

# MAINE STATE LEGISLATURE

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OF THE

## STATE OF MAINE

BEING THE

# REPORTS



PUBLIC OFFICERS  
DEPARTMENTS AND  
INSTITUTIONS

FOR THE EIGHTEEN MONTHS

JANUARY 1, 1921-JUNE 30, 1922

# INAUGURAL ADDRESS

of

Percival P. Baxter

Governor of Maine,

to

The Eightieth Legislature

State of Maine

February 9, 1921



## GOVERNOR'S MESSAGE

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*Mr. Chairman, Senators and Representatives of the 80th Legislature of the State of Maine:*

How suddenly are Time's changes wrought! It seems but yesterday that there stood before us in this Hall of Representatives a man in the prime of life, filled with courage and ambition. For him the victory was won. His laudable ambition satisfied, as he looked into the future, there was within his heart a desire to serve his native State. Schooled in affairs of government he had the will and character to earn for himself a place among the best of Maine's long list of chief executives.

On that memorable day it became my pleasant duty to administer to Governor Parkhurst the oath of office. As I looked into his frank and friendly eyes I knew he would be true to that oath when he spoke these words: "I will faithfully and impartially perform the duties incumbent upon me as Governor." Those of us who sat upon this platform always will remember the smile of love and approval which his brave wife gave him as, anxious for him to do his best, she sat with her little daughter in these seats before us, and kept her encouraging eyes fixed upon him. Those of you who looked into his face will not forget the reassuring smile returned by him to her. What faithful wife ever had more reason to look into a future bright with hope and promise? The heart of Maine in these days of loneliness and grief goes out in sympathy to her and to her children.

It is fitting that here I should pay tribute to those who so untiringly and efficiently planned and executed the arrangements for the funeral ceremonies through which we have just passed. To these men is owed a debt of gratitude, and I unhesitatingly assume the responsibility of expressing it. From the moment that the tragic news first was announced to a bereaved

State until the last sad moment of parting at the tomb, the Committee of the Governor's Council and the Legislature attended with infinite care to each detail. The tribute of love and respect to Maine's dead Governor was all that human hearts could wish and human hands could fashion. The memory of those sad days long will remain with us, and the grief through which we all have passed will tend, throughout the session, to soften the harsh clash of argument and debate.

Providence does not make known to us its laws, but all are forced to bow to its decrees. Time drives us on; our Governor has gone. The daily tasks that press on those he left behind still must be done. The burdens others bore, now are borne by those who sought them not. I stand before you as he stood. His work is done, mine but begun. The State moves onward, and I, as its Chief Executive, made such by events no man foresaw, here pledge to its service whatever of good and whatever of ability there is within me. If health and strength are mine, with your help and in your confidence we, unselfishly and not seeking favor or applause, will perform the tasks before us.

I leave the Legislative branch of our State of Maine and enter upon the Executive with feelings of regret. My work as presiding officer of the Senate was most congenial. An atmosphere of friendliness and cooperation pervaded that Chamber, and I, looking forward with pleasant anticipation to the next few weeks of work, saw at their close an end to legislative responsibilities. That is the past and now the future beckons.

## FINANCES

The financial condition of a government is its cornerstone, while character is its foundation. During the stress of war when the operation of the usual system of checks and balances might cause fatal delays, all governments to some extent let down the bars and, regardless of cost, bent all their energies to war. The State of Maine, under the broad and wise guidance of our then Governor, gave freely of its men, its women, and its wealth. Governor Milliken's record in those trying years assures him of an enduring position in the hearts and in the history of our State.

It is our duty now to enter upon a period of reasonable retrenchment and true economy. The rate of State taxation has climbed steadily from  $2\frac{1}{2}$  mills in 1905 when the State's expenditures were \$2,423,502.02, to  $7\frac{1}{4}$  mills in 1920 when they were \$13,344,936.25. In many cases this properly may be accounted for by a wholesome and necessary increase in the many activities of the State.

Beyond a certain point of taxation we safely cannot go. The time has come when the state, like the individual, should strike a trial balance and determine whether or not it lives within its income. The tax rate of a heavily burdened people should be before you constantly, and an earnest effort should be made to effect a reduction. Upon you members of the Legislature who control the purse strings rest these responsibilities. The expenditure of the money raised and appropriated by you devolves largely upon the heads of departments and their assistants, and from them you properly may demand that for each dollar spent there shall be an adequate return. Their responsibility equals yours and the people of our State will scan with critical eye the disbursement of the next two years.

