

# MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

*Ninety-Fourth Legislature*

OF THE

STATE OF MAINE

1949

DAILY KENNEBEC JOURNAL  
AUGUSTA, MAINE

**SENATE**

Monday, April 18, 1949.

The Senate was called to order by the President.

Prayer by the Reverend Hazen F. Rigby of Gardiner.

Journal of Friday, April 15th, 1949 read and approved.

**From the House**

Bill "An Act Relating to the Powers of Tax Assessors." (H. P. 2063) (L. D. 1498)

(In the House, received by unanimous consent and referred to the Committee on Taxation.)

In the Senate:

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, I am extremely reluctant to refuse unanimous consent to any bill and that action I have never taken before, and if it were not as late as it is in the session I am sure none of us would want to refuse that unanimous consent to this bill. However, before indicating that exclusion I would like very briefly to tell the Senate what the bill is.

Under the provisions of Section 35 of Chapter 81 the tax payer is required to submit lists to the local assessors and his failure to submit those lists means that he loses certain of his rights in a request for an abatement, but if at a later time he requests an abatement he may submit the lists and if he gives some reasonable cause as to why he did not submit them at the proper time the assessors will consider the abatement. This bill would change that and make it a misdemeanor for any property owner to fail to submit those lists to the assessors and subject that person to a fine of \$50 or imprisonment for thirty days.

There may be a good deal of merit in the bill but since it applies not to one city but to all cities and towns having one or more paid full-time assessors, it seems to me it is that type of bill which should come into the legislature very early in the session and have good public

hearing and discussion and not be considered when we are within two or three weeks of final adjournment when those who would be very vitally affected might not realize what we were doing.

For that reason and for the reason that a similar bill which applies only to the city of Portland was turned down by the Legal Affairs Committee, probably for the same reasons that this bill might be turned down by the Committee on Taxation, I offer my objection to the acceptance of the bill.

The PRESIDENT: The Chair having heard objection to the admission of the bill, unanimous consent is not given and the bill is not received.

Bill "An Act Relating to Applications for Liquor Licenses." (S. P. 449) (L. D. 799)

(In the Senate on March 11th passed to be engrossed as amended by Committee Amendment "A".)

Comes from the House, passed to be engrossed as amended by Committee Amendment "A" and by House Amendment "A" in non-concurrence.

In the Senate, on motion by Mr. Baker of Kennebec, the rules were suspended and the Senate voted to recede from its former action whereby the bill was passed to be engrossed.

On further motion by the same Senator, House Amendment "A" was read and adopted in concurrence, and the bill as amended by Committee Amendment "A" and by House Amendment "A" was passed to be engrossed in concurrence.

The Committee on Judiciary to which was recommitted Bill "An Act Limiting the Filing of Proof of Financial Responsibility," (H. P. 578) (L. D. 176) reported the same in a new draft (H. P. 2027) (L. D. 1416) under a new title, Bill "An Act Relating to the Financial Responsibility Law," and that it ought to pass.

Comes from the House, the report read and accepted, and subsequently the bill committed to the Com-

mittee on Mercantile Affairs and Insurance.

In the Senate, on motion by Mr. Turgeon of Androscoggin, the bill and accompanying papers were laid upon the table pending consideration of the report.

The Committee on Sea and Shore Fisheries on "Resolve Regulating Smelt Fishing in Union River, Hancock County," (H. P. 603) (L. D. 241) reported that the same ought to pass as amended by Committee Amendment "A".

Comes from the House, report read and accepted, Committee Amendment "A" indefinitely postponed, and the bill passed to be engrossed.

In the Senate, on motion by Mr. Larrabee of Sagadahoc, the "Ought to Pass" report was accepted in concurrence and the bill was given its first reading.

On further motion by the same Senator, Committee Amendment A was indefinitely postponed in concurrence, and the bill was tomorrow assigned for second reading.

The same Committee on Bill "An Act Relating to Smelt Fishing in the Tidewaters of the Penobscot River and Its Tributaries," (H. P. 1320) (L. D. 689) reported that the same ought to pass as amended by Committee Amendment "A".

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

In the Senate, the report was read and accepted and the bill was given its first reading. House Amendment A was adopted in concurrence, and the bill as amended by House Amendment A was tomorrow assigned for second reading.

The Committee on Claims on "Resolve in Favor of Harold Young, of Manchester," (H. P. 548) reported that the same ought not to pass.

Comes from the House, recommended to the Committee on Claims.

In the Senate, the report was read and on motion by Mr. Smart of Hancock, the resolve was recommitted to the Committee on Claims in concurrence.

The Committee on Ways and Bridges on Bill "An Act Freeing the Richmond-Dresden Bridge of Tolls," (H. P. 1014) (L. D. 441) reported that the same ought not to pass.

Comes from the House, recommended to the Committee on Ways and Bridges.

In the Senate, the report was read and on motion by Mr. Crosby of Franklin, the bill was recommitted to the Committee on Ways and Bridges, in concurrence.

The Committee on Judiciary to which was recommended Bill "An Act Relating to the Establishment of a Civil Defense Agency and Other Organizations," (H. P. 1301) (L. D. 656) and New Draft of same under title of Bill "An Act Relating to the Establishment of a Civil Safety Council," (H. P. 2013) (L. D. 1398) reported that the new draft ought to pass as amended by Committee Amendment "A".

Comes from the House, passed to be engrossed as amended by Committee Amendment "A" and as amended by House Amendment "A" thereto.

In the Senate, on motion by Mr. Cobb of Oxford, the report was read and accepted in concurrence and the bill was given its first reading. House Amendment A to Committee Amendment A was adopted in concurrence. Committee Amendment A as amended by House Amendment A thereto was adopted in concurrence; and the bill as so amended was tomorrow assigned for second reading.

