrence.

From the House:

Bill "An Act Relative to Hunting and Fishing Licenses." (S. P. 629) (L. D. 1145)

(In the Senate on April 7, passed to be engrossed)

Comes from the House, bill indefinitely postponed in non-concurrence.

In the Senate, on motion by Mr. Worthen of Penobscot, tabled pending consideration.

From the House:

Bill "An Act Providing for the Publication of an Annual Statement of the Financial Condition of the State by the State Controller." (S. P. 618) (L. D. 1116)

(In the Senate on April 4, passed to be engrossed)

Comes from the House, bill indefinitely postponed in non-concurrence.)

In the Senate, on motion by Mr. Spear of Cumberland, tabled pending consideration.

From the House:

Bill "An Act Relating to Operators' Licenses." (H. P. 1691) (L. D. 746)

(In the Senate on April 11, passed to be engrossed as amended by Committee Amendment "A" as amended by Senate Amendment "A" in non-concurrence.)

Comes from the House, that body having insisted on its former action whereby the bill was indefinitely postponed, and the Speaker having appointed as members of such a Committee on the part of the House. Representatives: Stilphen of Dresden, Burgess of Limestone, Dorrance of Richmond.

In the Senate, on motion by Mr. Beckett of Washington, that Body voted to insist and join with the House in a Committee of Conference, and the President appointed as members of such committee on the part of the Senate, Senators Beckett of Washington, Thatcher of Penobscot, Elliott of Knox.

At this point, amidst the applause of the Senate, the Senator from Somerset, Senator Friend was escorted to the Chair, the President retiring.

From the House:

The following Petitions in favor of (L. D. 933) Relating to Licenses for Operation of Retail Stores. (H. P. 2228 and H. P. 2229)

Which were severally read and ordered placed on file in concurrence.

House Committee Reports

The Committee on Judiciary on bill "An Act Relating to the Conferring by Corporations of Voting and Other Rights upon Holders of its Obligations," (H. P. 1413) (L. D. 604) reported that leave be granted to withdraw the same.

The same Committee on bill "An Act Relating to Trust and Banking Companies Acting as Guardians," (H. P. 1635) (L. D. 919) reported that leave be granted to withdraw the same.

The Committee on Pensions on "Resolve Providing for a State Pension for Flora A. Mank, of Waldoboro," (H. P. 438) reported that leave be granted to withdraw the same.

The same Committee on "Resolve Providing for a State Pension for Emma Forrester of Litchfield," (H. P. 660) reported that leave be granted to withdraw the same.

The Committee on Labor on bill "An Act Limiting Hours of Labor

to Forty-Eight in any Week," (H. P. 1642) (L. D. 754) reported that the same be referred to the 90th Legislature.

The Committee on Appropriations and Financial Affairs on "Resolve in Favor of the Lincoln Home of Newcastle," (H. P. 849) (L. D. 331) reported that the same ought not to pass.

The same Committee on bill "An Act Relating to Taxation," (H. P. 1612) (L. D. 912) reported that the same ought not to pass.

The same Committee on bill "An Act Relating to Soldiers, Sailors and Marines and their Dependents," (H. P. 1627) (L. D. 719) reported that the same ought not to pass.

The same Committee on bill "An Act Relating to Liens," (H. P. 1613) (L. D. 915) reported that the same ought not to pass.

The same Committee on bill "An Act Relating to Boards of Registration in Towns of More than Three Thousand Inhabitants," (H. P. 1626) (L. D. 718) reported that the same ought not to pass.

The same Committee on bill "An Act Relating to Liability of Relatives for Support of Kindred," (H. P. 1585) (L. D. 688) reported that the same ought not to pass.

The Committee on Public Health on bill "An Act Relating to Charges Made by Hospitals Receiving Public Funds for X-ray Pictures," (H. P. 1707) (L. D. 874) reported that the same ought not to pass.

Which reports were read and accepted in concurrence.

The Committee on Judiciary on bill "An Act to Amend the Law Relative to Commitment of the Insane," (H. P. 1325) (L. D. 546) reported that the same ought to pass.

Which report was read and accepted in concurrence, the bill read once, and tomorrow assigned for second reading.

The same Committee on bill "An Act Relating to Commitment of Female Juvenile Delinquents," (H. P. 1604) (L. D. 668) reported the same in a new draft (H. P. 2170) (L. D. 1138) under a new title, bill "An Act Relating to Commitment of Juvenile Delinquents," and that it ought to pass.

Comes from the House, report read and accepted, House Amendment "A" read and adopted, and the bill as amended passed to be engrossed.

In the Senate:

Miss LAUGHLIN of Cumberland: Mr. President, I move that House Amendment A be indefinitely postponed and on that motion I would like to say that the bill now provides for the commitment of juvenile delinquents so that the court could commit persons from nine to seventeen years of age — either of boys to the state school for boys or girls to the state school for girls. This amendment changes that age to nine to eleven so that it leaves uncared for the boys that come between nine and eleven on the theory that — well, I don't know what the theory is, whether there might not be room or not — but the bill provides that the court may send them to the state school or commit them to the care of the Health and Welfare department, so that it lies within the discretion of the court. There is no mandatory provision that boys of nine to eleven must be sent to the state school. It is left to the court. Now that contains no provisions for boys from nine to eleven who are likely to fall into vice or minor indiscretions except to bring criminal action against them and then have them committed to the department. Therefore this really is for their benefit because it permits the court in the first instance to send the boys from nine to eleven to the department without bringing a charge in the juvenile court as a misdemeanor or under the criminal law and the bill without this amendment leaves it within the discretion of the judge so that there is no mandatory provision to send them to the state school but according to the conditions they can be sent to the school or to the Department of Health and Welfare, whereas if we leave it where it is it still leaves the boy between nine and eleven without any provision except to bring criminal action in a municipal court.

Mr. SANBORN of Cumberland: Mr. President, I feel that it would be decidedly unfortunate if any controversy over this amendment should result in the final passage of this legislation. It is certainly most desirable, but I think perhaps the Senate may be entitled to one or two additional facts.

There are, as I understand, at present on the statute books, two provisions; one relating to commitment of girls and another in an-

other chapter, in another place, relating to the commitment of boys. It has been possible to commit girls at the age of nine but the provision in regard to the commitment of boys has been that the minimum age should be eleven, with the further provision that no boy who is deaf, dumb, incompetent or insane should be committed to the state school for boys.

The bill as drawn entirely omits that safeguard and provides that any child—which of course includes boy or girl without restriction—and, as I was led to understand, the principle reason for the amendment was to make it possible to prevent the commitment of deaf, dumb, incompetent or insane boys to the state school for boys and the amendment embodies that phraseology in the existing statute.

Miss LAUGHLIN: Mr. President, of course as the law now is we cannot commit boys who are deaf, dumb, incompetent or feeble-minded to the state school for boys. My understanding, in talking with the Department of Health and Welfare was that this bill would in no way repeal that section of the law, but if there is any question about it with reference to the commitment of boys that are deaf, dumb, incompetent or insane the bill should be amended to take care of that and for the purpose of checking up on that, although I am informed it is not the case, I move that this be laid upon the table.

Thereupon, the bill was laid upon the table pending acceptance of the report in concurrence.

The Committee on Inland Fisheries and Game on bill "An Act Relative to Closed Time on Deer," (H. P. 272) (L. D. 82) reported the same in a new draft (H. P. 2099) (L. D. 1102) under the same title and that it ought to pass.

Comes from the House, report read and accepted. House Amendment "A" offered and adopted. House Amendment "B" offered and indefinitely postponed. House Amendment "C" offered and adopted; and the bill as amended by House Amendments "A" and "C" passed to be engrossed.

In the Senate, on motion by Mr. Worthen of Penobscot, tabled pending acceptance of the report in concurrence.

The Majority of the Committee on Judiciary on bill "An Act Relating to the Publication of Legal Notices, Legal Advertising and Other Matter Required by Law to be Published in a Newspaper," (H. P. 1423) (L. D. 558) reported the same in a new draft (H. P. 2226) (L. D. 1168) under the same title and that it ought to pass.

(signed) Senators: Laughlin of Cumberland, Burns of Aroostook and Representatives: Bird of Rockland, Weatherbee of Lincoln, Hinckley of South Portland, Fellows of Augusta.

The Minority of the same Committee on the same subject matter reported that the same ought not to pass.

(signed) Senator: Hill of Cumberland and Representatives: McGlauffin of Portland, Varney of Berwick, Thorne of Madison.

Comes from the House, the minority report "Ought not to Pass" read and accepted.

In the Senate:

Mr. HILL of Cumberland: Mr. President, I move that the minority report be accepted in concurrence.

Thereupon, on motion by Mr. Burns of Aroostook, the bill was laid upon the table pending motion to accept the minority report.

The Majority of the Committee on Legal Affairs on bill "An Act Relating to Elections in the City of Biddeford," (H. P. 1162) (L. D. 481) reported that the same ought to pass.

(Signed) Senators: Marden of Kennebec, Morse of Waldo and Representatives: Dow of Norway, Pike of Bridgton, Buzzell of Belfast, Payson of Portland, Shesong of Portland, Dwinall of Camden.

The Minority of the same Committee on the same subject matter reported that the same ought not to pass.

(Signed) Senator: Chase of Washington and Representative: Donahue of Biddeford.

Comes from the House, the majority report read and accepted, and the bill passed to be engrossed.

In the Senate, on motion by Mr. Wentworth of York, the majority report was accepted in concurrence.

Mr. WENTWORTH: Mr. President I now move that the rules be suspended and this bill be given its first reading.

Thereupon, on motion by Mr. Boucher of Androscoggin, the bill

was laid upon the table pending motion for first reading.

Communications

STATE OF MAINE

House of Representatives

Augusta

Office of Clerk

April 12, 1939.

Hon. Royden V. Brown

Secretary of the Senate

State House

Sir:

I have the honor to transmit to you, sir the names of the Conferees appointed by the Speaker on the disagreeing action of the two branches of the Legislature on Joint Order (H. P. 2218) recalling to the House from the legislative files (H. P. 1343) (L. D. 344) Act Establishing a Low Rate Tax on Intangible Personal Property in Accordance with Constitutional Amendment Permitting the Same.

Messrs. Marshall of Auburn, Maxim of Portland, Richardson of Strong.

Respectfully,

HARVEY R. PEASE

Clerk of the House.

On motion by Mr. Sanborn of Cumberland, the communication was read and accepted and ordered placed on file.

STATE OF MAINE

House of Representatives

Augusta

Office of Clerk

April 12, 1939.

Hon. Royden V. Brown

Secretary of the Senate

State House

Sir:

I have the honor to transmit to you, sir, the names of the Conferees appointed by the Speaker on the disagreeing action of the two branches of the Legislature on bill "An Act Relative to the Use of Buckshot in Hunting Deer" (H. P. 2153) (L. D. 1130)

Messrs: Howes of Charleston, Cowan of Portland, Noyes of Franklin.

Respectfully,

HARVEY R. PEASE

Clerk of the House.

On motion by Mr. Spear of Cumberland, the communication was read and accepted and ordered placed on file.

Petition

Mr. Boothby of York presented Petition of Mrs. Hazel True and 14,067 other Citizens of the State of Maine in favor of (L. D. 933) Relating to Licenses for Operation of Retail Stores.

Which was read and ordered placed on file.

