

# MAINE STATE LEGISLATURE

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MAINE  
LEGISLATIVE RESEARCH  
COMMITTEE

THIRD REPORT  
to  
NINETY-SEVENTH LEGISLATURE



Annual Sessions of Legislature

Highway Litter

Marginal Towns

Supreme Judicial and Superior Courts

Taxation of Corporations Organized Under Chapter 54

December, 1954

STATE OF MAINE  
SUMMARY REPORT  
to  
NINETY-SEVENTH LEGISLATURE

LEGISLATIVE RESEARCH COMMITTEE

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Director:

Samuel H. Slosberg, Gardiner

December, 1954

To the Members of the 97th Legislature:

The Legislative Research Committee hereby has the pleasure of submitting to you the third section of its report on activities for the past two years. This report deals with the following subject matters: Annual Legislative Sessions; Highway Litter; Marginal Towns; Supreme Judicial and Superior Courts; and Taxation of Corporations Organized under Chapter 54 of the Revised Statutes of 1954. Other reports on matters assigned to the Committee by action of the Legislature and matters deemed worthy of study by the Committee itself will be reported at a later date.

It is the hope of the Committee that the information contained in this report will be of value to the Members of the 97th Legislature.

Respectfully submitted,

LEGISLATIVE RESEARCH COMMITTEE

By: Samuel W. Collins, Chairman

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## ANNUAL SESSIONS OF LEGISLATURE

ORDERED, The House concurring, that the Legislative Research Committee be requested to study the general proposal of annual sessions of the Legislature and present to the 97th Legislature a summary of the study.

The Committee herewith submits the following pros and cons concerning the subject of annual vs. biennial legislative sessions.

### FOR:

1. The rapid changes in present-day social and economic conditions require frequent legislative sessions to keep pace with those changes.
2. The national government and local units of government recognize this with frequent or virtually continuous sessions of their legislative bodies.
3. The problem of convening a state legislature is far less difficult today than it was during the 19th century.
4. Annual sessions permit closer legislative control of the operations of state government.
5. Annual sessions give greater continuity to the legislature and permit the establishment of a permanent secretariat and research staff.

6. Annual sessions reduce the end of the session rush.
7. Annual sessions permit great deliberation of the legislation being considered.
8. Special sessions will not solve the problem in many states because they are dependent on a call by the Governor. Annual sessions permit the legislature to maintain its independence from the Executive Department.
9. Present biennial sessions were generally provided for in 19th century constitutions when the economic and social life of the State moved at a more leisurely pace, but the annual session was common to each of the 13 original states when they were first organized.
10. Present budgetary problems indicate that a more economical administration would result from annual sessions. The budgets would more nearly reflect the actual needs of the departments and the cushion, which is now frequently used, would not be necessary.

AGAINST:

1. Annual sessions would constitute a greater drain on the time of the legislators thereby preventing many public-spirited citizens from seeking legislative office.



2. Annual sessions lead to more laws and not necessarily better laws.
3. Annual sessions would increase the costs of government.
4. Annual sessions would result in a reduction of public interest which can only be sustained for a limited period. Biennial sessions bring the legislature into greater public focus.
5. Any real crisis between biennial sessions may be met by a special session.
6. Annual sessions tend to cause the legislature to concern itself more with the minutia of administration while biennial sessions tend to make the legislature concentrate on important matters of policy.
7. Annual sessions may result in failure to act because of the knowledge that issues can be solved next year. Biennial sessions tend to secure results because of the 2-year interval before the problem can be met again.
8. Determination of state fiscal policy on a 2-year basis is a stabilizing factor in state government. Annual adjustments may stimulate runaway expenditures.
9. The opportunity for departments which have lived well within their budgets to have some surplus

to expend at the end of the year is not necessarily bad. It does not necessarily follow that the surplus is always spent.

10. Annual sessions would necessitate that at least the major administrative departments assign more personnel to provide liason with the legislature.