The Committee on Claims on "Resolve in Favor of Mrs. Charles Boyce of Cumberland Mills," (H. P. 165) (L. D. 53) reported that the same ought to pass.

The Committee on Welfare on Bill "An Act Relating to Aid to Dependent Children," (H. P. 1009) (L.

D. 440) reported that the same ought to pass.

Which reports were severally read and accepted in concurrence, the bill and resolve read once and tomorrow assigned for second reading.

The Committee on Salaries and Fees to which was recommitted Bill "An Act Relating to Salaries of Deputy Register of Deeds and Clerks in the Office of Register of Deeds, in the County of Cumberland," (H. P. 1760) (L. D. 1032) reported the same in a second new draft (H. P. 2060) (L. D. 1489) under the same title, and that it ought to pass.

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

The Committee on Salaries and Fees on Bill "An Act Relating to the Salaries of Certain County Officials in Knox County," (H. P. 599) (L. D. 182) reported the same in a new draft (H. P. 2059) (L. D. 1488) under a new title, Bill "An Act Relating to the Salary of the Judge of Probate in Knox County" and that it ought to pass.

Which report was read and accepted, in concurrence, and the bill in new draft and under a new title was read once, and tomorrow assigned for second reading.

The Committee on Inland Fisheries and Game on "Resolve Relative to Sale of Hatcheries and Feeding Station Property Authorized," (H. P. 1398) (L. D. 761) reported the same in a new draft (H. P. 2056) (L. D. 1485) under the same title and that it ought to pass.

The Committee on Judiciary on Bill "An Act Relating to Jurisdiction of Divorce Actions by Justice of Superior Court in Vacation," (H. P. 1717) (L. D. 1074) reported the same in a new draft (H. P. 2062) (L. D. 1491) under the same title, and that it ought to pass.

The Committee on Legal Affairs on Bill "An Act to Amend the Charter of the City of Waterville to

Provide for the Appointment of One Full-time Assessor," (H. P. 1639) (L. D. 992) reported the same in a new draft (H. P. 2053) (L. D. 1482) under the same title, and that it ought to pass.

The Committee on Sea and Shore Fisheries on Bill "An Act Relating to Pollution of Tidal Waters," (H. P. 1318) (L. D. 687) reported the same in a new draft (H. P. 2054) (L. D. 1483) under the same title, and that it ought to pass.

The same Committee on Bill "An Act Relating to the Sale or Packing of Herring," (H. P. 1350) (L. D. 700) reported the same in new draft (H. P. 2057) (L. D. 1486) under the same title, and that it ought to pass.

Which reports were severally read and accepted in concurrence, and the bills and resolves in new draft read once, and tomorrow assigned for second reading.

The Committee on Legal Affairs on Bill "An Act Relating to a Police Commissioner for the City of Waterville," (H. P. 1638) (L. D. 991) reported that the same ought to pass as amended by Committee Amendment "A".

The Committee on Judiciary on Bill "An Act Relating to the Support of Dependent Wives, Children and Poor Relatives," (H. P. 1718) (L. D. 1075) reported that the same ought to pass as amended by Committee Amendment "A"

The Committee on Sea and Shore Fisheries on Bill "An Act Relating to the Taking of Clams, Quahogs, Mussels and Worms in the Town of Isleboro," (H. P. 1799) (L. D. 1141) reported that the same ought to pass as amended by Committee Amendment "A".

The Committee on Salaries and Fees on Bill "An Act Relating to the Salaries of the Judge and the Clerk of the Auburn Municipal Court," (H. P. 1849) (L. D. 1187) reported that the same ought to pass as amended by Committee Amendment "A" enclosed herewith.

The Committee on Legal Affairs on Bill "An Act to Create the Mount Desert Island Secondary Community

School District," (H. P. 1911) (L. D. 1274) reported that the same ought to pass as amended by Committee Amendment "A".

The Committee on Sea and Shore Fisheries on Bill "An Act Relating to the Digging of Clams in the Town of South Bristol," (H. P. 1943) (L. D. 1315) reported that the same ought to pass as amended by Committee Amendment "A".

The same Committee on "Resolve Relative to Catching Lobsters Near Monhegan," (H. P. 674) (L. D. 220) reported that the same ought to pass as amended by Committee Amendment "A".

The Committee on Judiciary on "Resolve to Provide for a Refund of Contributions to Certain Teachers," (H. P. 1500) (L. D. 855) reported that the same ought to pass as amended by Committee Amendment "A".

Which reports were severally read and accepted in concurrence, and the bills and resolves read once; Committee Amendments "A" were severally read and adopted in concurrence, and the bills as amended were tomorrow assigned for second reading.

The Majority of the Committee on Taxation on Bill "An Act Imposing a Personal Income Tax and an Additional Corporate Franchise Tax," (H. P. 1821) (L. D. 1130) reported that the same ought not to pass.

(signed)

Senator: NOYES of Hancock

Representatives:

WIGHT of Bangor  
 CARTER of Bethel  
 DOW of Falmouth  
 DUQUETTE of Biddeford  
 CHASE of Cape Elizabeth  
 DORSEY of Fort Fairfield  
 LONGSTAFF of Crystal

The Minority of the same Committee on the same subject matter reported the same in a new draft, (H. P. 2046) (L. D. 1481) under a new title, Bill "An Act Imposing a Personal Income Tax," with a state-

ment by the signers thereof, and that it ought to pass.

(Signed)

Senators: HASKELL of Penobscot  
 ALLEN of Cumberland

Comes from the House, the majority report read and accepted.

In the Senate, on motion by Mr. Noyes of Hancock, the bill and accompanying papers were laid upon the table pending acceptance of either report, and especially assigned for later in today's session.