First Reading of Printed Bills

Bill "An Act Relating to the Commitment of the Insane; Penalty for False Testimony." (S. P. 667) (L. D. 1173)

Bill "An Act Relating to Alimony." (S. P. 668) (L. D. 1174)

Bill "An Act Relating to the Registration and Operation of Motor Vehicles by Non-residents." (S. P. 669) (L. D. 1175)

"Resolve Providing Pensions for Certain Soldiers, and Sailors and Dependents." (S. P. 670) (L. D. 1176)

Bill "An Act Relating to the State Police." (S. P. 625) (L. D. 1177)

"Resolve in Favor of the Maine Division of the Women's Field Army of the American Society for Control of Cancer." (S. P. 665) (L. D. 1171)

Which bills and resolves were severally read once and tomorrow assigned for second reading.

Bill "An Act Relating to Incurable Insanity as a Cause for which a Divorce may be Granted." (S. P. 666) (L. D. 1172)

Miss LAUGHLIN of Cumberland: Mr. President, I move that this bill, An Act Relating to Incurable Insanity as a Cause for Which a Divorce may be Granted, be indefinitely postponed. This matter came before the Senate yesterday and by a very close vote the bill was sent to its first reading. The bill had not been before the Senate except as the report came in yesterday so we had not really had time to consider it in all its aspects.

Now, I am not in the habit of going back and trying to accomplish something else over what has already been done but under the circumstances it seems to me that it is justified in this case owing to the fact that the previous vote was so close and perhaps a first impression of the matter might be subject to change.

I do not intend to repeat in any detail what I said yesterday but just to sum up again I wish to add that this has revolutionized every idea

of divorce we have, in that it makes misfortune and not fault a cause, and a misfortune which certainly the person who suffers it would be the last to cause. Certainly it seems to me that a mental sickness, if it is incurable is most of all a condition which should demand protection and not a repudiation of the most sacred of ties, as this is.

Furthermore, as I have tried to point out, it opens the door to fraud and I referred yesterday to some cases that have happened elsewhere by which persons were put in an insane asylum and then a divorce was secured on the grounds of incurable insanity after which there was another marriage and then the supposedly insane person came out of the asylum not insane at all. Perhaps you will say that that cannot happen in Maine so I just want to give one or two instances of my own knowledge in this state. There was one case where a husband, with the connivance of a daughter, pretended to his wife that they were taking her to a missionary meeting in Vassalboro. She ended up in the insane asylum in Bangor. The authorities there did communicate with relatives to the effect that she was not insane but of course the very relatives who had put her there weren't going to do anything to get her out under those circumstances. Now if that woman had been put into some other institution perhaps that notice would not have been sent, especially if she had not been put in there, as she was, as a state charge, but if the husband had been paying her board in some other institution—I am not referring to any in this state—they would not have been anxious to have had her go. But of course, the authorities in the Bangor institution were looking over their patients and discovered that she was not insane. The husband and the daughter in this case did nothing but the residents of that town got busy and did something and the woman who had been the osteopathic physician to this woman who was put into the asylum, went and took her out. The authorities of the institution said, "If you will look after her you can take her out; she is not insane." So the physician took her out and kept her in her house for a while. Then the woman was employed in another house and is now employed in the family of a woman who is, in fact, the vice chair-

man of the republican committee for the municipality. As I said, she was not insane and never had been insane and yet she was put in the insane asylum.

Now, you may say, "How did they get her certified insane?" I don't know anything about that but I do know how the certificate was got in another case. It did not go to a divorce because the woman wasn't married but she did have an income of two thousand dollars a year and her relatives came to the house one day, where she was living with a companion, and brought two physicians and said they had come to have her eyes examined because she had been complaining about her eyes. Then they took her on an auto ride and she ended up in an institution for the mentally defective, but she belonged to a very prominent family, or what had been a prominent family, and her relatives were all dead. So an outraged community took up the case and she was taken out and is now being supported by her own income.

So these things can happen and do happen in this state and this measure does away with such fraud and trickery for purposes of getting a divorce and otherwise.

Now we in this Senate have passed a law trying to get rid of some of the loop holes in the commitment of the insane and it is a very difficult thing to know just what to do in these cases, but these things do happen. I know of another case where a husband tried to get his wife declared insane. I don't know whether she was insane or not but anyway she was sane enough so that when she got the notice she fled out of the state to relatives in another state. Later the husband did get a divorce on the grounds of desertion but that woman is still with her relatives. She is not in an insane asylum. I don't know whether she is insane or not but evidently her relatives did not think so.

These are some of the things that can happen and do happen in the state of Maine and I do not think we should open the door to such things and therefore, I move that this bill be indefinitely postponed.

MR. CHAMBERLAIN of Penobscot: Mr. President, this is one of the most iniquitous bills that the legislature could pass. Every gentleman owes every consideration he can give to his wife and to his fam-

ily. In case, however, of serious disagreement there is ample opportunity for them to separate and go their ways, but in this bill a man is offered another opportunity in case his wife becomes insane in spite of the fact that he owes her tremendous consideration.

I know there is something to be said for a man with a family of children who need the care of a woman in the household but even at that there are many splendid women who could serve as housekeepers and if perchance that man should consider that he desired marital relations there is ample opportunity.

Mr. President, I hope the motion of the Senator from Cumberland, Senator Laughlin will not prevail.

Mr. SANBORN of Cumberland: Mr. President, I think the matter under consideration is really as serious as any that has been presented to us for our consideration during this session. It is a matter of statewide policy and before we finally act I think there should be ample opportunity for reflection and consideration of all possible contingencies.

I will not attempt to repeat the arguments which have been so admirably and clearly set forth by my colleague from Cumberland County, Senator Laughlin, but one or two additional reasons occur to my mind which operate to lead me to vote against the passage of this proposed legislation.

Reference has been made to this legislation as opening the door to fraud. I believe it will also open the door to very serious mistakes and in support of that statement I will cite an instance which was within my own experience. Just a few years ago I was appointed guardian for a woman who had been committed to an insane asylum and as her guardian of course I felt it my duty to consult the authorities there as to her mental condition and I was told that she was a victim of dementia praecox. I was told that by the superintendent of the hospital. I asked what the future had in store for her and he replied, "Only one thing; continued deterioration of mind with subsequent physical deterioration and in the end, death." Then I ask him if there was any possibility of a cure and he said there was none whatever, that that class of cases had but one course to follow.

With that in mind I simply proceeded to make remittances to pay for the bills for her support. This went along for a couple of years or so when one of her friends came to my office and referring to her said, "Did you know that she is mentally all right and very anxious to be released from that asylum?" And I said, "Why no, I didn't suppose anything of that sort was possible." I immediately visited the asylum and interviewed the patient and found her, from a layman's standpoint, perfectly sane. I consulted the superintendent and asked him about her and he simply said that her condition was such that it would be entirely safe and proper for her to be released on parole but he cautioned me that she must be returned before the expiration of the six months period or her readmission would be impossible. Having provided a suitable and satisfactory place for her care she was removed and in the six months there was nothing in her condition from which any of her friends could conceive of her as being anything but as sane as she ever was in her life.

This was eight or ten or a dozen years ago and she is still living in Portland and going about and enjoying herself as others do. Now, had she been a married woman and had her husband applied for a divorce that superintendent unquestionably would have testified that she was a victim of incurable insanity and the divorce would have been granted. That is the sort of thing that may result from this sort of legislation.

Another instance. A law with which all attorneys are familiar states that a man owning property may not, even by his will, deprive his wife of her share of his estate, one-third or one-half depending on whether or not there are children. But it is the law that when one procures a divorce the one from whom the divorce is procured loses his rights to the property. Now then, a man owning property and securing a divorce under this proposed legislation would then be free to divert all his estate wherever he saw fit. You may of course say, "Why is that a handicap to his wife if she is insane?" Simply this: She should still be permitted to inherit his real estate, if living, that it may pass on to her heirs at law such as they may be.

There is another injustice and

another variation from what is the settled policy of the law in this state which would be brought about by this legislation. I think it is a pretty serious matter and I frankly think we should indefinitely postpone this bill.

Miss LAUGHLIN: Mr. President, when the vote is taken, I ask for a division.

Br. BURNS of Aroostook: Mr. President, in behalf of the Judiciary Committee's report, nine to one that in insanity should be made grounds for divorce in this state, I wish to challenge some of the statements that have been made by those who have spoken in behalf of the motion to indefinitely postpone this bill. It was not my purpose to enter into a debate on this question but it seems to me that I am forced to do so in order that I may fulfill my duty as a member of the Judiciary Committee to further their desire to enact this legislation on the statute books of the state of Maine.

It has been said that this is an iniquitous measure. I say that it is not. I say that it is a humane and just measure. I want to call to the attention of the Senate that already in the United States of America, there are about twenty states which permit a divorce to be granted on grounds of insanity. These laws are not all alike. Some of them require the insanity to be incurable for a period of two or three years and there is one state that requires it to continue for fifteen years before an application for divorce may be heard.

I want to call to the attention of the Senate that for many centuries the English people were opposed to granting divorce except on the most serious charge, which was the statutory one. Over a period of centuries no one could secure a divorce in Great Britain unless it was on that ground and that ground alone. Four years ago it came to my attention through an item that appeared in the New York Times that this matter was being discussed in Parliament and the British House of Lords and that an effort was on foot in Great Britain to liberalize the divorce laws because of the abuses that had crept in. I followed the discussion there with considerable interest and finally when the bill was passed by both of those branches of the British legislature I noticed that but few

grounds for divorce were permitted. I think three or four altogether. And I noticed that one of those was that a divorce could be granted on the grounds of incurable insanity for a period of three years.

This is a serious problem and I say that in the discussion of a bill which involves the same principle here that other legislatures and other countries have wrestled with and after mature consideration have considered insanity should be grounds for divorce when it is found to be incurable, that such a principle is sound.

This bill is my bill. I prepared it with a great deal of care. I took it up with various attorneys who are interested and who because of their practice had come in contact with unfortunate situations where clients of theirs because of an insanity case occurring in the family were anxious to get the relief that is afforded for other causes for divorce. At the hearing several appeared and testified in behalf of this bill. No one appeared there in opposition to it. Cases were cited which showed that the injured party on the outside of the institution should be afforded relief. I have the greatest sympathy for the unfortunate party who is committed to an institution but it was brought out at the hearing that the incurably insane person is mentally dead and there is nothing that can be done to alleviate that situation.

You must bear in mind that this bill allows divorce only when it is definitely established that the insanity is incurable and before anyone can apply for a divorce they must wait five years during which period the insanity must continue and if it is found to be incurable at the conclusion of that period and testimony to that effect is offered in court and the Court is satisfied that it is competent testimony then a decree may be entered.

This bill goes so far as to adopt a principle of the criminal law in the proof of a case. In most civil actions and in divorce actions only a preponderance of the evidence is required to make out a case. By an examination of this bill you will find that the libellant in presenting his or her case to the court after waiting five years must bring evidence so that proof is beyond a reasonable doubt that the libelee is incurably insane.

There are further provisions here to the effect that in the event a man

is granted a divorce on the grounds of incurable insanity that his liability for the support of his wife is in no way affected. That is a protection to the unfortunate person who has been committed. There is a further provision that before a hearing can be had that a guardian ad litem must be appointed if a guardian does not already exist and service on the libelee must be made on him and he is thereby ordered to appear in court and defend the interest of the libelee.

When we consider that in this state a divorce is granted for what I regard as minor causes such as non-support, or cruel and abusive treatment or intoxication, that we should certainly make it grounds for divorce on a matter as serious as this. It is an unfortunate condition as I have said when this situation arises but we are dealing with a person who has been afflicted and who asks for relief and as I said his position is just as unfortunate as the person who has been committed.

