An Act to Increase the Bonding Limits of the Maine Turnpike Authority.

Reference to the Committee on Transportation suggested and ordered printed.

Presented by Senator STEVENS of Androscoggin.
Cosponsored by Representative O'GARA of Westbrook and
Senator: LORD of York, Representatives: BOUFFARD of Lewiston, DRISCOLL of Calais,
LIBBY of Kennebunk, POULIOT of Lewiston, RICKER of Lewiston, STROUT of Corinth,
WINGLASS of Auburn.
Be it enacted by the People of the State of Maine as follows:

Sec. 1. 23 MRSA §1968, sub-§1, as repealed and replaced by PL 1993, c. 410, Pt. MM, §7, 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 $86,000,000 to $136,000,000 in the principal amount at any one time outstanding exclusive of refundings, for any purpose described in section 1969, subsection 1.

The bonds of the authority do not constitute a debt of the State or of any agency or political subdivision of the State and are payable solely from the operating revenues of the turnpike. Notwithstanding any provision of law, any bonds issued pursuant to this chapter are fully negotiable. If any of the members or officers of the authority whose signatures appear on the bonds or coupons, if any, cease to be members or officers before the delivery of the bonds, the signature is, nevertheless, valid and sufficient for all purposes as if the members or officers had remained in office until that delivery.

Whether or not the bonds are of such form and character as to be negotiable instruments under the Uniform Commercial Code, Title 11, Article 8, the bonds are hereby made negotiable instruments within the meaning of and for all the purposes of the Uniform 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 is valid and binding from the time when the pledge is made; that the funds or property so pledged and thereafter received by the authority is immediately subject to the lien of that pledge without any physical delivery of those funds or property or further act; and that the lien of such a pledge is 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 of that lien. Neither the resolution, trust indenture nor any other instrument by which a pledge is created need be recorded.

STATEMENT OF FACT

This bill increases the limit on issuance of turnpike revenue bonds from $86,000,000 to $136,000,000.