#### First Reading of Printed Bills

Bill "An Act Relating to Trespass." (S. P. 611) (L. D. 1492)

Bill "An Act Relating to Compensation of Justices of the Supreme Judicial and the Superior Courts Upon Retirement." (S. P. 662) (L. D. 1493)

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

Bill "An Act Relating to Salaries of Somerset County Officers." (S. P. 663) (L. D. 1494)

Which bill was read once.

Mr. Collins of Aroostook presented Senate Amendment A and moved its adoption:

"Senate Amendment A to L. D. 1494. Amend said bill by striking out the underlined figure '\$2,100' in the last line of section 6 thereof and inserting in place thereof the underlined figure '\$2,200'".

Mr. COLLINS of Aroostook: Mr. President, in explanation I might say that this amendment relates to the salary of the Judge of Probate of Somerset County and in our committee's executive session we apparently had a misunderstanding as to the salary for this particular officer. I have taken this up with the other Senate members of the committee, and this is the correction that should be made to put the salary in line with the others, and makes it what it should be.

Thereupon, Senate Amendment A was adopted, and the bill as so amended was tomorrow assigned for second reading.

Bill "An Act Relating to Elevators." (S. P. 664) (L. D. 1495)

Which bill was read once and tomorrow assigned for second reading.

Bill "An Act Relating to Salaries of State Department Heads Set by Statute." (S. P. 665) (L. D. 1496)

(Which bill was read once, and on motion by Mr. McKusick of Piscataquis, tabled pending assignment for second reading.)

#### Senate Committee Reports

Mr. Smart from the Committee Claims on "Resolve in Favor of Robert G. Spaulding, of Thomaston," (S. P. 247) reported that the same ought not to pass.

Mr. Ward from the Committee on Interior Waters on Bill "An Act Relating to Building and Maintaining Dams," (S. P. 518) (L. D. 1050) reported that the same ought not to pass.

The same Senator from the same Committee on Bill "An Act Relating to Dams as Nuisances," (S. P. 519) (L. D. 1049) reported that the same ought not to pass.

The same Senator from the same Committee on "Resolve Relative to Changing the Name of Umsaskis Lake to Dow Lake," (S. P. 350) (L. D. 576) reported that the same ought not to pass.

Mr. Larrabee from the same Committee on Bill "An Act Relating to Pollution of Waters of Sebago Lake Used by the Portland Water District," (S. P. 458) (L. D. 910) reported that the same ought not to pass.

The same Senator from the same Committee on Bill "An Act Relating to Maintaining Water at Fixed Limits in Power Development," (S. P. 517) (L. D. 1048) reported that the same ought not to pass.

Which reports were severally read and accepted.

Sent down for concurrence.

Mr. Ward from the Committee on Judiciary on Bill "An Act Relating to Punishment of Violations of

Public Utility Laws," (S. P. 545) (L. D. 1166) reported the same in a new draft (S. P. 669) under the same title, and that it ought to pass.

Mr. Crosby from the Committee on Ways and Bridges on "Resolve Proposing an Amendment to the Constitution to Authorize the Issuing of Bonds to be Used for the Purpose of Building Highway or Combination Bridges Authorized by the Legislature," (S. P. 268) (L. D. 398) reported the same in a new draft (S. P. 670) under the same title and that it ought to pass.

Mr. Brewer from the same Committee on Bill "An Act Relating to Deer Isle-Sedgwick Bridge District," (S. P. 392) (L. D. 709) reported the same in a new draft (S. P. 671) under the same title, and that it ought to pass.

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

Mr. Varney from the Committee on Claims on "Resolve in Favor of the Town of Princeton," (S. P. 456) reported that the same ought to pass.

Which report was read and accepted, and the resolve laid upon the table for printing under the joint rules.

Mr. Greeley from the Committee on Ways and Bridges on Bill "An Act Relating to Surveys of State Highways," (S. P. 587) (L. D. 1245) reported that the same ought to pass.

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

Mr. Brewer from the Committee on Ways and Bridges on Bill "An Act Increasing Pensions of Retired Members of the State Police," (S. P. 614) (L. D. 1304) reported that the same ought to pass as amended by Committee Amendment "A" attached herein.

Which report was read and accepted and the bill read once; Committee Amendment A was read:

"Committee Amendment A to L. D. 1304. Amend said bill by striking out in the 4th line thereof the words, 'or hereafter.' Further amend said bill by adding at the end thereof a new paragraph as follows:

"The provisions of this act shall be in effect until June 30, 1951. It is the intent of the legislature to change the present retirement pay until June 30, 1951, after which time the present retirement pay shall return to full force and effect.

Which amendment was adopted and the bill as so amended was tomorrow assigned for second reading.

Mr. Crosby from the same Committee on Bill "An Act to Authorize the Construction of a Combination Highway and Railroad Bridge Across Fore River," (S. P. 267) (L. D. 397) reported that the same ought to pass as amended by Committee Amendment "A" and by Committee Amendment "B" attached herein.

Which report was read and accepted, and the bill read once.

Committee Amendment A was read:

"Committee Amendment A to L. D. 397. Amend said bill by striking out in the 11th, 12th, and 13th line thereof, the following: 'shall be defrayed from the joint state and federal funds consisting in part of sums apportioned to the state under the Federal Aid Highways Act of 1944 and 1948 to the extent of one million dollars and the balance and remainder of such costs.'

Further amend said bill by striking out in the 19th and 20th lines of Section 2, the words 'same rate as the state shall pay on bonds issued pursuant to the proposed amendment of the Constitution aforesaid' and inserting in place thereof the words and figures 'rate of 2½ percent per year.'

Which amendment was adopted.