In conclusion, I want to point out that in this state at one time you could secure a divorce on grounds of insanity. For a number of years on the statute books in the nineteenth century the only statute covering divorce read that a judge of the court may grant a divorce upon any grounds which within his sound discretion seem proper. Now, as I say, this is a serious matter and I have undertaken to bring out some of the reasons which convince me that this is good legislation and I again refer to the fact that these reasons must have also convinced the Committee on Judiciary which reported out this bill "Ought to Pass" by a vote of nine to one. I also wish to state that two years ago a similar bill was brought into the legislature, that it received a favorable report from the Committee on Judiciary, then consisting of different members than this committee at present, although some of them are serving this year as well, and that that bill when it was reported out went to the House and received passage there by a large majority.

I sincerely hope that the motion of the Senator from Cumberland (Senator Laughlin) to indefinitely postpone this bill does not prevail.

Miss LAUGHLIN: Mr. President, may I say just one or two words, not to take up the time of the Senate, pointing out that the question of

incurable is a very questionable thing, as my colleague from Cumberland, Senator Sanborn, has shown, because "incurable" is not necessarily incurable at all as we can find in many cases.

In reference to who appeared before the Judiciary Committee, of course we are all familiar with the fact that persons interested in a bill are much more likely to appear when it comes up than persons opposed to it and I want to remind you of the evidence of those two men who appeared for this bill. One said his wife was sent to an insane hospital after her last child was born. That was all. But he wanted a law passed so he could get a divorce. The other one, the only other one who appeared, was a man who said that after having borne six children his wife was sent to an insane hospital and he wanted a divorce. Now, those were the only two who appeared for this bill besides one other who came to argue it in lieu of a person who was ill so this, I think, perhaps might be a little informative on this situation and I trust that the motion to indefinitely postpone will prevail and, as I said, I ask for a division.

Mr. HILL of Cumberland: Mr. President, as a member of the Committee on Judiciary joining in the majority report that this bill ought to pass, I should not have signed that report had I not been convinced that the provisions of this particular bill are such as to throw an adequate safeguard and protection against such cases as have been referred to by my two distinguished colleagues from Cumberland County.

Senator Sanborn referred in some detail to a case in which a woman had been committed and who later regained her sanity. If I recall correctly he stated that she had been committed for a period of two years. As the Senator from Aroostook (Senator Burns) has pointed out, this bill requires a period of not less than five years. So that in the very case for which the Senator from Cumberland (Senator Sanborn) has referred, no divorce would have been possible under this bill.

And, as the Senator from Aroostook (Senator Burns) has ably pointed out, there is applied to a divorce case, under the provisions of this bill, that same protection that is thrown about a respondent in a criminal trial for his protection, that he shall not be convicted of a

criminal offense except by evidence beyond a reasonable doubt. And that is the provision here.

Mr. President, I am unable to see in this measure the grave dangers to which those who have spoken for indefinite postponement have referred.

The PRESIDENT pro tem: The question before the Senate is on the motion of the Senator from Cumberland, Senator Laughlin, that this bill be indefinitely postponed and that Senator asks for a division. Is the Senate ready for the question?

A division of the Senate was had. Eighteen having voted in the affirmative and ten opposed the bill was indefinitely postponed.

Sent down for concurrence.

Senate Committee Reports

Mr. Elliot from the Committee on Inland Fisheries and Game on bill "An Act Relating to Fish Pounds or Traps Used in Fishing for Salmon in Penobscot River and Bay," (S. P. 319) (L. D. 597) reported that the same ought not to pass.

Mr. Friend from the Committee on Pensions on Remonstrance of the Selectmen of Abbot against (H. P. 1446) (L. D. 623) bill "An Act Amending the Old Age Assistance Law Relating to Additional Aid by Municipalities," (S. P. 636) reported that the same be placed on file.

The same Senator from the same Committee on "Resolve Providing for an Increase in State Pension for John E. Parker, of Windsor," (S. P. 189) reported that leave be granted to withdraw.

The same Senator from the same Committee on bill "An Act Providing for Pensions for Certain County Officers and Employees," (S. P. 303) (L. D. 519) reported that the same be referred to the 90th Legislature.

Mr. Chase of Washington from the Committee on Labor on bill "An Act Relating to Standards of Employment," (S. P. 388) (L. D. 828) reported that the same be referred to the 90th Legislature.

Mr. Littlefield from the Committee on Temperance in behalf of that committee submitted its Final Report.

Mr. Findlen from the Committee on Counties in behalf of that committee submitted its Final Report.

Mr. Marden from the Committee on Military Affairs in behalf of that committee submitted its Final Report.

Which reports were severally read and accepted.

Sent down for concurrence.

Miss Laughlin from the Committee on Judiciary on bill "An Act Relating to the Making of Certain Reports by State Officers," (S. P. 376) (L. D. 794) reported that the same ought to pass.

Which report was read and accepted, the bill read once and tomorrow assigned for a second reading.

The Committee on Judiciary on bill "An Act Relating to Fines Paid to Municipal Courts," (S. P. 475) (L. D. 1008) reported the same in a new draft (S. P. 676) under the same title and that it ought to pass.

Mr. Friend from the Committee on Ways and Bridges on bill "An Act Concerning Certain Trunk Line Highways," (S. P. 476) (L. D. 1016) reported the same in a new draft (S. P. 673) under the same title and that it ought to pass.

Mr. Graves from the same Committee on bill "An Act Relating to lighting the Mount Desert Bridge," (S. P. 199) reported the same in a new draft (S. P. 674) under the same title, and that it ought to pass.

Which reports were severally read and accepted, and the bills laid upon the table for printing under the joint rules.

Mr. Sanborn from the Committee Created by (S. P. 61) to which was referred Joint Order Relative to Retirement System of Maine reported a Communication and accompanying Resolve, under title of "Resolve Authorizing the Appointment of a Committee to Study the Advisability of a Contributory Retirement system for Maine," (S. P. 672)

On motion by Mr. Sanborn of Cumberland, tabled pending acceptance of the report.

Report "A" of the Committee on Judiciary on bill "An Act Relating to Exceptions of Persons Entitled to Parole," (S. P. 30) (L. D. 10) reported the same in a new draft (S. P. 677) under the same title, and that it ought to pass.

(Signed) Senators: Laughlin of Cumberland, Hill of Cumberland and Representatives: Hinckley of

South Portland, Fellows of Augusta, Thorne of Madison.

Report "B" of the same Committee on the same subject matter reported that the same ought not to pass.

(Signed) Senator: Burns of Aroostook and Representatives: McGlaulin of Portland, Weatherbee of Lincoln, Varney of Berwick, Bird of Rockland.

Miss LAUGHLIN of Cumberland: Mr. President, I had expected to discuss this matter now but I do not care to bother the Senate with coughing while I talk so I move the bill be laid upon the table pending acceptance of either report.

The motion prevailed and the bill was laid upon the table pending acceptance of either report.

Passed to be Engrossed

Bill "An Act Relating to Financial Responsibility." (H. P. 1424) (L. D. 608)

"Resolve Creating a Recess Committee on Motor Vehicle Legislation." (H. P. 1699) (L. D. 928)

Bill "An Act Relating to Jury Commissioners." (H. P. 2201) (L. D. 1146)

Bill "An Act Relating to the Department of Sea and Shore Fisheries." (H. P. 2202) (L. D. 1147)

Bill "An Act Relating to Protection of Trees, Shrubs and Nursery Stock." (H. P. 2205) (L. D. 1154)

Bill "An Act Relating to Child Welfare." (H. P. 2206) (L. D. 1151)

Bill "An Act Relating to Arrests." (H. P. 2207) (L. D. 1150)

Bill "An Act Relating to Complaint in Cases of Neglect to Children." (H. P. 2208) (L. D. 1149)

Bill "An Act Relating to Civil Actions for Death." (H. P. 2214) (L. D. 1152)

Bill "An Act Relating to the State Police." (H. P. 2215) (L. D. 1153)

Which bills were read a second time and passed to be engrossed in concurrence.

"Resolve Relating to Reimbursement of Licensees Whose Licenses Become Inoperative Before the End of the License Period." (H. P. 2127) (L. D. 1161)

Which resolve was read a second time and passed to be engrossed in non-concurrence.

Bill "An Act Relating to State Aid for Academies." (S. P. 130) (L. D. 780)

Bill "An Act Relating to the Payment of Alimony." (S. P. 365) (L. D. 803)

Bill "An Act Permitting Blood Grouping Tests in Bastardy Proceedings." (S. P. 378) (L. D. 811)

Bill "An Act to Amend the Workmen's Compensation Act." (S. P. 660) (L. D. 1160)

Which bills were severally read a second time and passed to be engrossed.

Sent down for concurrence.

Passed to be Enacted

Bill "An Act Relative to Nonresident Fishing Licenses." (H. P. 1569) (L. D. 632)

Bill "An Act Relating to Town Reports." (H. P. 2057) (L. D. 1093)

Bill "An Act Increasing the License and Permit Fees for Outdoor Advertising." (H. P. 1995) (L. D. 1062)

At this point, the President resumed the Chair, Mr. Friend of Somerset retiring amidst the applause of the Senate.

Orders of the Day

On motion by Mr. Worthen of Penobscot, the Senate voted to take from the table, Report of the Committee on Inland Fisheries and Game, "Ought to Pass in New Draft" (H. P. 2099) (L. D. 1102) on An Act Relative to Closed Time on Deer (H. P. 272) (L. D. 82) tabled by that Senator earlier in today's session pending acceptance of the report of the committee, in concurrence; and on further motion by the same Senator the report of the committee was accepted in concurrence and the bill was given its first reading.

On motion by Mr. Worthen, House Amendment "A" was read and adopted in concurrence; House Amendment "B" was read and indefinitely postponed in concurrence; House Amendment "C" was read and adopted in concurrence.

Thereupon, on motion by Mr. Graves of Hancock, the bill as amended was laid upon the table pending assignment for second reading.

On motion by Mr. Boucher of Androscoggin, the Senate voted to take from the table, House Report from the Committee on Legal Affairs "Ought Not to Pass" on bill, An Act to Allow Beano at Fairs (H.

P. 1669) (L. D. 737), tabled by that Senator on April 6th pending acceptance of the report in concurrence; and on further motion by the same Senator, the report of the committee was accepted in concurrence.

On motion by Mr. Tompkins of Aroostook, the Senate voted to take from the table, House Report from the Committee on Taxation, Majority Report "Ought to Pass in New Draft" (H. P. 2217) Minority Report "Ought Not to Pass" on bill, An Act Relating to Licenses for Operation of Retail Stores; tabled by that Senator on April 11th pending acceptance of either report.

Mr. TOMPKINS: Mr. President, I move the acceptance of the majority report "ought to pass in new draft." Mr. President and Members of the Senate, it is with great hesitation that I would address this body on the matter under consideration, not because I am not wholeheartedly in favor of this bill but because I know my own limitations, my inability to express to you any language which might convey my thoughts. My capabilities are very much circumscribed to explaining a proposition of this sort which is somewhat involved. I also have some hesitation in pitting my puny strength and abilities against those great financial corporations who are opposing this bill, but Mr. President, I am reminded of David of old, who many centuries ago went out to do battle with the great Goliath. This giant roared across the valley and invited the stripling David to mortal combat. I am speaking now for the many Davids in this state, the small financial David who goes out to do battle with the great economic Goliath, the chain stores.

