

# MAINE STATE LEGISLATURE

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NEW DRAFT

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EIGHTY-THIRD LEGISLATURE

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Senate Document

No. 246

S. P. 494

In Senate, Mar. 15, 1927.

Reported by Senator Maher from Committee on Judiciary  
and laid on table to be printed under joint rules.

ROYDEN V. BROWN, Secretary.

Presented by Senator Maher of Kennebec.

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STATE OF MAINE

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

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AN ACT Relating to the Establishing and Administration of  
a Public Debt Amortization Fund in the City of Waterville.

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

Section 1. There is hereby established in the city of Wa-  
2 terville, a fund separate and distinct from every other fund  
3 and designated as the public debt amortization fund.  
4 Sources of said fund shall be:

a. All interest on moneys on hand in the city treasury or  
2 which may accrue to the city treasury of said city as interest  
3 earned on cash advanced for funding street improvements  
4 or delayed special assessments;

b. Beginning on the first day of January of the first year

**2 after this section takes effect, one-third of all interest money**  
3 received from time to time by the city treasury on any city  
4 funds whatsoever and one-third of all interest received by  
5 the city treasury on any other funds to the interest of which  
6 the city is entitled;

c. All such other moneys from any source whatsoever as  
2 the city council may by resolution by a two-thirds vote from  
3 time to time direct to be paid into said fund;

d. Moneys received by gift or bequest to such fund.  
2 Provided, however, that as a condition precedent to the  
3 acceptance of any such gift or bequest the city shall enter  
4 into a contract to be executed by its proper officers and the  
5 custodians of said fund with the donor of any such gift,  
6 or the heirs of any testator making any such bequest, by  
7 which contract the city and the custodians of said fund shall  
8 in consideration of such gift or bequest bind themselves and  
9 their successors in office to keep said fund, and all of it,  
10 intact forever, except only as it may be used for the pur-  
11 poses for which by this section it is established. Such con-  
12 tract shall be for the express benefit of such donor, and his  
13 heirs and assigns, the heirs and assigns of such testator, and  
14 also for the benefit of every taxpayer in said city.

Sect. 2. The proper city officers shall segregate such mon-  
2 eys annually from the general fund and other funds of the  
3 city and credit the same to the public debt amortization fund.

Sect. 3. Said fund shall not be considered an offset to the  
2 constitutional debt limit.

Sect. 4. The custodians of said public debt amortization  
2 fund shall be a public debt commission, consisting of three  
3 citizens appointed by the mayor, on the first Monday of  
4 January, one for one year, one for two years, and one for  
5 three years; and at the expiration of the term of office of  
6 each of said members, the term of office of the successor of  
7 each member shall be three years. In case of vacancy, the  
8 mayor shall appoint a successor to fill out the unexpired  
9 term. Said commission shall elect from its own members  
10 a chairman and a secretary.

Sect. 5. Each member of the Public Debt Amortization  
2 Commission shall, before entering on the duties of his office,  
3 give bond to the city of Waterville, with sureties, to the  
4 satisfaction of the city council for the faithful discharge of  
5 his trust.

Sect. 6. All necessary work incident to the administration  
2 of said amortization fund shall be done by the city audi-  
3 tor's office.

Sect. 7. Expenses incident to the administration of said  
2 fund shall be paid from the public debt amortization fund.

Sect. 8. The secretary of said commission shall keep books  
2 of record of all proceedings of said custodians relating to  
3 said fund, and an accurate account of the transactions, in-  
4 vestments, earnings and expenditures and shall make a re-  
5 port annually on or about January fifteenth of each year to  
6 the city council and shall permit examination of its ac-

7 counts and records by the city council, the city treasurer and  
8 by any interested party.

Sect. 9. The state bank commissioner is hereby empow-  
2 ered and directed to examine, invoice, check up and audit  
3 the said public debt amortization fund at least once each year  
4 and report the condition of said fund to the city council.

Sect. 10. Said commission is hereby authorized and en-  
2 joined, when necessary, to demand and enforce by proper  
3 proceeding the appropriation, segregation and payment of  
4 any amortization moneys due under this act.

Sect. 11. Disbursements, investments, sale or transfer of  
2 securities shall be by resolution of said custodians by ma-  
3 jority vote on checks signed by the chairman of said public  
4 debt commission and the city treasurer and countersigned  
5 by the city auditor.

Sect. 12. Said public debt commission shall, from time to  
2 time, cause investment of said fund or part thereof as it  
3 accrues, to be made by the proper officer in the bonds or  
4 securities or other evidences of indebtedness of the United  
5 States, of any of the New England States, and of the state  
6 of New York, and in the bonds of the counties, cities, and  
7 towns of any of the New England states.

Sect. 13. All interest earned by said fund on its invest-  
2 ments shall, when it accrues, be added to said fund to aug-  
3 ment the same for the purposes for which said fund is  
4 provided.

Sect. 14. When the total of principal and accrued inter-

2 est in such fund is substantially equal to three-fourths of the  
3 outstanding bonds of said city, then three-fourths of the  
4 annual interest on said fund shall be applied to pay the in-  
5 terest on any outstanding bonds and to assume new bond  
6 issues of said city, or as the public debt commission may  
7 from time to time with the approval of the city council ap-  
8 ply the same for any purpose for which municipal bonds  
9 may be legally issued.

Sect. 15. Nothing herein contained shall be construed to  
2 amend, abolish, or take the place of any other sinking fund  
3 provided by statute.