### CONTINGENT FUND

Coming so abruptly from the legislative to the executive branch of state government I have not forgotten the legislative point of view. The contingent fund for two legislative sessions has been under discussion, and has been confused by rumors and uncertainties. Its origin, its purposes, and its amount all have been somewhat misunderstood. I desire that the facts be made known both to the members here and to the people of the State at large.

The State Auditor informs me that on January 1, 1921, this fund amounted to \$786,150.24 against which there are now chargeable certain items estimated to amount to \$140,000. This leaves a net contingent fund of about \$646,000.00, which is less than 3% of the total cash payments for the years 1919 and 1920. This fund was established by law in 1915. The contingent fund consists: First, of lapses from appropriations not used; and second, of the amount by which the actual income exceeds the current expenses for the year. The fund created from these two sources, is then withdrawn by the

Governor and Council; first, for emergency work that arises after the close of the legislative session; second, for the completion of work that has been started and for the completion of which the appropriations made were not sufficient; third, for work authorized by the Legislature but for which no definite appropriations were made.

It is readily seen that where a legislature must estimate the state's income and expenditures for a period of twenty-four or thirty months in advance, exactness in those estimates cannot be obtained. The Governor and Council occupy the position of a board of directors that have frequent meetings, while the Legislature corresponds in a measure to a stockholders' meeting, held not as often as once a year, but once in two. If the stockholders have confidence in their directors there are advantages in having a contingent fund.

Formerly there was a tendency on the part of heads of departments to expend whatever appropriations were made for them, with the result that appropriations often were exhausted, and unpaid balances were carried to the next administration. Today the department head realizes that if the funds of his department become exhausted he then may apply to the Governor and Council and state the reasons why he needs relief. Also there was a tendency in former times for heads of departments to make sure of having an appropriation large enough for all contingencies. A properly administered contingent fund checks the demands for excessive departmental appropriations.

It should be recognized that the past four years, with rising costs of labor, material and supplies, have been difficult ones, but in these respects the outlook for the future is somewhat more encouraging. During the years 1919 and 1920, \$1,517,927.82 was spent by the Governor and Council from the State contingent fund and \$360,859.11 was spent by them from "moneys in the treasury not otherwise appropriated," the total being \$1,878,786.93. This was made possible because the actual income received by the State during those years was greater than the estimated income, and the appropriations for those years were based on the lower figures of estimated income. Had this not been so, the special sessions that were held would have been called upon to provide additional income to meet



the State's expenditures. The books of the State Auditor are at all times open to you. There is no mystery about them and each and every transaction for the years that have passed is subject to your inspection. The future of this fund lies in your hands.

## BUDGET

The work of the Budget Committee has proven of value to the Legislature. The Budget states that the recommended appropriations can be provided for by a 1-mill tax for war purposes, 3-mill tax for schools, 1½-mill tax for roads, and ½-mill tax for general purposes, a total of 6 mills. It should be understood that in these budget figures no provision has been made for certain important measures now before you. Should you approve these measures you will need to revise the figures of the budget either by increasing the 6-mill tax rate, or by making some reduction in the appropriations suggested in the budget. It is for you to study these figures, to test their accuracy, and to arrive at a wise solution of the difficult problem. I urge prompt action in order that the legislative session may not be unduly prolonged.

## HIGHWAYS

Maine's road problem can be appreciated when it is realized that Maine covers an area as large as that of the other five New England states, with a population of 768,014, where they have 6,632,895; and that Maine has a total of 25,529 miles of road, while the other five New England states have but 63,181. From this it is seen that Maine has about 10% of New England's population and about 29% of its roads. The question of good roads therefore always must remain an important and a difficult one. The fact that such a widespread interest exists in the highway question is encouraging, for discussion is educational and ultimately a solution of the problem will be found.

At present there is an undercurrent of opinion that a disproportionate amount of the money available is being spent on roads of costly construction, that plant and overhead charges are at times larger than they should be, and that the interest of the smaller communities is sometimes unnecessarily made

secondary to the development of large projects. Reference is made to these criticisms in order that through the proper committee you may determine if they are well founded, and if so may endeavor to suggest the needed remedies. It always should be borne in mind that criticism is not construction although it ultimately may lead to it, and that this difficult situation should be handled without prejudice or partisanship, and with the sole desire to remedy that which needs correction. It is of course necessary for you first to secure the facts upon which to base your judgment and conclusion.