This bill provides a license for retail stores, all retail stores. It is on a graduated scale, \$3.00 for the first store, \$5.00 for stores more than two and up to five, and so on until the final bracket which is \$300 for 500 stores or more. The number of stores is based upon not the number of stores that a chain might have in this state but in the whole nation.

The object of this bill is two fold: First, it is an attempt to correct to some degree an economic situation. An economic situation created by the operation of chain stores in this state. This is an attempt in some measure to equalize the business opportunities of the independent mer-

chants, of this State, thrown into competition with those great business organizations that have through their size and their great resources an overwhelming advantage over the independent merchant.

Secondly, it is an effort to raise money for the conduct of state government. The state today and for the past eight years has been faced with reduced revenues and increased expenditures.

I am informed by the State Budget Officer that from 1930 to 1938, the reduction in annual receipts has reached the sum of \$2,456,000 in return from the various taxes in existence during this entire period. I am informed that this is not the end, that the railroad tax will be reduced by \$175,000. In the same eight year period the demands upon the state have increased \$2,650,000. There have been new ventures in relief in the face of declining income. The loss of this revenue and the increase in the cost of government has opened a wide gap between income and expenditures. During this same period there has been no new taxes except the liquor tax, if you choose to call it such, which in 1938 paid to the State \$3,295,000. In this period there has been no increase in the state tax rate. During this period departmental expenditures have been decreased \$1,750,000. The revenue derived from this bill will help in no small measure to increase the revenue of the State and meet the difference between income and outgo. The cry is heard that this tax is discriminatory. The Supreme Court of the United States in the case of the Great Atlantic and Pacific Tea Company, an Arizona Corporation vs. Grosjean Supervisor of Public Accounts in the State of Louisiana has said that "taxation may be made the implement of the exercise of the State Police power and proper and reasonable discrimination between classes to promote fair competitive condition and to equalize economic advantages."

In this case the uncontradicted proof disclosed that this company has received from its vendors in secret rebates, allowances and brokerage fees in the sum of \$8,105,000 during the year 1934, which were demanded by the company as a condition of purchasing goods from the seller. If you care to look at the case it is 301 United States Reports.

Discounts. It may be argued that these secret rebates and allowances

have been abolished by the Robinson Patman Act. Such, however, I believe is not the case. Mass buying power still exists under the Robinson Patman Act. Mass buying by the chain store enables them to obtain special discounts, that independent distributors and independent merchants do not receive. For example, a canner of soup, peas, beans or other commodity so processed, allows a distributor a 15 per cent discount upon every case sold, say before August 15 of any year. If the distributor has any goods left on that date, he does not receive the concession on those goods left over. Not so in the case of the chain store as they are retailers and so receive the full benefit of the special discount.

Advertising. This is another method whereby the chain store has an advantage over the independent merchant. The manufacturer sells his products and because the chain store is so far flung that it can advertise these goods, the chain is paid by the manufacturer to advertise his product. The price charged, I understand by the chain stores for this service is 5 per cent of the amount of the purchase price of the goods.

Mass Buying. The factory or canner that sells its entire output to the chain loses all its independent customers. After this happens, the chain can dictate to the manufacturer what price he shall be paid for his product. To meet this economic dictatorship, the owner of the factory must reduce wages and pay the producer less for raw materials. The Federal Trade Commission reports that chain stores forced manufacturers to lower prices by threatening to buy elsewhere if they refused. Many major manufacturers, I am informed, admit if they were compelled to sell everyone on the same basis as they were compelled to sell the chains they could not stay in business.

The Farmer. Here I wish to read a communication from one of our Aroostook farmers. I quote:

"Sen. Nathaniel Tompkins, State House, Augusta, Maine.

Dear Sir: I am enclosing a sheet from the 'Washington Star' dated March 13th, and I have marked two places in it. Yet a lot of our friends will say the Atlantic Commission Company is helping Aroostook County; and in my mind they are killing Aroostook County. Yours truly, L. S. Bean."

This is the advertising page to which he refers, from the Evening Star of Washington, D. C. It is under date of March 13, 1939. "Ten pounds for 15 cents. The Season's Lowest Price, Finest Quality Maine Potatoes." On March 13th the market price in the central points of Aroostook County was \$1.45 to \$1.50 a barrel. Deducting your freight which is \$1.00 per barrel to Washington if by rail, they are selling potatoes for less than they cost.

I also have here another letter from a dealer or a grower of potatoes in Aroostook County, and he grows tremendous quantities of potatoes. He is one of the largest individual growers of potatoes in the county, and I would like to read what he says. I quote:

"On Monday, March 13, the A & P Tea Co. had a big advertisement in a Washington, D. C. newspaper urging their customers to buy Maine potatoes 10 pounds for 15c and a 98 pound bag at \$1.45. The jobbing market in Washington at that time was \$1.65-\$1.75 and any potato shipper in Aroostook County would have to quote \$1.75-\$1.80 per hundred-weight delivered Washington all rail at present street prices. The jobber paying that price must get a profit and the retailer buying from him must get a profit, so what chance would there be for any retailer in Washington to sell potatoes in competition with these ruinously low prices?

"How can farmers possibly ever get a good price for their potatoes when such concerns are doing their best to drive the market right down to the ground? What kind of prices would the farmer get if the chains succeeded in forcing all their competitors and all potato shippers in Maine out of business and had the whole thing to themselves? (Signed) W. R. Christie."

The Federal Trade Commission, I am informed in a recent report, states that one of the major reasons for the chain store growth is their usually lower buying prices. Farmers everywhere understand that when chains sell for less, they, the farmers receive less for their products. This commission states further, "that the main reason for the depressed conditions of agriculture was because of the chain systems forcing prices down in order to cut prices at retail under their smaller competitors."

The same Commission in 1937 reported to the Congress of the

United States as follows: "The Commission records with dismay its belief that the survival of independent farming by farmers who own their own farms and maintain an American standard of living is in jeopardy." This statement reflects that in the mind of the Federal Trade Commission, the industry is in peril of becoming a chain industry based on mass production. The Pyramids of Egypt were the product of mass production and the work was performed by slave labor. The chains claimed much credit for disposing of Maine's crop of potatoes one year ago. They took credit for maintaining prices and disposing of surplus crop. If they can maintain prices for the farmer in a surplus year, why not in a year when there is a normal crop? One thing they forgot to say, however, and that was the fact that the surplus commodity corporation entered the market and purchased and diverted a portion of that crop.

The independent merchant and thinking citizens today realize that the economic and social health of any community or nation would be bettered if citizens each owned his own store or farm. The United States Supreme Court has openly declared that a depression is inevitable unless retail profits are allowed to remain in the towns and cities, that make these profits possible. A sound economic recovery is not possible unless retail profits are allowed to remain where they are given. The sun rarely sets upon the money in the town where it is paid to the chain store.

The Community. Absentee ownership and chain stores never pioneer. They do not build communities. They wait until communities are developed by individuals who risk their own money, and then and not until then, do chain stores venture in with other people's money. They are the first to leave when an economic depression hits a community. They do not even write their own fire insurance in the towns that support them.

Law Discriminatory. They charge the law is discriminatory. On their own statement the tax would amount to only about 1-3 of 1% on the gross business that these chains do in Maine, and I think they have made statements to the effect that prices would be very little advanced

if this bill should become law. Do they receive anything in return for this added tax? The State of Maine appropriates \$200,000 annually to advertise the beauties, climate and recreational facilities of the State of Maine. Thousands of outsiders come to our state each summer and they are purchasers of the goods these stores have to sell. The farmers of Maine voluntarily tax themselves to advertise their products. Why should not the chain stores, doing the enormous volume of business that they admit, contribute something to the State for the privilege of doing business here?

Interest in Consumers. It seems strange that chain store management is so suddenly telling the people of Maine how concerned they are over the interest of the consumer, the housewife and the laborer. They have deluged this body with telegrams coming from customers, chain store managers and women's organizations. I wonder how sincere much of this demonstration is. A great deal of it in my estimation is simulated and synthetic. With all their professions of a deep and abiding interest in the consumer and the public at large, a million times the number of communications that the members of this body has received cannot neutralize the effect of that one telegram sent on March 6, 1933 to the local managers of the chain stores, and now I quote:

"Portland, Maine, March 6, 1933
Manager A & P Stores

Follow these instructions to the letter. Cash no checks for anyone in payment of purchases. Every transaction is to be on a strictly cash basis. Every manager will be held personally responsible if any of these rulings are violated.

Signed, W. J. Davidson,
President of New England Division."

A deep and abiding interest they had on the sixth day of March, 1933 when all our banks suddenly closed! To whom did the citizens of Maine turn in their hour of need? To none other than the local merchant. That telegram is ashes today in the mouths of citizens of Maine who found themselves penniless on that fateful 6th day of March, 1933. Every bank was closed. Every avenue for realizing a few dollars for immediate needs had disappeared. Children might go to bed supperless but the absentee owner did not care.

That is economic dictatorship in the face of suffering humanity. There was no milk of human kindness conveyed to the citizens of Maine in that dictatorial order.

Concentration of Wealth. Great concentration of wealth is dangerous to the social, economic and political structure of a state or nation. One of these chains doing business in this state has an annual business in the nation as large if not larger than the United States Steel Corporation. The annual turnover of the Great Atlantic and Pacific Tea Company in this country is in the neighborhood of \$900,000,000. They have between fourteen and fifteen thousand stores extending from Fort Kent to San Francisco and from the Canadian border to the Gulf of Mexico.

In the last few days we have had a great demonstration of the power and influence they attempt to exert through the press, the radio and through their paid emissaries, who have been going over the state for the last few months, spreading the propaganda of these Goliaths of concentrated wealth, and all their activities in this direction smacks of intimidation.

In conclusion, let me say that the absentee owned interstate chain store system, as now operating, is against the interest of this State for these reasons:—

1. It destroys community life by failing to assume the duties and responsibilities of local citizenship. Their money does not aid local charities, churches or schools, only to a miserly extent, but it is used by the absentee owners to contribute to these activities in the community where these absentee owners reside.
2. It causes a concentration of wealth in the hands of a few.
3. It tends to foster monopoly.
4. It destroys local business.
5. It does not create, it carries away.
6. It deprives the individual of opportunities and destroys the independence and initiative that built this State.
7. It destroys prices for the farmer and narrows his market.
8. It is the first to arrive after a town is built and the first to leave when disaster overtakes it.
9. It sets up by its control of prices, an economic dictatorship.
10. No community can endure under absentee ownership.

Remember the little Davids in this state and give them some measure of protection from these Goliaths of concentrated wealth.

Mr. CHASE of Piscataquis: Mr. President and members of the Senate, I think it is very fortunate that we have, as chairman of this Taxation Committee, a man of ability such as the Senator who has just addressed us, and I heartily agree with every word he has said. Who is it enables our laborers who are performing all kinds of labor all over the state to carry on until they get their checks for labor? It is the independent grocer and not the A. & P. It is not necessary for me to attempt to go over all that has been said by the able Senator. We all know when the members of this Taxation Committee are appointed, they are selected from the most able of our members. I hope we can make this vote when it is taken as strong as was the vote taken in the House, three to one.

There is one matter that has not been talked of, and that is in regard to Miss Nettie Burleigh. Miss Burleigh has an important commission, the appointment on one of our most important commissions in our state. She is chairman of the Old Age Assistance and she has had her picture put in the paper and calling attention to all of the telegrams she has received. I wonder if those telegrams are in favor of the old people at home who are waiting for her to do all that she should in her office to enable them to carry on until we, as members of the House and Senate can provide means for them. We are willing to do it and trying to do it and want to pass this tax measure. I wonder what they will say if it is told them what these telegrams are and who sent them to her. I hope that everyone who is patiently waiting, will write to her and tell her their opinion of her activities.

