

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

*One Hundred and First
Legislature*

OF THE

STATE OF MAINE

1963

DAILY KENNEBEC JOURNAL
AUGUSTA, MAINE

Came from the Senate read and passed.

In the House, the Order was read and passed in concurrence.

The SPEAKER: The Chair at this time would request the Sergeant-at-Arms to escort the gentleman from Cape Elizabeth, Mr. Berry, to the rostrum to serve as Speaker pro tem.

Thereupon, Mr. Berry assumed the Chair as Speaker pro tem amid the applause of the House and Speaker Kennedy retired from the Hall.

Passed to Be Engrossed

Bill "An Act relating to Issuance of Bonds of and Termination of Maine Turnpike Authority" (S. P. 56) (L. D. 106)

Was reported by the Committee on Bills in the Third Reading and read the third time.

The SPEAKER pro tem: The Chair recognizes the gentleman from Bangor, Mr. Minsky.

Mr. MINSKY: Mr. Speaker, Ladies and Gentlemen of the House: I would now like to move passage of House Amendment "A" to L. D. 106, An Act relating to Issuance of Bonds of and Termination of Maine Turnpike Authority, and I would like an opportunity to speak on the amendment.

This amendment has been printed and is now before you on your desks. Yesterday we had an extended debate on this particular bill relating to the bonds and the termination of them on the Maine Turnpike. At that time, I voted against this particular bill as I felt that perhaps the decision should be delayed until some future date. I have spent some time discussing this bill with other members of the House. I understand that there is considerable merit to the bill. I am willing to vote for its passage, but I would like to have the adoption of Amendment "A" as a safeguard and as a caution.

What this bill does is very simple. It just simply states that in the event that the tolls collected between now and 1988 which have been outlined in this Exhibit 6 which was placed upon your desks by someone—I don't know who was kind enough to do it—if the tolls

as projected on that schedule, are not sufficient to pay the bonds as they should be paid, and if the State of Maine decides that they should be paid out of other funds, that I only feel it is proper that those funds be General Highway Funds.

During yesterday's discussion, the gentleman from York, Mr. Rust, spoke of the beautiful new highway that was to be built and one of the arguments he gave or one of the statements he made was that the new road would be of equally fine or perhaps better construction than the present turnpike. It would be a very fine road. It would be ten miles shorter, and there's a question as to how many people would use the turnpike. Therefore there would be no revenue after 1988 and so there was no need to keep the tolls on. There would be very little revenue at best.

But I note that the road from Gardiner to Brunswick will be completed in 1974, and what worries me, is what is going to happen between 1974 and 1988 if our revenues are not sufficient to meet the obligations of the bond. If the new road was of such fine construction and ten miles shorter, I fear that perhaps the revenues of the toll will not be sufficient in this fourteen-year period to pay this bonded indebtedness.

Now we have already started or are about to start the work on the Brunswick-Gardiner road. There will be money in the current highway budget for preliminary surveys, the acquisition of rights-of-way, etc. I have no dispute concerning the Highway Department commencing this. They claim they have studied this program well. I assume they have. They claim they have projected the revenues on the tolls from the turnpike, and I hope that they have done this well. But let us assume that they have not done this as well as they anticipate. Let us assume that with all their good intentions, there has been a miscalculation, and I simply say that using miscalculation and if State funds are to be used, let those funds come from the highway budget and not from the general funds of the State of Maine.

Let us not forget that forty-three cents of every tax dollar paid in the State of Maine is now contributed to the Highway Fund. We do not need this always. We do not pass upon this in our general budget. They have adequate funds.

I would also like to point out to you that contained in L. D. 106 is the following statement: (this refers to the turnpike and its properties) "its leases, rights, easements, franchises and bridges, lands and properties shall become the property of the State of Maine and all revenue therefrom become payable to the Treasurer of the State of Maine as a part of the highway funds of the State of Maine." So what revenues may be coming into the State after the tolls are eliminated because of easements, because of leases, because of rights-of-way, these would include restaurants and gasoline stations, this money is to enure to the benefit of the Highway Department, and I feel that if there is to be a deficit, let this also come from the Highway Department.

