

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

Ninety-Eighth Legislature

OF THE

STATE OF MAINE

VOLUME I

1957

DAILY KENNEBEC JOURNAL
AUGUSTA, MAINE

HOUSE

Tuesday, April 16, 1957

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

Prayer by the Rev. Mr. Dwain Evans of Augusta.

The members stood at attention during the playing of the National Anthem.

The journal of the previous session was read and approved.

**Papers from the Senate
Senate Reports of Committees
Ought Not to Pass**

Report of the Committee on Business Legislation reporting "Ought not to pass" on Bill "An Act Creating a Hospital Lien Law" (S. P. 443) (L. D. 1261)

Came from the Senate read and accepted.

In the House, the Report was read and accepted in concurrence.

Ought to Pass in New Draft

Report of the Committee on Retirements and Pensions on Bill "An Act relating to Survivor Benefits under Maine State Retirement Law" (S. P. 218) (L. D. 575) reporting same in a new draft (S. P. 524) (L. D. 1486) under same title and that it "Ought to pass"

Came from the Senate with the Report read and accepted and the Bill passed to be engrossed.

In the House, the Report was read and accepted in concurrence, the New Draft read twice and tomorrow assigned.

Ought to Pass

Report of the Committee on Agriculture reporting "Ought to pass" on Bill "An Act relating to Unlicensed Dogs" (S. P. 474) (L. D. 1380)

Report of the Committee on Claims reporting same on Resolve to Reimburse the Town of Houlton for Pauper Supplies (S. P. 293) (L. D. 1488)

Report of the Committee on Legal Affairs reporting same on Bill "An Act relating to Payments by Town of Georgetown for MacMahan Island" (S. P. 132) (L. D. 270)

Report of same Committee reporting same on Bill "An Act relating to Vacations for Members of the Lewiston Police Department" (S. P. 205) (L. D. 550)

Report of same Committee reporting same on Bill "An Act relating to Uniforms for Members of the Police Department of the City of Lewiston" (S. P. 206) (L. D. 551)

Report of same Committee reporting same on Bill "An Act Pertaining to Retirement Benefits for Members of the Lewiston Police Department not under the Maine State Retirement System" (S. P. 212) (L. D. 557)

Came from the Senate with the Reports read and accepted and the Bills and Resolve passed to be engrossed.

In the House, the Reports were read and accepted in concurrence, the Bills read twice, Resolve read once, and tomorrow assigned.

**Ought to Pass
with Committee Amendment**

Report of the Committee on Judiciary on Bill "An Act to Authorize the State of Maine to Enter into a Compact with the States of Vermont and New Hampshire to Establish a Tri-State Regional Medical Needs Board" (S. P. 256) (L. D. 694) reporting "Ought to pass" as amended by Committee Amendment "A" submitted therewith.

Came from the Senate with the Report read and accepted and the Bill passed to be engrossed as amended by Committee Amendment "A".

In the House, the Report was read and accepted in concurrence and the Bill read twice.

Committee Amendment "A" was read by the Clerk as follows:

COMMITTEE AMENDMENT "A" to S. P. 256, L. D. 694, Bill, "An Act to Authorize the State of Maine to Enter Into a Compact with the States of Vermont and New Hampshire to Establish a Tri-State Regional Medical Needs Board."

Amend said Bill by adding at the end of that part of said Bill designated as "Article II" the following underlined sentence 'The chairman of the curriculum committee and the director of health studies of the University of Vermont College of Medicine serve without vote.'

Further amend said Bill by adding at the end of that part of said Bill designated as "Article IV" the following underlined sentence 'Nothing above should be construed to interfere with the sovereignty of the departments of health and welfare or the medical societies of the individual compacting states.'

Committee Amendment "A" was adopted in concurrence and the Bill assigned for third reading tomorrow.

Report of the Committee on Judiciary on Bill "An Act relating to Persons Qualified to Serve as Jurors" (S. P. 369) (L. D. 992) reporting "Ought to pass" as amended by Committee Amendment "A" submitted therewith.

Came from the Senate with the Report read and accepted and the Bill passed to be engrossed as amended by Committee Amendment "A".

In the House, the Report was read and accepted in concurrence and the Bill read twice.

Committee Amendment "A" was read by the Clerk as follows:

COMMITTEE AMENDMENT "A" to S. P. 369, L. D. 992, Bill, "An Act Relating to Persons Qualified to Serve as Jurors."

Amend said Bill by striking out all thereof after the enacting clause and inserting in place thereof the following:

"R. S., c. 116, § 4, amended. Section 4 of chapter 116 of the Revised Statutes is hereby amended by adding at the end thereof a new sentence, to read as follows:

'No person shall be qualified or selected for jury service who has served as such at any term of the Superior Court held within 3 years next preceding the re-selection of said person by the jury commissioners.'"

Committee Amendment "A" was adopted in concurrence and the Bill assigned for third reading tomorrow.

**Ought to Pass
in New Draft
Amended in Senate**

Report of the Committee on Legal Affairs on Bill "An Act relating to

Pensions for Widows and Children of Deceased Policemen of the City of Lewiston" (S. P. 210) (L. D. 555) reporting same in a new draft (S. P. 523) (L. D. 1485) under same title and that it "Ought to pass"

Came from the Senate with the Report read and accepted and the Bill passed to be engrossed as amended by Senate Amendment "A".

In the House, the Report was read and accepted in concurrence and the New Draft read twice.

Senate Amendment "A" was read by the Clerk as follows:

SENATE AMENDMENT "A" to S. P. 523, L. D. 1485, Bill, "An Act Relating to Pensions for Widows and Children of Deceased Policemen of the City of Lewiston."

Amend said Bill in the 7th line by striking out the underlined word "or" after the underlined word and punctuation "duty,"

Senate Amendment "A" was adopted in concurrence and the Bill assigned for third reading tomorrow.

The SPEAKER: At this time the Chair would like to recognize the presence in the gallery of the House of a group of thirteen eighth grade students from Palmyra, accompanied by Ruth Lawrence. On behalf of the House, the Chair extends to you students a most cordial and sincere welcome, and we hope that you will enjoy and profit by your visit with us today.

Non-Concurrent Matter

Resolve to Reimburse Estate of Harriet B. W. Chalfant for Certain Inheritance Taxes Paid State (H. P. 682) (L. D. 971) which was passed to be engrossed in the House on April 9.

Came from the Senate passed to be engrossed as amended by Senate Amendment "A" in non-concurrence.

In the House: The House voted to recede and concur.

From the Senate: The following Communication:

STATE OF MAINE
SENATE CHAMBER
OFFICE OF THE SECRETARY

April 12, 1957

Honorable Harvey R. Pease
Clerk of the House of Representatives

Ninety-eighth Legislature

Sir:

The Senate today voted to insist on its former action on "Resolve Authorizing State Highway Commission to Study Desirability of Bridge across Saco River" (H. P. 460) (L. D. 653) and to join a Committee of Conference. The President appointed the following Conferees on the part of the Senate:

Senators:

PARKER of Piscataquis

FARLEY of York

COLE of Waldo

Respectfully,

(Signed) Chester T. Winslow

Secretary of the Senate

In the House, the Communication was read and ordered placed on file.

The SPEAKER: At this time the Chair would request the Sergeant-at-Arms to escort the gentleman from Gouldsboro, Mr. Tarbox, to the rostrum to serve as Speaker pro tem.

Thereupon, Mr. Tarbox assumed the Chair as Speaker pro tem amid the applause of the House and Speaker Edgar retired from the Hall.

Orders

Mr. Hickey of Biddeford presented the following Order and moved its passage:

WHEREAS, the members of the House have learned that today is the birthday of Mr. Nadeau of Biddeford,

BE IT ORDERED, that the members of the House extend to Mr. Nadeau their congratulations and their best wishes not only for today but for the entire year.

The Order received passage.

On motion of the gentlewoman from Falmouth, Mrs. Smith, House Rule 25 was suspended for the remainder of today's session in order to permit smoking.

On motion of Mr. Bragdon of Perham, it was

ORDERED, that the members of the House extend their sympathy to Mr. Storm of Sherman on the death of his brother, Anton L. Storm of Westmanland Plantation, also to the immediate family of the deceased;

AND BE IT FURTHER ORDERED, that the Clerk of the House be directed to send flowers and to send an attested copy of this Order to the widow.

House Reports of Committees Leave to Withdraw

Mr. Tevanian from the Committee on Judiciary on Bill "An Act relating to Length of Residence in Divorce Actions" (H. P. 833) (L. D. 1189) reported Leave to Withdraw.

Mr. Anthoine from the Committee on Liquor Control reported same on Bill "An Act Permitting the Issuance of Temporary Liquor Licenses" (H. P. 973) (L. D. 1373)

Mr. Pierce from same Committee reported same on Bill "An Act relating to Liquor Bought from the Commission by Licensees" (H. P. 613) (L. D. 860)

Mr. Walsh from the Committee on Taxation reported same on Bill "An Act Imposing Tax on Cigars and Tobacco Products" (H. P. 842) (L. D. 1196)

Reports were read and accepted and sent up for concurrence.