The Secretary read Committee Amendment B:

"Committee Amendment B to L. D. 397. Amend said bill by inserting after the second sentence of Section 1 thereof, a new sentence to read as follows. 'the highway approaches thereto shall have two main outlets on the South Portland end connecting to U. S. Route 1 on Maine Street in the vicinity of Cox and Lincoln Streets and Main Street Terrace, South Portland, and shall have an entrance into the traffic circle if practical'."

Which amendment was adopted, and the bill as amended by Committee Amendments A and B was tomorrow assigned for second reading.

Report "A" from the Committee on Labor on Bill "An Act to Provide Facilities for the Peaceful Settlement of Industrial Disputes Through Mediation," (S. P. 191) (L. D. 244) reported that the same ought to pass.

(Signed)

Senators:

HASKELL of Penobscot  
COLLINS of Aroostook

Representatives:

CASTONGUAY of Waterville  
DOSTIE of Lewiston  
BROWN of Baileyville

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

(Signed)

Senator:

HOPKINS of Kennebec

Representatives:

SHARPE of Anson  
CHAPLES of Hudson  
LARRABEE of Westbrook  
LARRABEE of Bath

On motion by Mr. Hopkins of Kennebec, the bill and accompanying papers were laid upon the table pending consideration of either report.

Mr. Edwards from the Committee on Legal Affairs on "Resolve Authorizing Board of Examiners of



Funeral Directors and Embalmers to Issue Licenses to Arthur Andrews of Rockland," (S. P. 484) (L. D. 948) reported that the same ought not to pass.

On motion by Mr. Sleeper of Knox, tabled pending consideration of the report.

Mr. Batchelder from the Committee on Legal Affairs on Bill "An Act to Incorporate the Town of Cherryfield School District," (S. P. 353) (L. D. 588) reported that the same ought to pass as amended by Committee Amendment "A"

Which report was read and accepted, and the bill read once; Committee Amendment A was read:

"Committee Amendment 'A' to L. D. 588. Amend said bill by striking out in the 3rd line of Sec. 3 thereof the figure '\$40,000' and inserting in place thereof the figure '\$30,000'.

Further amend said bill by inserting after Sec. 6 a new section to be numbered Sec. 7 and to read as follows: 'Sec. 7. Authority to receive from the town of Cherryfield. The town of Cherryfield school district is hereby authorized to receive from the town of Cherryfield and said town of Cherryfield is hereby authorized to transfer and convey to said district, any property, real, personal or mixed, now or hereafter owned or held by the town of Cherryfield for school purposes, and any sum of money or other assets which the said town of Cherryfield has raised or may raise, either by taxation, borrowing or otherwise, for school purposes. Before transferring any conveying any of said property or turning over any of said funds or assets, the municipal officers of the town of Cherryfield shall be duly authorized to do so by a majority vote of the legal voters present at any annual or special town meeting the call for which shall have given notice of the proposed action.'

Further amend said bill renumbering 'Sec. 7' to be 'Sec. 8'.

Further amend said bill by adding after the word 'meeting' in the next

to the last sentence thereof the following: '; provided that the total number of votes cast for or against the acceptance of this act at said meeting equals or exceeds 20% of the total vote for all candidates for governor in said town at the next previous gubernatorial election'".

Which amendment was adopted, and the bill as so amended was tomorrow assigned for second reading.

The Committee on Bills in the Second Reading reported the following Bills:

Bill "An Act to Amend the Charter of the Yarmouth Water District." (H. P. 1068) (L. D. 474)

Bill "An Act Relating to Permits for Interstate Carriers." (H. P. 1527) (L. D. 858)

Bill "An Act to Dissolve Portland Bridge District and Transfer Property to State." (H. P. 1673) (L. D. 980)

Bill "An Act to Amend the Charter of the City of Auburn to Provide for Two Councilmen at Large." (H. P. 1999) (L. D. 1382)

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

Bill "An Act Relating to Night Harness Horse Racing." (H. P. 2006) (L. D. 1388)

Which was read a second time.

Thereupon, Mr. Cobb of Oxford presented Senate Amendment "A", an on motion by the same Senator, the bill was laid upon the table pending consideration of Senate Amendment "A".

Bill "An Act to Ratify and Make Valid the Incorporation of Second Congregational Society of Searsport Harbor, in Searsport, Maine." (H. P. 2050) (L. D. 1476)

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

Bill "An Act Relating to Installations in Public Highways." (H. P. 2052) (L. D. 1478)

(On motion by Mr. Ward of Penobscot, tabled pending passage to be engrossed.)

Bill "An Act to Repeal the Incorporation of Bridgton Centre Village Fire Corporation and Bridgton Centre Village Corporation." (H. P. 361) (L. D. 124)

Bill "An Act to Incorporate the Bluehill Water District." (H. P. 1885) (L. D. 1256)

Bill "An Act Amending the Unemployment Compensation Law as to Payment of Benefits." (H. P. 2031) (L. D. 1438)

Which were severally read a second time and passed to be engrossed, as amended, in concurrence.

Bill "An Act Providing for a Standard of Electrical Installations." (S. P. 652) (L. D. 1451)

Bill "An Act Pertaining to the Definition of a Contract Carrier." (S. P. 659) (L. D. 1479)

Bill "An Act Relating to Road Equipment on Private Ways." (S. P. 660) (L. D. 1480)

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

Sent down for concurrence.

Bill "An Act Relating to the Sales and Marketing of Eggs." (S. P. 374) (L. D. 640)

Which was read a second time and passed to be engrossed, as amended.

Sent down for concurrence.

