

MAINE STATE LEGISLATURE

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December 18, 1958

Mr. Richard W. Hallet
118 Atlantic Avenue
Boothbay Harbor, Maine

Dear Mr. Hallet:

We have your letter of December 10, 1958, in which you ask for an interpretation of Chapter 190 of the Private and Special Laws of 1957 which set impresses upon the Maine Port Authority the duty to operate a ferry line or lines between the towns of North Haven, Vinalhaven, Islesboro and Swan's Island.

Question:

"Whether there is not a duty on the Authority to reserve enough money from these bonds to operate the ferries initially when built, and also enough to pay the interest on the bonds as outlined in Sec 10. Or on the other hand, may the Authority spend the whole sum on ferries and terminals, and then apply to the State for the money to operate and to pay interest charges?"

Answer:

There is a duty on the Authority to reserve sufficient money from the proceeds of the sale of bonds to operate the ferry line or lines and to pay interest charges on the bonds issued until such time as there are sufficient funds available from tolls to pay for said maintenance, operation and interest.

Section 2 of the Act provides that:

"purchase of equipment and property. Suitable boats, wharves, landing places and all other necessary appurtenances shall be acquired by the Maine Port Authority through purchase, lease, condemnation or agreement so as to adequately provide for transporting vehicles, freight and passengers to and from said towns of North Haven, Vinalhaven, Islesboro and Swan's Island at a cost not to exceed \$2,500,000."

Section 10 of the Act reads as follows:

"Interest and debt retirement. Interest due or accruing upon any bonds issued under the provisions of this act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State. The interest charges on the bonds issued hereunder, that accrue before sufficient funds are available from tolls to pay them in full, shall be paid from the proceeds from the bonds issued under the provisions of this act until such time as the tolls of the ferry line or lines, applicable for the payment of interest, are sufficient for this purpose."

Legislative intent can be ascertained only by reading together all sections of law relating to the same subject matter. Such a reading compels us to interpret the above-quoted sections of law as requiring the Maine Port Authority to establish a reserve sufficient to maintain and operate the ferry service until such time as tolls charged for this service would pay for such maintenance and operation. We are of the same opinion with respect to interest which becomes payable under the terms of bonds.

Very truly yours,

James G. Frost
Deputy Attorney General