Ought Not to Pass

Mr. Broderick from the Committee on Judiciary reported "Ought not to pass" on Bill "An Act Granting Juvenile Court Jurisdiction to Trial Justices" (H. P. 773) (L. D. 1106)

Mr. Earles from same Committee reported same on Bill "An Act relating to Appointment of Special Deputy Sheriffs" (H. P. 854) (L. D. 1217)

Mr. Walker from same Committee reported same on Bill "An Act relating to Breaking and Entering Motor Vehicles" (H. P. 812) (L. D. 1155)

Reports were read and accepted and sent up for concurrence.

Tabled

Mr. Karkos from the Committee on Labor reported "Ought not to

pass" on Bill "An Act relating to Limited Medical Services under Workmen's Compensation Act" (H. P. 747) (L. D. 1061)

Report was read.

(On motion of Mr. Stanley of Bangor, tabled pending acceptance of Committee Report and unassigned.)

Tabled

Mr. Karkos from the Committee on Labor reported "Ought not to pass" on Bill "An Act relating to Employment of Minors" (H. P. 855) (L. D. 1218)

Report was read.

(On motion of Mr. Carville of Eustis, tabled pending acceptance of Committee Report and unassigned.)

Mr. Smith from the Committee on Labor reported "Ought not to pass" on Bill "An Act relating to Employment of Certain Persons" (H. P. 782) (L. D. 1115)

Mr. Crockett from the Committee on Liquor Control reported same on Bill "An Act Permitting Sunday Sales of Malt Liquor Not to be Consumed on Premises" (H. P. 950) (L. D. 1343)

Mr. Dostie from same Committee reported same on Bill "An Act relating to Hours of Sale of Liquor" (H. P. 716) (L. D. 1021)

Mr. Rich from same Committee reported same on Bill "An Act relating to Renewals of Malt Beverage Licenses" (H. P. 949) (L. D. 1342)

Mr. Plante from the Committee on Public Utilities reported same on Bill "An Act relating to Enforcement of Collection of Sewerage Rates by Waterville Sewerage District" (H. P. 482) (L. D. 688)

Reports were read and accepted and sent up for concurrence.

Tabled

Mr. Cyr from the Committee on Taxation reported "Ought not to pass" on Bill "An Act Exempting Children's Clothing of Cloth Material from Sales Tax" (H. P. 841) (L. D. 1195)

Report was read.

(On motion of Mr. Couture of Lewiston, tabled pending acceptance of Committee Report and unassigned.)

Tabled and Assigned

Mr. Rollins from the Committee on Taxation reported "Ought not to pass" on Bill "An Act relating to Head Tax in Towns" (H. P. 757) (L. D. 1071)

Report was read.

(On motion of Mr. Allen of Chelsea, tabled pending acceptance of Committee Report and specially assigned for Wednesday, April 24.)

The SPEAKER pro tem: At this time the Chair would call the attention of the House to the presence in the gallery of thirty-four students from the eighth grade of Lubec Grammar School in charge of Mrs. Annie Gerrish, Mrs. Ensena Tre-cartin and Principal, Mr. Guy Look. We hope you will enjoy your stay while visiting with us today. (Applause.)

Ought to Pass in New Draft New Draft Printed

Mr. Beane from the Committee on Public Utilities on Bill "An Act Clarifying Procedure relating to Reconstructing or Altering Railroad Crossings" (H. P. 433) (L. D. 609) reported same in a new draft (H. P. 1049) (L. D. 1492) under same title and that it "Ought to pass"

Mr. Brown from the Committee on Taxation on Bill "An Act relating to Sales and Use Tax on Certain Boats Sold to Nonresidents" (H. P. 910) (L. D. 1295) reported same in a new draft (H. P. 1050) (L. D. 1493) under same title and that it "Ought to pass"

Reports were read and accepted, the New Drafts read twice and tomorrow assigned.

Ought to Pass Printed Bills Tabled and Assigned

Mr. Turner from the Committee on Highways reported "Ought to pass" on Bill "An Act relating to Repairs of Roads in Unorganized Territory and Deorganized Towns" (H. P. 599) (L. D. 846)

Report was read and accepted.

(On motion of Mr. Caswell of New Sharon, tabled pending first reading and specially assigned for Tuesday, April 23.)

Mr. Broderick from the Committee on Judiciary reported "Ought to pass" on Bill "An Act relating to Costs in Actions on Small Claims" (H. P. 943) (L. D. 1336)

Mr. Browne from same Committee reported same on Bill "An Act relating to Bail Provisions in Prosecutions under Liquor Law" (H. P. 940) (L. D. 1333)

Mr. Walker from same Committee reported same on Bill "An Act relating to Appeal on the Taking of Land for School Purposes" (H. P. 471) (L. D. 664)

Mr. Frazier from the Committee on Public Utilities reported same on Bill "An Act relating to Assessments Against Lots Benefited by Waterville Sewerage District" (H. P. 481) (L. D. 687)

Mr. Haughn from same Committee reported same on Bill "An Act to Incorporate the Topsham Sewer District" (H. P. 569) (L. D. 879)

Mr. Ross from the Committee on State Government reported same on Bill "An Act Creating a Highway Safety Committee" (H. P. 974) (L. D. 1374)

Mr. Farmer from the Committee on Taxation reported same on Bill "An Act Providing for a Tax on Quahogs" (H. P. 861) (L. D. 1224)

Reports were read and accepted, the Bills read twice and tomorrow assigned.

Divided Report Tabled

Majority Report of the Committee on Highways reporting "Ought to pass" on Resolve Authorizing Study of Proposed Road from Millinocket to Grindstone (H. P. 768) (L. D. 1101)

Report was signed by the following members:

Mr. PARKER of Piscataquis
— of the Senate.

Messrs. TURNER of Auburn
DENBOW of Lubec
HIGGINS of Scarborough
CARTER of Etna
NADEAU of Biddeford
GRAVES of Mount Desert
ELWELL of Brooks

— of the House.

Minority Report of same Committee reporting "Ought not to pass" on same Resolve.

Report was signed by the following members:

Messrs. COLE of Waldo
FERGUSON of Oxford
— of the Senate.

Reports were read and, on motion of Mr. Turner of Auburn, the Majority Report "Ought to pass" was accepted.

The SPEAKER pro tem: The Chair recognizes the gentleman from Old Orchard Beach, Mr. Plante.

Mr. PLANTE: Mr. Speaker, I move that item 27, Legislative Document 1101, be tabled pending study of the Report.

The SPEAKER pro tem: The Chair would state that the gentleman's motion is out of order, the Report has been accepted.

Does the gentleman move that the matter lie on the table?

Mr. PLANTE: Yes.

Thereupon, on motion of Mr. Plante of Old Orchard Beach the Report and Bill were tabled pending first reading of the Bill and unassigned.

House at Ease

Called to order by the Speaker.

At this point, Speaker Edgar returned to the rostrum.

SPEAKER EDGAR: The Chair would like to thank the gentleman from Gouldsboro, Mr. Tarbox, for his excellent services as Speaker pro tem.

Thereupon, the Sergeant-at-Arms conducted the gentleman from Gouldsboro, Mr. Tarbox, to his seat on the Floor, amid the applause of the House, and Speaker Edgar resumed the Chair.

Passed to Be Engrossed

Bill "An Act relating to Time of Payment of Fees by Clerks of the Judicial Courts" (S. P. 58) (L. D. 88)

Bill "An Act relating to Exemption of Volunteer Fire Departments from Sales Tax" (S. P. 79) (L. D. 136)

Were reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed and sent to the Senate.

Third Reader Tabled

Bill "An Act relating to Expending Aroostook County Funds for Ricker College" (S. P. 224) (L. D. 567)

Was reported by the Committee on Bills in the Third Reading.

(On motion of Mr. Hersey of Fort Fairfield, tabled pending third reading and unassigned.)

Bill "An Act relating to Appointment of Deputy County Treasurers" (S. P. 225) (L. D. 568)

Was reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed and sent to the Senate.

Third Reader Tabled and Assigned

Bill "An Act relating to Enlarging Public Cemeteries" (S. P. 238) (L. D. 639)

Was reported by the Committee on Bills in the Third Reading.

(On motion of Mr. Totman of Bangor, tabled pending third reading and specially assigned for Tuesday, April 30.)

Bill "An Act relating to the Taxation of General Powers of Appointment" (S. P. 304) (L. D. 801)

Bill "An Act relating to Stenographic Services in Cases Before Referees" (S. P. 377) (L. D. 1000)

Bill "An Act relating to Raising Compensation of Mayor and Councilmen of City of Biddeford" (S. P. 522) (L. D. 1484)

Bill "An Act to Incorporate Bowdoinham Water District" (H. P. 384) (L. D. 515)

Bill "An Act relating to Boarding Homes for the Aged" (H. P. 789) (L. D. 1122)

Were reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed and sent to the Senate.