### Orders of the Day

The President laid before the Senate, Majority Report of the Committee on Taxation "Ought Not to Pass" on bill, An Act Imposing a Personal Income Tax and an Additional Corporate Franchise Tax (H. P. 1821) (L. D. 1130); Minority Report of the same committee on the same subject matter, "Ought to Pass in New Draft" under a new title, "An Act Imposing a Personal Income Tax" (H. P. 2046) (L. D. 1481); tabled earlier in today's session by the Senator from

Hancock, Senator Noyes, pending acceptance of either report and later in today's session assigned.

Mr. NOYES of Hancock: Mr. President, I move the acceptance of the majority ought not to pass report of the committee. The hour is late, and I can see no use in having a lengthy debate, and no purpose in making a long speech. I might tell the Senate very briefly why I oppose an income tax in the State of Maine. It has been said from the floor of this Senate that a sales tax was not the right approach. I don't feel that an income tax is the right approach. If we are to pass a tax measure considering political expediency, or taking the course of least resistance, then we might pass an income tax. I don't subscribe to that kind of doctrine. I believe that the income tax and ability to pay propaganda is false and should be exposed.

It seems to me that those people who are laboring under the assumption that an income tax is the solution to increased government costs are laboring under false and cruel illusion. Increasing costs of government tend to drive us toward state socialism, and increasing income taxes accelerate that trend.

This tax bill carries a two per cent levy. You all know that the original bill carried a three per cent levy on personal income and four per cent on corporations, and since that time the corporation tax has been stricken. At one time we considered a four per cent income tax, and another time it was two and a half, and now it's two, and under the statement of facts as submitted by the minority members, before this bill is enacted, if it is enacted, it could well be changed again to a two, four, or a six per cent tax. That is the danger of enacting income tax legislation in the State of Maine. You don't know where it will stop. If you start with two per cent income tax this year, and two years hence we need two and a half million dollars additional revenue, that income tax when changed to

three per cent will produce it. That is an easy way of doing it, and it is my contention that any further increase in the income tax in this country is wrong.

I believe in free enterprise, and I believe that a man who has an idea, a man who has vision, should have the inducement to go ahead and make money. That is what has built this country. That is what this country stood for. We have developed a nation which in the last generation has financed two world wars. Today we are financing the reconstruction and rehabilitation of the world, and I don't propose to stand in this Senate and vote for a mode of taxation which I feel will ultimately destroy the wealth of this country, and destroy with it the middle class of people that are the backbone of the nation.

I feel that the history of the income tax in England should be illustrated enough to show us what not to do, for the history of the income tax in England dates back for one hundred fifty years. And today with the income tax practically twice the rate that we have in this country, England is going through a period of socialism. True, they are doing a pretty good job, but they are being subsidized by the American taxpayer, and if we took the subsidy away, I wonder what would happen to England. I also wonder if we went through with an experiment in socialism who would subsidize us. Those very briefly, Senators, are some of the reasons why I oppose the state income tax.

Mr. HASKELL of Penobscot: Mr. President and Members of the Senate, I, too, will try to be brief in summarizing the reasons why I supported the income tax in committee, having voted against the sales tax in committee, and having witnessed both branches of this Legislature, insofar as the majority is concerned, vote against the sales tax.

Obviously, for any of us to vote for either of these taxes, we must be reasonably well convinced of

need. Certainly, it is too late in the day to recite again those bore-some figures on need. But our general fund budget is some three million eight hundred thousand dollars in excess of existing revenue sources. On top of that, we have many legislative documents which this body has passed, and which the other body apparently wants to continue to pass, and I refer to the various education bills, the state employees bill, and the University of Maine bill. The critical need of those bills, I think, is best reported by two conversations that I had over the weekend. The first was in the form of a telephone call from Dr. Hauck when he asked me to confirm the fact that no tax measure meant no continuation of the supplementary appropriation of the University of Maine. Dr. Hauck was reconciled to that fact. But honestly, Senators, with tears in his voice, he asked me whether I realized what that meant to those Maine boys and girls who are at the University of Maine today who are asking for scholarship aid, and who, if that supplemental appropriation was denied, must be faced with an additional tuition charge of one hundred dollars a year on top of the tuition which is already the highest among the land-grant colleges. A second conversation was had yesterday morning with the directing heads of the Eastern Maine General Hospital when they came down to tell me, not that they were dissatisfied with the thought that their appropriation would be cut out entirely and they would go back onto the basis that they were on last year, but to tell me that they were going to refuse state-aid patients, unless the six hundred thousand dollars that they requested was included in the budget, and obviously no substantial tax means not the six hundred thousand dollars and not the four hundred thousand dollars. To me, that simply means that that hospital is going to turn back onto the cities and towns in eastern and northern Maine the financial bur-

den of taking care of the hospital aid cases.

I think probably each one of us here in this Senate realizes that need does exist. I don't hold to the theory that increased spending necessarily means a trend toward state socialism. Rather, I hold that adequate taxes paid by those with adequate means to pay those taxes may be the honest path away from communism. If that is not true, Senators, the experience of substantially every state in this United States must be a trend toward state socialism, because we do have thirty-four states in this country that have embraced an income tax to provide the services that their people want of their state government.

Now, this tax levying two per cent on individual incomes is not a substantial tax. In fact, I think that possibly many of the opponents of the bill have failed to realize how modest that tax is. On pages four, five and six of the L. D. 1481, you will note that a person with an income of forty dollars a week, if he has a wife and two children, pays nothing. If he is fortunate enough to earn fifty dollars a week, or twenty-six hundred dollars a year and he has a wife and two children he pays nothing. If he earns seventy-five dollars a week and has a wife and two children, he has a yearly tax bill of twenty-three dollars to pay on his income. And if he is up in the five thousand dollars per year bracket and has a wife and two children he contributes forty-two dollars, or substantially less than one per cent of that income, to state government. To me, that is modest, and to me it is substantially fairer than the sales tax approach, and it is substantially fairer than the stop-gap type of taxes where we see the cigarette tax go from two to four cents, where we see other stop-gap measures that have been passed in this Legislature and may again be passed in this Legislature.

