

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

***One Hundred and Tenth
Legislature***

OF THE

STATE OF MAINE

SECOND REGULAR SESSION

January 6, 1982 to April 13, 1982

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FOURTH SPECIAL SESSION

April 28, 1982 and April 29, 1982

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FIFTH SPECIAL SESSION

May 13, 1982

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SECOND CONFIRMATION SESSION

July 16, 1982

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The SPEAKER: The Chair recognizes the gentleman from Old Town, Mr. Paradis.

Mr. PARADIS: Mr. Speaker, Ladies and Gentlemen of the House: I am opposed to the measure before us, and for the reason stated by Mr. Weymouth, I do believe that the PUC currently holds sufficient authority to accomplish the measures which this bill proposes to address.

I believe the provision of the bill as amended would seriously affect our utilities from expanding their capabilities into meeting the requirements of improving or increasing the future energy needs of our state. Future cost and quality of service depends on the ability of the utilities to finance new facilities and equipment now today. To attract the capital required, utilities must be able to earn sufficient amounts to provide a fair return to investors after actual costs have been defrayed.

Repayment of these often huge investments must commence simultaneously with start-up operations and with the construction phase, which can be years in advance of the delivery of a service. To delay, defer or exempt certain users from cost of construction work in progress from the rate base charges would only bring higher financing costs down on the consumer, the ratepayer, at a later date.

I believe we must allow our utilities to include charges for construction work in progress rather than the delay of the recovery of these financing costs as the bill proposes. To do otherwise precludes the utility from bringing any appreciable return to the investors.

We are losing investors today at a very rapid rate. In my own utility, the Bangor Hydro, by reading their prospectus you can see that this is actually happening.

I have people in my area who have been long-time shareholders in the Bangor Hydro and who are leaving as prudently as they can find an opportunity to withdraw and reinvest their savings in other directions with more lucrative returns.

In order that we not hobble our utilities further, I urge that you support the "ought not to pass" report.

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

Mr. CONNOLLY: Mr. Speaker and Members of the House: I was one of those people who supported the bill as it was originally presented to the committee. The bill then would have outlawed CWIP charges being passed on to consumers in every instance. That was my position and I think it was the position the sponsors of the legislation had and I think many members of this legislature had, particularly those who come from Aroostook County, with relation to this particular issue.

However, in trying to get something out of committee, something that was acceptable to a majority of people in the legislature, something that didn't hamstring the Public Utilities Commission, we came up with this amendment which, up until a week or so ago, seemed to be acceptable to everybody who wanted to try to do something positive with the legislation rather than just to kill the issue.

The amendment that Representative Davies read to you says that you can't pass on CWIP charges to consumers unless — and then the amendment goes on to say that if the utility company is going to be severely adversely affected financially by not being allowed to pass on the CWIP charges and that there is no other alternative available to them, then the Public Utilities Commission may allow CWIP charges to be passed on to consumers.

Right now, Maine utility companies have invested in out-of-state projects such as Seabrook. No one at this point in time even knows if Seabrook is going to go on line and whether Maine consumers, let alone consumers anywhere, are going to be able to take advantage of power produced through Seabrook. Yet, some Maine consumers are being asked to pay

for some of the investments that have been made by utility companies in Maine.

One of the groups that would be most adversely affected if this legislation is not passed would be the elderly citizens of the state. They would be the ones that would be asked to pay for those charges now and may never receive any benefits from it, because even if the projects do go on line, it may be some time in the future and they may not even be alive to enjoy the benefits from it.

These kinds of charges have traditionally been borne by the bond holders and the stockholders of utility companies. If the bond holders and the stockholders don't feel that they want to bear these charges, then I think that is a signal that maybe that type of an investment is not a good investment. If the banks and the stockholders and the other people that have financial investments in the utility companies are not willing to assume that risk, I don't think it is fair, by any manner of consideration, to be able to pass those charges, that risk, back onto the ratepayers of the state.