Third Reader Tabled and Assigned

Bill "An Act to Incorporate the Town of West Paris" (H. P. 826) (L. D. 1172)

Was reported by the Committee on Bills in the Third Reading.

(On motion of Mr. Cole of Sumner, tabled pending third reading and

specially assigned for Thursday, April 18.)

Bill "An Act relating to Time of Applications for Refunds of Gasoline Tax" (H. P. 913) (L. D. 1299)

Was reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed and sent to the Senate.

Third Reader Amended

Bill "An Act relating to Portland University" (H. P. 1026) (L. D. 1458)

Report was read and accepted and the Bill read the third time.

Mr. Childs of Portland offered House Amendment "A" and moved its adoption.

House Amendment "A" was read by the Clerk as follows:

HOUSE AMENDMENT "A" to H. P. 1026, L. D. 1458, Bill, "An Act Relating to Portland University."

Amend said Bill by striking out in the 4th line thereof the hyphenated word "state-aimed" and inserting in place thereof the hyphenated word "state-owned"

House Amendment "A" was adopted, the Bill passed to be engrossed as amended by House Amendment "A" and sent to the Senate.

Bill "An Act relating to Walks and Handrails on Railroad Bridges" (H. P. 1047) (L. D. 1489)

Resolve to Reimburse Town of Stetson for Aid to Carlton Johnson and Family (H. P. 737) (L. D. 1041)

Were reported by the Committee on Bills in the Third Reading, Bill read the third time, Resolve read the second time, both passed to be engrossed and sent to the Senate.

The SPEAKER: At this time the Chair would recognize the presence in the gallery of the House of a group of seventh and eighth grade pupils from the Grammar School of Harrison accompanied by Mr. Arthur L. Conary, principal and teacher, and a group from the Boys Department of the Saint Ignatious High School of Sanford, accompanied by Brother Louis and Brother Albert.

On behalf of the House, the Chair extends to all of you ladies and gentlemen a most cordial and

heartly welcome, and we hope that you will enjoy and profit by your visit with us today. (Applause)

Amended Bills

Bill "An Act relating to Definitions of Narcotic Drugs" (H. P. 13) (L. D. 12)

Was reported by the Committee on Bills in the Third Reading, read the third time, passed to be engrossed as amended and sent to the Senate.

Third Reader

Tabled and Assigned

Bill "An Act relating to Age of Applicants to Pownal State School" (H. P. 94) (L. D. 125)

Was reported by the Committee on Bills in the Third Reading.

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

Mr. QUINN: Mr. Speaker, I notice that this bill still bears the title formerly of the institution which has been changed at this session. It might be well that this matter be tabled to amend the name to conform with the changed name.

Therefore, I would move that this item be tabled until Thursday next.

The SPEAKER: With respect to item sixteen, Bill "An Act relating to Age of Applicants to Pownal State School", the gentleman from Bangor, Mr. Quinn, moves that it be tabled pending third reading and specially assigned for Thursday next. Is this the pleasure of the House?

The motion prevailed and the Bill was so tabled and assigned.

Bill "An Act relating to Sick Leave Benefits for Employees of the Department of Public Works of the City of Lewiston" (H. P. 374) (L. D. 504)

Bill "An Act Amending the Charter of the Limerick Sewerage District" (H. P. 766) (L. D. 1048)

Bill "An Act relating to Time of Annual Town Meeting in Town of Mechanic Falls" (H. P. 988) (L. D. 1376)

Resolve to Reimburse the Town of Enfield for Certain Pauper Claims (H. P. 155) (L. D. 203)

Resolve to Reimburse the Town of Waldoboro for Aid Extended to

Leverett Carter (H. P. 202) (L. D. 289)

Resolve in favor of Town of Marsardis, Aroostook County (H. P. 408) (L. D. 585)

Resolve Reimbursing Town of Bristol for Certain Pauper Claims (H. P. 638) (L. D. 905)

Were reported by the Committee on Bills in the Third Reading, Bills read the third time, Resolves read the second time, all passed to be engrossed as amended by Committee Amendment "A" and sent to the Senate.

Passed to Be Enacted

An Act to Incorporate the Town of Jackman (H. P. 60) (L. D. 64)

An Act to Incorporate the Town of Moose River (H. P. 61) (L. D. 63)

An Act relating to Membership of Certain Teachers in State Retirement System (H. P. 433) (L. D. 673)

An Act relating to Appointment of Indian Constables (H. P. 558) (L. D. 785)

An Act relating to the Maine Unitarian Association (H. P. 657) (L. D. 938)

An Act relating to Number of Councillors and Members of Superintending School Committee in Town of Fort Fairfield (H. P. 1038) (L. D. 1469)

An Act relating to Indian Voting (H. P. 1039) (L. D. 1470)

Finally Passed

Resolve in favor of Town of Sebec for Aid Furnished State Paupers (S. P. 415) (L. D. 1148)

Resolve in favor of Sidney Bragdon of New Gloucester for Damage by Escapees from Pownal State School (H. P. 204) (L. D. 1472)

Resolve in favor of Mrs. Elwood Gerry of North Yarmouth (H. P. 923) (L. D. 1316)

Resolve in favor of Henry E. Littlefield of Belfast (H. P. 1011) (L. D. 1471)

Were reported by the Committee on Engrossed Bills as truly and strictly engrossed, Bills passed to be enacted, Resolves finally passed, all signed by the Speaker and sent to the Senate.

Orders of the Day

The SPEAKER: Under Orders of the Day the Chair lays before the House the first tabled and today assigned matter, House Divided Report, Report "A" reporting "Ought to pass" and Report "B" reporting "Ought not to pass" of Committee on Retirements and Pensions on Resolve Providing for an Increase in State Pension for Leeman Grant of Columbia Falls, House Paper 435, Legislative Document 611, tabled on April 4 by the gentleman from Columbia Falls, Mr. Hathaway, pending acceptance of either report, and the Chair recognizes that gentleman.

Mr. HATHAWAY: Mr. Speaker, I move that the House accept Report "A", and I would like to make a few remarks.

The Committee on Claims or on Pensions and Retirements, I understand their policy is to turn down most claims of this sort. I can understand that because in matters of this kind it would be a runaway if they were lenient. However, some of these claims are worthy. And when I first came up here with several claims in my pocket, bills to enter, I was advised that most of those would not go through. We sorted them down and I picked out just two. This is one of them.

The fact that it is a divided report from the Committee would prove that some of them do consider it worthy of passing.

This gentleman, several years ago, was hurt on a State Aid road job, very badly, in fact, permanently. At that time there was compensation for so many weeks. After it ran out there was nothing more he could do. So he was unable to work and he came in to Legislature about thirteen years ago and asked for twenty-five dollars a month and it was granted to him.

He has been trying to earn a little extra money over a period of years by running around selling nursery stock making a few dollars a month. He did have some land and some wood on the land. He sold it off two years ago for a sum of \$2400, the total amount of which he spent upon his wife who died in the hospital. The hospital bills and funeral bills took all his money and some besides and

he was unable to pay his tax that year. He has just a matter of \$400 that he can get from a power company if he sells to them, he has a little dispute on with them.

Now this gentleman has come back to the Legislature to ask for another twenty-five dollars a month. They say he should go on old age pension, some of the Committee. You can understand why a fellow doesn't want to go on old age assistance until he has to. He owns his home, a little land, there is not much value to it now because he sold off the timber. But I feel that he should not be forced to go onto old age assistance, and he probably could not get it anyway with this amount of money that he has unsettled.

Not only has he been permanently disabled all these years, but his resistance has been so low from the accident that he has been a victim of everything, having had pneumonia two different times and always more or less on the sick list.

A case like this, I believe that the State is morally obligated, it isn't a very big expense. He is seventy-one years old. And in the future this kind of thing will not come up because they have some recourse if they are permanently disabled. So I hope that Report "A" will be accepted.

The SPEAKER: The motion before the House is the motion of the gentleman from Columbia Falls, Mr. Hathaway, that with regard to Resolve Providing for an Increase in State Pension for Leeman Grant of Columbia Falls, House Paper 435, Legislative Document 611, the House accept the "Ought to pass" Report. Is this the pleasure of the House?

The motion prevailed and the Resolve was given its first reading and assigned for second reading tomorrow.

The SPEAKER: At this time the Chair would like to recognize the presence in the gallery of the House of the girls section of St. Ignatius High School of Sanford, accompanied by Mother Carmelita. On behalf of the House the Chair extends to you all a most cordial and hearty welcome, and we hope that you will enjoy and profit by your visit with us today. (Applause)

The SPEAKER: Under tabled and today assigned matters the Chair now lays before the House the second item, House Report "Ought not to pass" of the Committee on Retirements and Pensions on Resolve Providing for an Increase in State Pension for Viola Michaud of Soldier Pond, House Paper 725, Legislative Document 1029, tabled on April 10 by the gentleman from Eagle Lake, Mr. Gallant, pending acceptance of the "Ought not to pass" Report, and the Chair recognizes that gentleman.

