MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One Hundred and Ninth Legislature

OF THE

STATE OF MAINE

SECOND REGULAR SESSION

January 2 to April 3, 1980

THIRD SPECIAL SESSION
May 22, 1980

THIRD CONFIRMATION SESSION
July 17, 1980

FOURTH CONFIRMATION SESSION
July 24, 1980

FIFTH CONFIRMATION SESSION
September 12, 1980

REPORT, HEARING TRANSCRIPT AND RELATED MEMORANDA OF THE JOINT SELECT COMMITTEE ON INDIAN LAND CLAIMS

Under Suspension of the Rules, the Bill, as amended, given its Second Reading, and Passed to be Engrossed, in concurrence.

Divided Report

The Majority of the Committee on Judiciary on, Bill, "An Act to Authorize Deductions from the Term of Imprisonment of Certain Persons Serving a Split Sentence." (Emergency) (H. P. 1917) (L. D. 1982)

Reported that the same Ought to Pass as amended by Committee Amendment "A" (H-

Signed: Senators:

COLLINS of Knox DEVOE of Penobscot TRAFTON of Androscoggin

Representatives

HOBBINS of Saco STETSON of Wiscasset JOYCE of Portland SILSBY of Ellsworth **HUGHES of Auburn** SIMON of Lewiston SEWALL of Newcastle

The Minority of the same Committee on the same subject matter reported that the same Ought Not to Pass.

Signed:

Representatives

CARRIER of Westbrook LAFFIN of Westbrook

Comes from the House, the Bill Passed to be Engrossed as amended by Committee Amendment "A

Which Reports were Read.

The Majority Ought to Pass, as amended, Report of the Committee, Accepted, in concurrence, and the Bill Read Once

Committee Amendment "A" Read and

Adopted, in concurrence.

Under Suspension of the Rules, the Bill, as amended, given its Second Reading, and Passed to be Engrossed, in concurrence.

Divided Report

The Majority of the Committee on Business Legislation on, Bill, "An Act Increasing the Minimum Handling Fee for Returnable Beverage Containers from 1¢ to 2¢." (H. P. 1973) (L. D. 2012)

Reported that the same Ought Not to Pass pursuant to Joint Order (H. P. 1726).

Signed:

CHAPMAN of Sagadahoc CLARK of Cumberland

Representatives:

BROWN of Bethel HOWE of South Portland ALOUPIS of Bangor JACKSON of Yarmouth GWADOSKY of Fairfield BRANNIGAN of Portland

The Minority of the same Committee on the same subject matter reported that the same Ought to Pass pursuant to Joint Order (H. P.

Signed:

Senator:

AULT of Kennebec Representatives:

SPROWL of Hope DUTREMBLE of Biddeford LIZOTTE of Biddeford

Comes from the House, the Bill Passed to be

Engrossed.
Which Reports were Read.
The PRESIDENT: The Chair recognizes the

Senator from Sagadahoc, Senator Chapman. Senator CHAPMAN: Mr. President, and Members of the Senate: I would move that the Senate accept the Majority Ought Not to Pass

You all have a penny, and I'd like you to look at that penny for just a minute. It doesn't look like very much does it especially with the

times that we are in right now, but that penny translates into \$5,000,000 when it gets to the consumers of this State, under this particular

It occurs to me that we ought to have a Fiscal Note on this bill that would state that this would cost consumers if we accept the Ought to Pass Report, \$5,000,000 on extra costs for which they have nothing, no abilities to do anything about.

It does so because approximately or in excess of 500,000,000 containers of liquids under the container law are sold in this State each year. There's no question that there is a cost to handle returned containers, no question about that. I would suggest that these costs would vary greatly amongst the different stores. You have chain stores, you have Mom and Pop stores, you have stores on islands. The efficiency has got to vary greatly, depending on the various stores, but there is a cost to handle returned containers.

I maintain that the most efficient means of paying handling costs is in the product itself. At the same time if we have this cost incorporated within the product itself, we'd have the free market mechanism working and it would certainly work to keep the ultimate costs to the consumer as low as possible, we all know that.

But let's look at the handling charge provi-

sion in the current law, and just see how it works. This handling cost gets passed on to the consumers in the following fashion. Make no bones about it, this cost gets passed on to the consumer, and the consumer pays for it and pays well.

