

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 778

S. P. 252

In Senate, March 9, 1977
Referred to Committee on State Government. Sent down for concurrence
and ordered printed.

MAY M. ROSS, Secretary

Presented by Senator Lovell of York.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**RESOLUTION, Proposing an Amendment to the Constitution to Combine
the Guarantee Limits for the Insurance of Enterprises within the State.**

Constitutional amendment. RESOLVED: Two-thirds of each branch of
the Legislature concurring, that the following amendment to the Constitution
of this State be proposed:

Constitution, Art. IX, § 14, first sentence, is amended to read:

The credit of the State shall not be directly or indirectly loaned in any case,
except as provided in sections 14-A, ~~14-B~~ 14-C, 14-D and 14-E.

Constitution, Art. IX, § 14-A is repealed and the following enacted in its
place:

Section 14-A. Authority to insure, appropriate moneys and issue bonds for
the payment of industrial, manufacturing, fishing and agricultural mortgage
loans. For the purposes of fostering, encouraging and assisting the physical
location, settlement and resettlement of industrial, manufacturing, fishing,
agricultural and recreational enterprises within the State, the Legislature by
proper enactment may insure the payment of mortgage loans on real estate
and personal property within the State of such industrial, manufacturing,
fishing, agricultural and recreational enterprises not exceeding in the aggregate
\$97,000,000 in amount at any one time and may also appropriate moneys
and authorize the issuance of bonds on behalf of the State at such times and
in such amounts as it may determine to make payments insured as aforesaid.
For the purposes of this section, a documented fishing vessel shall be con-
strued as real estate.

Constitution, Art. IX, § 14-B is repealed.

Constitutional referendum procedure; form of question; effective date.
Resolved: That the city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, at the next general election in the month of November or special statewide election on the Tuesday following the first Monday of November following the passage of this resolution, to vote upon the ratification of the amendments proposed in this resolution by voting upon the following question:

“Shall the Constitution be amended as proposed by a resolution of the first regular session of the 108th Legislature to combine the guarantee limits for the insurance of enterprises within the State?”

The legal voters of each city, town and plantation shall vote by ballot on this question, and shall designate their choice by a cross or check mark placed within the corresponding square below the words “Yes” or “No.” The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns, and, if it appears that a majority of the legal votes are in favor of the amendments, the Governor shall proclaim that fact without delay and the amendments shall become part of the Constitution on the date of the proclamation.

Secretary of State shall prepare ballots. **Resolved:** That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purpose of this referendum.

STATEMENT OF FACT

This constitutional amendment combines the 2 separate insurance limits under which the Maine Guarantee Authority operates into one total insurance limit. The limit for the insurance of recreational projects of \$17,000,000 would be combined with the insurance limit on industrial, manufacturing, fishing and agricultural enterprises of \$80,000,000. This will provide the Maine Guarantee Authority with additional flexibility to meet Maine’s future needs for economic development within the existing limits set by the constitution and without creating any greater credit exposure for the State.