11. Normally there are few state problems which must be solved immediately.

#### CONCLUSIONS

The subject of annual legislative sessions is one of a controversial nature. Although it appears that there is no substantial demand for a constitutional amendment which would require such annual sessions, the 97th Legislature may desire to consider the subject.

If legislation, which would permit annual sessions is introduced, the Research Committee would suggest the following considerations as some which might constitute basis for discussion.

It may be desirable that the Legislature should have the optional right of reconvention, which would in effect make annual sessions possible when the situation requires.

The Legislature now has the option of adjourning

without day or adjourning to a day certain, such as the following January. But adjournment to a day certain is impracticable because of the provisions of Section 16, Article IV, Part Third of the Constitution which would prevent laws passed in the regular session from becoming effective in 90 days after adjournment, if adjournment should be to a day certain.

Section 16, Article IV, Part Third reads as follows:

"No act or joint resolution of the legislature, except such orders or resolutions as pertain solely to facilitating the performance of the business of the legislature, of either branch, or of any committee or officer thereof, or appropriate money therefor or for the payment of salaries fixed by law, shall take effect until ninety days after the recess of the legislature passing it, unless in case of emergency, (which with the facts constituting the emergency shall be expressed in the preamble of the act), the legislature shall, by a vote of two-thirds of all the members elected to each house, otherwise direct. An emergency bill shall include only such measures as are immediately necessary for the preservation of the public peace, health or safety; and shall not include (1) an infringement of the right of home rule for municipalities, (2) a franchise or a license to a corporation or an individual to extend longer than one year, or (3) provision for the sale or purchase or renting for more than five years of real estate."

Attention is also called to Section 20, Article IV, Part Third of the Constitution which defines "recess of the Legislature", as follows:

"Recess of the legislature" means the adjournment without day of a session of the legislature."

As a minimum amendment, Section 20, Article IV, Part Third should be amended so that "recess of the legislature" would mean "adjournment without day or adjournment to a day certain after a recess of not less than 90 days of a session of the legislature."

Legislative business at such special session could be restricted to consideration of such matters as the Legislature or the Governor may deem to be urgent. It might also be desirable to provide that no action could be taken during a special session which would impair the right of the people to act upon a matter then subject to referendum election. It is suggested that the time schedule as it appears in the following sections of the Constitution be noted.

Section 17, Article IV, Part Third of the Constitution:

"Section 17. Upon written petition of electors, the number of which shall not be less than ten per cent of the total vote for governor cast in the last gubernatorial election preceding the filing of such petition, and addressed to the governor and filed in the office of the secretary

of state within ninety days after the recess of the legislature, requesting that one or more acts, bills, resolves or resolutions, or part or parts thereof, passed by the legislature, but not then in effect by reason of the provisions of the preceding section, be referred to the people, such acts, bills, resolves, or resolutions or part or parts thereof as are specified in such petition shall not take effect until thirty days after the governor shall have announced by public proclamation that the same have been ratified by a majority of the electors voting thereon at a general or special election. As soon as it appears that the effect of any act, bill, resolve, or resolution or part or parts thereof has been suspended by petition in manner aforesaid, the governor by public proclamation shall give notice thereof and of the time when such measure is to be voted on by the people, which shall be at the next general election not less than sixty days after such proclamation, or in case of no general election within six months thereafter the governor may, and if so requested in said written petition therefor, shall order such measure submitted to the people at a special election not less than four nor more than six months after his proclamation thereof."