First, the distributor has to pay the handling charge to the retailer when the retailer returns back the empty containers. Currently he pays him the penny. This bill would want to make that 2 pennies. So the distributor pays a handling charge to the retailer when the retailer turns back the containers.

Now the distributor just isn't Mr. Nice Guy about this thing. He's got to get that penny from somewhere, and he gets it by adding it to his cost, which forms the basis of his mark-up on his product. He charges the retailer in his mark-up the 1¢ that he has to give back to the retailer when the retailer turns back the empty containers. So the 1¢ is in the cost of the product to the product to the retailer to cover this handling charge.

Now the retailer has a mark-up, he applies his mark-up to the cost of the product to him when it comes from the distributor, and there on he gets the price that he passed on to the consumer. So the consumer then ends up paying a price for the product the contents of these containers, that is 2 to 3¢ higher just because of the 1¢ handling charge paid by the distributor. A 1¢ increase in the handling charge, then can easily be reflected in a 2 to 3¢ increase in the ultimate cost to the consumer.

So perhaps instead of saying that 1¢ equals \$5,000,000 it may be more like \$10,000,000, by the time that it gets passed down to the consumer. I think that one could argue that position quite well.

Some members of the committee felt that the action that should be taken this session, was an outright repeal of the handling charge altogether. However a majority of the committee felt that the 1¢ handling charge was already in effect and should remain in effect without any further increase since this was part of the original law, when it was adopted.

Now let's look just for a moment at redemption centers. There were on the order of 90 or so, there are now something like 24 in the entire State. The committee found no evidence to support the proposition that the few remaining redemption centers in the State would become viable by means of a penny increase in the handling charge. Furthermore the representatives of the redemption centers and the retailers as well when questioned by the committee members during the hearing and work

sessions fully acknowledged that they would probably be back in future Legislatures asking for further increases in the handling charge in order to cover operating costs.

The majority of the committee felt upon considering all of the facts, received during the hearings and work session, that the redemption center approach which was created at the request of the retailers to assist retailers in handling the empty containers is just not a viable approach in Maine and never will be. That we should not therefore further subsidize redemption centers with an increase of handling

If the retailers mean what they have been saying, that redemption centers are essential, then the retailers should be the force behind their continued existence. They can enter into contracts, with the redemption centers for agreed sums to handle their containers and most of the viable redemption centers now are those that have exactly these kinds of agreements in effect and where the area retailers have freely contracted to support a redemption center.

The free market place is the best place to handle this whole issue, if we are to keep it from being a biennial issue before this Legislature. I submit that all parties most particu-

larly the consumer will be much better served.
The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Ault.

Senator AULT: I oppose the motion of Senator Chapman, and hope that you will join with me so that we might accept the Minority Ought to Pass Report.

The people of the State of Maine voted resoundingly for this bottle bill, voted resoundingly to retain it. They want it and they want it to work.

I know that since it has gone into effect, the people that suffered the greatest hardship is the grocer and that is what we were told was going to happen when we passed the bill. Redemption centers could have helped them,

but it is my understanding that the number of redemption centers in the State of Maine has decreased drastically because they could not afford to stay in business. I believe that this extra cent is going to help those people go into business and stay in business and I think that it is going to help the grocer with the burden that he has suffered.

I would like to pose a question through the Chair to Senator Chapman, if I may. When I go in and buy a can of pop I give the grocer 5¢ deposit. Does he give the distributor 5¢ when he buys it from the distributor.

The PRESIDENT: The Senator from Kennebec, Senator Ault, has posed a question through

The Chair recognizes the Senator from Saga-

dahoc, Senator Chapman.
Senator CHAPMAN: Mr. President, I did not hear the question, would the Senator please restate it

The PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Ault.

Senator AULT: When I pay my 5¢ deposit to the grocer doesn't he have to pass on the 5¢ deposit to the distributor when he buys the can of pop? If it comes back through the line, he gets the 5¢ back is that right?

I'll pose another question to the Senator. What do the distributors claim is the number of cans that are returned to the grocer? Do 100% of the cans come back?

The PRESIDENT: The Senator from Kennebec, Senator Ault, has posed a second question through the Chair.

The Chair recognizes the Senator from Sagadahoc, Senator Chapman.
Senator CHAPMAN: Mr. President and

Members of the Senate. No, 100% of the cans do not come back, and that was a subject of considerable attention by the committee. Considerable thought was given to that as well as other aspects of this entire issue, as to whether

it could be addressed or whether those nonreturn deposits would inure to the benefit of the distributors could be used in some beneficial manner.

