

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

Ninetieth Legislature

OF THE

STATE OF MAINE



1941

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AUGUSTA, MAINE

thereof and substituting in place thereof the following: '(a) To sue in its corporate name; (b) To be sued in its corporate name';

and by striking out in the paragraph lettered (d) of section 4 the comma and all words after the word "members" where it appears in said paragraph, and by adding at the end of paragraph (g) of section 4 thereof the following: 'provided, however, that a cooperative shall not have the power of eminent domain; and provided, further, that in the construction and operation of their facilities, cooperatives shall comply with all safety laws and regulations applicable to electric companies';

and by striking out in the paragraph lettered (h) of section 4 the words "without limitation", and by striking out the words "thirty-two" and substituting in place thereof the words "twenty-seven",

and by striking out in paragraph lettered (b) of section 12 thereof where it appears after the word "incorporation" the following: ', consolidation'

and by inserting after the word "organized" in the 1st sentence of section 19 thereof the words 'on a cooperative plan'

and by striking out in section 21 where they appear the following: ', consolidation',

and by striking out all of section 26 after the headnote thereof and substituting the following: 'Cooperatives shall not be deemed to be public utilities; except with the consent of the public utilities commission, no person shall receive service from any cooperative if such person was already receiving electric service from a public utility on the date of the organization of such cooperative. Any person who has been refused membership in or service by a cooperative may complain of such refusal to the public utilities commission which may after hearing upon finding that such service may reasonably be rendered order such person to be served.'

Further amend said bill by striking out sections 17 and 18 thereof and renumbering sections 19 to 27 inclusive, as sections 17 to 25, inclusive.

Further amend said bill by striking out in the last line of section 21 of the original bill, the figures "20" and inserting in place thereof the figures '18'.

Thereupon, House Amendment "A" was adopted, and tomorrow was assigned for third reading of the Bill.

Amended Bill

Bill "An Act Imposing an Additional Gasoline Tax" (H. P. 1475) (L. D. 615)

Bill had its two several readings.

The SPEAKER pro tem: The Chair recognizes the gentleman from Waterville, Mr. Rodrigue.

Mr. RODRIGUE: Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER pro tem: The gentleman from Waterville, Mr. Rodrigue, asks unanimous consent to address the House. Is there objection?

The Chair hears none and the gentleman may proceed.

Mr. RODRIGUE: Mr. Speaker and Members of the Ninetieth Legislature: I do not speak as an opponent to this bill but as an opponent to the Amendment which I think is unfair to the gas retailers. I am a retail dealer, and I feel that what I am going to say is the expression of the 6000 odd retail gas dealers throughout the State.

Last July the U. S. government imposed a 1-2 cent tax on gasoline and oil. I doubt if the public was aware of it, as the dealer was the one that absorbed it.

The major companies and distributors do not absorb any added taxes, but charge the extra tax on the billing price to the dealer, and he has to find some way to adjust his price to take care of the added tax.

It is a known fact that there are in the State a group of distributors, so-called, who are operating retail gas stations. They are entitled to two profits, one as a wholesaler and another as a retailer, but some of them are satisfied to make but one profit and pass the other along to the consumer, so what happens? They cut prices, absorb taxes, etc., and erect huge signs telling the public that they are so minded. This condition forces all retail dealers to either fall in line or go out of business due to loss of customers who are mindful of the fact that they can purchase gasoline at a lower price than the legitimate dealer can afford to sell at, and still survive.

The condition in the State of Maine today regarding gasoline retail dealers is worse than in any state in the Union and we believe that one of the reasons is that the Legislature has refused to intervene in behalf of said dealers.

In 1939 we had a bill before the Legal Affairs Committee, asking them to try to help us solve a problem that other states have seen fit to solve. The bill was an Act Relating to Signs on Pumps Dispensing Internal Combustion Engine Fuels. This bill came out of the Committee "Ought not to pass." The reasons of the Committee are varied; some say that the measure was unconstitutional. That it is constitutional has been upheld by the Supreme Courts of several other states. Others say that it wouldn't solve the problem. I am here to say that if some 6000 odd dealers think that it would be a partial solution to our problem—mind you, I do not say that it should be a definite cure to our present ills—but it would be a step in the right direction.

I asked the Committee to let us give it a try, and if it did no good, we would be the first to ask the next Legislature to repeal this Act.

This bill was drawn up by the Independent Gas Dealers Association along with a group of distributors calling themselves the Maine Independent Oil Marketers. We have even had support in this from some of the major oil companies, and at the hearing there was no opposition, although there were approximately 250 people there. Some might call this class legislation. It might be so, but you must not forget that you Representatives, (whether you be from towns or cities, rural districts, or thickly settled communities, that the prosperity of any community depends chiefly on the prosperity of the business in that community.