Now it might be questioned why do we want to bother to do this now? Let's worry about this later. That same argument can be turned around and say let's worry later about removing bonds when it is paid. It was stated yesterday that they wanted an expression of legislative intent today as to what would happen in 1988. They want it expressed today that we will not continue to collect tolls after the bonds have been paid, and if they wish this, then I do not think it unfair to say in return, then let us have an expression of legislative intent today. If the revenues are not sufficient then any deficit that is to be paid, shall also be paid from highway funds. This expression of legislative intent is as valid as the intent expressed in the bill itself.

Now the question is raised whether or not if the bonds fail, the money will have to be paid by the State. I have read the original act, the bonding agreement very clearly states that the credit of the State of Maine is not pledged for payment of these bonds. And this particular amendment still will not pledge the credit of the State of Maine to pay these bonds. It simply

says that in the event the tolls are not sufficient and state funds are used—it does not say state funds shall be used—but in the event that state funds are used, such state funds shall be expended from the general highway fund.

I think it only fair to state that if this becomes their property, if state funds are to be used, then these state funds should come from that department which proposes that it take over the turnpike from that state department which has designed our highway program and that state department, should this occur, has made the miscalculation. Thank you.

The SPEAKER pro tem: The gentleman from Bangor, Mr. Minsky, presents House Amendment "A" and moves its adoption.

House Amendment "A" was read by the Clerk as follows:

HOUSE AMENDMENT "A" to S. P. 56, L. D. 106, Bill, "An Act relating to Issuance of Bonds of and Termination of Maine Turnpike Authority."

Amend said Bill by adding at the end the following new section:

"Sec. 3. P. & S.L., 1941, c. 69, Sec. 12, Par. (5), additional. Section 12 of chapter 69 of the private and special laws of 1941 is amended by adding a new paragraph (5) to read as follows:

'(5) In the event that the authority shall make default in the payment of principal or interest on any of the bonds issued under this chapter and state funds are used for the payment of the bonds so in default, such state funds shall be expended from the General Highway Fund.'"

The SPEAKER pro tem: The Chair recognizes the gentleman from Portland, Mr. Childs.

Mr. CHILDS: Mr. Speaker and Members of the House: First let me say that I don't believe that we should even attempt to dictate to some subsequent Legislature. Second, if the subsequent Legislature is not in favor of this particular bill, all they would have to do is repeal this measure. Third, if this amount is ever paid off by the General Highway Fund, a subsequent Legislature could also replace the money which goes into the General Highway Fund from the Gen-

eral Fund. Therefore, I don't believe this amendment would accomplish anything, and I therefore move it be indefinitely postponed.

The SPEAKER pro tem: The question now before the House is the motion of the gentleman from Portland, Mr. Childs, that House Amendment "A" be indefinitely postponed.

The Chair recognizes the gentleman from Kittery, Mr. Dennett.

Mr. DENNETT: Mr. Speaker and Members of the House: I rise in opposition to the motion made by the gentleman from Portland, Mr. Childs. I think this House yesterday showed no hesitation whatsoever in accepting a bill which imposed upon a subsequent Legislature a certain intent. I believe Mr. Minsky's bill today implies intent along the same lines. I think to preserve the integrity of the State of Maine, that we must show good faith in some manner. Mr. Minsky has outlined his amendment and what it covers in every detail. There should be no question in anyone's mind. I think it is very clear. His presentation was very concise.

I feel very strongly that inasmuch as there has been so much invested in the State of Maine in this turnpike by outside investors, they should have some expression of intent by this Legislature. What Mr. Childs has said is very true. We cannot impose on another Legislature, but we did yesterday. I urge that this motion to indefinitely postpone be defeated.

The SPEAKER pro tem: The Chair recognizes the gentleman from Bath, Mr. Drake.

