

HOUSE No. 513

Bill accompanying the petition of William H. Bates for legislation to authorize the town of Swampscott to make an additional water loan. Water Supply. January 11.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twelve.

AN ACT

To authorize the Town of Swampscott to make an Additional Water Loan.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The town of Swampscott, for the pur-
2 pose of extending and improving its water service, may
3 borrow money from time to time and issue therefor ne-
4 gotiable bonds, notes or scrip to an amount not exceeding
5 fifty thousand dollars, in addition to the amounts hereto-
6 fore authorized by law to be issued by the town for water
7 purposes. Such bonds, notes or scrip shall be signed by
8 the treasurer of the town and countersigned by the water
9 commissioners, shall be denominated on the face thereof,
10 Swampscott Additional Water Loan, Act of 1912, shall

11 be payable at the expiration of periods not exceeding
12 thirty years from the dates of issue, and shall bear inter-
13 est, payable semi-annually, at a rate not exceeding four
14 and one half per cent per annum. The town may sell
15 said securities at public or private sale, for not less than
16 their par value, upon such terms and conditions as it
17 may deem proper. Said town shall provide at the time
18 of contracting said loan for the establishment of a sink-
19 ing fund and shall annually contribute to such fund a
20 sum sufficient with the accumulations thereof, to pay the
21 principal of said loan at maturity. Said sinking fund
22 shall remain inviolate and pledged to the payment of
23 said loan, and shall be used for no other purpose.

1 SECTION 2. Said town instead of establishing a sink-
2 ing fund may at the time of authorizing said loan, pro-
3 vide for the payment thereof in such annual propor-
4 tionate payments, beginning not more than five years
5 after the date of issue, as will extinguish the same within
6 the time prescribed in this act; and when a vote to that
7 effect has been passed a sum which, with the income de-
8 rived from water rates, will be sufficient to pay the an-
9 nual expense of operating its water works and the interest
10 as it accrues on the bonds, notes or scrip issued as afore-
11 said, and to make such payments on the principal as may
12 be required under the provisions of this act, shall with-
13 out further vote be assessed and collected by the town
14 annually thereafter, in a manner similar to that in which
15 other taxes are assessed, until the debt incurred by said
16 loan is extinguished.

1 SECTION 3. This act shall take effect upon its passage.