Section 18, Article IV, Part Third of the Constitution:

"Section 18. The electors may propose to the legislature for its consideration any bill, resolve or resolution, including bills to amend or repeal emergency legislation but not an amendment of the state constitution, by written petition addressed to the legislature or to either branch thereof and filed in the office of the secretary of state or presented to either branch of the legislature within forty-five days after the date of convening of the legislature in regular session. Any measure thus proposed by electors, the number of which shall not be less than ten per cent of the total vote for governor cast in the last gubernatorial election preceding the filing of such petition, unless enacted

without change by the legislature at the session at which it is presented, shall be submitted to the electors together with any amended form, substitute, or recommendation of the legislature, and in such manner that the people can choose between the competing measures or reject both. When there are competing bills and neither receives a majority of the votes given for or against both, the one receiving the most votes shall at the next general election to be held not less than sixty days after the first vote thereon be submitted by itself if it receives more than one-third of the votes given for and against both. If the measure initiated is enacted by the legislature without change, it shall not go to a referendum vote unless in pursuance of a demand made in accordance with the preceding section. The legislature may order a special election on any measure that is subject to a vote of the people. The governor may, and if so requested in the written petitions addressed to the legislature, shall, by proclamation order any measure proposed to the legislature as herein provided, and not enacted by the legislature without change, referred to the people at a special election to be held not less than four nor more than six months after such proclamation, otherwise said measure shall be voted upon at the next general election held not less than sixty days after the recess of the legislature, to which such measure was proposed."

Section 19, Article IV, Part Third of the Constitution:

Section 19. Any measure referred to the people and approved by a majority of the votes given thereon shall, unless a later date is specified in said measure, take effect and become a law in thirty days after the governor has made public proclamation of the result of the vote on said measure, which he shall do within ten days after the vote thereon has been canvassed and determined; provided, however, that any such measure which entails expenditure in an amount in excess of available and unappropriated state funds shall remain

inoperative until forty-five days after the next convening of the legislature in regular session, unless the measure provides for raising new revenues adequate for its operation. The veto power of the governor shall not extend to any measure approved by vote of the people, and any measure initiated by the people and passed by the legislature without change, if vetoed by the governor and if his veto is sustained by the legislature shall be referred to the people to be voted on at the next general election. The legislature may enact measures expressly conditioned upon the people's ratification by a referendum vote."

In summary of the preceding several paragraphs the following procedure of amending the Constitution is outlined.

Section 1, Article IV, Part Third of the Constitution reads as follows:

"Section 1. The legislature shall convene on the first Wednesday of January biennially, and, with the exceptions hereinafter stated, shall have full power to make and establish all reasonable laws and regulations for the defense and benefit of the people of this state, not repugnant to this constitution, nor to that of the United States."

While still providing for biennial sessions, amend the section to provide for special sessions by adjournment to a day certain after a recess of not less than 90 days, while at the same time amend Section 16, Article IV, Part Third of the Constitution so as to make the effective date of a law 90 days after the adjournment of the regular session or special session during which it was enacted.

Another alternative is to amend Section 1 of Article IV, Part Third of the Constitution to provide for annual sessions with a time limit on the length of each legislative session or the session which is held in the even years. It might also be desirable

to limit the sessions held in the even years to problems relating to bugetary and financial matters.

It is to be noted that neither major political party in Maine took a definite stand on the question of annual sessions in their party platforms.

The Research Committee also takes no stand. It has presented the arguments for and against the subject under discussion and has suggested certain alternative amendments to the Constitution if the Legislature decides that annual sessions are desirable.

#### HIGHWAY LITTER

ORDERED, the House concurring, that the Legislative Research Committee be requested to study the problem of litter and refuse on the roadsides of the State, and to make such recommendations to the next Legislature as may be deemed appropriate for the abatement of this nuisance.

Pursuant to the Order of the 96th Maine Legislature, there was created on June 27, 1953 a sub-committee of the Legislative Research Committee for the express purpose of studying the matter of highway litter and of reporting its findings to the parent committee in order to assist that committee in formulating any recommendations deemed necessary to effect the abatement of any nuisance which might exist.



## COMMITTEE ORGANIZATION

Holding an organizational meeting on June 27, 1953, the Legislative Research Committee appointed the following to membership on the sub-committee on roadside litter:

Sen. Foster F. Tabb of Kennebec#  
Rep. George D. Pullen of Oakland  
Rep. Louis Jalbert of Lewiston

#It should be noted that Chairman Tabb of the sub-committee resigned from the Senate subsequent to the first meeting of the sub-committee in order to accept appointment as Sheriff of Kennebec County.

