

# MAINE STATE LEGISLATURE

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# E I G H T Y - N I N T H   L E G I S L A T U R E

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**Legislative Document**

**No. 804**

S. P. 380

In Senate, February 14, 1939.

Referred to Committee on Judiciary. Sent down for concurrence and 500 copies ordered printed.

ROYDEN V. BROWN, Secretary.

Presented by Senator Spear of Cumberland.

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## S T A T E   O F   M A I N E

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
THIRTY-NINE

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### **AN ACT to Provide for the Issuance of State of Maine Improvement Bonds and the Allocation of the Proceeds from Sale.**

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

**Sec. 1. Issue of bonds for construction and improvement of state owned property.** The treasurer of state is hereby authorized, under the direction of the governor and council, to issue from time to time serial coupon bonds in the name and behalf of the state to an amount not exceeding \$2,000,000, at any one time outstanding, payable serially at the state treasury within 20 years from date of issue, at a rate of interest not exceeding 4% per year, interest payable semi-annually, and signed by the treasurer of state, countersigned by the governor and attested by the state auditor, with the seal of the state affixed. After 5 years after issue, these bonds shall be redeemable by the state on any interest date in such amounts as may be determined by the governor and council at 101 and accrued interest. The coupons attached to said bonds shall bear the facsimile of the signature of the treasurer of state instead of his original signature; and such bonds and coupons shall be of such denominations and form and upon such terms and conditions not inconsistent herewith as the governor and council shall direct. Said bonds, together with the proceeds thereof, shall be designated as State of Maine Improvement Bonds for the construction and improve-

ment of state owned property, and shall be deemed a pledge of the faith and credit of the state, and when paid at maturity, or otherwise retired, shall not be reissued.

**Sec. 2. Records of bonds issued to be kept by state auditor and treasurer.** The state auditor shall keep an account of such bonds, showing the number and amount of each, the date of countersigning, the date when payable and the date of delivery thereof to the treasurer of state, who shall keep an account of each bond, showing the number thereof, the name of the person to whom sold, the amount received for the same, the date of sale and the date when payable.

**Sec. 3. Sale how negotiated; \$2,000,000 appropriated for construction and improvement of state owned property.** The treasurer of state may negotiate the sale of such bonds by direction of the governor and council, but no such bond shall be loaned, pledged or hypothecated in behalf of the state. The proceeds of the sales of such bonds, which shall be held by the treasurer of state and paid by him upon warrants drawn by the governor and council, are hereby appropriated to be used solely for the construction of state buildings and equipment for same, or remodeling or extension of any plant which is part of state owned property.

**Sec. 4. Proceeds of bonds not available for other purposes; must be kept separate from other funds; accruing interest on deposits applied to pay interest on bonds.** The proceeds of all bonds issued under the authority of this act for such construction and improvement of state owned property shall at all times be kept distinct from other moneys of the state, and shall not be drawn upon or be available for any other purpose. So much of the same as from time to time may not be needed for current expenditures shall be placed at interest, and the income derived therefrom shall be devoted to the payment of accruing interest on said bonds, and the treasurer of state shall include in his annual report a statement of all moneys so placed at interest, and of all interest collected and disbursed as herein provided.

**Sec. 5. The governor and council directed to contract for building program.** The governor and council are hereby empowered and directed to contract for, or authorize and direct the proper state official to contract for, the construction and equipment of the later enumerated projects, the same to be paid for from any available funds. It is further provided that all construction shall be by competitive bids under such restrictions as the governor and council shall determine, and all expenditures and procedure hereunder shall be under the direction and control of the governor and council.

**Sec. 6. Definition of available funds.** As used in the preceding section, "available funds" shall mean funds derived from a bond issue authorized for that purpose; funds from moneys or credits received from the federal government; funds from any direct appropriation by the legislature for any specific purpose covered by this act.

**Sec. 7. Governor and council authorized to make transfers.** In the event that available funds are insufficient to carry out the total provisions for construction and equipment of projects as hereinafter provided, or if the governor and council determine any of the enumerated projects are unnecessary, then the governor and council are hereby authorized to eliminate projects sufficient to reduce the total expenditures to within the total available funds, or to transfer or allocate any additional funds made available by eliminated projects or unobligated savings on estimates, to any other enumerated project they deem necessary.

**Sec. 8. Projects authorized.** Buildings for patients and inmates and other institutional buildings or such state buildings as necessity may demand.