Mr. FINDLEN of Aroostook: Mr. President and Members of the Senate: I am sure I hold no brief for chain stores or independent stores. I really ought to apologize to this Senate for taking up your time after listening to such an able man as my brother Tompkins, educated in the law, who has had all the advantages of education that can be given to a man in his standing and who has held very important positions in this state. For an ordinary farmer to stand up here and discuss

a subject of this kind with you seems sort of nonsensical as against a man of his ability. I do not propose to do such a thing, but I wish in my humble way to call your attention to a few things with reference to this bill.

Now, in the first place, I do not like the title of it. The title is very misleading. If they had gone about this thing in an honest manner they would have said, "A Bill to Put a Tax on Chain Stores". Now why didn't they do it that way? They knew themselves,—good lawyers like Than Tompkins and Roy Fernald,—they knew as well as we do that a title of that kind would be unconstitutional in this state. The law, I do not know anything about but they know that you cannot put a tax on any one group of stores without putting the same tax on another. They have made this just as discriminatory as it is possible to make it, \$3.00 on one store and \$300 on the store next to it. If it is not discrimination, then I do not know anything about the word. The purpose of this bill is very simple. It is to give the independent merchant an undue advantage over his competitor. He wants, by this bill, to raise the price of produce to the consumer. There are only two people who are going to pay for it—the consumer is going to pay the most of it but we fellows in the country, we producers are going to pay our share, too. This will cost the people of the state of Maine \$1,500,000. \$300,000 of it will go to the state and the other \$1,200,000 will go into the pockets of independent grocers.

Who is it wants this tax? Who wants to tax the chain stores? It is a very small group of very well organized independent merchants. Now they have not played this game fair. They introduced into this legislature a Fair Sales Practice Act and they all agreed to go along with it. Regarding this bill, after it got under way in good shape, after they had solicited the support of the chain stores and the independents and after they had agreed to go along on a fair trades practice act, got the agreement of all persons concerned, financed it out of the industry itself, then a few days before the hopper closed Roy Fernald and his cohorts dumped into the hopper this bill. Now, I call it a Fernald bill. I do not know what the rest

of you call it. I call it a Roy Fernald bill, introduced so that it will give that gentleman something to talk about for the 1940 campaign. I do not really like to call a man on the floor like that when he cannot come back at me. Now, gentlemen, we all have been bombarded with all sorts of things by that same man, and none to my mind so appropriate as when he lays on our desks this paper which says, "This Man is Crazy". He followed that up with such articles as this. He provided us with enough blotters to last us the rest of our lives. On those blotters he put all sorts of things, some of them signed and some not signed. He hasn't been man enough to register himself here as a lobbyist the same as the rest of the fellows have, so I do not like that kind of a program.

Now, then, there is a sort of political hysteria hitting the other House and they registered a large vote in favor of—

The PRESIDENT: The Chair must remind the Senator that he cannot mention the other house.

Mr. FINDLEN: Well, I will say political hysteria is hitting this legislature. They are looking for votes back home. Well, I hope when they get home they will find out where the votes are.

Now, who is against this bill? Well, I speak for two groups in particular. I speak for the thousands and thousands of consumers in the state of Maine who buy their produce where they please and at the lowest possible price. It seems to me that that group who has nobody helping them and no one here defending them, should get some consideration from this legislature. The other group that I have concern over are the producers of this state. Now if we were a state that didn't produce anything we might be justified in putting on this kind of tax. But gentlemen, we are a surplus producing state, that is, the principal part of our business is to produce surplus commodities, and the thing I know the most about is potatoes. We are shipping out of this state each year 45,000 carloads of potatoes. We expect and we must have distribution for those potatoes in every possible community this side and west of the Mississippi River. All the chains handle about sixty per cent of our crop. The two important chains, namely the A & P and the First National handle prob-

ably 40 per cent. Some of the dealers in our county ship to other chains so that the total amount of potatoes handled through chains is well up to and over sixty per cent.

They have cooperated with us in every single thing we have attempted to do. I have been in this potato game since I was a baby. I was grown up in it. I have given my time and money toward every progressive movement that has ever been instigated for the state of Maine and principally in Aroostook County. I want to say to you that we have had hundreds of meetings and I have never seen at one of these farm meetings, my distinguished colleague from Houlton (Senator Tompkins). I have attended more of them, I will say, than any man in Aroostook County. I have lived with this thing. I put through this legislature a bill for better branding of potatoes. I followed it up with a bill to advertise the same, and do you know, it took us ten years of long, hard work before we were able to get the bills passed by the legislature and to get the legislature to accept them.

We have gone a long way in the last two or three years toward better marketing, better growing and advertising of our product. We have spent in the last year, of our own money \$112,000, a cent a barrel on every barrel we moved out, and we have received from the chains all over the country the most hearty cooperation. If you want to go down to the Department of Agriculture and ask Mr. White about how many chains inspect their stuff, he will tell you this, that the A & P Company have their stuff inspected 100 per cent. The First National Stores have theirs inspected 80 per cent or 90 per cent in spite of the fact that they are shipping out in pecks. I want to ask you if that isn't cooperation.

I call attention to the same advertisement my brother, Senator Tompkins, set up here in front of you. The A & P and the First National are advertising for us in cooperation with the kind of advertising we are doing for them. He didn't tell you the whole story. He intimated to you that they were selling that stuff below cost. They were not selling it below cost because it came to them on a boat. It may have come from Searsport or from Winterport or it may have come from Bucksport, trucked down

there by whom? Potato growers, truckers, and then they went to Washington. It takes a long time to get potatoes all the way by sea to Washington. They owned the potatoes at the right prices. It just so happens that the price of potatoes started up at that time, due to shortage in the crop which was not apparent until later. He didn't tell you the whole story. They might have come by sea.

Now as to their merchandising efficiency, I think we all agree that chain stores have taught us all a lot of things in merchandising. If you go into your independent store and if you can remember back ten years you will remember a tremendous change in merchandising. They have brought all over the state of Maine good produce at a very reasonable price and if that is not a commendable business, I do not know what is. They pay a reasonable price for their produce in accordance with what produce costs on the ground before they move it to their consumers in the most efficient manner. If we had the money available and were to set up an organization that would take our potatoes from Aroostook County and spread them over the eastern seaboard of the United States, we could not possibly set up an organization that would be as efficient as the chain stores are at the present time. Now then, if you have got a good customer, is it the right thing to give him a slap in the face when he is doing as commendable a job as that for you?

I'd like to call your attention to a few other people who are opposed to this chain store tax. Here is the report of a governors' meeting held in Chicago this last week, the National Conference on Interstate Trade Barriers. I quote: "At a meeting in Chicago yesterday unanimously adopted the reports of its committees on agriculture and taxation respectively declaring discriminatory taxation detrimental to producer and consumer" and a 'barrier to interstate commerce'. I quote again from the Christian Science Monitor, "the Pennsylvania legislature of 1937 imposed a graduated tax on chain stores ranging up to \$500 annually per store over 500 in a chain, 30 of the chains operating in the state contested the law which had just been repealed by the legislature."

Massachusetts—I quote again—

"the Massachusetts Fruit Growers' Association, representing 600 organized growers in all sections of the state urged their members to do all in their power to defeat the Patman chain store death sentence bill and any similar legislation so patently and unjustly aimed at a particular group. Declaring that farmers and public alike would suffer from the effects of such a tax, the organization's delegates, assembled for their annual business meeting, approved a resolution recording themselves as 'strongly opposed' to the so-called Patman bill No. 1 as presented which proposes to levy prohibitive and discriminatory taxes on chain stores." I'd like to call your attention to the fact that the professors of all the state colleges go on record three to one as opposing this discriminatory tax. One professor said that he didn't believe "chain stores should be discriminated against." Another faculty member pointed out that chain stores were a mark of progress in times by saying "Change with the changing times; you can't stop progress."

Now, Brother Tompkins has read a very short letter from L. S. Bean. He lives in the town of Presque Isle along with a lot of other growers and shippers. Here is a resolution from the Aroostook County Council. Now, I want to say to you that the Aroostook County Council is a group of men that were set up as the mandate of 3,000 growers, meeting several years ago. They needed an organization to speak through and this is what the Aroostook County Council says, "In view of the fact that it has been reported that all the people in Aroostook are in favor of a chain store tax please let me call your attention again to the resolution adopted by the Aroostook County Council at its regular meeting Feb. 24, 1939, which reads as follows: 'Resolved, That whereas in consideration of the help that the Chain Stores have given the people of Aroostook in marketing their potatoes, the Aroostook County Council is opposed to any punitive or discriminatory tax upon Chain stores in the State of Maine. Respectfully submitted, H. B. Crawford. President of Council.'"

H. B. Crawford was state master of the state Grange a year ago. Who is the Aroostook County Council? Well, here is Mr. Crawford who represents the State Grange. Mr.

Washburn who represents the starch industry in Aroostook. Mr. Hagen represents the Farm Bureau. Dr. Kallock represents the doctors of medicine. Mr. Cliff represents the fertilizer industries. Mr. Hussey represents the Maine Potato Growers Exchange. Mr. Crandall represents the Aroostook Valley Railroad. Mr. Carter represents Education and Mr. C. C. Harvey represents the Press.

Here is another resolution, from the Maine Potato Growers that was read and adopted at their regular monthly meeting, in which they say, "We, the directors of Maine Potato Growers, Inc. are opposed to all confiscatory or punitive taxation. The Townsend bill, H. P. 1753 applying to chain stores which is now receiving consideration from the legislature, is unfair and discriminatory; we feel it would jeopardize the interests of Maine Producers seriously since the chains are very effective means of widespread distribution of our crops. We furthermore authorize a delegation representing this association to appear at the hearing March 8th to present our protest on this legislation, at the Association's expense."

I have in my hand a solicited telegram from my own town from my merchant's association, and they say this: "A vote of the members of the Fort Fairfield Merchants' Association regarding chain store tax shows eleven in favor and six against such tax. The ten remaining members did not wish to vote on this report. (Signed) Fort Fairfield Merchants' Association."

I have a telegram in my hands from R. R. Slipp of Fort Fairfield. He puts up potatoes in pecks for the First National Stores. I want to say to you that he puts out four carloads of pecks each day, and if you do not think it is quite a big job, I would like to have you stop in and see how it is done. He says, "As you know, the Chain Stores are very large buyers of potatoes and anything that hurts them hurts us. Please use your influence against the chain store tax."

I have in my hand a letter from the New Hampshire Farm Bureau Federation. I won't attempt to read it all. It is signed by George M. Putnam, President. I will read one paragraph: "I understand these measures are somewhat similar to the Federal so-called Patman Bill. Of course, it isn't for me to inter-

fere with what legislation the state of Maine sees fit to pass. I only wish to point out that we have had a similar situation here in New Hampshire and the farm groups opposed such a proposal on the grounds that any additional or unnecessary burden that is imposed on any group in connection with distribution of their farm products would be detrimental to the best interests of the farmer. In our state we would face a serious loss of income were any part of the distributive machinery to be destroyed which is now helping the farmer to market his products."

