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 Kennebec County, except that the traveled way shall not be widened or expanded beyond 3 lanes for each direction of travel from Exit 1 to and including Exit 6A and beyond 2 lanes for each direction of travel elsewhere on the turnpike without the express approval 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 construction and reconstruction of interchanges and related access roads and the reconstruction of the turnpike. The additional revenue bonds so issued shall not exceed $20,000,000 in aggregate principal amount outstanding at any one time, excluding bonds issued to refund outstanding bonds the amount set forth in section 1968, subsection 1;

Sec. 4. 23 MRSA §1966, sub-§4 is enacted to read:

4. Semiannual report. The authority, on a semiannual basis, shall present its report to the Legislative Council and send copies to the joint standing committee of the Legislature having jurisdiction over transportation, Commissioner of Transportation and the Office of Fiscal and Program Review. The report shall include a full detailed description of the authority's activities for the preceding fiscal half, including a detailed report of its receipts and expenditures from all sources.
Sec. 5. 23 MRSA §1968, sub-§1, as enacted by PL 1981, c. 595, §3, is amended to read:

1. General. The authority is authorized to provide 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 turnpike 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 paying the cost, or a portion of the cost, of constructing or reconstruction of interchanges, or portions thereof. In addition to bonds from time to time outstanding pursuant to this subsection, the authority is authorized to provide by resolution for the issuance, from time to time, of turnpike revenue bonds, including notes or other evidences of indebtedness or obligations defined to be bonds under this chapter, not exceeding $66,000,000 in the principal amount, exclusive of refundings, to pay the cost, or a portion of the cost, of widening and expansion of the turnpike form 2 lanes of travel in each direction to 3 lanes of travel in each direction to the extent permitted in section 1965, subsection 1, paragraph D, and to pay the cost or a portion of the cost of construction of interchanges or improvements to interchanges which are determined by the Department of Transportation and the authority to have a sufficient relationship to the public's use of the turnpike and the orderly regulation and flow of traffic on the turnpike in accordance with the requirements of section 1974, subsection 3. The bonds of the authority shall not constitute a debt of the State or of any agency or political 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 negotiable. In case any of the members or offi-
cers of the authority whose signatures appear on
the bonds or coupons, if any, shall cease to be mem-
bers or officers before the delivery of the bonds,
the signature shall, nevertheless, be valid and suf-
icient for all purposes the same as if the members
or officers had remained in office until that deliv-
ery.

Whether or not the bonds are of such form and charac-
ter as to be negotiable instruments under the Uniform
Commercial Code, Title 11, 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 11, 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. 6. 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
therefor, as authorized in paragraph E, except
that the traveled way shall not be widened or ex-
panded beyond the limits set forth in section
1965, subsection 1, paragraph D without the ex-
press approval of the Legislature;

E. Payments to reserve or sinking funds estab-
lished by the authority to meet anticipated fu-
ture costs of constructing or reconstructing des-
ignated 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. 7. 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 new draft places a limitation on the extent to which the turnpike can be expanded from 2 lanes to 3 lanes in each direction of the turnpike and preserves the Maine Turnpike Authority's existing $20,000,000 bond limit. A separate authorization for up to $66,000,000 of bonds to fund the lane expansion and interchange development program is included.
This new draft also requires a semiannual report to the Legislative Council, the Joint Standing Committee on Transportation, Commissioner of Transportation and the Office of Fiscal and Program Review by the Maine Turnpike Authority.