

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

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

Legislative Document

No. 1189

H. P. 1950

House of Representatives, January 13, 1942.

Referred to Committee on Appropriations and Financial Affairs, sent up for concurrence and 750 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Southard of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-TWO

AN ACT Authorizing a War Bond Issue for Civilian and Military Defense Expenses.

Emergency preamble. Whereas, a state of war exists between the United States and Germany, Italy, Japan and other foreign countries, and

Whereas, in the judgment of the legislature this fact creates an emergency within the meaning of section 16 of Article XXXI of the constitution of Maine, and requires 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 and 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, 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 in providing for civilian defense measures as provided by

law. An amount not exceeding \$1,000,000 may be charged to the proceeds from the sale of the bonds authorized in section 2 hereof.

Sec. 2. Issue of bonds to provide funds for the aforesaid purposes.

The treasurer of state is hereby authorized, under the direction of the governor, to issue from time to time coupon bonds in the name and behalf of the state to an amount not exceeding \$1,000,000, payable serially at the state treasury within 10 years from date of issue, at a rate of interest not exceeding $1\frac{1}{2}\%$ per year, interest payable semi-annually, and signed by the treasurer of state, countersigned by the governor or by his facsimile signature and attested by the state auditor, with the seal of the state affixed.

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 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; \$1,000,000 appropriated. The treasurer of state may negotiate the sale of such bonds by direction of the governor, but no such bond shall be loaned, pledged or hypothecated in behalf of the state. The proceeds of the sale of such bonds, which shall be held by the treasurer of state and paid by him upon warrants drawn by the governor, are hereby appropriated to be used solely for the purposes set forth in this act in the following manner:

All bonds sold under the provisions of this act must bring face value of the bonds issued and the amount of \$1,000,000 is hereby appropriated for the purpose of carrying out the intent of this act. Any premium received over and above the par value of this issue is hereby appropriated for the purpose of paying first all costs of issuance of said bonds, and

secondly such amount remaining to pay interest accruing on such bonds as are issued. If no premium shall be received, then costs of issuance shall be paid from proceeds of said issue.

The moneys made available by this act may be expended during the fiscal years ending June 30, 1942 and June 30, 1943, but any unexpended balance shall not lapse but shall be carried forward to the same account to be used only for the purpose set forth herein.

Sec. 5. Interest and retirement, how met. There shall be appropriated from the general funds of the state annually such moneys as may be sufficient to meet the payments of interest and retirement of bonds issued under the provisions of this act.

Sec. 6. Disbursement of bond proceeds. The governor is hereby charged with the duty of directing the expenditures authorized in section 1 hereof, and is hereby authorized to cooperate with the federal government and the municipalities of Maine for the achievement of the said purposes.

Sec. 7. 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 civilian or military 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.