I would hope that you would support this amended version of the bill. It is a very satisfactory compromise.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of one fifth of the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

A vote of the House was taken, and more than one fifth of the members present having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The Chair recognizes the gentleman from Orono, Mr. Davies.

Mr. DAVIES: Mr. Speaker and Members of the House: One final comment before we go to a vote.

With the construction of large projects, ratepayers are ultimately going to pay for the cost of those projects, but there are two different ways that they could pay it, one of which benefits both the ratepayers and the company; one of which harms both the ratepayer and the company.

If, in fact, the financial health of the utility is such that they need construction work in progress charges, a much healthier way, one which would be less damaging in the bond markets, would be to allow a slightly higher rate of return to the utility so that they can gain adequate monies to handle their business while this project is being built.

When the utility asks for and receives construction work in progress charges, it is like raising a red flag for the bond houses in New York. What it means is, the financial health of this utility is so bad that normal rate-making procedures simply do not work and we have to go to this aberrant form of ratemaking, namely, construction work in progress, to give them enough money so they can finish the projects that they are building. The result of that is that the bond ratings for that company will go down, the cost of money will go up, and as usual, the ratepayers are the people who end up paying the cost of that. They will pay for the higher interest charges in the rates that they ultimately will pay.

If you can avoid the necessity of going to CWIP charges, then you will not have the risk of higher interest charges and the benefit will accrue not only to the ratepayers but also the stockholders and the company.

So to avoid the problem, we urge that you accept the Majority "Ought to Pass" Report. The commission will have flexibility under the existing situation, as well as under the proposed situation with this amendment, so you are not going to lose any of that flexibility.

Don't put us in the position where construction work in progress charges are going to be raised like a red flag over our utilities' bonds, which are going to hurt all the ratepayers in the

State of Maine.

I urge you to accept the Majority "Ought to Pass" Report.

The SPEAKER: A roll call has been ordered. The pending question is on the motion of the gentleman from Orono, Mr. Davies, that the Majority "Ought to Pass" Report be accepted in non-concurrence. All those in favor will vote yes; those opposed will vote no.

The Chair recognizes the gentleman from Corinth, Mr. Strout.

Mr. STROUT: Mr. Speaker, I would ask permission to pair my vote with the gentleman from Lewiston, Mr. Jalbert. If he were here he would be voting yea and I would be voting nay.

ROLL CALL

YEA—Baker, Beaulieu, Benoit, Berube, Boisvert, Boyce, Brannigan, Brenerman, Brodeur, Brown, A.; Carrier, Carroll, Carter, Chonko, Clark, Connolly, Cox, Crowley, Davies, Diamond, G.W.; Diamond, J.N.; Erwin, Fitzgerald, Fowlie, Gillis, Gowen, Gwadosky, Hall, Hayden, Hobbins, Jackson, P.T.; Jacques, Joyce, Kane, Kany, Ketover, Lewis, Lisnik, Locke, MacBride, MacEachern, Macomber, Mahany, Manning, Martin, A.; Martin, H.C.; Matthews, McCollister, McGowan, McHenry, McPherson, McSweeney, Michael, Michaud, Mitchell, E.H.; Mitchell, J.; Murphy, Nadeau, Nelson, M.; Norton, Paradis, P.; Paul, Perry, Pines, Post, Pouliot, Racine, Randall, Reeves, P.; Richard, Ridley, Roberts, Smith, C.B.; Smith, C.W.; Soulas, Soule, Swazey, Theriault, Thompson, Twitshell, Wentworth, The Speaker.

