

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

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

Legislative Document

No. 522

S. P. 330

In Senate, February 11, 1943.

Referred to Committee on Ways and Bridges. Sent down for concurrence and ordered printed.

ROYDEN V. BROWN, Secretary.

Presented by Senator Dorr of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-THREE

AN ACT Authorizing a Bond Issue for the Purpose of Retiring Highway and Bridge Bonds.

Preamble. Whereas, income from the tax on gasoline and the registration of motor vehicles and licensing of operators thereof, devoted to meeting obligations of the state highway department, including payment for interest and retirement of highway and bridge bonds, has been seriously reduced under wartime regulations restricting the use of motor vehicles; and,

Whereas, under such restrictions it now appears certain that revenue to become available to the highway commission from the above sources during the fiscal years ending June 30, 1944 and June 30, 1945 will be sufficient to provide only such sums as will be necessary to meet the provisions for retirement of bond issues for state highway construction and bridge construction during said fiscal years, and for minimum highway and bridge maintenance, and will not be sufficient to pay for the removal of snow from highways; and,

Whereas, to relieve current highway income from the obligation of retiring highway and bridge bonds by means of a bond issue to refund in part such bonds maturing during the said fiscal years ending June 30, 1944 and June 30, 1945, would release sufficient funds for snow removal; and,

Whereas, the removal of snow from the highways of the state is essential in order that the state may be prepared to cooperate with the federal government in the successful prosecution of the war; and,

Whereas, the legislature considers and finds 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; now, therefore

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

Sec. 1. Expenditures to refund certain highway and bridge bonds. The governor and council shall draw their warrant upon any money in the general highway fund available and not otherwise appropriated, for the purpose of retiring highway and bridge bonds which mature during the fiscal year ending June 30, 1944 and during the fiscal year ending June 30, 1945 up to an amount not exceeding \$1,000,000 for each fiscal year, to 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 purpose. The treasurer of state is hereby authorized and directed, 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 \$1,000,000 during the fiscal year ending June 30, 1944 and not exceeding \$1,000,000 during the fiscal year ending June 30, 1945, payable serially at the state treasury within 25 years from date of issue, at a rate of interest not exceeding $2\frac{1}{2}\%$ a year, interest payable semi-annually. Said bonds shall bear the facsimile of the signature of the governor and shall be signed by the treasurer of state and attested by the state auditor, with the seal of the state affixed. None of these bonds shall mature before July 1, 1950. 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 Refunding Bonds" for the purpose 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 pay-

able 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. 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 out 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, 1944 and the fiscal year ending June 30, 1945, 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 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. 6. Maturity and interest, how met. Interest, maturity and retirement obligations accruing on all bonds issued under the provisions of this act shall be paid by the treasurer of state from the general highway fund upon warrants drawn by the governor and council therefor.