I have heard many substantial arguments that an income tax if

passed in this state would mean that we would drive from our borders those wealthy citizens who presumably are here to avoid state income taxes. Now, in the first place, let us see where those people can go if they want to avoid state income taxes. They have fourteen choices, because we are one of fourteen states that do not have a state income tax. They can go to Florida, but they wouldn't like that in the summers when hot weather comes. I don't believe that would appeal to them. Mexico and Nevada probably do not offer them a thing that they want, and the mosquito flats of Jersey wouldn't be too attractive. Ohio isn't a place you would think they would go for the type of living they want. South Dakota I don't believe would appeal to them. They might like Texas. That leaves them Wyoming, West Virginia and Washington. Those are the choices these people have, and when they select one or the other of those states, they will really be using good judgment, because they will be getting into a state where the inheritance tax rates are probably lower. As a matter of fact, those same people, Senators, can't afford to die in the State of Maine, and I hold not at all with the theory that we will drive those people from our state. I disbelieve it, because any analysis I have made of inheritance tax income in the State of Maine convinces me that substantially all of our income, year in and year out, county in and county out, comes from fortunes that have their roots in the State of Maine.

I look, also, to the experience of Vermont that has joined the income tax states not too long ago. The Governor of Vermont says that never in their history have they had the influx of those wealthy persons seeking a permanent residence, and certainly the one state in this Union that today is attracting more and more of those people than any other state is California with its very substantial personal income tax.

Now, other arguments against the income tax would have you believe that it will drive industry from our state and into the south. Let's see what the basis of that argument is. If they go to Georgia, the individual rate is seven per cent, the corporation tax five and a half. If they go into the Carolinas, the rates are five and seven per cent and six and four per cent. By and large, all of these states where the opponents visualize our industries are going to migrate, have the same type of tax, I believe, to give to the residents of those states the type of thing that really will attract people to those states, and I refer to better schools, better institutions and the better things of government that you in this Senate have voted for. I think it is particularly significant that the Senator from Hancock, Senator Noyes, has pointed out that this is a tax of expediency. It is the tax, as I understand his use of the word, most likely to be accepted by the people. In that I heartily concur, because I believe the people realize the justice and equity in the income tax approach to the problem. If given an opportunity, which opportunity they never have had, and if in that opportunity the needs for which the many demands exist are spelled out, I have an idea that the selfish wealthy in our state are too few to deny those services to the needy of the state.

I realize, too, the difficulty of stumping for taxes generally. But of the two major types of taxes which someone in this Legislature has got to have the courage to face, or they have got to have the courage to kill the things that those taxes will pay for, it honestly appears to me that the income tax is that type of thing.

I do not entirely share with the Senator the hope that this debate will be brief. To me, it is a very important question, and we ought to give it full debate. We ought to consider the mechanics of this bill. We ought to point out that it is a bill as simple as an income tax can be written. It is written so that

which is taxable is the same figure that appears on your federal income tax. You take that off, subtract your exemptions which are simply the number of persons that you claim for dependents on your federal income tax, multiply them by six hundred dollars, subtract the difference and multiply it by a straight-line per cent, and that is your state income tax. And under the federal tax laws and the rules of the Commissioner of Internal Revenue, the Governor of the State may request and will receive all of the federal income tax data, and in that way we ought to better the record of the other states which indicate collection costs substantially less than one per cent, compared with collection costs on the sales-tax type of approach where if you give the merchants two per cent, will in the aggregate approach five per cent. To me, that is an important factor. The number of persons that you need to collect this type of tax is substantially less than the sales tax.

So, in summary, I plead for the support of an income tax, with the hope that the motion of the Senator from Hancock, Senator Noyes, does not prevail, but stating that I really believe the need exists. I believe this is the fairer of the two taxes, and I believe if either of them will have acceptance in the ballot test, it is going to be the income tax. And each of those who recognize need, and who by their actions have voted for the appropriation bills and the accompanying legislative documents, I honestly believe ought to support the personal income tax as the answer to that problem.

Mr. NOYES of Hancock: Mr. President, the reasons that the Senator from Penobscot gives for supporting an income tax are identically the same reasons that I used in opposing it. He said that it is a very modest tax on those who earn but a little money. That is true. He substantiates the point that I make that the burden is falling on a few people who are

already paying their fair share and more of the cost of government. He says we are not going to drive the people out of the State of Maine, or the argument is that we are not going to drive the people out of the State of Maine, on account of an income tax. People are coming into the State of Maine and by passing an income tax, you are going to remove just that one additional incentive for people to come to the State of Maine. And as far as Florida is concerned, Florida went so far as to pass a constitutional amendment prohibiting an income tax ever being enacted in the State of Florida for the sake of getting those people to come to their state.

As to the burden of this tax, if an income tax is enacted, the entire burden must fall on the people of the State of Maine. With a sales tax, a substantial part of that burden will fall on people outside of the State of Maine far in excess of the difference in the cost of collection.

Mr. ALLEN of Cumberland: Mr. President and members of the Senate, my colleague on the left from Cumberland said that he hoped that this afternoon if I spoke on this tax I would speak to the members of the Senate and not to the members of the House. Therefore, I shall try to keep my voice a little bit lower pitched than it was on that occasion some two weeks ago when I spoke in violent opposition to a sales tax.