I have an article printed here in the New York Tribune, and I beg your pardon for referring once again to these blotters. We have a list of states here that have chain store taxes. Checking up, I find that list isn't quite right. I would like to call your attention to it. "Ten states in which the legislature refused to enact new chain store taxes, according to the survey, were Washington, West Virginia, Utah, Tennessee, New Mexico, Arizona, Indiana, Oregon, Wyoming, and North Dakota. The other states — Michigan and Texas—because of increased consumer opposition to chain store taxes, according to the survey, have before their legislatures bills 'calling for immediate repeal' of such taxes now on the statute books." On this blotter I find the name of Georgia, Indiana, Tennessee, West Virginia and possibly Michigan that should be rubbed off the blotter.

In conclusion, I want to say we are a surplus producing state. We need the cooperation of every agency in the marketing of our produce. The chains spend in this state of Maine \$50,000,000. Their total sales amount to only \$45,000,000. Now, I want to ask you if it isn't a pretty good balance? They leave \$50,000,000 in this state and their total sales amount to \$45,000,000.

This tax is discriminatory and it is a tax principally on food, making higher prices to consumers and less to producers. With its huge crop to market, Aroostook County ought to be the last to want a tax on chain stores. It is simply a problem in economics. To get good food to the consumer at the least possible price ought to be the aim of any legislature. I hope this Senate will consider this matter very seriously and I would be very much disap-

pointed if you put a tax on chain stores.

Mr. BECKETT of Washington: Mr. President, as a member of the joint committee on the insane I feel that perhaps I should get up in defense of the so-called crazy individual referred to by Senator Findlen. It seems to me that possibly we may have to wait the five years as provided in Senator Burns' bill to find out whether or not the so-called ex-Senator is crazy, but I will say this. I will say that Roy Fernald has been consistent in his attempts to have a chain store bill passed and if you will refer to the records of previous legislatures you will find he has been consistently in favor of such a tax.

The main difficulty with this argument as I see it is that it is based entirely on discrimination and I think that is something we should consider as individuals in the state of Maine in a rather fair minded way.

Now, personally, I was sponsor of the Unfair Practice Act and I felt that was a very constructive piece of legislation and I felt the Independent Grocers Association were behind that and I think their action was consistent and that they demonstrated it when they rose up and demanded that some retail store license tax be enacted. In my own county I found more objection and more sorrow at the last session because of the repeal of the so-called chain store tax than anything else. I know that the county as a whole is in favor of a store license tax. Personally, I am in the wholesale business and I am free to tell you that I profit, or the concern has profited, by adopting or trying to adopt some of the methods of chain store distribution. As a member of a volunteer chain we have patterned our procedure to a certain extent upon chain store procedure and I feel that the individual retailers who belong to the so-called volunteer chains have profited by adopting chain store methods.

Having been in contact with this volunteer movement, I do know that the advertising methods as referred to by Senator Tompkins are practised to the fullest extent. I know that the chain stores have a decided advantage through quantity purchasing and I feel that as far as the state of Maine is concerned we have been a state that has given preference to individual initiative and I feel that this bill should per-

haps be discussed, not on the basis of discrimination but rather on the basis of placing a premium on individual initiative.

Now, the matter of pressure has been referred to and I would like to quote from a telegram that has been received by a number in the Senate this past day or two which reads as follows: "Chain store tax bill is discriminatory. Urge your protest to its passage." I checked that up and I found that in the city of Rockland a few days ago there was a social meeting of a number of women and they were called up and requested to send in telegrams to certain senators asking them to defeat the bill for a chain store tax and they were told they could send six or seven telegrams and the bill would be paid. And in checking up I found this identical telegram on several of the members' desks all worded the same and all signed by the same individuals. I found twenty-six signatures from Rockland and I think that bears out the report which was brought to me.

I quote from a telegram which was sent by managers of chain stores in my own city: "Passage of this bill would put us out of jobs. If this bill is passed the low income group will pay this tax to finance pensions for the poor in this state; the poor feeding the poor." Now I assume that the passage of this bill will put no chain store man out of a job, and as far as the low income group is concerned I have a telegram from my own city with the names of thirty or forty women who protest the passage of this act. The majority of those women come from families in the community which are well to do and when the managers of chain stores say that this bill will be a case of the poor feeding the poor I differ with them because I know in my own community that the low income group for the most part are dependent upon the independent store for their support. In other words they have large families and they have to have credit and they patronize to a large extent the independent dealer and I feel it is not the low income group who patronize a hundred per cent the chain stores. I feel in a great many cases the well to do people are patronizing the chain stores taking advantage of the fact that they have money, and purchase at the best possible prices they find regardless of where they find them.

When I look at my own community I find that a number of years ago we had on the main street ten independent retail stores and today we have one independent retail store and three chain stores.

Now, having had something to do with city affairs I know what taxes the chains paid and I know what taxes the independents pay and I size up the picture something like this, those three chain stores have driven out of business nine independent stores and those independent stores had an average of only one or two clerks so as I see it the community has lost employment for, we will say, twelve individuals for sure and possibly fifteen. And in addition to that the community has lost the income from those six stores and I look at it this way, that the chain stores have decided advantage over the individual store because of their huge buying power. They have advantages in transportation to a certain extent. Those of us who live in certain sections of the country where we have an arbitrary freight rate are at a disadvantage to the chain store because they chip in at a commodity rate which is much lower than the individual can buy and because of the loss of income to the cities and to the state as a whole and to the residents of the state who are employed in independent stores I feel that if the independent store isn't given some kind of encouragement that the tendency may be to decrease the number of independent stores.

I feel that this is not a discriminatory tax. I feel the amount charged to the large chains can be very easily absorbed and that they will not increase the price to the individual consumer one bit. As I see it this tax is really placing a premium on individual initiative and I hope it passes.

Mr. HILL of Cumberland: Mr. President, since the usual lunch hour is at hand and in view of the fact that at least one of the members to my knowledge is necessarily detained from the Senate for a short time and has expressed to me a strong desire to be present when action is taken on this important measure, I move that the Senate recess until two o'clock.

The motion prevailed, and the Senate recessed until two o'clock.

After Recess

The Senate was called to order by the President.

The PRESIDENT: The Chair notes with pleasure the presence in the Senate Chamber of the distinguished Speaker of the House and requests the Sergeant at Arms to escort him to the rostrum.

Thereupon, the Honorable Donald W. Philbrick, Speaker of the House, was escorted to a seat at the right of the President amidst the applause of the Senate, the Senators rising.

The PRESIDENT: We are proceeding under Orders of the Day and the pending question is on the motion of the Senator from Aroostook, Senator Tompkins, that the Senate accept the majority report on Legislative Document 933, House Report from the Committee on Taxation, Majority Report "Ought to Pass in new draft," on bill, An Act Relating to Licenses for the Operation of Retail Stores.

Mr. OSGOOD of Oxford: Mr. President, I won't attempt to make a speech like the two Senators from Aroostook County have done but I do feel that I should stand and defend the interests of those in my community. In our section of the state we are far from the potato industry but in that community we have a large number of producers of corn. Two years ago there were about twenty-five hundred cars of corn raised in those towns. While home over the weekend I approached one of the managers of one of those factories and he asked me how I felt on this chain store tax and I told him I felt the tax would go through and he said, "Why do you say that?" He said, "I understand the chains have bought of you fellows at their own prices," and I said, "You are wrong, they bought our canned goods at the market prices." Men in Oxford county approached me and told me that the chains had handled a large amount of their apples and last fall at the time of the hurricane, many of them disposed of their crops through the chains.

I am in sympathy with the retail store and I realize that their profit is small but by the passage of this act I don't see where they will gain except that they will be able to make a little mark-up on their goods. I feel that if this bill should pass these retail stores would be worse off than if they had been let alone.

I have another letter here. A copy of it was sent to the Taxation Committee. It was from a group of business men in my county opposing the tax on retail stores. And if you will bear with me for a few minutes, I will read a paragraph or two: "Last evening a group of business men including myself met and talked over the proposed legislation and after lengthy discussion, the group unanimously stated that they were against the proposed legislation."

I also talked with retail managers in my own county which borders on the New Hampshire line and they felt that if this tax did pass a mark-up on groceries would probably occur and some of the trade might go across into the bordering state.

The way this tax measure appears to me, it is nothing more than a sales tax and to be consistent with my stand in previous legislatures as being strictly opposed to the sales tax which the people of this state turned down, I am still opposed to this measure on those grounds. It is a sales tax and either the producer or consumer will be the ones to suffer and no one will gain.

Mr. WENTWORTH of York: Mr. President, and members of the Senate, I hesitate at this time to bore you with any further remarks on chain stores because I know you must be getting rather tired but at the same time you have had a brief respite and will be rested up and probably will be willing to bear with me for a few moments.

I feel it my duty to speak against this chain store tax. I feel it my duty because for the past six years I have been a member of the Maine Development Commission and it was decreed, as many of you know, I think, in the Eighty-seventh Legislature that we should take part of our funds and advertise the products of agriculture. We have done that in cooperation with an advertising agency in New York and I know from the facts they have given the members of the commission that the chain stores have cooperated in every way in furthering the sale of Maine agricultural products.

I am also against new taxation in any form for at least two reasons. There is no need of new taxes to do the job required of us. I am firmly convinced that the citizens of this state are against any new taxes.

Now, who is behind these new tax measures anyway? Take for instance the chain store tax. It is conceived in hate by two different groups; a group disgruntled because the tax was repealed two years ago and a group of independent store keepers who don't care to go along with the group who are interested in a fair trade practice act.

One of the chief proponents of this bill has repeatedly advised against any new taxes yet has worked tooth and nail for this bill which has proved to me that this bill was not conceived from necessity but from hatred. Do you think the housewives of this state desire such a tax? I believe that the evidence is against such a wish. They look upon it as a tax upon consumers and that they are the ones that will be taxed instead of the stores. If groceries are marked up in chain stores they will probably be in the independent stores and in that event the independent proprietors can pocket what would amount to the tax.

I believe our citizens realize that the prices of groceries are cheaper on account of chains. I have had such statements made to me in my own town. I voted once for such a tax on chain stores and two years ago I voted to have it repealed, as I felt that it was throwing cold water on an organization that was trying to do a good job in getting Maine products on the market.

At this time I read from a letter from the Maine Canning Association which bears out this thought. I think many of you know members of this association and know of their interests in furthering the interests of farmers. This letter is addressed to the Honorable Sumner Sewall, President of the Senate:—

Mr. Sumner-Sewall,
President of the Senate,
State House,
Augusta, Maine.

Dear Mr. President:

At the urgent request of several members of this Association, the writer, as Secretary of the Association, respectfully calls to your attention the attitude of the Maine Canners' Association on the so-called "Chain-store Tax Bill" as is indicated in this Association's Resolution originally passed unanimously in February, 1937, and recently unanimously reaffirmed on February 3rd of this year. I quote this Resolution:

"The Maine Canners' Association is opposed to any tax, the imposition of which in any way tends to interfere with active co-operation between Maine producers and cannerymen on the one hand and distributing units on the other. Present and proposed tax laws relating to retail stores are punitive and discriminatory. Discrimination against any buyers of Maine products, whether independent stores, chain-stores or any other class, prevents the active co-operation necessary to create the largest possible market for Maine products. This Association is resolved against such discriminatory legislation."