Thereupon, on motion of Mr. Gallant of Eagle Lake, the Resolve and accompanying papers were retabled pending acceptance of the Committee Report and unassigned.

The SPEAKER: Under Orders of the Day the Chair now lays before the House the third tabled and today assigned matter, House Report "Ought not to pass" of the Committee on Taxation on Bill, "An Act Assessing a Poll Tax on Females", House Paper 242, Legislative Document 335, tabled on April 10 by the gentleman from Bangor, Mr. Totman, pending acceptance of report.

Thereupon, on motion of the gentleman from Portland, Mr. Smith, the "Ought not to pass" Committee Report was accepted and sent up for concurrence.

The SPEAKER: Under Orders of the Day the Chair now lays before the House the fourth tabled and today assigned matter, House Report "Ought not to pass" of the Committee on Taxation on Bill "An Act Exempting Sales of American Flag from Sales Tax", House Paper 402, Legislative Document 532, tabled on April 10 by the gentleman from Old Orchard Beach, Mr. Plante, pending acceptance of report, and the Chair recognizes that gentleman.

Mr. PLANTE: Mr. Speaker and Members of the House: This bill has been introduced for and supported by the Veterans of Foreign Wars, the Amvets and Disabled Veterans, and the Daughters of the American Revolution.

I thought that as long as the three symbols of our major faiths, the Crucifix, the Cross and the Star of David were exempted from the sales tax that it would be only proper to

have the symbol of democracy tax free.

However, in view of the report of the Taxation Committee, and the respect that I have for that Committee in limiting the number of exemptions, I move that the Majority "Ought not to pass" Report be accepted.

The SPEAKER: The motion before the House is the motion of the gentleman from Old Orchard Beach, Mr. Plante, that the House accept the "Ought not to pass" Report on Bill "An Act Exempting Sales of American Flag from Sales Tax", House Paper 402, Legislative Document 532. Is this the pleasure of the House?

The motion prevailed and the Majority "Ought not to pass" Report was accepted and sent up for concurrence.

The SPEAKER: Under Orders of the Day the Chair now lays before the House the fifth tabled and today assigned matter, House Report "Ought not to pass" of the Committee on Towns and Counties on Bill "An Act Authorizing Bond Issue for Cumberland County for Capital Expenditures for Civil Defense", House Paper 333, Legislative Document 418, tabled on April 10 by the gentleman from South Portland, Mr. Earles, pending acceptance of the Report, and the Chair recognizes that gentleman.

Mr. EARLES: Mr. Speaker, Ladies and Gentlemen of the House: I feel somewhat like a maverick to take action contrary to what my two predecessors of the House have done earlier this morning, in other words, to oppose the decision of the Towns and Counties Committee. But in this particular instance I think I have no other course. I would like to explain the reasons why.

The County Commissioners requested, and at their request, through me, a bill was introduced, a bill permitting, if enacted, the floating of a bond issue for the County in the amount of up to \$100,000 for civil defense. They didn't mean that they automatically, if the bill was passed, that they would go out and float the bond issue in that amount, but rather that it was an enabling bit of legislation and

if they felt the necessity for doing so then they could.

I may read possibly, a brief extract from a letter from the County Commissioners, in which the Chairman of the Board relates that the County Director of Civil Defense and his staff have requested consideration for construction of suitable headquarters in the County of Cumberland for civil defense. Kindly bear in mind, at the current time, as I understand it, in a building of wooden construction and not particularly adequate when you consider fire protection and vandalism and so forth, there is located approximately forty to fifty thousand dollars worth of equipment which is out on loan from various agencies to the civil defense unit in Cumberland County.

The County Commissioners feel that if they have this entitlement they can match on a flexible basis, they can match such funds as are necessary with the Federal Government upon the selection of a proper type of permanent structure for civil defense.

There are on the Towns and Counties Committee two members from Cumberland County, a member of the other House and a member of this branch. And I believe the member of this branch is not here, Mr. Hoyt, the gentleman from Gorham.

I have a second letter which leads me to the gentle suggestion that inasmuch as this is a countywide problem, that perhaps the four individuals in the other branch who represent the County, should have the opportunity to function either affirmatively or negatively in this matter directly, and I say that because one of the four senators from Cumberland wrote to the County Commissioners and said "I back your position one hundred per cent, and am awfully sorry to see some persons who are apparently misinformed about the program causing confusion in the minds of the legislators." On the basis of that, to give them the opportunity in the other branch to make a decision in this matter, where it does involve the entire County, I would move to substitute the Bill for the "Ought not to pass" Report.

The SPEAKER: The motion now before the House is the motion of the gentleman from South Portland, Mr. Earles, that with respect to item five, on Bill "An Act Authorizing Bond Issue for Cumberland County for Capital Expenditures for Civil Defense", that the Bill be substituted for the "Ought not to pass" Report.

The Chair recognizes the gentleman from Bridgton, Mr. Haughn.

Mr. HAUGHN: Mr. Speaker and Members of the House: With all due respect to wisdom in the bill and my good friend and colleague, the gentleman from South Portland, Mr. Earles, I think that this is a matter for the Cumberland County delegates to take up between themselves by a caucus prior to the passage of this or acceptance, so I would move, with the permission of the House, that this be retabled until Thursday so we may get together and talk it over first.

The SPEAKER: The motion now before the House is the motion of the gentleman from Bridgton, Mr. Haughn, that item number five, Bill, "An Act Authorizing Bond Issue for Cumberland County for Capital Expenditures for Civil Defense", House Paper 333, Legislative Document 418, be tabled and specially assigned for next Thursday pending the motion of the gentleman from South Portland, Mr. Earles, that the Bill be substituted for the Report. Is this the pleasure of the House?

The motion prevailed and the Bill with accompanying papers was retabled pending the motion of the gentleman from South Portland, Mr. Earles, that the Bill be substituted for the Report, and specially assigned for Thursday, April 18.

The SPEAKER: Under Orders of the Day the Chair now lays before the House item number six, House Report "Ought to pass" of the Committee on Towns and Counties on Bill "An Act Increasing Compensation of Boards of Registration in Cities", House Paper 645, Legislative Document 912, tabled on April 10 by the gentleman from Lewiston, Mr. Rancourt, pending acceptance of report, and the Chair now recognizes that gentleman.

Thereupon, on motion of the gentleman from Lewiston, Mr. Rancourt, the "Ought to pass" Report was accepted, the Bill given its first and second readings, and assigned for third reading tomorrow.

The SPEAKER: Under Orders of the Day the Chair now lays before the House item number seven under tabled and today assigned matters, House Report "Ought not to pass" of the Committee on Business Legislation on Bill "An Act relating to Rate of Interest Charged by Licensed Small Loan Agencies", House Paper 593, Legislative Document 842, tabled on April 10 by the gentleman from Bridgton, Mr. Haughn, pending the motion of the gentleman from Topsham, Mr. Jack, to substitute the Bill for the Report.

The Chair recognizes the gentleman from Bridgton, Mr. Haughn.

Mr. HAUGHN: Mr. Speaker, Ladies and Gentleman of the House: As you recall when we left off on this bill when I tabled it, that we had a serious accusation made here in this House in regards to possible offer of quite a fund to dismiss this bill. Because of the seriousness of that particular statement, things have started to happen in regards to the Attorney General's office taking the matter up, but at this time I have no information regarding it. But it seems to me that the gentleman from Topsham, Mr. Jack, is to be complimented to expose such a thing as this before the House, and I have full confidence in this gentleman to know that he is sincere and aboveboard in all matters and I know the entire House is. This particular bill at the present time really now deserves some serious discussion, because four years ago this particular percentage basis was set up by the Banking Commission, and if this thing is not right today then certainly it demands some kind of a study to be made to regulate it. And I know there are several here today that want to speak on this particular bill and there were several absent Friday, and I hope now they will really get into a discussion on this bill. Mr. Speaker, I hope that the

motion of the gentleman from Topsham, Mr. Jack, does prevail.

The SPEAKER: The motion now before the House is the motion of the gentleman from Topsham, Mr. Jack, that with regard to item number seven, Bill "An Act relating to Rate of Interest Charged by Licensed Small Loan Agencies" that the Bill be substituted for the "Ought not to pass" Report.

The Chair recognizes the gentleman from Livermore Falls, Mr. Kinch.

Mr. KINCH: Mr. Speaker and Members of the House: As a member of the Business Legislation Committee I would like to give you my views for the reason I signed the "Ought not to pass" Report.

I think there are some very important factors to be brought before this House why this Bill was reported out "Ought not to pass".

First of all, you know that the Banking Department which is an employee of all the State of Maine, has supervision over all these loan companies, and in my opinion, if we are not going to have confidence in our banking department, why are we going to turn to.

The loan companies are a legitimate business, and today with interest rates up in every sort of business, only this morning you read in the papers where series E and H Bonds, interest rates have been raised by the Government. Now, it seems to me a little out of line that we should ask loan companies to take a cut in their interest rates. Their costs are up as well as everybody else's. And as a matter of fact, it is a matter of record that their net profit is lower than six per cent.