NAY—Aloupis, Armstrong, Austin, Bell, Bordeaux, Brown, D.; Brown, K.L.; Cahill, Callahan, Conary, Connors, Cunningham, Curtis, Damren, Davis, Day, Dexter, Dillenback, Drinkwater, Dudley, Foster, Gavett, Hickey, Holloway, Hunter, Hutchings, Ingraham, Jackson, P.C.; Jordan, Kiesman, Kilcoyne, Lancaster, LaPlante, Lund, Masterman, Masterton, Moholland, Nelson, A.; O'Rourke, Paradis, E.; Perkins, Peterson, Reeves, J.; Salsbury, Sherburne, Small, Stevenson, Stover, Studley, Tarbell, Telow, Treadwell, Vose, Walker, Webster, Weymouth, Willey.

ABSENT—Hanson, Higgins, H.C.; Higgins, L.M.; Huber, Kelleher, Laverriere, Livesay, Pearson, Rolde, Tuttle.

PAIRED—Strout-Jalbert.

Yes, 82; No, 57; Absent, 10; Paired, 2.

The SPEAKER: Eighty-two having voted in the affirmative and fifty-seven in the negative, with ten being absent and two paired, the motion does prevail.

Thereupon, the Bill was read once. Committee Amendment "A" (S-445) was read by the Clerk and adopted.

Under suspension of the rules, the Bill was read the second time, passed to be engrossed as amended in non-concurrence and sent up for concurrence.

Divided Report

Majority Report of the Committee on Education on Bill "An Act to Revise the Education Laws" (Emergency) (S. P. 561) (L. D. 1554) reporting "Ought to Pass" in New Draft (Emergency) (S. P. 897) (L. D. 2042)

Report was signed by the following members:

Senators:

TROTZKY of Penobscot
CLARK of Cumberland

— of the Senate.

Representatives:

CONNOLLY of Portland
GOWEN of Standish
LOCKE of Sebec
THERIAULT of Fort Kent
MATTHEWS of Caribou
THOMPSON of South Portland
MURPHY of Kennebec

— of the House.

Minority Report of the same Committee re-

porting "Ought Not to Pass" on same Bill.

Report was signed by the following members:

Senator:

PIERCE of Kennebec

— of the Senate.

Representatives:

BROWN of Gorham

BROWN of Livermore Falls

ROLDE of York

— of the House.

Came from the Senate with the Majority "Ought to Pass" in New Draft Report read and accepted and the New Draft passed to be engrossed as amended by Senate Amendment "A" (S-453)

In the House: Reports were read.

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

Mr. CONNOLLY: Mr. Speaker, I move acceptance of the Majority "Ought to Pass" Report and would like to speak briefly.

The SPEAKER: The gentleman from Portland, Mr. Connolly, moves that the Majority "Ought to Pass" Report be accepted in concurrence.

The gentleman may proceed.

Mr. CONNOLLY: Mr. Speaker and Members of the House: This bill, in case you haven't been apprised of the situation, is the recodification of the Education Laws which was before us about two weeks ago. Since that time the bill was recommitted to the Committee on Education and we went through a very extensive work session on the issues that had been raised by members of the legislature and people in the education community about possible errors or omissions.

Since that time the committee, because the bill was in a new draft form and the committee was unable to put an amendment on the bill in committee, sent the bill back out in the form that was before us originally and has suggested, and that suggestion has been accepted, to amend the bill by (1) striking the emergency preamble from the legislation; (2) put an effective date of the legislation for July 1, 1983, so that everything that is contained in this recodification will not go into effect until a year from this July.

The primary reason that we did that was so that if there are any other errors or omissions that are called to the legislature's attention, there will be sufficient time in the next session of the legislature to address those issues and to make sure that everything is in as perfect shape as possible before the legislation goes into effect.

The third thing we have done, we have identified all of the issues and all of the concerns, most of which are of a technical or very minor nature but also include the issues that were raised by the American Legion and the veterans concerning the flag and some issues that were of concern to the Christian school that dealt with the issues of school approval. In every single instance where a problem was pointed out to us, we have gone back to the original Title 20, the education laws, as it exists now.

This draft, with the amendment that has been accepted, represents no substantive changes in the education laws at all and the indication that we have from most everyone concerned is that this is indeed acceptable to them, particularly given the fact that during the next session of the legislature there will be ample opportunity to address any other errors, if such are identified, and that the law itself will not go into effect until July 1, 1983.