### THE BLAINE HOUSE

It has become the fixed policy of the State, as established by act and resolve, to maintain the Blaine House as the Executive home, and a few days ago you provided for its maintenance for the ensuing 30 months by passing a resolve appropriating \$32,500. You did this in a spirit of loyalty to the memory of the son of Maine in whose name the house was so generously given in trust to the State. In this \$32,500 resolve it is stated that :

“The funds herein appropriated are in addition to any sums expended by the superintendent of public buildings and grounds for the care and preservation of the property to be occupied by the Governor as his official residence,” and the Budget Committee in its report now before you, under the title of Superintendent of Public Buildings, also has provided for a substantial appropriation to cover certain expenses connected with the Blaine House. In providing for this \$32,500 appropriation you, ignorant of what destiny had in store, were planning for the future, but rapidly changing conditions have made it advisable to revise this item.

I suggest that the \$32,500 resolve be repealed, and that the contemplated appropriation in the Budget be referred to a committee for careful consideration, in order that whatever is finally appropriated by the State for the maintenance of this house shall be understood by all. Should you accept these suggestions you will, in my opinion, place this question upon a proper basis.

You already have decided that the Blaine House should be kept open to the people of our State so that those who, from

historical and sentimental reasons desire to visit it, may do so freely. The Blaine House was accepted by the State as a sacred trust. It was given in trust to our late Governor to be held by him during his term of office. It would, in my opinion, be a generous and an appropriate act for you, after repealing the \$32,500 resolve, to pass a resolve in its stead providing that the sum of not less than \$5000 per year for the years of 1921 and 1922 be placed in the hands of the devoted wife of our late Executive, to be used by her for the benefit of herself and her children.

## WATER POWERS

As a legislator I advocated the retention of Maine's water powers for the benefit of Maine people; opposed Federal interference with and control of these water powers; urged the appointment of a commission to secure the facts about them so that they might be placed before the people; and was instrumental in attaching a restrictive amendment to such water power charters as came before the last two Legislatures. I also advocated the development and control by the State of storage reservoirs and basins, which constitute the basis of successful hydro-electric development, and of the undeveloped water powers incident thereto.

The policy of non-transmission of hydro-electric energy beyond the State is supported by an overwhelming public sentiment, and, in-so-far as the State of Maine is able to do so, this policy has been safeguarded by law and by amendment. The Maine Waterpower Commission, in my opinion, in its recent report, has justified its creation and its continuance, as the only available channel through which the facts properly and impartially may be put before the people. Should the Federal Government attempt to assume control over Maine's water powers under the Federal Waterpower Act, or should any water power corporation in violation of the laws of this State, and in disregard of the will of the people, undertake to transmit the water powers of Maine beyond the confines of the State, the Attorney General will be directed to defend the rights and sovereignty of the State and to proceed against the offending corporation.

In 1919, in order to clear the way for constructive action

by the present Legislature, I framed, and the Legislature submitted to our Supreme Judicial Court, certain water power questions. The Court, in answering these questions, gave its opinion that the development by the State of storage reservoirs and basins and of the undeveloped water powers incident thereto would be at variance with the existing provisions of our State constitution. The State constitution was adopted in the first instance by the people of the State, and consequently is subject to amendment by them. In view of the court's opinion, before actual development can be undertaken by the State, it is necessary for the Constitution to be amended. I believe in the passage of such an amendment and urge upon you its serious consideration. During the period that such an amendment is before the people for deliberation and discussion, the Waterpower Commission should continue its work of investigation.

Maine should not fall back into its former state of indifference to this vital question. Maine must advance. Private development should be encouraged and property rights must be respected. It need never be feared that the State of Maine will take property or rights from lawful owners without returning to them lawful compensation therefor. The construction of storage reservoirs and basins and the development of the undeveloped waterpowers incident thereto by the State, should, in my opinion, be begun under proper safeguards after present restrictions are removed. Maine needs the benefit of its waterpowers and the need becomes more pressing as years go by. My deep interest in this issue continues, but it must of necessity be in an executive, rather than in a legislative capacity.

#### MT. KATAHDIN PARK

The forests of Maine, with our waterpowers, constitute the great natural resources of the State. The waterpowers in their nature are perpetual, while the forests may be and have been, wantonly destroyed by wasteful management and by fire. A century of statehood has passed, during which period the millions of forest acres once publicly owned have passed to private hands. In the heart of the wilderness of these woods stands Mt. Katahdin, the greatest monument of nature

east of the Mississippi river. This mountain raises its head aloft, unafraid of the passing storm, and is typical of the rugged character of the people of Maine. The purchase of this mountain will constitute a fitting memorial to the past century and an inspiration to the new.

Unlike most projects that call for the expenditure of a considerable sum of money, this park will prove to be an asset to the State from which will be derived both direct and indirect income. The establishment of some great institutions by the State creates for all time a burden on the public treasury but this park will prove a safe investment in lands and timber, an investment which will increase in value with the passing years.