Another thing that was a surprise to me and is also a matter of record, the banks in the State of Maine foreclose more often than the loan companies foreclose on their loans, and under those conditions I would say that the interest rates have no bearing on a foreclosure.

The loan business is a highly risky business, we all understand that. The banks would not under any consideration loan money to the persons who go to loan companies to borrow. If I wanted to borrow a hundred and fifty dollars I would deem it a privilege if I could go to a loan company and borrow under a supervised

loan agency rather than to go to some loan shark. And that is what we are going to do if we do not throw this bill out of Legislature today.

Four years ago and two years ago this bill was received in "Ought not to pass", and under those conditions many of the loan sharks were driven out of business. I am sure there is not a member in this House that would care to see the loan sharks doing business because they are not supervised and nobody knows how much money they make or how much interest they charge.

Also these loan agencies must borrow money to do business. I don't believe there is any group of men in the State of Maine that could do the tremendous business they do on their own money. They must go and borrow money, consequently they must have interest paid by them which cuts down on their profits.

Also these loan companies, due to their risky stand in the loan business, they lose a tremendous amount of money. Anybody who is in the credit business today knows that when you put a credit on your books and the person does not want to pay, that you have not only lost a friend but you have gained an enemy.

And it is my opinion that this bill is so isolated, it is just a bill that has been introduced to take care of isolated cases, which I don't think it is our position to pass laws to do so. There are hundreds of credit businesses in the State of Maine that have isolated cases such as this that their creditors will not pay their bills. And you know yourself, you have heard of people who owe you money and they owe me money, you have made an enemy, and there isn't anything they can say that is complimentary to you. I know that for a fact because I am in the credit business, not as a small loan though.

You do a man a favor by furnishing him clothes, food to eat, he has all good intentions to pay. But if it comes to a spot where he does not want to pay, he just will not pay. And he leaves you and goes to somebody else, then the gripe starts. And I think in this case it is just an isolated case, and all industry has isolated cases where people have certain gripes against one another.

The Banking Commissioner endorses our stand one hundred per cent on this "Ought not to pass" Report. And as I mentioned before if we are not willing to go by the recommendations of a banking commissioner, what in the world are we going to lean to? It is my hope that the "Ought not to pass" Report will prevail.

The SPEAKER: The motion before the house is the motion of the gentleman from Topsham, Mr. Jack, that the Bill be substituted for the Report.

The Chair recognizes the gentleman from Rumford, Miss Cormier.

Miss CORMIER: Mr. Speaker, Ladies and Gentlemen of the House: I feel so strongly about this bill that I can't let it go by without saying a few words.

When I went home this week end, I thought perhaps after talking with a few people who were interested in this "Ought not to pass" Report that perhaps I was biased in my judgment, and consequently I contacted a few of the attorneys in my town and asked them what their experience was with these loan companies. After speaking with them I felt that I was reinforced in my thinking.

I think that these loan companies, the rate of interest that they charge is certainly high enough so that this bill isn't going to hurt them too much. I think also that a great many of the people, the class of people that borrow money from these loan companies, don't realize how much money they are going to have to pay. And another thing that bothers me very much is the foreclosure. After these people pay perhaps a half or two-thirds of their loan, if they are unable to meet their obligations for the small remainder everything is taken. They allow no consideration at all for the money that they have taken, everything that they have paid is lost. That is also a tremendous loss to them in addition to the terrific rate of interest that they pay.

I believe firmly, as a businesswoman, I think that everyone has a right to make a fair profit, but I certainly question, and I think deep down in your hearts that per-

haps you will question, whether or not this is an unfair profit. I think we would be doing a great service to the people of Maine if we went along with the motion of the gentleman from Topsham, Mr. Jack, to substitute the Bill for the Report.

The SPEAKER: The Chair recognizes the gentleman from Charleston, Mr. Rich.

Mr. RICH: Mr. Speaker, I went home this week end and took occasion to go into my Town Clerk's Office and he gave me the privilege of looking over the books and studying some of these papers that have been signed by my fellow citizens, and I cannot express it nearly as well as my colleague, the gentleman from Rumford, Miss Cormier, has done, but I do feel that the Bill of the gentleman from Topsham, Mr. Jack, is an excellent bill.

Where people are deceived and deluded, maybe they shouldn't be, maybe it isn't the intent to delude them, but when you get these ads over the radio that your friendly loan company will let you have money at only three per cent, maybe they will take a month, in an undertone, and they get hooked up to one of these loans and they mortgage everything they have, their chairs, their dining room table, their television set, their radio, the rugs on the floor and everything, and pay thirty-six per cent, it is time we put a stop to it.

I find that some of those people are very worthy, deserving people, but they are not very financially minded, and I think that the gentleman from Topsham, Mr. Jack, has an excellent bill, and I believe we should back him up and report this out "Ought to pass", substituting the Bill for the Report. Thank you.

The SPEAKER: The motion before the House is the motion to substitute the Bill for the Report.

The Chair recognizes the gentleman from Wilton, Mr. Blanchard.

Mr. BLANCHARD: Mr. Speaker, Ladies and Gentlemen of the House: As a member of the Committee on Business Legislation, I would like to express very briefly why I arrived at the decision I did on the "Ought not to pass" Report.

As previously stated there are isolated cases in all businesses that

probably are unfair to someone. We put a lot of time and thought into this Bill before arriving at our decision. I think it serves a need that isn't taken care of by any other agency. I think the timing is wrong with the stiffening of interest rates at the present time, and I hope that the motion of the gentleman from Topsham, Mr. Jack, does not prevail.

The SPEAKER: Is the House ready for the question?

The Chair recognizes the gentleman from Bridgton, Mr. Haughn.

Mr. HAUGHN: Mr. Speaker, last Friday I was in slight error in reply to my good friend and colleague, the gentleman from Auburn, Mr. Wade, but I think I will not be in error this morning in replying to the gentleman from Livermore Falls, Mr. Kinch, when he made the statement that two years ago this bill came out "Ought not to pass", if I heard him correctly.

This bill was "Leave to withdraw" two years ago, it was not even acted upon. And I think that the principle of this thing has become so involved, and it becomes now where second mortgages are too involved in this particular issue, with this small loan up to certain point, after you get into a certain bracket of money, is a steal for second mortgages, which does not come under coverage.

We have been granting permission for loan companies here by the dozen, two years ago we created over a dozen of them. Just last week this body, and the Senate too, approved one group of a finance company all over this whole state. They cry they are not making any money, but with an eighteen per cent return on your money, I know we would all like to invest some money at that rate.

If they are going to grant these men all these privileges, I will agree they are entitled to fair and just returns on their money, but if eighteen per cent is not sufficient enough they shouldn't be in the loan business either. I think there are times later that this body will consider a study for second mortgages as well as small loans.

As I recall, from information I received, it was thirty-nine years ago that this bill was first passed

in the legislature. And it was only in the past years that this law was really enforced, and I hope this body will certainly go along with the motion of the gentleman from Topsham, Mr. Jack.

The SPEAKER: The Chair recognizes the gentleman from Baldwin, Mr. Sanborn.

Mr. SANBORN: Mr. Speaker and Members of the House: I was at the Committee hearing, and at that time I inquired what amount was loaned out and how much was lost, and it was estimated it was about two cents on a dollar. Now, if they are getting eighteen per cent interest and they lose two per cent by not being able to collect they are still getting sixteen per cent interest. I consider that far too large, but I don't think they should have any more. And I would like to go along with the gentleman from Topsham, Mr. Jack, and ask for a division.

The SPEAKER: Is the House ready for the question?

The Chair recognizes the gentleman from Bowdoinham, Mr. Curtis.

Mr. CURTIS: Mr. Speaker, Ladies and Gentlemen of the House: I am not opposed to these loan companies on account of their foreclosures, because I have known a considerable amount about loan companies and I don't know of any foreclosure there has ever been by loan companies except the one referred to by the sponsor of this bill.

I am not too concerned about the money they loan because I know of just one case where a part of a loan was lost. They always collect their money, they have a way of doing it.

But I am very much interested in the fact that the thirty-six per cent that they are now giving is all out of sense of reason. If you borrow a hundred dollars at the rates charged today, pay for it in twelve months, it will cost you a hundred and nineteen dollars. And, of course, a good many don't have that hundred dollars, only just a part of it for the whole twelve months. The only trouble that I see with the bill of the gentleman from Topsham, is that he didn't include the automobile finance companies along with it, because they are getting away with murder.

Now, these finance companies, when they first started out and they were granted this three per cent a month, thirty-six per cent interest, they were allowed only to issue small loans, up to about three hundred dollars I believe. Of course if you can only make a small loan up to three hundred dollars there is a lot of paper work, and the legislature in their wisdom probably did the right thing. But today since they have the right to loan as much as twenty-five hundred dollars, of course after you get to about five hundred they drop to two and a half per cent which is thirty per cent, why it is just plain ridiculous, and I hope that the motion of the gentleman from Topsham, Mr. Jack, does prevail.