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

Mr. BROWN: Mr. Speaker, Ladies and Gentlemen of the House: I rise this morning to support the remarks just made by the House Chairman of the Education Committee, Representative Connolly. That may come as a bit of a surprise, because if you look at your printed

calendar, I'm on the "ought not to pass" report; I would like to explain why.

When the bill was recommitted to our committee, there were some of us on that committee that still had reservations about whether or not the bill should pass with the questions that had been raised. We met in committee, we talked about those areas that people had pointed out to us where there seemed to be a bit of a gray area as to whether or not there were substantial changes, and basically we agreed, as Representative Connolly has pointed out, to make the changes in the bill which would put back into law those areas where folks had the most concern.

At that time, we were under a pressure deadline to get the bill out of committee, and rather than sign my name to the "ought to pass" report, I chose to sign the "ought not to pass" report just to provide a degree of protection, I guess, to make sure the kinds of changes we wanted made in the bill were made.

After the bill came out of our committee and the changes were made as appeared in the amendment before you, I am assured that those changes have been made, and for that reason I supported the passage of this recodification effort.

I think that the opponents to the bill have been vocal and in many instances they have been right, and that is why the committee responded to the changes that it did.

An awful lot of work, an awful lot of time and an awful lot of money has gone into the recodification effort. I think what you see before you represents the best effort that is possible on the part of the committee and on the part of the legislature. The provisions that have been written into the bill, written into the amendment, as Representative Connolly has pointed out, in particular the effective date of July 1983, is probably the best measure of protection that the bill has. If there are other changes that need to be made, then the legislature can adopt those changes next time.

So, having said that, I would hope that this body would vote to accept the "Ought to Pass" Report.

The SPEAKER: The Chair recognizes the gentleman from Calais, Mr. Gillis.

Mr. GILLIS: Mr. Speaker, Ladies and Gentlemen of the House; I rise this morning to voice my mind in opposition to this bill.

This is a 400-page document that was thrust upon the people of the state of Maine with the anticipated acceptance under emergency preamble, under emergency status. I have had many calls from the people in my area, my district and my county and throughout the state, the people are expressing their fears of the consequences of passing such a bill as this without the proper public hearings so that people throughout the state would have the opportunity to express their views and their comments.

As you know, the emergency preamble has been removed, or will be removed. The effective date has been changed to July 1, 1983, under the assumption, as stated here several days ago, that this bill would be passed with errors in it and that we would correct the errors as they popped up. I think that is an awful excuse for thrusting a bill such as this on the people of the state of Maine.

I think this bill should either be recommitted to the committee or killed here today so that it could be corrected after the proper public hearings have been held and people throughout the state of Maine have presented their views and have those views incorporated in a new bill.

Representative Brown stood up and made the comment that a great deal of time and money has been spent bringing this bill out. I think that is a pretty lame excuse for passing a bad bill. I see no reason why we should thrust a bill with so many errors in it that have popped up to date, and no doubt there are other errors in it that will pop up as time goes on — why should we load the education system in the state of

Maine with a book full of boo-boos, errors? Let's get this thing corrected and then bring it back so we would have a suitable bill to pass.

I urge you to vote against the acceptance of the Majority Report.

The SPEAKER: The Chair recognizes the gentleman from Rumford, Mrs. Erwin.

Mrs. ERWIN: Mr. Speaker, Ladies and Gentlemen of the House: I would like to thank the chairman of this committee, Mr. Connolly, for the consideration given to the sections of this law which had concerned the veterans' organization with regard to the flag and veterans' organizations. As a veteran and a member of the American Legion, I would like to thank him personally for his consideration.

The SPEAKER: The Chair recognizes the gentleman from South Portland, Ms. Thompson.