Mr. DRAKE: Mr. Speaker and Ladies and Gentlemen of the House: I rise in support of the motion of the gentleman from Portland, Mr. Childs. I have a great deal of admiration and respect for the gentleman from Bangor, Mr. Minsky, but at the same time I question the validity of this amendment because I doubt that it is constitutional to pledge State of Maine funds in a manner suggested by this amendment. I doubt that the state can pledge its credit for bonds not issued by the state. This amendment in effect pledges the credit of the State of Maine for

the fulfillment of an obligation of a private corporation.

I would also like to further mention the fact that I think it should be important to note that the Maine Turnpike Authority has not taken any position in regard to the bill for which this amendment is to be attached either in this session or when it was brought up four years ago. It is quite apparent that the Authority is not concerned to the extent of taking any position on the matter at all. Thank you.

The SPEAKER pro tem: The Chair recognizes the gentleman from Bowdoinham, Mr. Curtis.

Mr. CURTIS: Mr. Speaker, Ladies and Gentlemen: I just cannot understand in reading this amendment the meaning given to it by my good friend from my own county. I don't see anything in it which could be unconstitutional. I do not see anything in it whereby it would be pledging the state to anything. It just simply says that if we do have to eventually pay, which by law that has been passed sometime that we will, if they default, why it will be taken from the highway fund. And I move that when the vote is taken, it be taken by a division.

The SPEAKER pro tem: The Chair recognizes the gentleman from Auburn, Mr. Turner.

Mr. TURNER: Mr. Speaker, I can remember when the bonds were sold for the turnpike extension from Portland to Augusta, and the original bonds that was from Portland to Kittery were two and one-half to two and three-quarters. I don't know which one. One or the other was the price of the bonds. I do not remember which. Owing to the risk the bondholders were taking on the new extension from Portland to Augusta and whereby they had no guarantee by the State on the bonds, they called all the old bonds in and issued new ones to the tune of four percent. So all turnpike bonds now are four percent with no state guarantee. This looks to me like "kids-play" now for the state to stick their necks out in this deal. This is just a move to confuse the issue and scuttle the bill. I too move indefinite postponement of this amendment.

The SPEAKER pro tem: The Chair recognizes the gentleman from Southport, Mr. Rankin.

Mr. RANKIN: Mr. Speaker, Ladies and Gentlemen: I myself don't care much for this amendment. It could be an invitation for the Turnpike Authority to become less prudent, but I think it is up to you people whether you want to let this bill fly right out the front door or not to the front office. I would like to see, but I know the motion at the present time is to indefinitely postpone, I would like to have a bill of this nature before it is decided upon by us, be referred to the Committee on Judiciary.

The SPEAKER pro tem: The Chair recognizes the gentleman from South Paris, Mr. Hammond.

Mr. HAMMOND: Mr. Speaker, Ladies and Gentlemen: I do not believe that the State of Maine's credit should be pledged in this issue. This turnpike was born a private enterprise; it is living a private enterprise; and it undoubtedly dies a private enterprise; I don't believe the State should be connected with it.

The SPEAKER pro tem: The question before the House is the motion of the gentleman from Portland, Mr. Childs, that the amendment be indefinitely postponed, and a division has been requested.

The Chair recognizes the gentleman from Freeport, Mr. Crockett.

Mr. CROCKETT: Mr. Speaker, less than twenty-four hours ago, we passed this legislation. Now all of a sudden because somebody might be a little sore and they are trying to pull a fast one, now I am coming right out with it and I can be accused of it or not, it don't make no difference to me, but I like to speak the truth. You are being asked here to pledge the future members of the State Legislature from eighteen to twenty years from now to pay this bond off if it was necessary, which I know it will never be, we will never have to do, but it might be a possibility and if you buy this amendment today, you are pledging the future legislators of this House to which I don't want to do, and I don't think you do.

The SPEAKER pro tem: The Chair recognizes the gentleman from York, Mr. Rust.

Mr. RUST: Mr. Speaker, Ladies and Gentlemen of the House: I rise in support of the motion of the gentleman from Portland, Mr. Childs to indefinitely postpone this amendment. Now we had an extensive debate on this particular bill yesterday, and there is no need of going into the merits of the bill.