It was a difficult issue to address, it is another issue that perhaps should still be addressed in subsequent legislature. It is not the particu-

lar issue that we are addressing at this time.
The PRESIDENT: The Chair recognizes the
Senator from Kennebec, Senator Ault.

Senator AULT: It is my understanding Mr. President, that some 15% of those cans do not get returned. Now that is a nickel and 15% of 500,000,000 I figure is 75,000 cans. Who pockets 5¢_times 75,000

The PRESIDENT: The Chair recognizes the

Senator from Hancock, Senator Perkins.
Senator PERKINS: Mr. President and Ladies and Gentlemen of the Senate. I would rise in support of Senator Ault's motion be-cause I feel that there has been some misunderstanding I seem to feel here today that we are getting some of the arguments that were put forth when the people of Maine decided that they wanted to pass the Bottle Law.

The same arguments about pass through to the consumer and when they decided they would like to try to repeal it again, the same arguments were put forth again that this was going to be passed through to the consumer.

To further elaborate on the good Senator's intention, if in fact there are 500,000,000 containers sold and to take a conservative figure rather than to take Senator Ault's figure of 15%, let's take 10% that are not returned, because of crushing or breaking or some manner that they do not find their way back to the grocer shelves. I find that figure to be close to \$5,000,000. Now I find it incongruous that with the distributor holding \$5,000,000 surplus why a 1¢ on the thing should have to be passed through to the consumer.

The small grocer with the problems that he has got he is handling it the best that he can.
We addressed the decline of the redemption

centers, I have one on an island where the people tend to be fairly consistent in their shopping habits and the people do contract with this one redemption center. They are still on the verge of bankruptcy because of the lack of income and they are contracting with all the grocers in their area. To say that it is poor management, or whatever it isn't.

I'll say to you that the people of Maine decided four years ago, or however many years ago it was, that the Returnable Bottle Law should be in effect, with this they then voided the free enterprise system, because they inserted this constant into it. So if you are going to insert this constant into it should we not then carry it to the next step and make sure that it does in effect work and the people who are affected most of the small grocers of this State of Maine should indeed be given some recompense for their work that they are having to do with it? Mr. President, I would ask that when the

vote is taken, it is taken by the Yeas and Nays. The PRESIDENT: The Chair recognizes the

Senator from Oxford, Senator Sutton.

Senator SUTTON: Mr. President and Ladies and Gentlemen of the Senate. A couple of things occur to me that I would just like to quickly bring to your attention.

We have had quite a bit of discussion about when is a fee a tax, and when is a fee not a tax, would like to ask when is a deposit a tax?

Well maybe it is not a tax. If the money is not coming back to the State, but certainly it is a tax as far as the people who are going to be paying this is concerned.

If the deposit was coming to the State I think that I could probably buy it much better than I could under these circumstances. If the money was going to come to the State and the State was going to set up redemption centers. I think probably that there would be some merit to it.

I think that Senator Perkins, brought out a

point that is really the bottom line to this thing.

He talked about \$5,000,000 whether that number is correct or not, I do not know, being held by the distributor, and there is nothing in this bill that shows that this money is going to go from the distributors, in behalf of either the merchant or the consumer. If I thought that that were the case I would support the bill.

The consumer is going to wind up paying for this bill, the merchant is still going to be in the same hole that he is in right now. The distributor is going to wind up with the money. I would certainly urge you to support the pending motion.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Clark.

Senator CLARK: Mr. President and Men and Women of the Senate. I rise this morning to support the good Chairman of the Committee on Business Legislation and urge that you would accept the Majority Report from the Committee.

The Senator from Kennebec, Senator Ault, has addressed the issue of what is called 'float' and that refers to the deposit which the grocer or the buyers of beverages must pay to the distributor during the normal process of purchasing. That almost is an exclusive subject, exclusive of the issue before us. I think could and undoubtedly will be properly addressed in another Legislative session.

The issue before us more precisely is should 80% of Maine voters who voted and reaffirmed their vote recently relative to the Bottle Bill,

be ignored?

It is my contention that when Maine citizens reaffirmed in a referendum last year their allegiance to the concept of returnable bottles, that they voted to retain the bill in its current form, for certainly those who were opposed to the retention of the Bottle Bill, employed some rather misleading advertising.

