

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

*One Hundred and Seventh
Legislature*

OF THE

STATE OF MAINE

Volume II

May 21, 1975 to July 2, 1975

Index

KENNEBEC JOURNAL
AUGUSTA, MAINE

(In the House — Passed to be Engrossed.)

On motion by Mr. Katz of Kennebec, retabled and Tomorrow Assigned, pending Passage to be Engrossed.

The President laid before the Senate the fifth tabled and Specially Assigned matter:

RESOLUTION, Proposing an Amendment to the Constitution to Establish Filing Dates for Initiative and Referendum Petitions; Clarify when the Effective Date of a Bill is Suspended by the Filing of a Referendum Petition; Clarify the Process of Calling a Special Election for an Initiative or Referendum Vote; Limit Legislative Amendment and Repeal of Laws Initiated or Approved by the People; Clarify the Petition Process; and Provide for Review of the Validity of Petitions. (H. P. 158) (L. D. 188)

Tabled — May 20, 1975 by Senator Graham of Cumberland.

Pending — Passage to be Engrossed.

(In the House — Passed to be Engrossed as amended by House Amendment "B" Thereto (H-374).)

(In the Senate — Committee Amendment "A" as amended by House Amendment "A" Thereto, Adopted in concurrence.)

The PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Curtis.

Mr. CURTIS: Mr. President and Members of the Senate: Yesterday there was a question about this proposal. It is rather extensive, and I have had distributed a memorandum from one of the legislative assistants to myself. It should be on your desks, dated May 20, 1975. I suggest you keep it and be able to refer to it, like I said, because this is an important bill. The bill number is 188. It so far has been amended in the other body by two amendments, H-241 and H-374.

In the process of double checking on an answer to the question that the Senator from Kennebec posed yesterday, I realized that the statement of fact on H-374, which was added in the other body, does not describe a very important item which has been deleted. If we were to adopt this bill the way it is described now, we would put bills which are initiated in a very special status in our state's statutes in which they could not be touched by the Maine Legislature for five years. That was not the intent of the committee, I don't think it should be the intent of the legislature, and it will take me a while to prepare an amendment to solve the problem, so I would ask that somebody might please table this until perhaps the first day of next week, or Tuesday.

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

Thereupon, on motion by Mr. Speers of Kennebec, tabled and Specially Assigned for May 27, 1975, pending Passage to be Engrossed.

The President laid before the Senate the sixth tabled and Specially Assigned matter:

Bill, "An Act Relating to Utility Deposit Practices." (S. P. 358) (L. D. 1162)

Tabled — May 20, 1975 by Senator Graham of Cumberland.

Pending — Adoption of Senate Amendment "A" (S-167).

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

Mr. GRAHAM: Mr. President and Members of the Senate: Need I remind you that we have here a bill to prohibit public utility companies from requiring deposits of their customers unless there is proof the customer is likely to be a credit risk or likely to damage the utility's property.

The free enterprise system is a noble ideal that has come down to us from Adam Adam Smith. Unfortunately, the dangers of monopolies escaped Mr. Smith, for unless you and I have some protection against corporate monopolies, we are like chickens dancing with elephants.

This amendment, entered with the best of intentions, I am sure, favors the elephants. Elephants like dancing with chickens and they don't want legislators spoiling their fun.

This amendment would not only remove the small businessman from the protection of the bill — and the small businessman suffers most from these arbitrary deposit demands — but the amendment would remove the enforcement of the act from the attorney general's purview and place it between the paws of that over-worked, rubber-toothed tiger, the Public Utilities Commission.

No, Mr. President and Members of the Senate, if we want to kill this bill, let us do it cleanly and quickly, rather than encumbering it with crippling amendments. I move that Senate Amendment "A" be indefinitely postponed.

The PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Cianchette.

Mr. CIANCHETTE: Mr. President and Members of the Senate: I am afraid I can't be quite as colorful and talk about the lions, tigers and elephants and all, but I can talk a little bit about this bill and this amendment.

What we are talking about in this amendment is to exempt the residential utility users from paying deposits. Right now with the telephone company, for example, there are three percent of those residence people who ask for telephone service that are asked to pay a deposit. That is three percent of the people who get new service are asked for a deposit. I suggest that they must be using some reasonable judgment if they can limit it down to just three percent of the people who pay utility deposits. The business accounts to the telephone company again are 5.5 percent. There is a higher mortality rate amongst the business people, and they do ask 5.5 percent of the subscribers to give a deposit. I think they are being realistic and honest.

If you remember, there is a bill in the legislature now to give the Public Utilities Commission more money to work with, to hire more people to handle these types of claims. It will be paid for by assessments in utility rates, so I think that takes care of that problem. What we are doing is leaving in the law the rights of the utilities to charge commercial business enterprises a deposit if they feel it is necessary and if they feel they are a credit risk. Okay, if we pass this law without the amendment, I submit to you that there will be those people not paying their bills, and the responsibility for paying those bills ultimately will be going back to the ratepayer; that is, you and I and most all our constituents will get a little bit of an increase in our rates because we are going to let some deadbeats off here who are

known deadbeats without giving deposits. I think the amendment is necessary and I hope you will vote against indefinite postponement.

The PRESIDENT: The pending motion before the Senate is the motion of the Senator from Cumberland, Senator Graham, that Senate Amendment "A" be indefinitely postponed.

The Chair will order a division. Will all those Senators in favor of the indefinite postponement of Senate Amendment "A" please rise in their places until counted.

The Chair recognizes the Senator from Cumberland, Senator Graham.

Mr. GRAHAM: Mr. President, I ask for a roll call.

The PRESIDENT: A roll call has been requested. In order for the Chair to order a roll call, it must be the expressed desire of one-fifth of those Senators present and voting. Will all those Senators in favor of a roll call please rise in their places until counted.

Obviously more than one-fifth having arisen, a roll call is ordered.

The Chair recognizes the Senator from Kennebec, Senator Katz.

Mr. KATZ: Mr. President, I would like to pose a question to the Senate: When does a piece of consumer legislation be counterproductive? I think here is a very fine line we have to be careful of. Obviously the thrust of this bill is to give consumers a better deal vis-a-vis the utilities, but if we make it such a good deal that we knowingly and willfully increase the likelihood of bad debts, then the consumer has to pick up his share of the bad debts.

Let me tell you why I feel that this amendment makes sense to me. I have been involved in a few political campaigns, and as far as I am concerned any political telephone is a potential bad debt to the telephone company. Frequently it works out that way. Any boiler shop operation comes into a community and sets up a bank of telephones, for example, to sell raffle tickets for the VFW or advertising for the local K of C or Masonic bodies, and then disappears after a few days, these are really bad debts for the telephone company.

I think that what this amendment does is recognize the potential for danger of increasing bad debts to the utility to such an extent that those of us who pay our bills are good citizens and have residential requirements will end up paying part of the freight. On that basis, I would ask the Senate to consider this as a good mid-way meeting point between the needs of the utility and the very proper desires of the consumer.

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

Mr. CONLEY: Mr. President and Members of the Senate: I am going to support the good Senator from Cumberland, Senator Graham, in his move to defeat this amendment. First, when we take private business, the small businessman or the larger businessman in the commercial field, the retail field, we know that there is a loss. You take in the clothing area, there is a certain amount of clothing that is lost or stolen each year, and obviously the consumer pays for it in the mark-up or the adjustment of prices that clothing is sold for. We know that many commercial outlets on the Main streets of our communities have to figure that in as part of the cost of that