## FIRST MEETING

The sub-committee held its first meeting to consider the matter of highway litter on July 10, 1953. Present, in addition to the sub-committee, to act as advisors were the following executives of State departments:

John Burnham, Assistant to the Chief Engineer,  
Maine State Highway Department  
Deputy Chief Robert Marx, Maine State Police  
Capt. John DeWinter, Maine State Police  
Timothy J. Murphy, Director of Enforcement,  
Maine State Liquor Commission  
Earl Doucette, Publicity Director, Maine  
Development Commission.

It was agreed at the outset that the primary objective to be attained was greater public cooperation in keeping highways clean; to make driving along Maine

highways more pleasant through the elimination of unsightly litter; and to reduce the cost to the State Highway Department for scavenging debris thoughtlessly tossed from passing cars.

The committee determined to obtain all the information it could from any and all reliable sources bearing on the matter of roadside debris. Moreover, the subcommittee members resolved to observe highway conditions for themselves while driving over Maine roadways.

The sub-committee also took cognizance of the fact that there exists within the Statutes an Act forbidding the dumping of rubbish in highways, with provision for a fine up to \$50.00 for violation. It also bore in mind that by enactment which became effective August 8, 1953, the throwing of cigarettes and other inflammable materials from motor vehicles is prohibited, with appropriate fines for violators.

The law relating to dumping of rubbish in highways is embodied in Section 30 of Chapter 137 of the Revised Statutes of 1954.

"Dumping of rubbish in highways: No person, firm or corporation shall throw, place or cause to be placed any waste material, bottles, rubbish or garbage of any nature within the limits of the right-of-way of any public highway; provided, however, that

this section shall not apply to the proper use of the right-of-way for highway purposes.

For the purposes of this section, where the limits of the highway are not known, they shall be considered as extending 33 feet both sides of the center line of the traveled portion of the highway.

Whoever violates the provisions of this section shall be punished by a fine of not more than \$50."

This enactment became effective August 20, 1951.

Education of the public in keeping roadsides clean occupied major attention at this meeting. The full support of the Highway Department and the Development Commission were requested by the Committee. This resulted in agreement to place additional highway signs to discourage the throwing of waste from cars, the placement of convenient trash barrels, and stepped-up enforcement by the State Police. Earl Doucette, Development Commission publicity director, was requested to publicize the effort toward keeping highways clean and to arrange for the publication of information concerning trash collection barrels and signs.

There was detailed discussion by Committee advisors in the matter of those areas which seemed to present a potentially serious problem. The Committee was

also informed concerning those areas wherein arrests had been made for alleged violations of the highway rubbish dumping law. Some technical discussion was devoted to the phrasing of the present statute and a recommendation made that the State Police issue litter-prevention radio broadcasting announcements and intensify enforcement of the prohibition against throwing waste materials from motor vehicles.

#### DETERMINATION OF THE PROBLEM

In its investigations in formal meeting and as a result of study by individual members, your committee came to two basic conclusions bearing on the highway litter situation:

1. From the viewpoint of cleanliness, Maine highways are in far better condition than they were two- and even one - year ago, with constant improvement being noted. From its investigations your Committee has concluded that no interested, responsible group such as chambers of commerce or state organizations has found that there is a litter problem of serious proportions.
2. While the litter observed included a wide variety of materials, no single item of waste or refuse can be pointed to as the principal offender.

### PREVENTIVE ACTIVITY

The Committee has determined that any potential roadside litter problem has been a major consideration in a number of State departments, as well as private organizations, for a considerable time. In fact, preventive activity was in progress long before the formation of this subcommittee. Chief among these are the State Highway Department, the State Police, the Maine Development Commission, the Forestry Department, and the Insurance Commission.