The issue came before the Joint Standing Committee on Business Legislation and I truly and fervently believe that that committee in all good conscience and all good deliberation responded to the issues which were presented at that long hearing at the Augusta Civic Center

For 8 years I have served on the Committee on Business Legislation and 8 years this issue has been before us. I think that it is appropriate particularly in light of the overwhelming vote in the referendum last fall, that the bill be retained in its present form.

The issue of increasing the handling charge, is an issue which impacts on everyone in the State. Impacts to the tune of \$5,000,000 for a 1¢

increase in the handling fee.

Personally the free market and enterprise system has worked well, in this state and good business, and sound marketing practices have prevailed. I would substantiate that statement by saying this. Redemption centers were created when the original bill was passed. Redemption centers proliferated and then re-demption centers began to disappear. The answer to the obvious question is why, is simply because they were a non viable ingredient in the marketing system.

Government should not continue to subsidize an element in good marketing systems which is not viable. Which can't exist under current law, and does not serve the needs of the members of the market system, which includes the distributor, the grocer, large and small and Maine's consuming public. To subsidize an element of the marketing process, whether or not it is efficient or inefficient, whether or not it operates responsibly or irresponsibly, would not reflect positively on this Maine Legislature. I submit to you that Maine consumers should not be forced to return bottles to a redemption center, simply because a redemption center exists.

I agree that redemption centers those that are operating positively and are viable and there are those that are just that, provide a service not only to consumers but to grocery

stores, large and small. If indeed they provide that service and if indeed grocery stores chose to decline to receive returnables and in fact request or force their customers to return them to redemption centers. Then indeed grocery stores should enter into a business contract to reimburse that redemption center for the services that it is providing. That is the way that the market system and business practices work. Not just in this State but across this country, where capitalism we continue to hope is the pass-word.

Again the Committee on Business Legislation obviously is a very non-partisan way addressed this very important issue. Again we reaffirmed the vote of 80% or more of Maine's citizens in that we continue to support the Bottle System in its current form. I would hope that you would join with me in supporting the

prevailing motion.

(Off Record Remarks)

The PRESIDENT: The Chair recognizes the Senator from York, Senator Danton. Senator DANTON: Mr. President and Mem-

bers of the Senate. I was not going to join this debate, but after the good Senator from Cumberland, Senator Clark, accused the repeal movement that took place last fall, of deceptive advertising, I thought that I should get up and say just a few words.

First of all and in fact I believe that there

was another Senator, Senator Chapman of Sagadahoc, that made a TV statement at that

time about deceptive advertising

I think just to get the Record straight, just to get the Record straight. I made a commercial at that time, to repeal the Returnable Bottle Bill, I never supported it in the beginning, because I knew that we would be here debating such issues today. \$5,000,000 more onto the consumer. You could go to New Hampshire or Massachusetts and buy a case of beer for \$5 and you have to pay \$12 in the State of Maine.

Now if you do not think that that is ripping off the consumer, just think about it one minute. Now we are talking about \$5,000,000 more. Now we want the distributors to get involved.
Well, just let's talk about the deceptive ad-

vertising just for one minute that took place a few months ago, that everybody was accusing the repeal movement about.

First of all, all I said and I know what I said: If our present law is repealed there shall be a bill introduced to the next session of the Legislature which will work better and tax all litter producing businesses in the State of Maine. Burger King, MacDonalds, Dairy Queen, Pete Danton's Restaurant, the newspapers, everybody litters. It isn't just the cans and the bottles that litter our streets and roads and parks and beaches.

So I would like to get that straight for the Record. That was no deception on my part, as far as the voters are concerned they voted to keep the Returnable Bottle Bill, that is fine. It is OK by me, it just so happens that I do not

drink any pop or beer.

I think that when you stop to think about it, right now the average user of soft drinks and beer it costs them \$100 per year in a family unit. Take this \$5,000,000 of my good Minority Leader taught me yesterday, he's pretty smart sometimes, and divide it by the million population and cut that in 1/2 and now you are adding a few more bucks on.

That is the only reason today that I am going to support the Senator from Sagadahoc, Senator Chapman, because I am going to maintain the same position that I maintained a few years ago, that the Returnable Bottle Bill that we passed was no good, that it was going to cause a hardship to the small businessman and cost the consumer more money. Here we are today in 1980 admitting that that is exactly what we passed.