My colleague, the Senator from Penobscot, has given us a very calm and collected and deliberate and keen observation of the point of view of why we favor an income tax as against a sales tax, and why we feel that the need exists for some tax measure. I shall speak but a moment. My remarks of two weeks ago were remarks which covered both this tax and the sales tax. However, I would like to say now that it seems to me that in the three sessions that I have been in the Legislature, all three have had a horrible similarity, in

that we again are trying to do the easy thing, trying to pass the buck, trying to tack on patch-work legislation.

The Senator from Hancock has said that the argument, an income tax covers the people best able to pay, is a "false and cruel illusion." It seems to me that an income tax is the fair tax. The Senator from Hancock two weeks ago remarked about those same people coming into the state, and he said that in his opinion it would mean only approximately ten per cent of the proportionate income of a sales tax. I am interested in the people coming in from out of the state, but I said two weeks ago, I am more interested in a tax which will strike here with the ability to pay.

Isn't an income tax fairer than these hidden and what I would describe as sneak taxes which this state has been passing year after year after year simply because the members of this body and the members of the other body in past sessions have been too weak-kneed to face the issue and pass a major tax, kidding the public into thinking they weren't getting any taxes, when they really were slapping on two cents on cigarettes one year and two more the next year, and a tax on tobacco products which is before us for repeal, and which I hope will be repealed, a tax which is detrimental to a whole industry. When a tax gets to that point, it seems to me the power to tax is the power to destroy. It seems to me for those reasons that we should here in this Legislature show a little bit of courage, instead of trying to go about it with a patch-work system which we have and adding to it.

For once, can't this state stand up, the members of this Legislature, and say we are ready to start and do something constructive, rather than pass the buck to the next Legislature with some patch-work conglomeration of taxes which I know and you know, and everyone in the state really knows in their

hearts is merely pushing us towards the wall to where we will stop. We can't do this forever. You can't keep adding taxes on cigarettes, and taxes on running races, and taxes on tobacco products and this that and the other and building up a tax system that will last. We are getting closer and closer to the wall. And for my money, we are pretty close to the wall right now. That is why it was a great pleasure for me to listen to the Governor of this State get up and speak his word honestly and sincerely as to what he really wanted. I was certainly happy to hear a Governor stand here in the State House, as against some of the rest of us and say what he thinks, instead of trying to walk the political fence and duck the issue. I say, Gentlemen, we have ducked the issue too long. I say that a tax which taxes the amount of money that you and I make is the fair tax. It is the only tax that is a fair tax, and for the reasons that I said two weeks ago, the percentage that you or I spend on them to establish what in my opinion will be greater service according to the income of our family, I can't see any other tax but an income tax.

I certainly hope, Mr. President, that the motion of the Senator from Hancock does not prevail, and because I sincerely feel that the people of Maine are interested in what we are doing here, I ask that when the vote is taken, it be taken by a roll call.

Mr. DENNY of Lincoln: Mr. President and members of the Senate, I can go along a hundred per cent with the Senator from Penobscot when he speaks about the needs of the state and the need for some type of taxation and I can go along with him still further and also with the Senator from Cumberland when they say they do not like the hodge-podge taxation system that we now have. I also agree that we need a better basis of taxation, and in opposing the other day the revenue that we would get from both running races and harness races I did not oppose that as a moral issue,

neither did I oppose it because I thought money taken from that source would be tainted money. I opposed it because I felt that it is not good taxation for this state to be dependent upon so many sources of taxation and of revenue, the amount of which we are not certain.

We are all, as citizens of the state and members of the senate, trying to do everything we can to boost the state of Maine and make it attractive to the people who come into the state to establish homes and businesses. I know of no greater danger than to wave before these people who are planning to come into the state, or might come into the state, the threat of an income tax. Certainly, as one coming from a coastal county—and I think to some extent the County of Lincoln is typical of all the counties of the state—an income tax is a bad tax. This can be verified by talking to real estate agents who have contact with people coming into the state to a considerable degree.

I agree with the Senator from Penobscot that it is not going to drive people out of the state. I do not believe any of these people who come in and establish residences here, regardless of their reasons for doing so, will be driven out. However, we are eliminating just that one attraction, which is a very important attraction and which you and I as citizens of the state are using to some extent to attract people to the State of Maine. I think I am very safe in saying that these people who are coming into the state and buying up these small farms, many of them abandoned farms which are growing up to bushes, which are not bringing in tax money to the several towns and which they develop into summer homes, perhaps, in the first instance and with the hope of making them year round homes, paying their fair share of taxes and developing their property, I think we are making a big mistake when we eliminate that attraction for them, and I hope the motion of the sen-

ator from Hancock, Senator Noyes, prevails.

Mr. SLOCUM of Cumberland: Mr. President, I believe that this legislature has taken up this revenue producing bill at the wrong end of the session. The economy bloc, so-called, has allowed any number of appropriations bills to pass without rising and making strenuous objections. If we do not refer to the people of the State of Maine some means of raising additional revenue, we will have to immediately repeal all of these bills which carry appropriations in excess of our present revenue, and I can assure you, from talking with people in the towns of Cumberland County, that it won't be long before we will have to come back here in special session.

The needs are apparent or this legislature would not have had those bills originally. I feel it would have been very much better for us to have gone into the revenue producing bills first and then we would have known where we stood when it came to appropriation bills. I am not worrying at all about those individuals who will leave the state because we have an income tax. Slacker capital is not going to build up this state and I believe very heartily that any person who comes here because he loves the state is willing and glad to pay his full share of the revenue needed to run the essential business of the state.

Putting a tomb stone tax on inheritances is not going to bring in anywhere near the revenue that will be derived from people who will come here realizing that we want to have our state finances run on a simple basis. I am sure that the people want necessary services and are willing to pay for them.