In addition to an intensive roadside clean-up campaign, the Highway Department is engaged in posting signs and placing receptacles for the disposal of trash. The record of sign-posting is as follows:

- 250 signs, "Rubbish Disposal Prohibited by Law". Signs now in use throughout the State.
- 150 signs, "Up to \$50 Fine for Throwing Out Waste". Signs now being placed.
- 100 signs, Smaller "Up To \$50 Fine" signs being placed.
- 450 signs, "No Dumping" signs. All 450 now posted, with annual production of 150 signs.

### TRASH BARREL TEST

Acting upon the recommendation of the Committee, the Highway Department inaugurated a test of trash barrel

placement at scattered points throughout the State. Attractively painted, these barrels were placed at strategic locations to determine their effectiveness. Each location was marked with a sign, 500 feet away in each direction, calling drivers' attention to the fact that a trash barrel was just ahead.

An agreement was made that, pending the final result of this test, the Highway Department would provide additional trash barrels, with appropriate signs, as requested by authorities in areas which may be determined to represent a special problem.

#### PUBLIC REACTION

As has been noted, litter conditions are greatly improved over those of a few years ago. Moreover, there is continuing and measurable improvement. This favorable situation is, in the opinion of the committee, the product of increasing public cooperation as well as stricter enforcement of the existing statutes. Newspaper editorial comment appears to reflect the improvement. Typical of editorial reaction, your Committee believes, is the following statement appearing in the issue of the Kennebec Journal of May 20, 1953, under the heading, "Enforce Clutter Laws":

"Instead of the usual remark; 'There otta be a law', why not lean more on, 'They otta enforce a law'?"

"For example. A great deal of time was spent by the Legislature a few weeks ago arguing over a proposed bill to raise the deposit price on beer bottles as high as 15 cents each, and to outlaw non-returnable bottles. The object was to provide an incentive that would help prevent cluttering our roadsides with throw-away bottles.

"The Legislature wisely defeated the bill, not because it wouldn't bring the desired result, but because it was unfair and discriminatory.

"This week a State trooper came forward with a better answer. He hailed a young man into court on a charge of throwing a beer bottle onto the highway. The respondent was convicted and had to pay.

"How many, including the members of the Legislature themselves, knew we had such a law? Wouldn't a few more court cases like this produce about as wholesome effect as a new law, approaching the problem from some other angle?"

"Trooper Merle Robinson has pointed the way to an effective new approach to clean-up week, and to year-round improvement of one of our worst highway clutter problems."

Part of the favorable public reaction, the Committee believes, must also be credited to the educational campaign which is being carried on by the State Police, with the cooperation of newspapers and radio stations. The State Police have regularly supplied those media with brief announcements asking for public cooperation in keeping roadsides clean. These releases have been widely printed and broadcast.

### STATUTORY PROHIBITION

The Committee has thoroughly studied the statutes as they bear on the subject of highway litter. It is the considered opinion of the Committee that there is ample law, already enacted and effective, to take care of the comparatively few motorists who are not amenable to persuasion. It is of the firm opinion that rigid enforcement of the laws which do exist is all that is necessary to prevent irresponsible motorists from littering the roadways.

The Committee hold the view that new enactments would simply mean heaping law upon law; that any further legislation in this specific area is unnecessary and that it would be discriminatory; and that, finally, such a potential problem as may exist can only be met adequately by public education and persuasion.

### CONCLUSION

The Committee, after serious consideration, after discussion with those best informed in the matter of roadside litter, after study of the statutes, and after personal individual observation, has reached these conclusions:

1. That while highway litter, however small, calls for attention and action, it does not presently constitute a serious problem in Maine.



2. That preventive measures have been and are being taken in increasing measure by our State agencies, notably the Highway Department and the State Police.
3. That public education and persuasion are producing increasingly beneficial results.
4. That for the comparatively few motorists who will not yield to persuasion, stricter enforcement of the law relating to the dumping of rubbish in the highways is discouraging violations.
5. That the laws presently in force are adequate to prevent and - if necessary - remove any serious highway litter problem.
6. That further legislation in this field is not needed, that it would merely pile law upon law, and that it would enlist the support of the State of Maine in a form of discrimination that is neither desirable nor wise.

