

# 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**

June 4, 1975

Joseph M. Hochadel, Asst. to Governor

Executive

Charles R. Larouche, Assistant

Attorney General

Portland Stove Foundry Grant Application

This replies to your memorandum request of May 28, 1975, concerning the above subject.

The pertinent facts, as provided by Mr. Mundy, are:

The National Park Service (Federal Agency Disbursing Grants) has informed the owners and the State Historic Preservation Officer that this is an eligible grant request under the provisions of the National Historic Preservation Act of 1966. No state funds are involved in these projects. Federal grants are matched with private funds provided by the owners.

National Park Service policies require that in accepting such a grant the State of Maine would have to guarantee the continuance of this historic process (The manufacture of Franklin Stoves as presently carried out) for 40 years.

I understand your question to be whether or not it would be constitutional for the State of Maine to guarantee to the National Park Service, as a condition of obtaining a grant from that Service to Portland Stove Foundry representing 50% of the cost of installing electric melting furnaces, that the Portland Stove Foundry process, i.e., the manufacture of Franklin Stoves, would continue to be carried on for 40 years. The answer to that question is negative.

Article IX, Section 14, Constitution of Maine, provides:

"The credit of the State shall not be directly or indirectly loaned in any case, except as provided in sections 14-A, 14-B, 14-C, 14-D and 14-E. \* \* \* ."

It seems clear from the statement of facts provided to us that the State is being asked by the Federal granting agency to provide a guarantee that the Portland Stove Foundry will continue to function as a manufacturer of Franklin Stoves. This would seem to obligate the State to assume such manufacturing by whatever means may be necessary, including financial support, and to whatever extent may be necessary. Thus, it seems clear that the Federal granting authority would be requiring this State to pledge the credit of the State and to do so without limitation.

Joseph M. Hochadel  
Page 2  
June 4, 1975

Article IX, Section 14, Constitution of Maine, applies to the Executive Department as well as to the Legislature. See Opinion of the Justices, 146 Me. 183, and Opinion of the Attorney General, dated May 9, 1973, to the Speaker of the House of Representatives, a copy of which is attached for your convenience. A guarantee by the Executive Department for continuance of this operation for forty years would seem necessarily to constitute a pledge of the credit of the State. Such a pledge is prohibited by our Constitution.

If I can be of any further aid to you in this matter, please advise me.

CHARLES R. LAROUCHE  
Assistant Attorney General

CRL/ec  
Enclosure