If a business is operated with such a small profit that it cannot afford to pay living wages, then that business is a hazzard to that community, but whereas if that business were such that they could afford to pay their employees a salary that would enable them to purchase the necessities of life and perhaps have a little left over to do with as they saw fit, then the community would look upon that business as an asset.

I might add at this time that at one of the past Legislative sessions a bill was introduced to put the trucking industry under the control of the Public Utilities Commission, so that they might put them on a sound basis whereby they might operate at a profit instead of having these companies changing hands every two weeks, because of insufficient profit, leaving behind them a trail of unpaid bills. This bill was passed. What happened? The trucking industry was placed on a sound financial basis and the towns that now house trucking companies look at them as an asset. So I ask you Members of this Ninetieth Legislature to give this matter careful consideration so that when this session is over and you go home, you won't have to face your independent gas dealer and tell him that you imposed an additional tax on his business, that he alone must pay, forcing him to become a liability to the community instead of the asset that he should rightfully be.

When this bill went before the committee it had a one cent tax on gasoline. I voiced no objection, as I felt that it would be a very good thing because the consumer would absorb it but I do object to the half cent tax as the sponsors are not interested in who pays the tax as long as they gain their point. So at this time, Mr. Speaker, I move that the House reconsider its action whereby it adopted House Amendment "A" to Legislative Document 615.

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

Mr. MURCHIE: Mr. Speaker, my efforts in this Legislature over a period of several years have been more or less of an extemporaneous nature. It just happens in this particular case I have read a speech delivered in Augusta sometime in December that inspired me to make some notes. When you look at the screen in the movies you see our President, Franklin Delano Roosevelt, casting his eyes down at his notes, therefore I hope you will excuse me for doing the same.

With no prejudice, in a spirit of fair play, and from the viewpoint of an old gasoline user who wants at least to be fair, I want to comment on the address of Arlyn E. Barnard, Manager of The Maine Automobile Association, delivered at the Augusta House on December 17, 1940,

on the topic "Politics vs. Engineering in Maine's Highways" which was, I admit, a wonderful speech from the viewpoint of length and of desire for the Gasoline Consumers' Group.

A legislative body, such as we of Maine, at the moment must consider all the State's needs, and with Old Age Assistance, we have some real problems that will probably mean new taxes, and it seemed to me that Mr. Barnard's effort carried to a point which seemed to be near the maximum in the current trend of pressure politics designed to stampede legislators, and frighten them into ill-considered action through the threat of reprisal at the polls.

The Group, to use Mr. Barnard's own language, comprises "The Maine Automobile Association," and hundreds of other groups of (1) contractors, (2) road material men, (3) truckers, (4) oil and gasoline producers, (5) shippers of all sorts, and (6) just plain ordinary citizens; and they are after just two things—an excessive apportionment of money from the public till and an undue and entirely improper influence in directing its expenditure.

Forgetting the inaccuracies of the Manager's statement which may have been unintentional rather than deliberately deceiving, as in recapitulation he stated that \$1,650,000.00 was allocated annually for State Aid against the fact of about half that amount annually, and that \$300,000.00 was used for Special Resolves, where in fact that represents the total for a biennium, he lays great emphasis, first, on the total of \$9,000,000.00 which the State receives from Registration and Operators' License fees and from the Gasoline Excise Tax, and bickers first with the theory that the Legislature carefully divides the expenditures so as to provide adequately for Maintenance, Bridge Construction and Snow Removal, and to pay the expenses necessarily involved in the collection and administration of so large a sum.

He makes a considerable point of the fact that \$303,000.00 is allocated annually for the expenses of the State Highway Police and that this represents the entire cost of maintaining that body of officials whose work is not strictly limited to that of State Highway Patrolmen. Mr. Barnard overlooks, as do all those

who clamor increasingly for more and better roads, that the total expenditure in the State of Maine for the benefit of motor vehicle users, including those who operate the business of Highway Transportation,—he seems to forget, I say, that the cities, towns and counties, as well as the State itself,—contribute to the Highway Poll a very substantial number of dollars each and every year.

The Highway Program has imposed an increasing burden on every municipality in the State which has been encouraged to extravagance by funds provided to furnish State aid in Highway construction, which has been forced into extravagance in the maintaining of winter roads, not in any sense for local benefit, but almost entirely for the accommodation of Highway transport, and the few private automobile owners who regularly use their cars throughout the winter season.