## MARGINAL TOWNS

ORDERED, the House concurring, that the Legislative Research Committee be, and hereby is, requested to study such problems as may exist in relation to the economic plight of that group of towns faced with the question of continuing their corporate organization as towns or requesting Legislative action that will give them a status of deorganization. Without indicating any restrictive area of study, the Committee may study such statutory revisions as may be desirable relating to state subsidy advantages that may or may not accrue to a community seeking deorganization.

## TAXATION IN UNORGANIZED TOWNSHIPS, DEORGANIZED TOWNS AND PLANTATIONS

The Committee felt in its report on this subject that it was necessary to attempt to briefly explain the taxes assessed against property in unorganized townships and deorganized towns as against taxation of property in the organized municipalities of the State (plantations, cities and towns).

Unorganized townships are usually wild lands and never have received a charter from the State. Deorganized towns, on the other hand, were once chartered by the State but, for various reasons, relinquished their charters through legislative approval and thereafter have their affairs handled by the State.

The taxes in both the unorganized townships and the deorganized towns are computed in the same manner. Some of the deorganized towns, having rather large populations, are subject to extra taxes over and above those assessed against unorganized townships. Such taxes would include for example capital expenditures

for schools, a greater amount for roads, fire protection, etc.

The following taxes apply to all unorganized townships and deorganized towns: state tax, forestry district or forest fire tax and county tax. Road taxes, school taxes including capital taxes, and public service taxes may apply to both but are usually heavier in the deorganized towns.

Plantations have their own government and usually have two assessors who handle most of the affairs of a plantation as the selectmen do in organized towns. Taxes in many plantations are most reasonable due to the fact that some lumber company owns a great deal of the real property.

#### MARGINAL TOWNS

More than 100 municipalities in the category of marginal towns were selected for study and comparison as to relationship of state valuation to local valuation, the change in tax rates over the years, the relationship of real estate to personal property, the delinquent tax account, the taxable assets per capita, the unencumbered net surplus, the resident taxes per capita, the taxes per capita, etc. School costs and relief costs were also considered. The Committee was not too successful in finding out the road costs

or the relief costs for the reason that these items are often buried. The analysis of this information was like a shotgun pattern. There was no particular rhyme or reason with respect to valuation, population or taxes.

It would seem that it is practically impossible to forecast what towns or municipalities might become weak and be willing to give up their charters. It certainly is not assets in themselves. It seems that it is largely a human factor. Some of the plantations with small populations and seemingly low resources are in a very good position because their service needs are low. On the other hand, some of the larger places may be considered weak in that they have a large population but the population works elsewhere. In other words, their resources are not as good as might be expected.

Management without any question largely affects the well being of any municipality. Some of the weaker towns, as far as population and resources are concerned, seem to be getting along well, and have been getting along well over a period of years. On the other hand, we have two good examples with respect to Albany in Oxford County and Connor in Aroostook County, both of which have seemingly large resources:

they have a large population and yet they apparently lack the will to take care of their own government. It would seem from the study of the resources of Albany that there is every reason for them to be able to manage their own affairs as far as statistical facts are concerned. They do have large resources in the form of the Portland Pipe Line which creates no service need. The property around Songo Pond also is a considerable part of the total valuation, and this requires a minimum of service needs.

#### CONCLUSION.

It would seem that a sociological study is needed in addition to a statistical study if any conclusions can be drawn from bare statistics with respect to what might be anticipated in the well being of municipalities.

