

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

**This document is from the files of the Office of
the Maine Attorney General as transferred to
the Maine State Law and Legislative Reference
Library on January 19, 2022**

✓
MM

July 23, 1963

Raeburn W. Macdonald, Chief Engineer

Water Improvement Commission

Wayne B. Hollingsworth, Assistant

Attorney General

Housing and Home Finance Agency Loans

We are in receipt of your request for an opinion to the following question:

"Is it necessary for the selectmen of a town to have the consent of a town meeting before acquiring or moving to acquire a planning loan from the Housing and Home Finance Agency under Section 702 of Public Law 560, 83rd Congress?"

We answer your question in the negative. Under Section 702 of Public Law 560, 83rd Congress, loans are only repayable when a town actually undertakes construction and at that time a bond issue would be floated for the whole project. There would be no interest accrued until construction actually began, and the bond issue would have to be approved by the town meeting before construction could begin. In other words, the purpose of this federal procedure is to enable towns to have a survey conducted and plans made at the expense of the federal government. Once the plans are made, the local people would then be in a position to know exactly what they are voting on and the total cost. If the plans are turned down by the town meeting, the town has not obligated itself in any way. Copies of all plans are filed with the federal government and they would use them for statistical analysis, thereby getting use from them even if they are turned down.

In short, it is not necessary for the selectmen of the town to have the consent of a town meeting before acquiring a planning loan. In fact, it is recommended that a town meeting not be held because there is not enough information available for an intelligent vote prior to plans being prepared.

Wayne B. Hollingsworth
Assistant Attorney General

WBH/slf