

MAINE STATE LEGISLATURE

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STATE OF MAINE

REPORT

OF THE

ATTORNEY GENERAL

for the calender years

1961 - 1962

The law above quoted in which the Maine Port Authority may proceed seems to us to better fit the present problem than does section (f) in which apparently there is some question in the minds of the Public Utilities Commission as to the feasibility heretofore discussed. The Public Utilities Commission might well find it difficult to determine that it is no longer feasible for a private operator to provide service according to the established rates.

We see no reason why you, as Governor, could not request the Maine Port Authority to proceed along the lines as outlined in the second paragraph of section 6. It would appear that the State then would be going as far as it necessarily would have to and still allow the continuance of the business by private operation.

I believe that the general consensus is that the State should not be in the ferry business. This action would put the State in the position of helping to continue service to the islands and yet not actually delving into the operation of the ferry line.

Very truly yours,

FRANK E. HANCOCK
Attorney General

August 25, 1961

To: Kermit S. Nickerson, Deputy Commissioner of Education

Re: School Administrative District #4

This is in answer to your request for an opinion dated August 18, 1961, relative to expenditures for capital outlay purposes by the district directors.

As I understand it, some \$23,000.00 previously obtained from the participating municipalities when the district was formed has been carried from year to year by the district directors as a balance carried forward. The directors have designated that sum as a contingency account. The voters of the district did not set up the account as a contingent account at a budget meeting as provided in Revised Statutes, Chapter 41, Section 111-S, nor was the balance set up as a reserve fund for capital outlay purposes under R. S., c. 41, § 111-L-1.

You inquire whether or not the directors can use the \$23,000.00 to supplement a \$145,000.00 capital outlay bond issue where the amount authorized in the district budget meeting of \$145,000.00 is not sufficient to complete the work contemplated.

Since the voters have not designated the \$23,000.00 as a contingency fund or a capital reserve fund at the district budget meeting, I find no authorization in the law to use that money to supplement the bond issue.

The fact that a bond issue originally authorized is not sufficient to carry out the contemplated work has been anticipated in the law and the procedure for obtaining additional capital outlay bonds or notes not exceeding 1 per cent of the total State valuation of all participating towns in the district is set out in R. S., Chapter 41, § 111-K, second paragraph.

It is our recommendation that the directors follow the above procedure of obtaining additional funds by supplemental bond issue rather than use the \$23,000.00 account previously carried forward.

RICHARD A. FOLEY
Assistant Attorney General