To anyone familiar with the situation, it is obvious that Maine is a producing State and as such must sell distributors outside the physical limits of the State in order to dispose of its normal output. The chains that would be adversely affected by the passage of this proposed Chain-store Tax Bill are the largest users of Maine agricultural and manufactured products in the country. These chain-stores have been for a period of years among the most loyal customers of Maine products and have co-operated freely without restriction in the advertising campaigns sponsored by our State to merchandise Maine products. If this Chain-store Tax Bill is passed, this Association believes that not only would we as a State be guilty of using the taxing power of the State in a discriminatory manner, but that such action would inevitably jeopardize and tend to upset the opportunity of our agricultural interests to use the facilities of these vitally important distributors. Under present conditions it would not be possible to distribute the same volume of merchandise used by the chains through other channels. Should the chains' distributing facilities be lost to us, it would mean just one thing — namely, further drastic curtailment of all agricultural activities. If a canner or handler of agricultural products loses one of his most important markets, he simply must reduce his activities proportionately. Such action would affect not only the canner or handler himself, but his employees, the freight, trucking, service, fuel and electrical concerns involved, and right on down the line to the grower of these raw materials — the farmer.

Our members know only too well

how difficult it is to dispose of their products these days and to them it is inconceivable that this State, hooked up as it is so closely with the agricultural interests, should by the passage of any such tax jeopardize its chances of doing business with its best customers. Our Association members are interested in the welfare of the State and of the growers throughout the State with whom they have been closely associated so many years. It is the feeling of these members that untold harm would be the result of the passage of this Tax Bill. These thoughts represent the consensus of opinion recently expressed to the writer by the majority of the members of the Maine Canners' Association, both in regard to numbers and with reference to the scope of their business, and the writer has been asked to earnestly request that this letter and Resolution enclosed be read before the Senate prior to the actual voting by that body on the proposed Chain-store Tax Bill.

Very truly yours,
(Signed) F. WEBSTER BROWN
Secretary.

Now I have stated that I was against any new taxes. Some of you may say, "How are you going to take care of old age assistance?" I wish to present to you this proposal at this time.

At this time it is impossible to present a complete financial statement as to the requirements for carrying on the various functions of the state.

Curtailments in funds for the departments of state in sizeable amounts will be realized when compared to the expenditures of 1937-38 and the present fiscal year.

No assistance can be had from increased revenue from present tax laws, but this revenue will continue to decline during the next biennium.

At this time it does not seem possible that reductions in appropriations can provide entirely for Old Age Assistance demands.

This inability to provide cash may seem to mean new taxes. I am opposed to this method.

I am in favor of a rearrangement of existing taxes that would meet the situation. My method is a combination of ideas.

It will require from \$1,700,000 to \$2,000,000 of state funds to care for 12,000 or 15,000 persons through Old Age Assistance. Some of these ideas have been expressed by others

and I do not care to steal their thunder. Senator Friend has been foremost in promoting one of these ideas.

My plan would contain three parts:

1st: To amend the general highway act so that the state may return to the municipalities from highway funds approximately \$700,000 to \$750,000, to assist them in caring for their highways, now paid by direct taxation.

2nd: The state to increase its mill tax (1) one mill, this to provide \$672,000 general funds of the state to be used for the payments made necessary by Old Age Assistance participation.

These first two would not increase the local tax in municipalities as the state would return to them more than it would assess and collect back. In other words the mill tax would be a means of distributing the highway funds.

This will not quite meet the situation so I add my third part.

3rd: Rewrite the bill I introduced which provided for town participation in Old Age Assistance payments of 25% to 10% of the actual assistance paid.

This combination of ideas, together with the reductions in appropriations that will be made, should, under careful administration, meet our financial problem.

This method would not increase the burden on the individual taxpayer, but will rearrange existing tax payments.

Until a plan such as I have here outlined has been tried and fails, I shall oppose any new tax legislation.

Mr. CHASE of Piscataquis: Mr. President and members of the Senate I am wondering how we will carry on and pay the old age assistance and Health and Welfare expenses if the independent retailers shall adopt the same scheme that was adopted by the A & P Company which is not to trust anybody for a cent worth of anything over night. What would happen to our laborers who are trying to provide for their families and pay their way and who have to collect their salaries once a week, or once in two weeks or once a month? They will all starve and the expense of relief would double I am sure.

I want to call your attention to one independent retailer in our county of Piscataquis. This inde-

pendent retailer is paying the taxes on a stock valuation as assessed by the state assessors of \$7,000. The A & P store almost next door is paying on a valuation of \$1200 and that is the way it goes on all over the country. I wonder who pays the expense of all these telegrams that come here, many of them faked, and who is paying these hounds that are at our heels all the time in the way of lobbyists. Judge for yourselves.

Mr. OSGOOD of Oxford: Mr. President, I expected this tax situation might arise and as one who has served as selectman and assessor of a town I have always found the chain stores fair with their inventories. I have some figures here from one town in Maine, an industrial town. The First National Store of that town pays \$93 on their stock in trade. A competitive grocer pays \$36.00 on his stock in trade. Another chain store in that town pays \$133 on his stock in trade and an independent store opposite it pays \$38. Another chain store in the same town pays \$83 and another independent pays \$30.

True enough, the chain store does not pay a tax on real estate directly. I feel that the real estate men in those towns that have tenements or stores to run pay a tax on those buildings in the same proportion as the independent pays on his stores, so I see no reason why the chain stores, directly or indirectly do not pay their share of the tax.

Mr. KENNEDY of Hancock: Mr. President, I have before me a telegram received this morning which reads as follows: "The business men of this state are depending on your vote for the chain store bill." The threat is there, gentlemen, but deftly concealed. The poor people of this state are also anxiously depending on my vote on this spite tax bill. They have no money to spare to pay for telegrams. Do you doubt how I shall vote on this question?

Mr. MORSE of Waldo: Mr. President and members of the Senate, I hadn't intended to say anything on this question and would not do so now were it not for the continuous flow of telegrams, in fact, telegrams emanating from the same source, and also the threatening letters which I have received.

I have always thought that I was reasonably slow to anger but there comes a time in the life of most of

us when we have been pushed around enough and threatened enough that we begin to feel that if we have any intestinal fortitude at all, we are bound to take a stand.

When I receive letters instructing me that unless I vote a certain way it is going to be too bad for me politically that is a method of reasoning to which I do not subscribe and by which I refuse to be persuaded. From the study which I have made of this question during the session and the information which I have gained from all sources I have become convinced that this proposed tax could very easily be borne by the chain stores and that they need to pass on to the consumer as additional cost very little if anything at all.

Coupled with this idea, of course, is that the tax will be set aside for old age assistance. Our elderly people are saying to us, "What are you going to do for us?" If this bill is denied passage we may expect to hear them say much more emphatically than we have ever heard before, "What are you going to do for us?"

Now, is this just an experiment? Is it something that hasn't been tried in other states? Certainly not. Several other states have it. The campaign which the opposition to this bill has put on is to my mind in many respects highly reprehensible.

I received a letter from a man only yesterday who had been led to believe that if this tax ever were enacted that food stuffs would advance by as much as twenty percent. Young men, employees of chain chain stores, have represented to me that if this bill became a law it would mean that the chain store would be driven from our state and that as a result they would all lose their jobs.

That has been their slogan and I wish to say to you that we have heard this from several sources which have shocked our sense of good judgment and fair play. I hope that the motion of the Senator from Aroostook will prevail.

The PRESIDENT: Is the Senate ready for the question?

Mr. SPEAR of Cumberland: Mr. President: I note that Senator Elliot is not in his seat. I believe he has telephoned that he is on his way to the Senate Chamber. I would, therefore, ask the indulgence of the Senate that I may table this bill

temporarily. If he has not arrived by the time we have disposed of other matters to be taken from the table, I will take it off anyway. I move, therefore, that it be tabled temporarily.

The motion prevailed and the bill was laid upon the table pending acceptance of the majority report in concurrence.

Mr. THATCHER of Penobscot: Mr. President, may I ask if Senate Paper 131, Legislative Document 115 is in the possession of the Senate?

The PRESIDENT: The Chair will state that this paper is in the possession of the Senate.

On motion by Mr. Thatcher, the rules were suspended and the Senate reconsidered its action whereby, An Act Relating to Aid to Libraries, Expenses of State Historian, Topographic Mapping, and Abolishment of Grade Crossings (S. P. 131) (L. D. 115) was passed to be enacted, and on further motion by the same Senator the Senate voted to reconsider its action whereby the bill was passed to be engrossed.

Thereupon, Senator Thatcher presented Senate Amendment "A" and moved its adoption:—

"Senate Amendment "A" to Senate Paper 131, Legislative Document 115, Bill, An Act Relating to Aid to Libraries, Expenses of State Historian, Topographic Mapping and Abolishment of Grade Crossings. Amend said bill by striking out where it occurs in the first section thereof, 'Section 25' and inserting in place thereof the following: 'Sections 25 and 27'."

Senate Amendment "A" was adopted, and the bill as so amended was passed to be engrossed in non-concurrence.

On motion by Mr. Thatcher, the bill as amended, was sent forthwith to the House for concurrence.

On motion by Mr. Chamberlain of Penobscot, the Senate voted to take from the table, House Report from the Committee on Agriculture "Ought to Pass" in New Draft under a New Title Relating to the Registration and Licensing of Dogs and to the Duties of the Sheep Specialist" on An Act Relating to Payment of Damages Done to Sheep and Lambs by Dogs (H. P. 1533) (L. D. 680) tabled by that Senator on April 7th pending acceptance of the report in concurrence.

Mr. CHAMBERLAIN: Mr. President, often when a bill comes before us it is misleading unless we take pains to go over the statutes and amendments that may have been made to it so that we can thoroughly understand what it is. It seemed to me when I first looked at this bill that it would not be very good for the various towns and cities. It has to do, apparently, with the licensing of dogs and killing of sheep, but late last night I took pains to go over the law and write it out. The law was revised in 1937 and again in 1939, and I have studied it and I therefore find that the bill is a very satisfactory one and it has the approval of the Agricultural Committee. It in no way disproves the present method of licensing dogs. The only difference is that the license of dogs has been reduced from \$1.00 to \$.90 and the city or the town clerk receives 25 cents instead of 15 cents. I move, Mr. President, the acceptance of the report, "ought to pass" in concurrence.

Thereupon, the report of the committee was accepted in concurrence, the bill was given its first reading and tomorrow assigned for second reading.

On motion by Mr. Spear of Cumberland, the Senate voted to take from the table, House Report from the Committee on Taxation, Majority Report, "Ought to Pass in New Draft" (H. P. 2217); Minority Report "Ought Not to Pass" on Bill An Act Relating to Licenses for Operation of Retail Stores (H. P. 1758) (L. D. 933), tabled by that Senator earlier in today's session pending acceptance of the report of the committee; and that Senator yielded the floor.

Mr. TOMPKINS of Aroostook: Mr. President, when the vote is taken I move it be taken by the yeas and nays vote.

Mr. CHAMBERLAIN of Penobscot: Mr. President and Members of the Senate, I desire to second the motion of the Senator from Aroostook, Senator Tompkins, on the acceptance of the majority report, "ought to pass in new draft". We have heard many words here for and against this bill. We have heard still more words spoken in the corridors. We have received many letters asking us to vote one way or the other, and as the Senator from Waldo, Senator Morse, has said,

some of them are threatening so that we have found ourselves, theoretically, like the people of the old Baptist Church, "we are damned if we do and damned if we don't." We also have received many telegrams, so many telegrams, that like the man in ancient days, we are "almost persuaded" to change our thought as we sorrowfully cast those telegrams into the waste-basket. The bill is a very simple bill. You can get that from the title. It is simply an act relating to licenses for operating retail stores. That title has been changed, as we have heard the spoken word to "a tax upon chain stores", but even at that it doesn't mean any more in its simplicity than the first title.

