

HOUSE No. 2451

The Commonwealth of Massachusetts.

HOUSE OF REPRESENTATIVES, May 7, 1913.

The committee on Municipal Finance, to whom was referred the report of the joint special recess committee appointed to investigate the subjects of the proper limit of municipal indebtedness and taxes, the purposes and length of time for which municipalities should be allowed to borrow money, and other pertinent matters relative to said subjects (House, No. 1803), report, in part, the accompanying bill.

For the committee,

LEONARD F. HARDY.

HOUSE OF REPRESENTATIVES, May 9, 1913.

The committee on Ways and Means, to whom was referred the Bill relative to the issuing of notes by fire, water, watch, light and improvement districts, report that the same ought to pass.

For the committee,

J. C. SANBORN.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Thirteen.

AN ACT

Relative to the Issuing of Notes by Fire, Water, Watch,
Light and Improvement Districts.

*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 director of the bureau of statistics
2 shall prepare for the use of the treasurer of each fire,
3 water, watch, light and improvement district now or here-
4 after created in accordance with any statute of the com-
5 monwealth, forms for the issue of notes for money
6 borrowed by such districts. Each such note shall state
7 upon its face the amount of the same; the date of issue,
8 which date shall be construed as the date from which
9 interest is payable; the date when it will become due
10 for payment; and such other matter as the director of
11 the bureau of statistics may deem necessary; and a record
12 of every such note shall be kept by the treasurer of the
13 district in such form as the director of the bureau of
14 statistics may designate.

1 SECTION 2. Whenever a fire, water, watch, light or
2 improvement district wishes to borrow money in antici-
3 pation of revenue or for any other purpose, the treasurer

4 thereof shall make a note or notes for the amount of the
5 proposed loan and shall use one or more, in serial order,
6 of the forms provided for in section one of this act, with
7 the blank spaces thereon properly filled in, except that the
8 rate of interest need not be designated prior to the cer-
9 tification of the note as hereinafter provided for. Each
10 such note shall be signed by the treasurer, and a majority
11 of the board of trustees or commissioners shall counter-
12 sign and approve the same in the presence of the clerk of
13 the district, who shall certify to the fact on the face of
14 the note. The treasurer, after making a record of the
15 transaction in accordance with the provisions of section
16 one, shall forward every such note to the director of the
17 bureau of statistics, together with a copy of said record,
18 and a copy of the vote authorizing the loan, certified by
19 the clerk of the district, and a certification by said clerk
20 that the person whose signature appears upon the note as
21 that of the treasurer was the duly authorized treasurer of
22 the district at the date when such signature was made,
23 and that the persons whose signatures appear upon the
24 note as those of a majority of the trustees or commis-
25 sioners of the district were the duly qualified trustees or
26 commissioners when such signatures were made; and the
27 treasurer shall furnish such other information in con-
28 nection with the financial condition of the district as the
29 director of the bureau of statistics may, in his judg-
30 ment, require to enable him to properly certify the note
31 as provided for in section three of this act; and he shall
32 at the same time forward the fee provided for by section
33 four of this act.

1 SECTION 3. If, upon examination of a note forwarded
2 to him as provided for by section two of this act, the
3 director of the bureau of statistics finds that the note

4 appears to have been duly issued in accordance with a
5 vote of the district which authorized the same, or in
6 accordance with an act of the legislature, he shall so
7 certify, and shall thereupon return the note by registered
8 mail to the treasurer of the district or, under such regu-
9 lations as he may prescribe, and if so authorized by the
10 treasurer with the approval of the trustees or commis-
11 sioners of the district, he may deliver a certified note to
12 the payee thereof. The director shall not certify any
13 note payable on demand. The director is authorized to
14 certify to the issue of a note, provided the other con-
15 ditions of this act have been complied with, on any date
16 not earlier than three days prior to the date of issue as it
17 appears on the note.

1 SECTION 4. The director of the bureau of statistics
2 shall establish a reasonable fee to be charged for every
3 note certified under the provisions of this act, but he is
4 authorized to refund any fee collected in case a note is
5 cancelled before any money is obtained thereon, and he
6 shall turn over monthly to the treasurer of the common-
7 wealth all fees collected, less the amount of refunds; and
8 the treasurer of the commonwealth is authorized to re-
9 fund the amount of any fee deposited with him by said
10 director for the certification of any note which may be
11 cancelled before money is obtained thereon.

1 SECTION 5. Whenever any note issued by a fire, water,
2 watch, light, or improvement district within the com-
3 monwealth, whether such note was issued before or after
4 the passage of this act, shall become due and shall have
5 been paid, the treasurer of such district shall immediately
6 notify the director of the bureau of statistics of such pay-
7 ment.

1 SECTION 6. The treasurer of any fire, water, watch,
2 light, or improvement district who violates any of the
3 provisions of this act shall be liable to a fine of not less
4 than one hundred nor more than five hundred dollars.

1 SECTION 7. This act shall take effect upon the first
2 day of January in the year nineteen hundred and four-
3 teen.