Last year three hundred thousand citizens of Maine paid federal income taxes. It doesn't fall only on a few, and when we realize that we are running up our property tax so high that it is discouraging people from living here and certainly discouraging industries from coming in, we will have to find

some other means of financing the essential business of the state. I am sure that none of us want to add a new tax. We will be damned if we do and we will be damned if we don't, because this past system of adding another ell or another cupola or mortgage on the building of the state is not getting us anywhere. The people should be given the opportunity to say whether they want a new system of taxation and along with that should go all these added and new services that the people are demanding.

I hope the motion of the Senator from Hancock does not prevail.

Mr. BOUCHER of Androscoggin: Mr. President, I personally am opposed to all taxes because I believe that the State of Maine can live within its present income and I also believe that this is not the time to add to the burden of taxes of the citizens of Maine. The Party that I represent is definitely opposed to a sales tax, according to its platform. I do not favor an income tax but we have heard throughout this session that the people are demanding more and more from the State of Maine and we have heard that they are willing to pay for them. We have heard of hearings where demands were made on the state and those appearing at those hearings have voted by a show of hands that they are willing to pay for the services.

Therefore, Mr. President, I for one, and I believe the majority of the members of my Party, are willing to test this demand of the citizens of the state. We have already had tests on sales taxes which have been turned down to my knowledge at least three times in the years that I have been in this legislature.

I shall vote in favor of the income tax with the referendum attached in order to make that test and find out whether the citizens of Maine do or do not want to pay for the increased services of the state. I honestly believe that the return will be "No" but I will submit to the citizens of the State of Maine, who, after all, are our masters. They



sent us here to serve them. I say let us find out their will on this question and give them the chance to say whether they are willing to pay for the extra services that some of the citizens of Maine require.

Mr. SLEEPER of Knox: Mr. President, I am very glad to be able to stand on the same side of the fence and feel the same way that the Senator from Androscoggin feels. I don't know whether I am too much in favor of an income tax or a tax of this sort but I am perfectly willing to submit this to the people and see what method of a major tax they wish to adopt. I was willing to vote against the sales tax because I know that the voters of the state do not favor that form of taxation. It was my—I don't know whether it was a privilege or an honor, but I once heard a very eminent statistician on methods of taxation speak on the subject of taxes. He said there were only two fair methods of taxation. I can't quite agree with his first one. He said that is a sales tax. But he said the sales tax must be nationwide in scope and must not be paid by the retailer, a sales tax ought to be adopted on a national scope and it should be assessed at the source, a manufacturers' sales tax, nationwide at the source and not helping one state at the expense of another. He said the income tax of course is the fairer tax, based on a person's ability to pay and that income tax is within the province of the state. That is exactly the way I feel. We can sit here and argue ourselves black in the face and you cannot say an income tax is not fair. It is based on a person's income. If a man doesn't have the money to pay the tax, he doesn't pay it. If he has plenty of money and is willing to pay it, he pays it.

I don't wish to involve the Senate in any partisan argument but I would like to tell the Senate that any state that ever passed an income tax, the income tax generally stays but any state that passes a sales tax, always changes its politics and the sales tax in a subsequent

session or two later generally turns into an income tax. When I say that I am thinking of Ohio and other states and I am thinking of a state in our own New England groups. A state to the south of us in 1947 passed a three percent sales tax and at the very next election that same state elected a Democratic Governor and a Democratic Senator and is now in the process of changing that sales tax into a tax of a different nature.

I don't feel that this has any real pressure on the matter but I am trying to feel the same way that a person ought to feel on these things. I cannot help but feel that our governor is very learned on these questions and feels the pulse of the people and I would feel that if our governor, a man whom I think very highly of, if that man feels we should not have a sales tax and should have an income tax, I am willing to follow along with him on that basis.

So when the vote is taken and since our vote is going to be recorded, I would like to say that I will vote for the income tax because it is the fairest tax there is, and if we need that income, we certainly should adopt that method.

The PRESIDENT: Is the Senate ready for the question? The question before the Senate is on the motion of the Senator from Hancock, Senator Noyes, that the Senate accept the Majority Report "Ought Not to Pass" of the committee, and the Senator from Cumberland, Senator Allen, has requested the Yeas and Nays. To order the Yeas and Nays requires the affirmative vote of one-fifth of the members present.

A division of the Senate was had.

Obviously more than one-fifth having risen, the Yeas and Nays were ordered.

The PRESIDENT: A vote of Yea is a vote to accept the Majority Report "Ought Not to Pass". A vote of Nay is against the motion.

The Secretary called the roll:

YEA: Batchelder, Bowker, Brewer, Cobb, Collins, Crosby, Denny,

Hopkins, Knights, Larrabee, Noyes, Smart—12.

**NAY:** Allen, Baker, Barnes Boucher, Boutin, Cross, Edwards, Goodwin, Haskell, Leavitt, McKusick, Savage, Sleeper, Slocum, Turgeon, Varney, Ward—17.

**ABSENT:** Brown, Ela, Greeley, Williams—4.

Twelve having voted in the affirmative and seventeen opposed, the motion to accept the "Ought Not to Pass" report did not prevail.

Thereupon, on motion by Mr. Haskell of Penobscot, the Minority Report "Ought to Pass in New Draft" was accepted in non-concurrence; the bill was given its

first reading and tomorrow assigned for second reading.

Mr. Haskell of Penobscot was granted unanimous consent to address the Senate.

Mr. HASKELL of Penobscot: Mr. President and members of the Senate, for those of us who are committee chairmen, we have a request from the House, that we try to avoid executive sessions until after 3:30 or 4:00 o'clock tomorrow afternoon because they hope to have a House session tomorrow afternoon, if I have quoted them correctly.

On motion by Mr. Haskell of Penobscot,

Adjourned until tomorrow morning at ten o'clock.