

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

SECOND REGULAR SESSION-2002

Legislative Document

No. 1907

S.P. 705

In Senate, December 17, 2001

**RESOLUTION, Proposing an Amendment to the Constitution of Maine
to Allow for Loans to be Repaid With Federal Transportation Funds.**

Submitted by the Department of Transportation pursuant to Joint Rule 204.
Received by the Secretary of the Senate on December 17, 2001. Referred to the Committee
on Transportation and ordered printed pursuant to Joint Rule 308.2

A handwritten signature in cursive script that reads "Pamela L. Cahill".

PAMELA L. CAHILL
Secretary of the Senate

Presented by Senator SAVAGE of Knox.
Cosponsored by Representative FISHER of Brewer.

2 **Constitutional amendment. Resolved:** Two thirds of each
branch of the Legislature concurring, that the following
4 amendment to the Constitution of Maine be proposed:

6 **Constitution, Art. IX, §14** is amended to read:

8 **Section 14. Authority and procedure for issuance of bonds.**

10 The credit of the State shall not be directly or indirectly
12 loaned in any case, except as provided in sections 14-A, 14-B,
14 14-C and 14-D. The Legislature shall not create any debt or
16 debts, liability or liabilities, on behalf of the State, which
18 shall singly, or in the aggregate, with previous debts and
20 liabilities hereafter incurred at any one time, exceed
22 \$2,000,000, except to suppress insurrection, to repel invasion,
24 or for purposes of war, and except for temporary loans to be paid
26 out of money raised by taxation during the fiscal year in which
28 they are made, and except for loans to be repaid within 12 months
30 with federal transportation funds; and excepting also that
32 whenever 2/3 of both Houses shall deem it necessary, by proper
34 enactment ratified by a majority of the electors voting thereon
36 at a general or special election, the Legislature may authorize
38 the issuance of bonds on behalf of the State at such times and in
40 such amounts and for such purposes as approved by such action;
42 but this shall not be construed to refer to any money that has
44 been, or may be deposited with this State by the Government of
46 the United States, or to any fund which the State shall hold in
48 trust for any Indian tribe. Whenever ratification by the
50 electors is essential to the validity of bonds to be issued on
 behalf of the State, the question submitted to the electors shall
 be accompanied by a statement setting forth the total amount of
 bonds of the State outstanding and unpaid, the total amount of
 bonds of the State authorized and unissued, and the total amount
 of bonds of the State contemplated to be issued if the enactment
 submitted to the electors be ratified. For any bond
 authorization requiring ratification of the electors pursuant to
 this section, if any bonds have not been issued within 5 years of
 the date of ratification, then those bonds may not be issued
 after that date. Within 2 years after expiration of that 5-year
 period, the Legislature may extend, by a majority vote, the
 5-year period for an additional 5 years or may deauthorize the
 bonds. If the Legislature fails to take action within those 2
 years, the bond issue shall be considered to be deauthorized and
 no further bonds may be issued. For any bond authorization in
 existence on November 6, 1984, and for which the 5-year period
 following ratification has expired, no further bonds may be
 issued unless the Legislature, by November 6, 1986, reauthorizes
 those bonds by a majority vote, for an additional 5-year period,
 failing which all bonds unissued under those authorizations shall
 be considered to be deauthorized. Temporary loans to be paid out
 of moneys raised by taxation during any fiscal year shall not

2 exceed in the aggregate during the fiscal year in question an
amount greater than 10% of all the moneys appropriated,
4 authorized and allocated by the Legislature from undedicated
revenues to the General Fund and dedicated revenues to the
6 Highway Fund for that fiscal year, exclusive of proceeds or
expenditures from the sale of bonds, or greater than 1% of the
total valuation of the State of Maine, whichever is the lesser.

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; and be it further

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**14 Constitutional referendum procedure; form of question; effective
date. Resolved:** That the municipal officers of this State shall
16 notify the inhabitants of their respective cities, towns and
plantations to meet, in the manner prescribed by law for holding
a general election, at the next general election in the month of
18 November following passage of this resolution, to vote upon the
ratification of the amendment proposed in this resolution by
20 voting upon the following question:

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"Do you favor amending the Constitution of Maine to allow
the State to issue loans that must be repaid with federal
24 transportation funds within 12 months to facilitate the
development of highways, bridges and other transportation
26 projects?"

28

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

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

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SUMMARY

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This bill proposes to amend the Constitution of Maine to
allow the State to issue temporary debt to be repaid with federal
50 transportation funds to facilitate the development of highways,
bridges and other transportation projects.