The aggregate of local State Aid Highway Appropriations, the municipal share in the construction of bridge monuments which range from 10% to 45% of the aggregate according to municipal valuation and tax rate, and a full 30% of such bridge monuments which is borne by the county in every case, represents some, but probably not all, of the expenses where the taxpayer, including that unfortunate individual who, having no automobile, secures no benefit from the Highway Program, and who is definitely nicked for the benefit of the highway-using group.

In indirect cost, there are, no doubt, many additional nickings, the most obvious of which are the elaborate system of School Transportation that has been forced by the better highway campaign, and the undoubtedly very substantial increase in the administration of the courts and criminal law.

If you will read Mr. Barnard's speech, I think you will agree with me that it insults a Legislature. He says a Legislature holds too many strings on the plan and procedure of our highway, calls them meddlers, says they take orders. Is this a lie? What are we fighting for in this world?

What are we fighting for? We are fighting for the so-called Democratic form of government, and what is this Legislature but the outcome of

the Democratic form of government?

Under a heading "More Taxes" a Portland Newspaper said editorially December 30th — I quote: "There is no escaping the conclusion that Maine must have higher taxation".

We legislators have a real job on our hands and this group of the better-found of our people should show a disposition to help rather than be influenced to bear down on and try to force selfish decisions.

Beside fixing Old Age Assistance, we should here and now relieve real estate, and gasoline should help us do it, if necessary. Is there anything sacred about gasoline? All that I am trying to say is this: If we can't do the job without you, why not help us? A lot of gas consumption comes under the heading of "Luxury" and luxuries should and must help.

All I can say in conclusion, and I am not aiming at any particular group, is that as far as I am concerned, all pressure groups, and I say it without prejudice, can go to the place I am not supposed to mention here in the House.

The SPEAKER: The question before the House is on the motion of the gentleman from Waterville, Mr. Rodrigue, that the House reconsider its action whereby it adopted House Amendment "A".

All those in favor of the motion of the gentleman from Waterville, Mr. Rodrigue, that the House reconsider its action whereby it adopted House Amendment "A" will say aye; those opposed no.

A viva voce vote being taken, the motion to reconsider did not prevail. Thereupon the bill was given its second reading.

The SPEAKER: What time will the House assign for third reading of this bill?

The Chair recognizes the gentleman from Portland, Mr. Shesong.

Mr. SHESONG: Mr. Speaker, I move that Legislative Document 615 and the amendment lie upon the table.

The SPEAKER: The gentleman from Portland, Mr. Shesong, moves that the bill lie on the table pending assignment for third reading. Is this the pleasure of the House?

Cries of "No," "No".

The SPEAKER: All those in favor of the motion of the gentleman from

Portland, Mr. Shesong, that the bill lie on the table pending assignment for third reading will say aye; those opposed no.

A viva voce vote being taken, the motion to table did not prevail, and the bill was assigned for third reading at ten o'clock tomorrow morning.

At this point the gentleman from Winslow, Mr. Belanger, was conducted by the Sergeant at Arms to his seat on the floor of the House, amid the applause of the members, and Speaker Varney assumed the Chair while the House applauded.

Passed to Be Engrossed

Bill "An Act relating to Commitment of Feeble-minded Juvenile Delinquents" (S. P. 534) (L. D. 1097)

Bill "An Act relating to Surety Bonds" (S. P. 535) (L. D. 1098)

Bill "An Act relating to Reserved Number Plates" (S. P. 536) (L. D. 1099)

Bill "An Act pertaining to the Regulation of Smelt Fishing" (S. P. 541) (L. D. 1116)

Bill "An Act Authorizing a Bond Issue for the Building, Rebuilding and Strengthening of Bridges for Military Purposes on the Highways of the State of Military Importance" (H. P. 1902) (L. D. 1127)

Resolve to Repeal a Resolve providing for a State Pension for Bessie King (S. P. 401) (L. D. 1105)

Resolve to Repeal a Resolve providing for a State Pension for Mary A. Moulton (S. P. 402) (L. D. 1104)

Resolve to Repeal a Resolve providing for a State Pension for Johanna T. Kelleher (S. P. 403) (L. D. 1103)

Resolve to Repeal a Resolve providing for a State Pension for Amelia Rittal (S. P. 404) (L. D. 1102)

Resolve to Repeal a Resolve providing for a State Pension for Lot Edmund Whitman (S. P. 405) (L. D. 1100)

Resolve to Repeal a Resolve providing for a State Pension for Mary Kane (S. P. 469) (L. D. 1101)

Were reported by the Committee on Bills in the Third Reading, Bills read the third time, Resolves read the second time, all passed to be engrossed and sent to the Senate.

Amended Bill

Bill "An Act relating to the Sale of Malt Liquor to Minors" (H. P. 1286) (L. D. 562)