The PRESIDENT: The Chair recognizes the

Senator from Somerset, Senator Redmond.

Senator REDMOND: I would not support the good Senator from Sagadahoc, Senator Chapman's motion, for the simple reason, that last summer I was asked by some of the people in my area that have redemption centers and I went and visited with them and I realized that those people are working hard, they are small businessmen just like many of us and they can't make a profit. Many of them have had to shut down and others are just barely existing.

Ladies and Gentlemen the issue here is not the bottle bill issue. The issue is whether we are going to let our free enterprise system work. No one is forced to go there and redeem their bottles. They are there to accommodate people and they ought to be justly compensated for it.

How many of those redemption center owners have you seen around here lobbying for this bill, you haven't seen any of them, because they do not have the means to do that, most of them are broke. Their place is shut down and they have loans at the bank that they can't pay because they cannot make enough money

Now is this the sort of atmosphere that we want to create here in the State of Maine, have a few wholesalers and distributors be wealthy and forget about the other bunch of hardworking people. If this is what we want well let's have it, but as far as I am concerned let's spread it around a little bit and make other people wealthy so that we can all enjoy it to-

The PRESIDENT: The Chair recognizes the

Senator from Kennebec, Senator Pierce.

Senator PIERCE: Mr. President the redemption center issue is heavily involved in this issue and I would just like to pose a question to a senator with a senator it. tion to somebody who might answer it.

It seems as though I am hearing two things. On the one hand the redemption centers aren't coming into being really or there is such a small number because the penny is not enough and with 2¢ that would help them a great deal and there would be more.

On the other hand we are hearing that it really is the grocery stores that do not want the redemption centers and that is why

I wonder if somebody might address that

The PRESIDENT: The Chair recognizes the

Senator from Sagadahoc, Senator Chapman. Senator CHAPMAN: Mr. President and Members of the Senate. That is an interesting subject to address. As I said earlier in those instances where redemption centers seem to be the most successful are those instances where the retailers in that area support the redemption center. By support I mean they enter into contracts with them to use their facilities.

I think redemption centers have to have the support of the retailers in that area if they are going to succeed. We are down I believe to 24 now, that is not very many

They were created by the original legis-lation, they were not able to survive under the original legislation obviously. I feel very sorry for the fact that some of them have gone out of business. I wonder if because we created something perhaps in error is that reason to continue it?

An increase in the handling fee such as what we are addressing here today, and I want to focus on the issue that we are addressing today and it is the handling fee, and not the deposits or other issues that we are discussing here. If the handling fee were increased it would be increased for the benefit of the retailer, and obviously the redemption centers. But I ask you, are the retailers going to be more likely to support redemption centers if they can get an extra penny themselves?

Perhaps the retailer is going to want to encourage more of these returns to come to their stores instead of supporting the redemption centers. I submit that the increasing of the handling fee is going to work harder on the redemption centers, because the retailer is going to see the benefit of that for their own pockets.

I still say the way to correct the situation for the redemption center issue is for the retailers to support them. I say that that is more likely to occur if we do not raise the handling fees, if we leave it alone, we are going to encourage those retailers in communities where they want redemption centers to support the existence of redemption centers with contracts to handle their returnable containers

Now we talked a little earlier about the deposits and I did want to emphasize that I see that as another issue entirely aside from the issue that we are talking about today. It is an issue that will be addressed in the future I am sure. The handling of the deposit is just that it does come back to those consumers who return their containers. There is no question that some of the deposit money stays with the dis-tributor and that is certainly cause for concern. This bill is not addressing that issue and will not affect it really one way or the other.

The handling charge is more like a tax in fact since there is no recovery, that is going to be passed right on to the consumer, the consumer is going to pay it. By the time that it gets to the consumer it is not going to be a penny it is going to have some mark-up added to it and it

is going to be on the order of 2 or 3¢.

If there was an error made possibly in establishing the handling charge in the original Legislation it does not mean that we have to compound that mistake or even continue it. As I said some of the committee felt that it should be eliminated altogether, and I was one of those. It is interesting to note I believe that in the State of Oregon, where I think they had the first container law they don't have a handling charge arrangement as I understand it

The distributors and the retailers and anyone else in the middle of this process have the full ability to price that product at any price they want, in their cost. They can charge what they want to recover what their handling costs are going to be. That's why they do on most every product they handle in their stores. So they can recover their costs in the free market system right now with methods that they have always been using. They don't need the super-impositions of a handling fee. I would urge that the Senate support the Ought Not to Pass Report of the Committee.

