STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-SEVEN

AN ACT to Amend the Maine Turnpike Authority Act.

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

Sec. 1. 23 MRSA §1961, 2nd ¶, as enacted by PL 1981, c. 595, §3, is amended to read:

It is the expectation of the Legislature that on or before July 1, 1982 all bonds outstanding on June 1, 1981, and the interest thereon will be paid or a sufficient amount for the payment of all bonds and the interest to maturity thereon will be set aside in trust for the benefit of the bondholders and shall continue to be held for the purpose. It is the expectation of the Legislature that further bonds will have to be issued for the purposes provided in this
section. It is expected that tolls on the turnpike
will have to be increased to implement this chapter.

Sec. 2. 23 MRSA §1965, sub-§1, ¶D, as enacted by
PL 1981, c. 595, §3, is amended to read:

D. Construct, maintain, reconstruct and operate
a toll turnpike from a point at or near York in
York County to a point at or near Augusta in Ken-
nebec County, except that the traveled way shall
not be widened or expanded beyond 3 lanes for
each direction of travel without the express ap-
proval of the Legislature;

Sec. 3. 23 MRSA §1965, sub-§1, ¶R, as enacted by
PL 1981, c. 595, §3, is amended to read:

R. Issue revenue bonds in accordance with this
chapter for the purpose of payment to the Federal
Government for any funds owed by the State as the
result of maintaining tolls on the turnpike and
issue additional revenue bonds for the construc-
tion and reconstruction of interchanges and re-
lated access roads and the reconstruction of the
turnpike. The additional revenue bonds so issued
shall not exceed $20,000,000 in aggregate princi-
pal amount outstanding at any one time, excluding
bonds issued to refund outstanding bonds;

Sec. 4. 23 MRSA §1968, sub-§1, as enacted by PL
1981, c. 595, §3, is amended to read:

1. General. The authority is authorized to pro-
vide by resolution from time to time for the issuance
of turnpike revenue bonds, including notes or other
evidences of indebtedness or obligations defined to
be bonds under this chapter, but not exceeding
$20,000,000 in the principal amount at any one time
outstanding exclusive of refundings, for the purpose
of paying the cost of constructing, reconstructing or
making extraordinary repairs to the turnpike and the
location thereof, for the purpose of repaying grants
or loans from the Federal Government the proceeds of
which were used to construct or reconstruct the turn-
pike or portions thereof or access roads or portions
thereof, but only to the extent repayment is required
in order for the authority to continue to collect
tolls on the turnpike and, with the approval of the
Department of Transportation, for the purpose of pay-
ing the cost, or a portion of the cost, of construc-
tion or reconstruction of interchanges, or portions
thereof. The bonds of the authority shall not con-
stitute a debt of the State or of any agency or po-
itical subdivision thereof, but shall be payable
solely from the operating revenues of the turnpike.
Notwithstanding any provision of any law, any bonds
issued pursuant to this chapter shall be fully nego-
tiable. In case any of the members or officers of
the authority whose signatures appear on the bonds or
coupons, if any, shall cease to be members or offi-
cers before the delivery of the bonds, the signature
shall, nevertheless, be valid and sufficient for all
purposes the same as if the members or officers had
remained in office until that delivery.

Whether or not the bonds are of such form and charac-
ter as to be negotiable instruments under the Uniform
Commercial Code, Title II, Article 8, the bonds shall
be and are hereby made negotiable instruments within
the meaning of and for all the purposes of the Uni-
form Commercial Code, Title II, Article 8, subject
only to the provisions of the bonds for registration.

It is the intention of this chapter that any pledge
made by the authority in respect of the bonds or
notes shall be valid and binding from the time when
the pledge is made; that the moneys or property so
pledged and thereafter received by the authority
shall immediately be subject to the lien of such
pledge without any physical delivery thereof or fur-
ther act; and that the lien of any such pledge shall
be valid and binding as against all parties having
claims of any kind in tort, contract or otherwise
against the authority irrespective of whether those
parties have notice thereof. Neither the resolution,
trust indenture nor any other instrument by which a
pledge is created need be recorded.

Sec. 5. 23 MRSA §1974, sub-§1, ¶¶C, E and F, as
enacted by PL 1981, c. 595, §3, are amended to read:

C. Construction or reconstruction to improve the
turnpike to meet greater traffic demands or im-
prove safety of operation, including reserves
therefore, as authorized in paragraph E, except that the traveled way shall not be widened or expanded beyond 3 lanes for each direction of travel without the express approval of the Legislature.

E. Payments to reserve or sinking funds established by the authority to meet anticipated future costs of constructing or reconstructing designated interchanges or portions thereof submitted by the department, or to accomplish other designated purposes for which the authority is authorized to issue bonds, provided that the funding for those projects financed from reserves, together with the estimated future costs thereof, have been approved by the authority; and

F. Repayment to the Federal Government for grants or loans the proceeds of which were used in connection with the construction or reconstruction of any portion of the turnpike or of any interconnecting access roads, but only to the extent that the repayment is required in order for the authority to continue to collect tolls on the turnpike; and

Sec. 6. 23 MRSA §1974, sub-§1, ¶G is enacted to read:

G. Payment or repayment to the Federal Government or any agency of the Federal Government of any charges, taxes or other payments required by law in connection with the construction, reconstruction or operation of the turnpike or the financing or refinancing of the turnpike or any part of the turnpike.
STATEMENT OF FACT

This bill will enable the Maine Turnpike Authority to expand the number of travelling lanes of the turnpike, to augment the amount of bonded indebtedness the authority may incur for its purposes and to comply with provisions of the United States Internal Revenue Code concerning the rebate of the so-called arbitrage earnings received in connection with the authority's tax-exempt bonds.