SUPREME JUDICIAL AND SUPERIOR COURTS

ORDERED, that the Legislative Research Committee is hereby authorized and directed:

To collect information concerning the constitution, jurisdiction, powers, sessions, terms, salaries, pensions or retirement benefits, efficiency, economy, functioning and adequacy of the Supreme Judicial and Superior Courts;

To examine the effects of constitutional provisions and previously enacted statutes with reference to the terms of office of the Justices of the Supreme Judicial and Superior Courts, their salaries, pension or retirement benefits, the method of their appointment to office and their retirement from office; with reference to the jurisdiction, powers, constitution, sessions, terms and functioning of the Supreme Judicial and Superior Courts;

To assist the Legislature by providing its members with impartial and accurate information and reports as to the matters herein enumerated and by independent and cooperative study to prepare data, plans and recommendations for future legislative and electoral action;

To submit a report of such information, examination, studies, data, plans and recommendations at the next regular session of the Legislature in 1955.

During the regular session of the 96th Legislature, the above Order was introduced into the House of Representatives calling for an investigation by the Legislative Research Committee of the Maine Supreme and Superior Court System.

The reason that the Order received passage was

because there was considerable agitation to change the number of members of both the Supreme and Superior Courts and to take equity jurisdiction away from the Supreme Court Justices. Some of the members of the Legislature felt that the subject matter was so important that more time was needed for study and deliberation before hasty and ill-advised legislation would receive passage.

During the regular session of the 96th Legislature, legislation was passed adding one new member to the Superior Court. Legislation was also passed granting disability pensions to the Justices of the Supreme and Superior Courts, and pensions to their widows. The number of Justices of the Supreme Court remained as it had been and no legislation was passed affecting equity jurisdiction by the Supreme Court Justices.

The Committee feels that the Order succeeded in preventing the passage of hasty legislation concerning the court system and instead aided in the passage of legislation which was sound and well considered. Since the legislation mentioned above took care of the most urgent needs of the Court System, it is felt that there is no need of making any further recommendations at this time.

TAXATION OF CORPORATIONS ORGANIZED UNDER CHAPTER 54.

ORDERED, the Senate concurring, that the Legislative Research Committee be, and hereby is, directed to study the laws exempting property of corporations organized under Chapter 50 of the Revised Statutes (Chapter 54 of the Revised Statutes of 1954) from taxation together with the practical application and the effect of the application of such laws to the assessments of taxes in the municipalities of the State.

As a result of this Order the Committee held a hearing on this question, at which time Representative Curtis of Bowdoinham appeared, as well as some of the municipal officers of Richmond. These people were concerned by parties acquiring real estate in the Richmond area which would be exempt from taxation under Chapter 50 of the Revised Statutes (Chapter 54 of the Revised Statutes of 1954) on the ground that the corporation was a charitable institution.

The law relating to exemptions from taxation for benevolent and charitable institutions incorporated by the State has been in effect for a considerable period of time. The law has been changed from time to time as to the persons or groups who could incorporate under the law and has also been changed as to the amount of exemption that would be allowed. The exemption which was originally set at \$100,000 was changed in 1951 to a limit of \$500,000. The law has



also been changed in the group of organizations which are exempt. Chapter 37 of the Public Laws of 1953 specifically names certain of these groups by name, but does not clearly define benevolent and charitable organizations or literary and scientific institutions. It also provides by amendment to Subsection III of Section 6 of Chapter 81 of the Revised Statutes (Chapter 92 of the Revised Statutes of 1954) that the institution, association or corporation claiming exemption under the provisions of this subsection shall file with the tax assessors, upon their request, a report for the preceding fiscal year in such detail as the tax assessors may reasonably require.

The problem which caused the order was the concern of certain towns that property was being removed from taxation under the guise of being a charitable organization.

It is the belief of the Committee that the present law is adequate in most of its provisions. It might be wise to make a clearer definition of charitable organizations and literary and scientific institutions.

If this situation becomes more acute or if there is evidence of abuse of the provisions under the law, then perhaps the law should be changed to correct such abuse.

At the present time no evidence has been brought to the attention of the Committee that this condition prevails.

As a tentative suggestion to find out how much of this type of exemption exists, it may be feasible to have the State Tax Assessor require municipal assessors, in making their returns to the State Tax Assessor on local valuations, to include such exempted property with an estimate of what the value would be if assessed.