Ms. THOMPSON: Mr. Speaker, Men and Women of the House: I would just like to briefly respond to Representative Gillis's statements.

The Education Committee of 13 members were committed right from the beginning to make absolutely no substantive changes in this bill. We were open and held extra public hearings to listen to any questions that the public had regarding the recodification issue. Our last hearing on that, in fact, was just last week. Anyone who came before our committee, who suggested a technical error, were satisfied with our disposition of that error. We incorporated the correction in the bill before you. Anyone who came before our committee suggesting that there was a substantive change made, we corrected that as well, as Representative Erwin just explained.

Those who have studied the bill, all of us on the committee, any educational groups or representatives of groups within the state are agreed that there are either no technical changes still in the bill and that there are no substantive changes that have been made. We were committed to that right from the very beginning, that we would make absolutely no substantive changes.

The cost so far in recodifying the education laws has been in the amount of \$27,000, not including staff time, that is only printing. To vote against the bill now would mean additional cost to the taxpayers.

I urge you to vote in favor of the motion.

The SPEAKER: The Chair recognizes the gentleman from Calais, Mr. Gillis.

Mr. GILLIS: Mr. Speaker, Ladies and Gentlemen of the House: In reply to the gentleman's remarks, she made a remark that all people who appeared before the hearings were satisfied, more or less. I say they were not satisfied. I attended the hearing in the Education Room here, I think it was last Thursday, and I heard several people give information that the committee attempted to answer but by no means did satisfy the individual. There were many changes that they did not agree with, that witnesses did not agree with, and the committee was not able to allay their fears.

Again, the item has come up on the cost — what is the cost compared to putting a bad bill on the statutes? What is the cost of processing a bill compared to saddling the people of the state of Maine with a book of boo-boos, errors. There is no comparison. You can spend a million dollars on this, but if it is a bad bill it shouldn't be on the books regardless of the cost.

As far as we know, there could be other substantive changes in this bill. There is nothing to say no but there is something that says yes, there may be, and that is the comments from the members of the Education Committee to the fact of go ahead and pass this bill and we will make any changes that come up later. That is not the proper way to put a bill on the statutes of the state of Maine. If there are boo-boos in this, I say let's recommit this bill back to the committee or kill the bill here.

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

Mr. CONNOLLY: Mr. Speaker, Members of the House: I would just like to respond to Representative Gillis. I don't believe and I don't believe any member of the Education Committee believes that this bill is a bad bill or that this bill is full of boo-boos. In every instance where a specific item has been brought to our attention or the attention of the staff, we have dealt with that.

It is true that there are some people who would like to make substantive changes in the law for their own reasons or reasons of the group they are active with, but it has been the position of the committee that we did not want to make any kinds of substantive changes.

I don't believe that this piece of legislation, as it has been amended, is full of boo-boos. I would be surprised if any member of the legislature between now and next January, or anyone else for that matter, is going to be able to point out to us anything substantive that is wrong with this legislation.

It is true that there may be a comma misplaced or there may be a word or two misspelled, that may happen, but I feel perfectly confident in bringing this legislation before the legislature at this point saying that we have corrected every specific item that has been brought to our attention and that this legislation represents the best piece of work that the Education Committee and the legislature could do with it. I think it is a good bill and I think it should be passed at this point.

Mr. Gillis of Calais requested a roll call vote.

The SPEAKER: For the Chair to order a roll call, it must have the expressed desire of one fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken, and more than one fifth of the members present having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is on the motion of the gentleman from Portland, Mr. Connolly, that the House accept the Majority "Ought to Pass" Report.

The Chair recognizes the gentlewoman from Gorham, Ms. Brown.

Ms. BROWN: Mr. Speaker, I would like to pair my vote with the gentleman from Lewiston, Mr. Jalbert. If he were here, he would be voting yes and I would be voting no.

The SPEAKER: The pending question before the House is the motion of the gentleman from Portland, Mr. Connolly, that the House accept the Majority "Ought to Pass" Report in concurrence. Those in favor will vote yes; those opposed will vote no.