I just would like to point out two things in regard to it. The effect of this amendment is not all that the gentleman from Bangor, Mr. Minsky, indicates. And it would seem to me that he is overly concerned about the revenue to pay off the turnpike bonds. He indicated to you that there was a sheet on your desks relative to the estimated revenues of the turnpike. Now these estimated figures have been produced by a firm known as Coverdale and Colpitts. And Coverdale and Colpitts is the engineering firm for the Maine Turnpike, and these are figures that they produced to support the estimated revenues to finance the bonds. And I am sure that if they indicated these revenues were going to be produced in order to have bonds issued, they were on the conservative side to be sure that there would be no difficulty.

Now to further support the facts of these figures by Coverdale and Colpitts, the gentleman from Cape Elizabeth, Mr. Berry, in his debate yesterday, clearly indicated that the revenues would be at least four million a year and they could go to ten million in the future. So it seems to me that based on this survey here, there is actually enough revenue and will be more than enough revenue to meet the commitments other than the turnpike bonds.

Now the second point I would like to make is what the effect of this amendment does. Now any of you who have a mortgage on your home with a local bank there, and I am sure that a good many of us do, what this amendment does will be just like the local banker calling you in and saying gentlemen, I don't think your mortgage is any good anymore. I want you to go down to the town hall, get the town

to vote to guarantee the mortgage, and then I will continue with it. And that is just what this amendment would do, and I see no need for it.

The SPEAKER pro tem: The Chair recognizes the gentleman from Bangor, Mr. Minsky.

Mr. MINSKY: Mr. Speaker, I would like to straighten out what I think have been a couple of misconceptions. I first would like to assure the gentleman from Freeport, Mr. Crockett, that I am not playing sneaky games, and I am quite sincere in what I am doing. But what has distressed me is the fact that the word pledge has been tossed around in a couple of ways that I am not sure are entirely proper. Number 1, the credit of the State of Maine is not pledged by this amendment. It says: "In the event that the authority shall make default xxx and state funds are used". It does not commit a ny future legislature without its approval of committing any funds. I checked this very carefully this morning. I checked it with people not members of this Legislature, but other state officials. It was their interpretation that this did not pledge the future credit of the State of Maine.

Secondly, one member this morning said that he didn't see why we should pledge or make a pledge in behalf of a future Legislature. Well if he is against that, then I don't quite understand how he can be for L. D. 106 in the first place, because this is a pledge in the same fashion committing a future Legislature, which also could be repealed by a later one as could this amendment. I don't think it is quite consistent to say I can pledge as to what I like and not pledge as to what I don't like, because I don't like pledges. You have got to have a better reason than that. And I must admit through all the assurances I have had that there would be plenty of money to pay off the bonds, and since they are so confident that the money is going to be available, I am a little bit surprised that this amendment bothers them so much. They should be able to just laugh it off and say: it will never take effect because there is plenty of money.

The SPEAKER pro tem: The question before the House is the motion of the gentleman from Portland, Mr. Childs, that House Amendment "A" — the Chair recognizes the gentleman from Biddeford, Mr. Nadeau.

Mr. NADEAU: Mr. Speaker, I want to go on record against the amendment and support the motion of the gentleman from Portland, Mr. Childs.

The SPEAKER pro tem: The Chair recognizes the gentleman from South Portland, Mr. Brown.

Mr. BROWN: Mr. Speaker, Ladies and Gentlemen of the House: I am certainly not a lawyer, but it certainly looks to me by the intent of this act, the intent or the effect of this legislation, would surely say if these bonds did become in default, and if I was a lawyer or the bonding company or the Highway Commission, I would certainly say that this, that I would like to have this if I went to Court to defend that action. It certainly in my opinion, would place the credit or show the intent that if these bonds were paid by the State, that we, the Legislature, in 1963, felt that we were morally obligated by this amendment.