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

Mr. CHILDS: Mr. Speaker and Members of the House: I arise specifically for one purpose and one purpose only. A remark was made that under existing conditions if a person had paid in so much money to a small loan company and there was an existing mortgage and there was security put up such as personal property, that if most of the money had been paid back and the remainder was not paid back, it would mean that the party would lose what they have paid back, and also that the existing personal property would be sold and all the money would go to the finance company regardless of what was paid back would still be owed. That would not be a weakness or a detriment to finance companies, if anything such as that were true it would be a weakness in our laws. And I assure you that no situation exists such as that. If any money is paid back that money certainly would be credited.

One other thing while I am up here, I hope that I shall vote against this Bill, the indefinite postponement, primarily because I have a great deal of faith in our Banking Commissioners.

Most of the remarks as far as substituting the Bill for the Report is concerned, it is innuendoes, and certain remarks about telephone calls and so forth.

We are allegedly a body that is supposed to have a certain amount of wisdom, and when we decide matters we should decide them on evidence which has some effect and some bearing. As far as the phone call made, nobody knows who made the phone call, whether they had the authority or anything else. And I certainly do not think that we should pass judgment on a certain organization or organizations because of an alleged phone call.

The Banking Commissioner is of the opinion that if the interest rates were lowered that it would bring into the State many loan sharks. As you probably know, we have no usury laws in this State, and if loan sharks came in here they could charge exorbitant rates.

Now, I shall vote against this motion because I feel that the Banking Commissioners certainly have some idea what they are talking about. And they also brought out that our laws in regard to interest charges are not excessive and they are no greater than they are in comparative states.

The SPEAKER: Unless the Chair misunderstood the gentleman from Portland, Mr. Childs, the motion still before the House is the motion of the gentleman from Topsham, Mr. Jack, that the Bill be substituted for the Report.

The Chair recognizes the gentleman from Portland, Mr. Childs.

Mr. CHILDS: Mr. Speaker, I move this Bill and its accompanying papers be indefinitely postponed.

The SPEAKER: The motion now before the House is the motion of the gentleman from Portland, Mr. Childs, that Bill "An Act relating to Rate of Interest Charged by Licensed Small Loan Agencies" be indefinitely postponed.

The Chair recognizes the gentleman from Bath, Mr. Ross.

Mr. ROSS: Mr. Speaker, in supporting the motion of the gentleman from Portland, Mr. Childs, I would like to make a few comments.

I have always been advised and cautioned not to get entangled with personal loan companies. Three per cent a month is thirty-six per cent a year. I have heard of persons who borrowed money and made certain payments and at the end of that time they owed more than they bor-

rowed in the first place. But I am certain this would be a most popular piece of legislation. But I think that there is another side.

Three per cent a month, if specific and certain payments are made, is not thirty-six per cent a year on the original amount. These companies certainly do serve a purpose, because there are persons in our State who do not have much money, who are at certain times in dire need of financing and they cannot get it from the bank and so they do go to these companies.

The percentage of loss is relatively high. I have been told that the amount necessary in the overall operation of their business does not lead to excessive profits, and before we limit these percentages we certainly should take into consideration the business operation. And although I never would advise anybody to go to a personal loan corporation, I think it would be most unfortunate for the people in the State if these were all put out of business.

The SPEAKER: The Chair recognizes the gentleman from Perham, Mr. Bragdon.

Mr. BRAGDON: Mr. Speaker, after listening to the arguments here I find myself in a rather peculiar position, but I wonder if the thing doesn't resolve itself down to this. That in making this decision are we to take the attitude that the public should beware or are we to take the attitude that we should protect the citizens in our State?

The SPEAKER: The Chair recognizes the gentlewoman from Kittery, Mrs. Burnham.

Mrs. BURNHAM: Mr. Speaker and Members of the House: I would like to support mostly all of the things that the gentlewoman from Rumford, Miss Cormier, has said of that particular position, and I would also hope that the motion of the gentleman from Portland, Mr. Childs, will not prevail.

During this session Mr. Childs' Committee has heard before it documented evidence as to the repayments and repossession of some of these loan companies. I can get those papers to show to anybody. When they sell their repossessed property they do ostensibly return the money, but it generally is at such a low sales price that there is

nothing to return. And I certainly hope that the motion of the gentleman from Portland, Mr. Childs, will not prevail.

The SPEAKER: Is the House ready for the question?

The motion before the House is the motion of the gentleman from Portland, Mr. Childs, that Bill "An Act relating to Rate of Interest Charged by Licensed Small Loan Agencies" shall be indefinitely postponed.

The Chair recognizes the gentleman from Bangor, Mr. Quinn.

Mr. QUINN: Mr. Speaker, Ladies and Gentlemen of the House: We are here representing the people of the State of Maine. We are here to consider what is for the best interests of the people of our State and what is for the best interests of our State.

A member of the Business Affairs Committee likened these small loan companies to the interest charged by our great National Government on the war loans, savings bonds, which have been increased one-quarter of one per cent on a three per cent per year return. Now, where is the comparison between a percentage of that sort and a percentage of three per cent a month, which brings a return of thirty-six dollars a month on one hundred dollars borrowed, and you do not have the one hundred dollars for the full month.

Now much has been said about loan sharks. What is a loan shark? Thirty-six dollars a year for the use of less than one hundred dollars is over one-third that you have got to pay them for the use of that money, much over one-third because you don't have your one hundred dollars for the full term of a year. You start paying it back the very first month following.

Further than that, you don't get the loan unless your wife signs the note with you, unless you give a chattel mortgage to secure the loan. And you give the chattel mortgage on what? Property that the State Law exempts from attachment, your own personal household furnishings.

In many instances the people that go in for these loans are driven into bankruptcy, but the security is

still there for the small loaner because it is exempt in bankruptcy.

Now, it is very important, we are not down here to protect the small loan sharks or the small loan companies, and we are not down here to protect any other interests. We are down here to represent the people of our State. And we are down here to do for the people of our State that which should be done for the people of our State irrespective of the interests and irrespective of the lobbyists. And we are in conscience bound to do that. And in view of that fact, I urge you all to fail to support the motion of indefinite postponement, and by doing that you will again have the opportunity to vote and vote to help your State by doing away with this thirty-six per cent per year on a hundred dollars and get it down to somewhere within reason. And I hope you go along and vote down the current motion before the House of indefinite postponement for the good of the State of Maine.

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

Mr. CHILDS: Mr. Speaker, for the record I think I shall have to inquire of any member of the Business Legislation Committee: I was of the understanding and of the impression that the interest rate was three per cent per month on the unpaid balance.

The SPEAKER: The gentleman from Portland, Mr. Childs, addresses a question through the Chair to any member of the Business Legislation Committee, who may answer if they choose.

The Chair recognizes the Chairman of that Committee, the gentleman from Auburn, Mr. Wade.

Mr. WADE: Mr. Speaker and Members of the House: In reply to the question of the gentleman from Portland, Mr. Childs, that is correct, the interest is paid on the unpaid balance.

The SPEAKER: The Chair recognizes the gentlewoman from Lovell, Mrs. Harriman.

Mrs. HARRIMAN: Mr. Speaker and Ladies and Gentlemen of the House: I wonder how many of you have ever read one of these contracts from the small loan agen-

cies. I worked in a Town Clerk's office for a year, and my duty was to record in the books these contracts. They are the most pitiful things you ever saw. When they pass a mortgage on the household belongings of the family, they list every single thing that is in those houses, and some of those homes I knew. They listed every wooden chair, every tiny table. Furthermore, it said that this property remains the property of the loan association until it was paid for. And in matters of loan I was interested when the gentleman made the reference that we should also look into the car finance companies and the radio and the television. It says that this property shall remain the property of the company and that it shall be redeemable wherever it is housed, and can be taken without the consent of the owner from wherever it is housed. I wonder just how many of you in this House have read one of those contracts. They are the most vicious pieces of paper that one ever read.

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

Mr. MAYNARD: Mr. Speaker and Members of the House: I should like to go on record as opposing the motion of the gentleman from Portland, Mr. Childs, and being for the bill of the gentleman from Topsham, Mr. Jack.

I hate to see Maine, our State, made a hunting ground for this vicious sort of thing, a hunting ground to catch the poor and the unfortunate and the ignorant, so again I would like to say that I am against the motion of the gentleman from Portland, Mr. Childs, and I hope it will be defeated.

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

Mr. KINCH: Mr. Speaker and Members of the House: I have only two hopes as I stand here now, one is that I hope the motion of the gentleman from Portland, Mr. Childs, prevails, and the other one was that I wished I were a lawyer.

The gentleman from Bangor, Mr. Quinn, I don't believe heard my remark right, because I didn't compare the interest rate on the Government loans with the loan com-

panies. I just brought it to your attention that the interest rates had gone up as well as many other interest rates in the banks, any loans today the interest rates have gone up, that isn't comparing them with the small loans.