(Off Record Remarks)

The PRESIDENT: The Chair recognizes the Senator from York, Senator Danton.
Senator DANTON: Mr. President, and Mem-

bers of the Senate: If there is anything I have enjoyed this last and final term, it's sitting next to a banker, because I've learned a little bit about finances, something that I never was too good with.

He talks about redemption centers, and how we have to help them out and help the free enterprise system. That's exactly what these guys that opened up the original ninety some odd redemption centers were, supposedly, businessmen, but the cash flow, as my seatmate Senator Redmond from Somerset, just wasn't there

You would go to the redemption centers, and I know I used to get complaints, and they'd be closed because they didn't have the money to pay for the bottles and cans. I see Senator Gill from Cumberland shaking her head. I know I used to see her at the one in Scarborough, waiting for them to open up. They didn't have the money to pay. They thought they were going to get there and make a fast dollar. That's not the

This penny isn't going to make things any better. It's just going to add it onto the consumer and the Mom and Pop stores. We can put it up to 2¢, but if the guy down the street will not agree and go up to 2¢ with them and he stays to the penny, you can be sure the other guy that

went up 2¢ will come down to the penny depost, a penny increase. So let's not kid ourselves. I think Senator Clark from Cumberland said the right thing when she said we should allow the market place to reach its old level of funding under this bill. That's the way it should work.
The PRESIDENT: The Chair recognizes the

Senator from Hancock, Senator Perkins.
Senator PERKINS: Mr. President, and Ladies and Gentlemen of the Senate: The Senator from Kennebec, Senator Pierce, asked a question and as with all questions there may be 2 sides to it. One side was addressed by the good Senator from Sagadahoc, Senator Chap-man. There was another part to the question that says will they sign contracts and what is the stores relationship with the spender. The store's relationship is that the chains don't want any part of redemption centers because they are handling it themselves. They're big enough to handle it themselves and they do it, and they do it well. I have no fault to find with it. I think they do an excellent job.

It's the little groups that we're talking about today. It's not the chain. It's the little grocer. This is what good Senator Redmond spoke about. It was the little people. Here we are saying again let the chains take over again and so what happens to the little guy who does not have the storage space or the employees to deal with these problems that the people of Maine decided they wanted to do? If the people of Maine decided they wanted to do it, I'm sure that the people of Maine did not say in their failure to repeal that they did not want the Bottle Bill, they said they wanted the Bottle Bill, but the people of Maine also felt the little guy should be equal too. This is, I think, what this bill approaches.

The PRESIDENT: Is the Senate ready for

the question?
A Roll Call has been requested. Under the Constitution, in order for the Chair to order a Roll Call it requires the affirmative vote of at least one-fifth of those Senators present and

Will all those Senators in favor of ordering a Roll Call, please rise and remain standing until

counted.

Obviously more than one-fifth having arisen a Roll Call is ordered.

The Chair recognizes the Senator from Cumberland, Senator Conley

Senator CONLEY: Mr. President, I request Leave of the Senate to pair my vote with the Senator from Aroostook, Senator Martin. If he were here he would be voting Nay and I would

The PRESIDENT: The Senator from Cumberland, Senator Conley, now requests Leave of the Senate to pair his vote with the Senator from Aroostook, Senator Martin, who if he were here would be voting Nay, and the Sen-ator from Cumberland, Senator Conley, would be voting Yea.

Is it the pleasure of the Senate to Grant this Leave?

It is a vote.

The pending question before the Senate is the Motion by Senator Chapman of Sagadahoc, that the Senate accept the Majority Ought Not to Pass Report of the Committee.

A Yes vote will be in favor of accepting the Majority Ought Not to Pass Report of the Committee.

A No vote will be opposed.
The Doorkeepers will secure the Chamber. The Secretary will call the Roll.

ROLL CALL

YEA-Chapman, Clark, Cote, Danton, Devoe, Farley, Hichens, Huber, McBreairty, Minkowsky, Sutton, Trafton, Trotzky.
NAY—Ault, Carpenter, Collins, Emerson,

Gill, Katz, Najarian, O'Leary, Perkins, Pierce, Pray, Redmond, Shute, Teague, Usher. ABSENT—Lovell, Silverman.