The SPEAKER pro tem: Is the House ready for the question? The question before the House is the motion of the gentleman from Portland, Mr. Childs, that House Amendment "A" be indefinitely postponed and a division has been requested.

Will all those in favor of the indefinite postponement of House Amendment "A" please rise and remain standing until the monitors have made and returned the count.

A division of the House was had.

Ninety-eight having voted in the affirmative and twenty-eight having voted in the negative, the motion did prevail.

The SPEAKER pro tem: The Chair recognizes the gentleman from Southport, Mr. Rankin.

Mr. RANKIN: Mr. Speaker, this is a motion I have never made, but I would at this time move that this bill and all accompanying papers be sent to the Committee on Judiciary for further study, and if they themselves are unable to decide on the validity of this act, I would suggest that perhaps in their

wisdom they would choose to send it to the Supreme Court of Maine.

The SPEAKER pro tem: The question before the House is the motion of the gentleman from Southport, Mr. Rankin, that the Bill "An Act relating to Issuance of Bonds of and Termination of Maine Turnpike Authority," Legislative Document 106 and all accompanying papers be referred to the Committee on Judiciary.

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

Mr. CHILDS: Mr. Speaker, I believe that the only issue that the so-called attorneys were concerned with, was the issues on the validity of this amendment which has now been defeated. Therefore, I can see no need of it going to the Judiciary Committee, and I oppose the motion of the gentleman from Southport, Mr. Rankin.

The SPEAKER pro tem: The Chair recognizes the gentleman from Southport, Mr. Rankin.

Mr. RANKIN: Mr. Speaker, I request when the vote is taken it be taken by division.

The SPEAKER pro tem: The Chair recognizes the gentleman from York, Mr. Rust.

Mr. RUST: Mr. Speaker, I support the gentleman from Portland, Mr. Childs, in opposing this motion to send this bill to Judiciary for the same reason, the amendment is the only problem, it has been defeated and to send it to Judiciary would be just a waste of time, and I am sure that the results would be exactly the same as has been voted here this morning. This is not a proper amendment.

The SPEAKER pro tem: Is the House ready for the question? The question before the House is the motion of the gentleman from Southport, Mr. Rankin, that the Bill and all accompanying papers be referred to the Committee on Judiciary and a division has been requested.

All those in favor of referring this bill to the Committee on Judiciary will please rise and remain standing until the monitors have made and returned the count.

A division of the House was had.

Ten having voted in the affirmative and one hundred seven having

voted in the negative, the motion did not prevail.

Thereupon, the Bill was passed to be engrossed and sent to the Senate.

Bill "An Act relating to Construction of a Bridge to Span the Piscataqua River from Kittery, Maine to Portsmouth, New Hampshire" (S. P. 58) (L. D. 108)

Bill "An Act relating to Lapsing of Funds Appropriated to Construct a Fishway at Aroostook Falls" (S. P. 163) (L. D. 439)

Bill "An Act relating to Time of Salary Payments to County Commissioners" (S. P. 284) (L. D. 798)

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

Third Reader Tabled and Assigned

Bill "An Act Providing for Adult Identification Cards under Liquor Law" (S. P. 300) (L. D. 873)

Was reported by the Committee on Bills in the Third Reading and read the third time.

(On motion of Mr. Cartier of Biddeford, tabled pending passage to be engrossed and specially assigned for Wednesday, March 13.)

Bill "An Act Providing for Issuance of Warnings to Licensees for Liquor Violations" (S. P. 329) (L. D. 994)

Bill "An Act relating to Insurance for U-Drive Motor Vehicles" (S. P. 351) (L. D. 1017)

Bill "An Act relating to Capital Stock of Industrial Banks" (S. P. 352) (L. D. 1018)

Bill "An Act relating to Participation Loans, Other Than Real Estate, by Savings Banks" (S. P. 357) (L. D. 1023)

Bill "An Act relating to Municipal Forest Fire Suppression Costs" (S. P. 408) (L. D. 1111)

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

Bill "An Act relating to Location of Office of Board of Harbor Com-