I am not ashamed to stand here before you this morning and tell you that I have borrowed from the small loan companies. Back in the '30's when I was raising my family I found myself in the predicament where I had to have some money, and the only place I could get it was through the small loan, I had no security. My wife signed the note and that was an obligation to me and to her that we owed that money, and we paid that money, but we didn't pay thirty-six per cent I can assure you that. I paid the money back inside of a year, and anyone who borrows money, who goes to these loan companies and borrows money, they know their obligation, they know they owe this money. They do not go to these loan companies unless they want the money. They need the money and they need the money badly.

Now it is a matter of record and if anybody wants to go over and see it is over in the Banking Commissioner's office, that the small loans fifty, a hundred or a hundred and fifty dollars the loan companies lose money on. This may be a surprise to some of you members of the House, but it is a fact. It is on the record, and if we pass this bill here we are going to deprive this segment of the people who want these small loans and need the money and need it in a hurry, of the privilege of going and borrowing that money, and where are they going to borrow it. The banks won't let them have it. The only provision they will have then is the loan shark, and I will assure you it will be more than eighteen or twenty per cent. It is not thirty-six per cent that the loan companies are charging today, and I hope you will consider that when you vote on this measure this morning.

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

Mr. EMMONS: Mr. Speaker, I don't know too much about the small loan companies. I have seen

some people that have been very unfortunate, and I think at times they have done a great deal of good when people need an emergency loan. I do want to stand up a little bit for the automobile finance companies because many years ago I worked for one, and I would suggest that from that angle at least your cars are costing a great deal less today because of the ability to finance through the big finance companies because you certainly would not have had anywheres near the production which you do now have which have brought your cars down. Thank you.

The SPEAKER: The Chair recognizes the gentleman from Milo, Mr. Brockway.

Mr. BROCKWAY: Mr. Speaker and Members of the House: Being a person that has been extending credit for forty years to quite a sizeable number of accounts, I have found that at any time when my customers have got tangled up with the finance companies on these small loans, that they are not only in a lot of trouble, but the people who are extending the credit to them are also I think in more trouble maybe than they are. I thank you.

The SPEAKER: The motion before the House is the motion of the gentleman from Portland, Mr. Childs, that Bill "An Act relating to Rate of Interest Charged by Licensed Small Loan Agencies," House Paper 593, Legislative Document 842, be indefinitely postponed.

Will those who favor the indefinite postponement of this bill please rise and remain standing until the monitors have made and returned the count.

A division of the House was had.

Twenty-two having voted in the affirmative and one hundred six having voted in the negative the motion did not prevail.

The SPEAKER: The motion now before the House is the motion of the gentleman from Topsham, Mr. Jack, that the Bill be substituted for the Report. Is this the pleasure of the House?

The motion prevailed and the Bill was given its first and second readings and tomorrow assigned.

The SPEAKER: At this time the Chair would like to acknowledge the presence in the rear of the hall of the House of a group of Brothers of Sacred Heart representing St. Mary's, St. Peter's and St. Dominic Schools of Lewiston, and also schools in Biddeford and Madawaska. The Chair is advised that this order has existed in the United States since 1847 and they are dedicated to the education of youth.

On behalf of the House, the Chair extends to each and every one of you a very cordial and sincere welcome and we hope that you will enjoy your visit with us today. (Applause)

The SPEAKER: The House is proceeding under Orders of the Day.

The gentleman from Hodgdon, Mr. Williams, was granted unanimous consent to address the House briefly.

Mr. WILLIAMS: Mr. Speaker, this morning each of you found on your desks a copy of L.D. 1491, pertaining to the classification of water. During the hearings on this bill, we found that although the hearings were held locally, many people did not get the impact.

This document spells it out exactly where it is going to be. Perhaps not this year or next year, but in the near future. Now they say that a nod is as good as a wink to a blind mule, so do not say that I did not warn you.

On motion of the gentleman from Fort Fairfield, Mr. Hersey, the House voted to take from the table the thirtieth tabled and unassigned matter, Bill "An Act to Increase the Salaries of the Judge and Recorder of Madawaska Municipal Court", House Paper 247, Legislative Document 308, tabled by that gentleman on April 9 pending first reading.

The Chair recognizes the gentleman from Madawaska, Mr. Rowe.

Thereupon, on motion of Mr. Rowe of Madawaska, the Bill was given its first and second readings.

Committee Amendment "A" was read by the Clerk as follows:

COMMITTEE AMENDMENT "A" to H. P. 247, L. D. 308, Bill, "An Act to Increase the Salaries of the Judge

and Recorder of Madawaska Municipal Court."

Amend said Bill by inserting at the beginning of the first line after the enacting clause the underlined abbreviation and figure 'Sec. 1.'

Further amend said Bill by striking out the underlined figure "\$2,400" in the 7th line and inserting in place thereof the underlined figure '\$1,400'

Further amend said Bill by striking out the underlined figure "\$1,200" in the 11th line and inserting in place thereof the underlined figure '\$500'

Further amend said Bill by adding at the end thereof the following section:

'Sec. 2. **Effective date.** The provisions of this act shall be retroactive to January 1, 1957.'

Mr. Rowe of Madawaska offered House Amendment "A" and moved its adoption.

House Amendment "A" was read by the Clerk as follows:

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H. P. 247, L. D. 308, Bill, "An Act to Increase the Salaries of the Judge and Recorder of Madawaska Municipal Court."

Amend said Amendment by striking out at the end of the 2nd paragraph thereof, the underlined figure "\$1,400" and inserting in place thereof the underlined figure '\$1,700'

Further amend said Amendment by striking out at the end of the 3rd paragraph thereof the underlined figure "\$500" and inserting in place thereof, the underlined figure '\$600'

On motion of Mr. Ervin of Houlton, the Bill was retabled pending adoption of House Amendment "A" and unassigned.

The gentleman from Lewiston, Mr. Jalbert, was granted unanimous consent to address the House.

Mr. JALBERT: Mr. Speaker, there are two thoughts that I would like to bring to the membership of this House. The first one is item forty-eight. It now lies on the table which is the now called Sinclair-Low bill. I notice—I thought I wasn't going to speak until I saw Mr. Fuller, the gentleman from South Portland, in the back of the House, and it certainly is not my intention

to make any motion concerning this measure. However, this is the one major bill that has finally come before us. I am certainly aware of the fact that an individual who has a bill or a resolve on the table unassigned, it is certainly his privilege to remove it from the table when he so wishes. However, this bill has been heard before Committee, the bill has been discussed in an evening session, several of us have discussed it among ourselves. As I stated I am not going to make a motion, but I would suggest just as I did a few weeks ago that—hoping that some of these major bills come before us—that if we are ever to adjourn sine die somewhere along the line, that we might at least get our teeth into some of this major legislation. This is the first one and there are several others to come, and I would like a little lift from some of the Members of the House in urging the gentleman from South Portland, Mr. Fuller, if he would consider taking this measure from the table at his convenience hoping that his convenience will be soon.

The other thought I wanted to bring to the membership of the House is that last Friday morning I heard two-thirds of the presentation by one of our younger Members of the House, I say this humbly, one of the members of my own party. It showed a definite, excellent preparation, regardless of how one would feel toward the piece of legislation that he was speaking on. I speak of the gentleman from Madawaska, Mr. Rowe. I think that I have never heard, and I have heard many members, a finer presentation. And I assure you that I am awaiting a repeat performance, and when he presents his case, regardless of how you feel towards a piece of legislation, you are in for a good treat. In the meantime, I think he should be commended very highly. Thank you.

On motion of the gentleman from Portland, Mr. Childs, the House voted to take from the table the second tabled and unassigned matter, Senate Report "Ought not to pass" of the Committee on Business Legislation on Bill "An Act relating to

Trustee Process of Wages", Senate Paper 277, Legislative Document 736, tabled on March 13 by that gentleman pending acceptance in concurrence.

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

Mr. CHILDS: Mr. Speaker, item number two is an Act relating to Trustee Process of Wages. We have just finished discussing a matter as far as small loan interests are concerned, which is a hardship on families. In my way of thinking I can't think of any more of a hardship on families as is this present law as far as Trustee Process is concerned.

Under our present law the trustee is put on, the amount of thirty dollars is exempted. Any amount over that the plaintiff or the moving party will be held in escrow by the employer for the possible benefit of the plaintiff. The figure thirty dollars is supposed to be an amount which is a realistic figure as far as money is needed for necessities of a family. This law was passed many years ago when possibly thirty dollars was sufficient to take care of the needs of a family, but I certainly think under our present situation and costs and so forth, that thirty dollars is not going to take care of any family. When a man's pay is tied up and his wages held, it means he has thirty dollars to feed his wife and his family.

I certainly think that fifty dollars is a much more realistic figure and that is what this bill calls for, and I think here we would be doing a tremendous amount of good for people and for families. Therefore I move that we substitute the bill for the Report.