13 Senators having voted in the affirmative, and 15 Senators in the negative, with 2 Senators

being absent, and 2 Senators pairing their votes, the Motion to Accept the Majority Ought

Not to Pass Report does not prevail.

The Minority Ought to Pass Report of the Committee, Accepted, in concurrence and the Bill Read Once.

Under Suspension of the Rules, the Bill Read a Second Time and Passed to be Engrossed, in concurrence.

Divided Report

Six Members of the Committee on Appropriations and Financial Affiars on, Bill, "An Act to Authorize Bond Issue in the Amount of \$6, 000,000 for Improvements to Vocational-technical Institutes." (Emergency) (H. P. 1757) (L. D. 1887)

Reported in Report "A" that the same Ought to Pass as amended by Committee Amendment "A" (H-943).

Signed:

Senator:

NAJARIAN of Cumberland Representatives

DIAMOND of Windham MORTON of Farmington CHONKO of Topsham CARTER of Winslow PEARSON of Old Town

Two Members of the same Committee on the same subject matter reported in Report "B" that the same Ought to Pass as amended by Committee Amendment "B" (H-944).

Signed: Senator:

PERKINS of Hancock

Representative

HIGGINS of Scarborough

Two Members of the same Committee on the same subject matter reported in Report that the same Ought to Pass as amended by Committee Amendment "C" (H-945).

Representatives

JALBERT of Lewiston KELLEHER of Bangor

One Member of the same Committee on the same subject matter reported in Report "D" that the same Ought to Pass as amended by Committee Amendment "D" (H-946).

Signed:

Representative:

BOUDREAU of Waterville

Two Members of the same Committee on the same subject matter reported in Report "E" that the same Ought Not to Pass.

Signed:

Senator:

HUBER of Cumberland

Representative:

SMITH of Mars Hill

Comes from the House, Report "A" Read and Accepted and the Bill Passed to be Engrossed as amended by Committee Amend-

Which Reports were Read.

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Huber. Senator HUBER: Mr. President, and Mem-

bers of the Senate. I apologize for this lack of adhesion among my committee members, but basically I think these Reports are comparatively easy to explain. They run the gamut from Report "E" on which I am a signer which recommends that we defer this problem and address the problem of needed construction of VTI's, when we consider the many other major problems that we'll face in the next Legis-

The Ought Not to Pass Report which I would like to move acceptance of would essentially defer this to the next Legislation. The other extreme is Report "C" at a level of \$12.5 million. This essentially addresses this type of construction need at all of the facilities.

The original bill which is Report "D". provide a Bond Issue in the amount of \$6,000. 000 for construction at Kennebec Valley VTI, Northern Maine VTI, and Southern Maine VTI. Report "A" which would require a Bond Issue in the amount of \$7,000,000 would add roof construction and reconstruction at Bangor.

Report "B" requires a Bond Issue of \$8,000, 000 would add to this \$1,000,000 Bond Issue for Maine Maritime Academy. So I think the Reports range from essentially deferring the problem to the next session to the total of \$12,-000,000 need which probably is a true need in the VTI System. In between are varying degrees of parochialism with selected items included.

In the next session of the Legislature we are going to face, I anticipate, perhaps simply from our General Fund Budget, expenditures and estimates of revenue a biennial deficit, perhaps in the neighborhood of \$32 to \$33,000,000. We also hopefully will face these obvious needs of our Retirement System. We may be facing loss of revenue sharing. We may be facing further cuts by the Federal Government in the area of Human Services and else-

In sum I think we have monumental problems to face. Action in this body today has also added another area which is a continuation of the needs in the Judicial System in terms of construction. I really do feel that this VTI need is something that should be addressed not now but when we address all the major problems before us. I think at that time we should make sure that the priorities are sensible, in terms of VTI needs, develop a rational plan to face these needs, and the other serious problems that the next Legislature will face. I hope the Senate will accept Report "E" which would allow consideration of all of these problems simultaneously.

The PRESIDENT: The Senator from Cumberland, Senator Huber, moves that the Senate accept the Ought Not to Pass Report of the

The Chair recognizes the Senator from Hancock, Senator Perkins.