I bring this project to your attention as one which our late governor endorsed without reservation. In his inaugural he says:

“By sound principles of public policy, reinforced by party pledge, we are committed to the establishment of a State park and forest reserve, to the conservation of our forests, to a program of reforestation of cut-over and burned land, and to the development of waterpower resources within the State.”

The establishment of this park will lay the foundation of a policy whereby the present generation will deliver a great inheritance to the generations to come.

## WILD LAND VALUES

In 1905, during my first Legislative session, an appropriation of \$2500 was made for the purpose of cruising the wild lands of the State in order to ascertain their value for the purpose of taxation, and since then an increased appropriation has been made by succeeding Legislatures. This work has been conscientiously done under the supervision of the board of State assessors. Two hundred and sixty-three townships out of a total of about 441 already have been surveyed. I doubt if the State ever has made as wise an expenditure of the public money as this has proven to be. Since 1905 the total amount of \$90,000 has been spent upon this work and the State already has received from it in taxation, not including interest, the sum of \$575,765.42. This shows a net tax income from this item of \$485,765.42. It is readily seen that an appropriation larger

than that suggested in the budget will bring immediate returns without causing injustice to the owners of the land, as such land should be valued on a basis proportionate with the value of other lands within the State.

## NATIONAL GUARD

The federal government controls the size of our National Guard, while the State assumes the responsibility for its standards of efficiency. Our citizen-soldier always has proved his loyalty and courage. The officers of the Guard are men of character and ability devoted to their work, while the men, well trained and equipped, are eager to perform whatever duties may be required of them. I believe the Guard should remain a voluntary organization. Our young men should be encouraged to enter it and in doing so should receive the approval and support of the civilian population. In times of peace we need no draft or compulsory military training in Maine. My connection with the national draft organization, as chairman of a local exemption board, showed me the spirit of Maine's men of military age. Their response to duty was splendid. Maine kept her quotas of men so well filled that when the great war closed Maine did not owe a single soldier to the national government, while sister states owed thousands. As long as fighting men are needed Maine safely may be relied upon to furnish her share of them. May the day soon come when the nations of the world will cease their useless competition in armament. May those be heard who cry for relief from the crushing burdens of war and its preparation, and may their cry be heeded in the capitols of the world.

## TRANSPORTATION

The transportation problem is before you. Maine's railroads seek relief, and tax concessions are asked of you. Tax reduction for one, means an added burden for others. The industrial, economic and agricultural life of the State to a large extent is dependent upon adequate transportation facilities. Throughout the country there is need of railroad rehabilitation. The method of railroad taxation now in vogue in our State, whereby a tax is levied on gross receipts, is considered

by many students of economy to be unsound. You have scant time to devote to the solution of this pressing problem. It is the duty of each member to attend the hearings on these bills. It is each member's duty to ask questions even though they be not carefully framed or scientifically worded. Each earnestly should attempt to learn the facts.

To the railroads I would say, bring all the facts at your command, offer them frankly and openly, encourage those who seek information, avoid complicated and confused figures of intricate bookkeeping, and take the Eightieth Legislature into your confidence in every detail. Let each party to the discussion, those seeking and those imparting information, recognize the other's point of view and proceed calmly to the work in hand, for all must admit that modern conditions are complex, and that the burden of taxation must be distributed equally lest an injustice done to one group, or favor granted to another, destroy the balance of good government.

The people of Maine, notwithstanding the now discredited methods of railroad lobbies and railroad domination of the years gone by, realize as do the railroads themselves, that times have changed and that the people need the railroads just as much as the railroads need the people; and they also realize that the prosperity of the one is interwoven with that of the other, and that mutual confidence is the only satisfactory basis for the future.

My work is no longer legislative, it is executive, and it is my ambition that you be remembered as a Legislature that passed just laws, and that I be remembered as a wise Executive. The days of reconstruction and retrenchment are trying days. Emergencies may arise. After you have left we shall carry on. Maine occupies a situation favored beyond that of most of her sister states. Conditions here remain normal long after other states have felt the stress of changing and unsettled times. Today we face the coming months with hope and confidence. May true prosperity soon return, and may it be the rule in Maine that all who work receive a fair reward, for which they give an adequate return.

The affairs of this State ever shall be to you and to our other citizens an open book, and about them there shall be no mystery or concealment. Should you be unable to find such in-

formation as you seek, the Chief Executive with the department heads gladly will render you assistance. A self-governing State like ours is one wherein each does his part, and wherein also each is entitled to full knowledge of the State's affairs.