ROLL CALL

YEA—Aloupis, Armstrong, Austin, Baker, Beaulieu, Bell, Benoit, Berube, Boisvert, Bordeaux, Boyce, Brannigan, Brenerman, Brodeur, Brown, D.; Cahill, Callahan, Carrier, Chonko, Clark, Conary, Connolly, Cox, Crowley, Cunningham, Curtis, Davies, Davis, Day, Diamond, G.W.; Diamond, J.N.; Dillenback, Drinkwater, Erwin, Fitzgerald, Fowlie, Gowen, Gwadosky, Hall, Hayden, Hickey, Higgins, L.M.; Hobbins, Ingraham, Jackson, P.T.; Jacques, Joyce, Kane, Kany, Ketover, Kiesman, Kilcoyne, Lancaster, LaPlante, Lisnik, Locke, Lund, MacBride, Macomber, Mahany, Manning, Martin, A.; Martin, H.C.; Masterman, Masterton, Matthews, McCollister, McGowan, McHenry, McPherson, McSweeney, Michael, Mitchell, E.H.; Mitchell, J.; Moholland, Murphy, Nadeau, Nelson, A.; Nelson, M.; Norton, Paradis, E.; Paradis, P.; Paul, Perkins, Perry, Peterson, Pines, Pouliot, Racine, Randall, Reeves, P.; Richard, Ridley, Roberts, Salsbury, Small, Smith, C.B.; Smith, C.W.; Soulas, Soule, Stevenson, Stover, Swazey, Tarbell, Telow, Theriault, Thompson, Twitchell, Vose, Walker, Wentworth, Willey.

NAY—Brown, K.L.; Carroll, Carter, Con-

ners, Damren, Dexter, Dudley, Foster, Gavett, Gillis, Holloway, Hunter, Hutchings, Jackson, P.C.; Jordan, Lewis, MacEachern, Michaud, O'Rourke, Pearson, Post, Reeves, J.; Sherburne, Strout, Studley, Treadwell, Webster, Weymouth.

ABSENT—Hanson, Higgins, H.C.; Huber, Kelleher, Laverriere, Livesay, Rolde, Tuttle, The Speaker.

PAIRED—Brown, A.-Jalbert.

Yes, 112; No, 28; Absent, 9; Paired, 2.

The SPEAKER: One hundred and twelve having voted in the affirmative and twenty-eight in the negative with nine being absent and two paired, the motion does prevail.

Thereupon, the New Draft was read once.

Senate Amendment "A" (S-453) was read by the Clerk and adopted in concurrence.

Under suspension of the rules, the New Draft was read the second time and passed to be engrossed as amended in concurrence.

By unanimous consent, ordered sent forthwith to Engrossing.

Non-Concurrent Matter

Bill "An Act to Make Interstate Bank Ownership Possible" (S. P. 804) (L. D. 1891) on which the Bill and Accompanying Papers were Indefinitely Postponed in the House on March 30, 1982.

Came from the Senate with that body having insisted on its previous action whereby the Majority "Ought to Pass" in New Draft (S. P. 950) (L. D. 2100) Report of the Committee on Business Legislation was read and accepted and the New Draft passed to be engrossed in non-concurrence.

In the House:

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

Mr. BRANNIGAN: Mr. Speaker, Men and Women of the House: I move that we recede and concur.

The SPEAKER: The gentleman from Portland, Mr. Brannigan, moves that the House recede and concur.

The gentleman may continue.

Mr. BRANNIGAN: Mr. Speaker, Ladies and Gentlemen of the House: I would again urge you to vote in favor of this bill which is part, I believe, of a long line of history of good banking legislation, part of history, of administration, or Business Legislation committee work, of studies and of legislative action that has given us a strong banking community, a clean banking community and a strong bank regulating group.