The question of whether it is wise to pass such a bill as this is determined by the members according as they look at it from different angles. I am going to approach it from a little different angle than some of the words you have heard here and elsewhere and that is from the angle of taxation and the method of taxation.

The statutes of Maine provide that stocks in trade shall be taxed for the average amount kept on their shelves at any one time during the year previous or any part of the year. That simply means that they are taxed for what can be kept on those shelves at any one time or kept in storage in the rear of the main store or in the basement or somewhere else. Now, I concede a tax of that kind is very unjust, very unfair, when you consider the difference in volume of business that is done by one store compared with another. Even though both stores have the same amount of stock in trade in value, one doing a small business and the other doing a very large business still have the same tax, and that is the reason that I call the present law discriminatory and I say that this bill is not discriminatory. It simply means that the stores doing the large business shall pay an additional amount in order to carry on that business.

In a sense, I do not like the bill nearly as well as I would like to change the law relating to stocks in trade, repealing it entirely and in place of that, substituting a percentage, perhaps 1-10 of 1% or any figure upon the total volume of business, but it is very difficult to

go to a legislature and change the taxation laws. It is a slow process for them to believe that they ought to be changed.

I do not conceive that the chain stores, as they are affected by this bill, will go out of business. They will not. They have no ulterior motive except to make money, to do their business at a profit. They will not withdraw any stores except those stores that were not economically sound, placed where they were, doing too small a business, not enough people immediately around them. Some stores will also be withdrawn, possibly because there is a trend toward super-markets, which to my mind is a much better way of merchandising than a multiplicity of small stores, but except for those two things, no stores will be withdrawn by the passage of this bill.

Now, as to the prices. The chain stores have not materially raised prices. A chain store which is doing \$100,000 worth of business or more does not have to raise prices very much simply to pay that, and comes within that category, \$300 a year, \$1.00 a day and less. It is possible that they may gather a cent or two here and there, but even I rather doubt that.

The spread between the chain stores and the independent stores is so great — almost every independent store I know anything about delivers, has an automobile and trucks and its costs them anywhere from \$800 to \$2,000 depending upon the number of trucks and how much business they are doing. The chain stores have not that cost. Certainly \$300 could well be absorbed in through there. The independent stores have many bad debts. They extend a very great amount of credit. The chain stores do not have that loss. Once in a while a manager goes wrong, but very seldom. Even at that, the chains could absorb the small amount of \$300. The chain stores are not vindicated. Of course the chain stores do not want this bill to pass but I really believe not because of the money involved but because of the precedent, the effect perhaps upon other states. I have been told by those who are opposed to this bill that if we pass this bill here the Patman bill will be passed in Congress. I doubt if Maine has such an influence in that direction,

even though it has a tremendous power in other ways on the country. I am not afraid of the bill at all. I do not think it will harm the chain stores. It will not. Let us be truthful — it will not help the independent stores very much. The independent stores are not going to raise their prices on account of the passage of this bill. It is hardly more than a drop in the bucket to the independent stores but it is the principle to me of the inequality of taxation that is involved here. I do not minimize the good the chain stores have done or may have done in Maine in the purchase of Maine products nor do I exaggerate the harm the chain stores may have inflicted upon the independent stores. There is much to be said on both sides of that, and we should not consider the purchasing of Maine products in determining whether this bill should pass or not. They are going to buy just the same.

Much has been said about potatoes, how the chain stores sell potatoes. They are going to buy potatoes. Certainly it is a truism that if they are going to sell them they will buy them. They will buy where the price is advantageous. I hardly believe they will go to Idaho to purchase potatoes when Maine raises so many just because this bill may pass. As long as the law concerning taxation or stocks in trade in Maine is on the books and as long as I may be a member of the legislature — and I rather think I may not be here next year from the letters I have received — I shall vote for a bill of this kind for the reason that I have spoken of.

One of the worst things in the world is self-deception. To get into the way of thinking we deceive ourselves is equally as bad as to be deceived by the assertions of others, taking them on their face without giving them due consideration. It is an unfortunate situation to be affected in that manner and I want to quote you a line to show you how bad such a situation is, when we are deceived by something that is said. I quote you the words of an English poet of more than 300 years ago, "When my love swears she tells the truth, I do believe her though I know she lies."

Mr. CHASE of Washington: Mr. President, before this legislature

convened I made the statement that I would go along with what I considered an equitable retail store tax. The tax in its present brackets does not meet with my idea of an equitable tax and therefore, I cannot vote for it. Furthermore, it is going to be hard for me to support any measure which has been converted into an Arabian Nights vehicle for the purpose of making a journey toward the Governor's chair.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Aroostook, Senator Tompkins that the majority report "ought to pass" be accepted.

Mr. HILL of Cumberland: Mr. President, it has not been my expectation or intention to speak on this measure which has been so ably discussed by the several senators who have spoken in support of the motion of the Senator from Aroostook (Senator Tompkins), and so ably discussed by several others who have spoken in opposition.

I assume that each member of this body at this time has very likely reached the decision in his own judgment as to how his vote should be cast on this measure. But within a day or two there was brought to my attention a publication in which the impression seems to be very definitely given that certain members of this Senate and certain members of the House of Representatives were definitely committed in support of this bill.

And so I wish to say, Mr. President, my name having been included in that list, that it seems to me there is some definite misunderstanding if anyone has carried away that impression, so far as I personally am concerned.

In May, 1938, I received from the Maine State Grocers Association a letter in the form of what was designated as a special bulletin and in that special bulletin, addressed to legislative candidates, inquiries were made as to the views of the several candidates, and four specific questions therein propounded.

Now, Mr. President, if the Senate will bear with me for a moment, I would like to read to the Senate from a copy of a letter which I addressed to the Maine State Grocers Association in reply to that communication and to say that my position on this matter is the same now as it was then. This letter, sent on May 21, 1938, is as follows:

Maine State Grocers Association
102 Portland Street
Portland, Maine
Gentlemen:

Your special bulletin of May 14 addressed to legislative candidates is received, and I am glad to inform you of my present opinion relating to the matters about which you inquire. May I not make it clear, however, that I think it my duty as a candidate to reserve the right, if elected to the Senate, to pass judgment on these questions upon the basis of the actual bills drawn and presented to the legislature and the information submitted at that time.

In the light of the foregoing my answer to your inquiries is as follows:

1. I favor re-enactment of the Retail Store Tax repealed by the 88th Legislature, with the license fees fixed on a graduated scale at such rates as may be reasonable and proper. If such a bill is passed there should be at least a corresponding decrease in some other tax or fees, possibly motor vehicle registration fee, so that the total tax burden of the people will not be increased.

2. I favor legislation designed to eliminate cut-throat competition and unfair trade practices in the sale of groceries, provided the bill can be so drafted as not to conflict with the Constitution and not to impose any unjust or unfair burden upon the consumer.

3. I favor legislation requiring specification of the name of the packer, location of cannery and contents as "Maine Grown" upon Maine canned products.

4. I know of no objection to setting the date for automobile registration on June first of each year.

Trusting this gives you satisfactory information concerning my attitude towards these questions, I am
Very truly yours.

(Signed) GEORGE E. HILL.

Now, Mr. President, it is not my statement and it is not my belief that there has been any deliberate effort on the part of this association or anyone else to misrepresent the views expressed in that letter. I believe that whatever information was given out was conscientiously expressed. But certain views expressed in that letter I do not believe can be expressed by some categorical declaration properly represented by a cross or a mark or

indication or design that the writer would support this particular bill now pending before the Senate.

In accordance with the right expressly reserved in that letter I have endeavored to exercise my judgment on this measure after listening throughout the session to the arguments that have been advanced in its support and those presented in opposition. I believe the rates expressed in this bill are excessive. I hold no brief for the chain stores. I dislike concentration of power. I dislike this tendency toward monopoly. My natural sympathies are with the independent men, the man engaged in his own business, and if by the passage of the bill now pending I could see that prosperity would be restored to the independent merchants of Maine I should vote for it. But there has been nothing to convince me that that result would follow. On the other hand, it appears to me that if this measure is enacted a very likely result would be an increase in this movement and super-markets so-called, and that competition would be made more difficult for the independent grocers.

Now this tax at this rate, \$300 a store, is a heavy tax. It is not re-enactment of the old tax which was \$50 a store. \$300 a store I believe will not be absorbed by the business upon which the tax is directly imposed but it will be passed on to the consumer and will come in the last analysis, as does nearly every other tax, from the pockets of the people.

My efforts, Mr. President, during the session have been devoted to the direction of decreasing if possible certain expenditures and to the direction of avoiding if possible an addition to the tax burden that already bears heavily on the people of Maine, and I confess that the time may come before this session adjourns when we may find that there is no solution left in order to balance the budget and to meet a reasonable amount of the demands presented to this body except by the passage of a tax measure of some sort. And when we are convinced that that time has come then a different light may be cast upon some of these tax measures. The Senator from York, Senator Wentworth, has this afternoon presented a program to the Senate by which he hopes that the raising of addi-

tional revenue may be avoided.

I have not examined the program or had an opportunity yet to determine whether I should favor or oppose the particular suggestions, but if they be found desirable it may be possible for this legislature to adjourn without increasing the tax burden.

And so, Mr. President, in view of the rate held in this particular bill and in view of the present status of the financial program, that has not been disentangled, to say what extent new revenue may or may not be necessary, in view of those facts my vote will be cast in opposition to the motion of the Senator from Aroostook, Senator Tompkins. There is pending in the legislature, already passed to be engrossed in this Senate, I believe, a bill in which I have been very much interested, which I think will really help the independent grocers and merchants of Maine. I refer to L. D. 577, entitled, An Act Defining and Prohibiting Unfair Sales Practices. That bill, designed to eliminate cut-throat competition, to my mind is a much preferable approach to the difficulties that are at present besetting our independent merchants, and I believe under that measure good will be accomplished for those merchants but I am unable to see whereby they would profit by the passage of the pending bill.

The PRESIDENT: The question is on the acceptance of the "ought to pass report" and the Senator from Aroostook, Senator Tompkins, asks that when the vote is taken it be taken by the yeas and nays. Before the yeas and nays can be taken it is necessary that one fifth of the members of the Senate present vote in favor of the yeas and nays. Is the Senate ready for the question?

A division of the Senate was had.

A sufficient number obviously having arisen, the yeas and nays were ordered.

The Secretary called the roll.

YEA: Becket, Boothby, Boucher, Burns, Chamberlain, Chase, Cony, Dorr, Morse, Owen, Tompkins—11.

NAY: Chase, Findlen, Friend, Graves, Harkans, Hill, Kennedy, Laughlin, Lewis, Littlefield, Marden, Osgood, Sanborn, Spear, Thatcher, Wentworth, Worthen—17.

ABSENT: Cook, Dow, Elliot, Hamel—4.

Eleven having voted in the affirmative and seventeen opposed, the motion to accept the majority report "ought to pass" did not prevail.

Mr. CHAMBERLAIN: Mr. President, pending an amendment, I move the bill be laid upon the table.

The PRESIDENT: The Chair must rule that the motion is not in order.

On motion by Mr. Spear of Cumberland, the minority report of the committee "ought not to pass" was accepted in non-concurrence.

Mr. CHAMBERLAIN: Mr. President, pending an amendment, I move the bill be laid upon the table.

The PRESIDENT: The Chair must rule the motion is not in order.

Sent down for concurrence.

The PRESIDENT: Is there further business to come before the Senate?

On motion by Mr. Findlen of Aroostook

Adjourned until tomorrow morning at ten o'clock.