Senator PERKINS: Mr. President, and Ladies and Gentlemen of the Senate. I rise to support the Ought to Pass Report "B" of the Committee which I believe deals with the present problem which is the education of our post-secondary students of the State of Maine. I think we have an obligation to these students having developed the VTI's and the Maritime Academy to address the fact that these buildings have put off and put off and put off and put off, because the priorities have always seemed greater on the other side.

The time has come when we must face some of these priorities be it a leaky roof in Bangor, or building that really should be condemned be-cause of fire hazards in Portland. Whatever they may be I think they are meritorious of our

facing and addressing them at this point.
You will note that I did not sign the \$12,500,000 Report because I felt that this was indeed extreme. I have addressed the \$8,000,000 Bond Issue because I felt this was a middle ground which could indeed not be put off but must be addressed, if we are going to stay in the Voca-tional and Pro-Secondary Education Field for these students.

I therefore would oppose the motion of my Senate Chairman and ask you to go with me on an \$8,000,000 Bond Issue which must be passed by the people of this State of Maine. If they feel it meritorious they indeed will support this

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Najarian. Senator NAJARIAN: Mr. President, even though I signed Report "A" which is \$7,000,000 Bond Issue, I would go along with Report "B" for \$8,000,000. The reason for that is there is. even though Senator Perkins may in the eyes of some of you seem parochial in supporting that, the Maine Maritime Academy did request from the Governor \$950,000 for him to include in this year's biennial budget for construction of a facility in which to repair their boats and several other things. It was a legitimate request. The Governor deferred putting it into his budget, but I think it's perfectly appropriate to include it into this Bond Issue, it's something else that's needed. I hope you all support Report

I would just go ahead and add that we are retiring bonds at the rate of about \$23,000,000 a year. If you add the \$4,000,000 for the Courts, this \$8,000,000 Bond Issue, and I think a \$7,000, 000 on the Table, it comes to \$19,000,000. So even if all 3 were approved at this level, we still would be retiring more bonds than new bonds being authorized

The PRESIDENT: The Chair recognizes the Senator from Androscoggin, Senator Minkows-

Senator MINKOWSKY: Mr. President, and Members of the Senate. Of course I guess I am concerned with the \$8,000,000 Bond Issue put forth by the good Senator from Hancock, Senator Perkins, but I think another thing that concerns me more than that is in addition to the \$8,000,000 we are speaking of the high rate of in-terest on that particular bond issue which could be substantial.

I was wondering, we have recently passed some Bond Issues where we have placed a cap as to when those bonds shall be expended or sold, and if they are not sold within a particular span of time, then they would not be issued or they would dissolve. Does this particular Bond Issue that you have at the present time have a limitation of 5 years in which to address that particular part of the question?
The PRESIDENT: The Chair recognizes the

Senator from Hancock, Senator Perkins.

Senator PERKINS: I would answer in the affirmative

The PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Sutton

Senator SUTTON: Mr. President, in good conscience I feel I must make just a couple statements. I'm sitting here listening to this debate and this discussion and it's business as usual, at least since I've been here. I don't think we're addressing the fact that our Nation and our State is in a crisis, probably more so than most any of us remember in our lifetime.

I think it's only prudent that we give serious thought to the remarks of the Chairman of the Appropriations Committee by the time we come back next January those of us or those who are interested and fortunate enough to return next January, we are going to know a lot more than we do now. I really think some of the crises that we're looking at right now are going to be much clearer to us, the outcomes of them

There's probably no one in the Senate that's more interested in the VTI's than I am. There's probably no one in the Senate that uses the VTI's more than I do. So I'm very, very concerned about this serious matter or matters that they face.

I think we have to realize that this is not business as usual. We're at a 20% inflation rate. The State is facing deficits for the first time in a long time. The country is talking about a balanced budget for the first time in a long time. The Iranian thing is about to come to a head. We're facing some crises and I think we've got to start thinking a little bit and making some plans in that regard.

Your guess is as good as mine, of course, but I can't conceive of a year from now the interest rates being much higher than they are now. I guess it's possible, but by the same token, I think there is just as good a chance that they could be lower a year from now, which would be to our benefit. So I would like you to give some real, real serious thought not only on this issue but on some of these other issues.

I was going to say something on this other \$4,000,000 Court Issue, because I think we've really got to start being responsible and really concerned about where our State's going. Most