I would like to elaborate on one issue this morning. We have said that this was studied for a good deal of time in the early seventies and it was decided that we would have interstate banking in the state of Maine, passed a law in 1975 as part of the recodification of the banking law, a banking law, as we have said, that has become a model in many parts of our country.

In that law, reciprocal agreements were required. In those days, our banks were thinking of working with other banks and acquiring banks in other states probably in areas nearby. One of the things that was not put in those laws at that time, and we believe have evolved and are necessary now, are the very stringent regulations that we have in this bill, the regulations which would require the large amounts of Maine assets be kept in Maine, that dividends not be allowed to flow out of Maine in a wholesale fashion, very strong regulations that we have already talked about. I think those are very necessary now, very timely now, and I would encourage you to be part of putting those regulations on our books as part of our banking law.

I almost believe without question that we will have interstate banking, no matter what we do here this morning, coming from one of several different directions. It is possible that the federal government will force it upon us by law. It is possible that they will force it upon us by

merging in order to save some of our banks. It is possible that other states will pass this law very quickly, it is possible that they will pass it in a reciprocal manner. Any one of these can bring out-of-state banks into our state allowing them to acquire Maine banks, and under the present law, if they do it, we do not have these restrictions. These are solid, good restrictions and we need to put them there as part of our banking law. So, I urge you to vote with me this morning to recede and concur.

The SPEAKER: The Chair recognizes the gentlewoman from Orono, Miss Gavett.

Miss GAVETT: Mr. Speaker, Ladies and Gentlemen of the House: I hope today you will not vote to recede and concur. I think we spent a lot of time the other day debating this bill and I think the final question that should be answered in your minds is if this bill is going to benefit all the people of Maine. As I mentioned the other day, I sat through the hearing on this bill and work sessions and nobody could convince me that this bill will benefit all the people in the state of Maine. I would urge you, unless you are positively sure this will benefit everybody, to vote against the motion to recede and concur so that we can move to adhere and accept that motion.

I would request a roll call at this time.

The SPEAKER: The Chair recognizes the gentleman from Brooksville, Mr. Perkins.

Mr. PERKINS: Mr. Speaker, Ladies and Gentlemen of the House: I do not intend to rehash the arguments we heard the other day on this bill. I would just like to point out a few facts not yet considered and stress a few points which may be of some interest.

Let's go back to the introduction of this bill before the committee. I now consider it a packed hearing, as all the big hitters and few that I know of are ready to have interstate banking, were there to plead their case. None of the medium size or smaller institutions were there. It wasn't until I went home that I found out the reasons why those banks weren't there. I do not intend to repeat them here, they are probably known to all of you.

You know, I should have caught on during the hearing for someone suggested that banks being taken over by out of state banks should have 65 percent of their assets in Maine at the time of acquisition. This did not please the large banks at all and the suggested amendment was not even offered. This, in itself, was an indication that at present Maine commercial banks do not have 65 percent of their assets in Maine and seems to prove the point that Maine is a money export state.

You know, the talk about the fact that this bill was really studied, I asked the medium sized bankers if this was true and they said the only question that was ever asked them was whether they thought interstate banking was inevitable. They didn't even know about the bill until two weeks before it was introduced.

If this bill had been studied and was such a good bill, why do we have it in a redraft? Take a look at the redraft and compare it with the original. If that bill had been really studied for over a year by everybody that was supposed to, we certainly wouldn't be having this redraft.

In the redraft, if you have time, take a look at section 17, I don't even understand it and, furthermore, the people who gave it to us suggested that it might be unconstitutional but they thought it ought to be in the bill. I don't think anything like that should be in a bill if there is any question of constitutionality.

We heard remarks about money market funds, Sears and Merrill Lynch; to me, that is nothing but a red herring. Such funds will continue regardless of interstate banking. With out-of-state control, I wonder who would get the \$100,000 loan if a potato farmer wanted it and had to compete with an IBM money package in New York.

Finally, I am sure that the loan policy of interstate banks will be determined in New York.