The SPEAKER: With respect to item two under tabled and unassigned matters, Bill "An Act relating to Trustee Process of Wages," the motion now before the House is the motion of the gentleman from Portland, Mr. Childs, that the Bill be substituted for the "Ought not to pass" Committee Report.

The Chair now recognizes the gentleman from Bangor, Mr. Quinn.

Mr. QUINN: Mr. Speaker, there is a matter to be heard before the Judiciary Committee this week, very close to this particular bill, and therefore, I would move that this

bill be tabled until the other bill has been acted upon.

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

Mr. CHILDS: Mr. Speaker, I realize I cannot debate the tabling motion, but for the benefit of the gentleman from Bangor, Mr. Quinn, even though this bill—

The SPEAKER: The Chair must rule the gentleman is debating the motion. The motion before the House is the motion of the gentleman from Bangor, Mr. Quinn, that item two, Bill "An Act relating to Trustee Process of Wages" be retabled unassigned pending the motion of the gentleman from Portland, Mr. Childs, that the Bill be substituted for the Report. Is this the pleasure of the House? All those who favor the motion to table please say aye, those opposed, no.

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

The SPEAKER: The motion now before the House is the motion of the gentleman from Portland, Mr. Childs, that the Bill be substituted for the Report.

The Chair recognizes the gentleman from Bangor, Mr. Quinn.

Mr. QUINN: Mr. Speaker and Ladies and Gentlemen of the House: Speaking on the motion, I will try to give you the full information of what this is all about in order that you may be able to exercise your good judgment.

At the present time on trustee process, the Statute provides that thirty dollars will be exempt, and that over thirty dollars will be held on the trustee process. It costs about at least a minimum of five dollars to put this process into effect. If the amendment is allowed, it will extend the exemption from thirty dollars to fifty dollars on the weekly wage, and if you consider the cost of putting the process on, it will amount to about fifty-five dollars.

Now what is the trustee process? Business over the years had been done in this country on a spirit of confidence between the merchant and the purchaser. On the merchant's part, that he gives up his property in an article in the process of a sale with the confidence that the purchaser will at some time in the future pay him back. Usually

the purchaser will do that, because all honest men pay their bills. If he does not pay his bill, he can be sued and any property that he owns can be attached as security against the judgment that he gets to recover his just debt. Now if a person hasn't the will to pay his bills, he hasn't the ownership of property to secure any judgment the merchant may get in attempting to get back his money or some part of it, the only possible way he can get that money is by a trustee process. In most instances trustee processes are not needed for honest dealers. They will pay their bills. The trustee process is the only vehicle by which a merchant can recover, or another individual with the merchant that has a bill against a person, can recover from that person if that person is employed. Now the merchant will send bill after bill, letter after letter, without avail to this type of a debtor. He will then turn it over to his counsel to try to collect it. The counsel will do likewise, send letter after letter without avail. The person hasn't any property that may be attached to secure the judgment. The only thing in some instances that he has is the earning capacity where he works. And the trustee process is the only vehicle left to the honest merchant to recover—or the attorney for the honest merchant—to recover a just debt.

Now if you increase this exemption from thirty dollars to fifty dollars, taken in view of the expense of putting it on, you are practically making it a fifty-five dollar proposition, so that you are giving a debtor—in most instances a person that doesn't intend to pay his bills—the protection of an exemption that will do away with the trustee process in most instances, because it will only be usable—if it is going to have a fifty dollar exemption and it is going to cost five dollars to put it on, you certainly are not going to put it on the whole five dollars which would be a sixty dollar a week salary, it will kill the trustee process, the only available vehicle that the honest merchant and his attorney has to collect a just debt. And by doing it, the person you are protecting is the debtor that doesn't

intend to pay, and isn't going to pay.

Now in most instances if the trustee process can be put on just once on the thirty dollar exemption, some working agreement can be made between the attorney for the merchant and the employee or the debtor to make weekly deductions, and eventually get the bill paid up as it should be. Now having explained that situation to you, I hope that the motion of the gentleman from Portland, Mr. Childs, does not prevail.

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

Mr. CHILDS: Mr. Speaker, if my very good colleague the gentleman from Bangor, Mr. Quinn, would be willing to amend this bill to completely do away with trustee process I would be willing to go along with that.

We certainly do have other methods and other vehicles to use as far as bringing actions are concerned. It is not even necessary to bring a trustee. The lawyer or the plaintiff or the merchant so-called can bring a straight suit. I certainly hope that we do not confuse the issue here. The only thing I am concerned with is the exemption which is here.

Now if the Members of this House are of the opinion that thirty dollars at this day and age is sufficient to take care of a family, then they should vote against me, but if they think it is necessary for fifty dollars to take care of a family and children, they should vote for me on this particular measure. This isn't a question of protecting debtors. I don't even appreciate the terminology. I am talking about families, and there are a good many occasions where the defendant has a legitimate defense, and at the same time suit is brought against him and he is harassed and forced into somebody's office in order to settle this matter. I can only say that I think fifty dollars is a very, very fair amount as far as exemptions are concerned. I hope the House will vote along with my motion, and when the vote is taken I request a division.

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

Mr. QUINN: Mr. Speaker, through the Chair, I would like to ask the gentleman from Portland, Mr. Childs, a question. He said there are other ways of collecting by suing the debtor without the use of trustee process. I ask through the Chair of the gentleman from Portland, Mr. Childs, how you will collect a judgment against an unwilling debtor who has no property, and the only assets he has is what he earns from week to week?

The SPEAKER: The gentleman from Bangor, Mr. Quinn, asks a question through the Chair of the gentleman from Portland, Mr. Childs, who may answer if he chooses.

Mr. CHILDS: The gentleman's question is how would a man proceed if the man was unwilling to pay. When straight suit is brought which is not a trustee process, and a judgment is rendered which probably would be if the man just refused to come into court, the moving party can then very well have the defendant disclosed, and the Disclosure Commissioner can then determine whether the man is a pauper or not, and if the Disclosure Commissioner is of the opinion that he is not, he can then force the party to work out an arrangement where the man can still pay the bill and the exemption would still be in the amount necessary to keep the family going. If he then refuses to cooperate, then a capias can be brought and the man can be confined until the amount is paid, and I don't think anybody would be that strong as far as paying legitimate bills is concerned and be willing to go to jail.

The SPEAKER: Does that answer the gentleman's question satisfactorily?

Mr. QUINN: Yes, your Honor—yes, Mr. Speaker. (laughter)

The SPEAKER: The Chair thanks the gentleman.

The Chair recognizes the gentleman from Charleston, Mr. Rich.

Mr. RICH: Mr. Speaker and Members of the House: I feel a little out of place after these lawyers speaking back and forth, but I would

like to cite one instance, the only instance in my experience where I had to do with this trustee in wages.

A few years ago I had a man and his wife picking potatoes for me. Near the end of the week another man in town called me up and said "Is so and so working for you," and I said "yes". He said he owes me a certain amount, something over a hundred dollars, and he told me the instance, that this man who was picking potatoes for me, had gotten intoxicated and been arrested and sent to jail with a hundred dollars fine which he couldn't pay, and this fellow citizen of mine out of the goodness of his heart, kindness of his heart, and perhaps a little business thought thrown in, felt that he would get him out, and he paid a hundred and ten dollars or something like that and arranged for the man to work it out in cutting pulp. He worked two or three days and then his back ached and he didn't get any more funds. And when he found he was picking potatoes for me, he did trustees wages.

The reason for that is, as I remember it amounted to some hundred and twenty dollars for the man and his wife. The wife's share of sixty dollars is exempt, the other thirty dollars which we have in the present law was exempt, so that the man who had got him out of jail got thirty dollars less whatever fees he had to pay to share it and so on, and I think the thirty dollars is alright in some instances. I couldn't argue well between these learned men, but I would like to support the gentleman from Bangor, Mr. Quinn. Thank you.

The SPEAKER: Is the House ready for the question?

The motion before the House is the motion of the gentleman from Portland, Mr. Childs, that the Bill "An Act relating to Trustee Process of Wages" Senate Paper 277, Legislative Document 736, be substituted for the "Ought not to pass" Report, and a division has been requested.

Will those who favor the substitution of the Bill for the "Ought not to pass" Report please rise and remain standing until the monitors have made and returned the count.

A division of the House was had.

Thirty-six having voted in the affirmative and seventy-seven having

voted in the negative the motion did not prevail.

Thereupon, the "Ought not to pass" Committee Report was accepted in concurrence.

(Off Record remarks)

The gentleman from Winterport, Mr. Bean, was granted unanimous consent to address the House briefly.

Mr. BEAN: Mr. Speaker, again this morning we have placed upon the desks addendum number three to the details of acts and resolves requiring appropriations from the general fund and from the unappro-

priated surplus through April fifth to April twelfth, and also the list on the back of the adjustments to the original tabulation and to the addendum numbered one and two.

The SPEAKER: The Clerk will read any notices he may have in his possession.

The Clerk read a notice.

(Off record remarks)

On motion of Mr. Hendsbee of Madison,

Adjourned until nine-thirty o'clock tomorrow morning.