

MAINE STATE LEGISLATURE

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SPECIAL SESSION—JUNE 26, 1940

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

Legislative Document

No. 1247

S. P. 757

In Senate, June 26, 1940

Presented by Senator Marden of Kennebec and 750 Copies ordered printed.

ROYDEN V. BROWN, Secretary.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY

AN ACT Authorizing a Bond Issue for Military Expenses.

Emergency preamble. Whereas, recent events have shown that all nations desirous of safty and independence must be adequately and immediately prepared for war in order to protect their sovereignty; and

Whereas, the state of Maine has not provided for the minimum of essential peace time national guard provisions; and

Whereas, recent events have shown that speed is the essence of modern war; and

Whereas, Maine must provide immediately funds to properly house military property, train troops, provide airports, and aviation facilities to be in position to cooperate effectively with federal plans; and

Whereas, without military preparation the danger of war is imminent, and the legislature considers that these facts warrant the incurring of indebtedness by the state under the provisions of section 14 of Article IX, of the constitution as amended for purposes of war; and

Whereas, in the judgment of the legislature these facts create an emergency within the meaning of section 16 of Article XXXI of the constitu-

tion and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. Expenditures for military purposes, authorized. The governor with the advice and consent of his council may draw his warrant upon any money in the treasury available and not otherwise appropriated for the purpose of suppressing insurrection, repelling invasion, or for purposes of war, especially for the building and improvement of armories, for the building and/or improvement of airports, including municipally owned airports, for military purposes, for expenses incurred on behalf of the state or in cooperation with the federal government in improving military efficiency, and procuring military equipment, and obtaining and/or improving lands and buildings for military purposes, up to an amount not exceeding \$2,000,000, to be charged to the proceeds from the sale of the bonds authorized in section 2 hereof.

Sec. 2. Issue of "War Bonds" to provide funds for the aforesaid purposes. 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 2½% 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 102 and accrued interest. The coupons attached to said bonds shall bear the facsimile of the signature of the treasurer of state; 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 war bonds for the purposes set forth in this act, 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. 3. 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. 4. Sale, how negotiated; \$2,000,000 appropriated. 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 purposes set forth in this act. The proceeds of said bonds may be expended during the fiscal year ending June 30, 1941, and the fiscal year ending June 30, 1942, but any balance unexpended shall not lapse but shall be carried forward to the same account to be used only for the purposes set forth herein.

Sec. 5. 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 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 purposes. 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. 6. Interest, how met. Interest due or accruing upon any bonds issued under the provisions of this act shall be paid by the treasurer of state from any money in the state treasury not otherwise appropriated, upon warrants drawn by the governor and council therefor.

Sec. 7. Disbursement of war bond proceeds. The governor and the state military defense commission created by the 89th legislature shall constitute a committee which is hereby charged with the duty of carrying out the provisions of this act and directing the expenditures of the proceeds derived from the war bond issue for the purposes set forth in section 1 hereof, and they are hereby authorized to cooperate with the federal government for the achievement of the said purposes.

It is hereby declared to be the intent of the legislature to authorize the appropriation of not to exceed \$2,000,000 by the provisions of this act.

Sec. 8. Bid requirements modified. Owing to the emergency requiring this legislation, it shall not be necessary to advertise for bids, for construction purposes or for purchase of supplies required or authorized under this act, for a longer period than 10 days, notwithstanding any provision of law to the contrary.

Sec. 9. Definition. Wherever in this act the words "military purposes" appear, they shall mean any purposes that will aid in facilitating the preparation for or conduct of war whether for defense or offense or whether on land, sea, or in the air.

Emergency clause. In view of the emergency set forth in the preamble, this act shall take effect when approved.