

# MAINE STATE LEGISLATURE

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EIGHTY-SECOND LEGISLATURE

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H. P. No. 893

H. D. No. 215

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House of Representatives, Feb. 24, 1925.

Referred to Committee on Ways and Bridges and 500 copies ordered printed. Sent up for concurrence.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Page of Skowhegan.

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STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE  
HUNDRED AND TWENTY-FIVE

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AN ACT to Provide for an Issue of State Highway Bonds.

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Be it enacted by the People of the State of Maine, as follows:

Section 1. In addition to State highway and bridge bonds  
2 heretofore issued in the name and behalf of the State and  
3 under the various provisions of law relating thereto, the  
4 Treasurer of State is hereby authorized, under the direction  
5 of the Governor and Council, to issue from time to time  
6 serial coupon bonds in the name and behalf of the State to an  
7 amount not exceeding ten million dollars, payable at the  
8 State Treasury within twenty-one years from date of issue,  
9 at a rate of interest not exceeding four per cent per annum,  
10 interest payable semi-annually, and signed by the Treasurer  
11 of State, countersigned by the Governor and attested by the

12 State Auditor, with the seal of the State affixed. The cou-  
13 pons attached shall bear the fac-simile of the signature of  
14 the Treasurer of State instead of his original signature ; and  
15 such bonds and coupons shall be of such denominations and  
16 form and upon such terms and conditions not inconsistent  
17 herewith as the Governor and Council shall direct. Said  
18 bonds, together with the proceeds thereof, shall be designated  
19 as the first class State highway loan, and shall be deemed a  
20 pledge of the faith and credit of the State.

Sect. 2. The State Auditor shall keep an account of such  
2 bonds, showing the number and amount of each, the date  
3 of countersigning, the date when payable and the date of  
4 delivery thereof to the Treasurer of State, who shall keep  
5 an account of each bond, showing the number thereof, the  
6 name of the person to whom sold, the amount received for  
7 the same, the date of sale and the date when payable.

Sect. 3. The Treasurer of State may negotiate the sale  
2 of such bonds by direction of the Governor and Council, but  
3 no such bond shall be loaned, pledged or hypothecated in  
4 behalf of the State. All of the proceeds of the sales of  
5 such bonds, which shall be held by the Treasurer of State  
6 and paid by him upon warrants drawn by the Governor and  
7 Council, is hereby appropriated to be used solely for the  
8 construction of first class highways, to be constructed either  
9 of concrete or of bituminous macadam in the discretion of  
10 the State Highway Commission. The proceeds of the en-  
11 tire bond issue hereby authorized shall be used and expended

12 for the purpose indicated in this section, within six years  
13 from the time when the entire issue shall have been sold.  
14 All unexpended balances in any one year shall not lapse but  
15 shall be available from year to year until the six year limit  
16 herein stipulated shall have elapsed.

Sect. 4. The proceeds of all bonds issued under the au-  
2 thority of this act shall at all times be kept distinct from  
3 other moneys of the State, and shall not be drawn upon or  
4 be available for any other purpose. So much of the same  
5 as from time to time may not be needed for current ex-  
6 penditures shall be placed at interest, and the income derived  
7 therefrom shall be devoted to the payment of accruing in-  
8 terest on the bonds authorized by this Act and the Treas-  
9 urer of State shall include in his annual report a statement  
10 of all moneys so placed at interest, and of all interest col-  
11 lected and disbursed as herein provided.

Sect. 5. In case of the adoption by the people of a con-  
2 stitutional amendment submitted by this Legislature, amend-  
3 ing section seventeen of Article nine of the Constitution so  
4 as to permit an aggregate bond issue of not exceeding twen-  
5 ty-two million six hundred thousand dollars, this Act shall  
6 become fully effective, PROVIDED Also there shall be  
7 enacted into law the bill pending before this Legislature and  
8 providing for a three cent gasoline tax, two cents of which  
9 shall be available to pay the interest charge on the ten million  
10 dollar bond issue hereby provided and to create a sinking  
11 fund for the same.