

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 798

H.P. 505

House of Representatives, March 4, 2025

**An Act to Authorize a General Fund Bond Issue to Fund Mass
Timber Manufacturing**

Received by the Clerk of the House on February 27, 2025. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ZAGER of Portland.
Cosponsored by Senator FARRIN of Somerset and
Representatives: DUCHARME of Madison, Speaker FECTEAU of Biddeford, GATTINE of
Westbrook, WADSWORTH of Hiram, Senators: BLACK of Franklin, CYRWAY of
Kennebec, President DAUGHTRY of Cumberland, ROTUNDO of Androscoggin.

1 **Preamble.** Two thirds of both Houses of the Legislature deeming it necessary in
2 accordance with the Constitution of Maine, Article IX, Section 14 to authorize the issuance
3 of bonds on behalf of the State of Maine to provide funds as described in this Act,

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

5 **Sec. 1. Authorization of bonds.** The Treasurer of State is authorized, under the
6 direction of the Governor, to issue bonds in the name and on behalf of the State in an
7 amount not exceeding \$50,000,000 for the purposes described in section 5 of this Act. The
8 bonds are a pledge of the full faith and credit of the State. The bonds may not run for a
9 period longer than 10 years from the date of the original issue of the bonds.

10 **Sec. 2. Records of bonds issued; Treasurer of State.** The Treasurer of State
11 shall ensure that an account of each bond is kept showing the number of the bond, the name
12 of the successful bidder to whom sold, the amount received for the bond, the date of sale
13 and the date when payable.

14 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State
15 may negotiate the sale of the bonds by direction of the Governor, but no bond may be
16 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the
17 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State
18 upon warrants drawn by the State Controller, are appropriated solely for the purposes set
19 forth in this Act. Any unencumbered balances remaining at the completion of the project
20 in this Act lapse to the Office of the Treasurer of State to be used for the retirement of
21 general obligation bonds.

22 **Sec. 4. Interest and debt retirement.** The Treasurer of State shall pay interest
23 due or accruing on any bonds issued under this Act and all sums coming due for payment
24 of bonds at maturity.

25 **Sec. 5. Disbursement of bond proceeds from General Fund bond issue.** The
26 proceeds of the sale of the bonds authorized under this Act must be expended as designated
27 in the following schedule under the direction and supervision of the agencies and entities
28 set forth in this section.

29 **DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT**

30 Provides funds to the department to augment available funds in the Dirigo business
31 incentives program to help finance the design and construction or the retrofitting of a
32 manufacturing facility to produce mass timber in the State using sustainably harvested
33 forest products from this State. Mass timber is a category of framing products involving
34 large, engineered wood panels, often paired with engineered wood columns and beams,
35 for constructing buildings and includes cross-laminated timber, glue-laminated timber,
36 nail-laminated timber and dowel-laminated timber.

37 Total \$50,000,000

38 **Sec. 6. Contingent upon ratification of bond issue.** Sections 1 to 5 do not
39 become effective unless the people of the State ratify the issuance of the bonds as set forth
40 in this Act.

41 **Sec. 7. Appropriation balances at year-end.** At the end of each fiscal year, all
42 unencumbered appropriation balances representing state money carry forward. Bond

1 proceeds that have not been expended within 10 years after the date of the sale of the bonds
2 lapse to the Office of the Treasurer of State to be used for the retirement of general
3 obligation bonds.

4 **Sec. 8. Bonds authorized but not issued.** Any bonds authorized but not issued
5 within 5 years of ratification of this Act are deauthorized and may not be issued, except
6 that the Legislature may, within 2 years after the expiration of that 5-year period, extend
7 the period for issuing any remaining unissued bonds for an additional amount of time not
8 to exceed 5 years.

9 **Sec. 9. Referendum for ratification; submission at election; form of**
10 **question; effective date.** This Act must be submitted to the legal voters of the State at
11 a statewide election held in the month of November following passage of this Act. The
12 municipal officers of this State shall notify the inhabitants of their respective cities, towns
13 and plantations to meet, in the manner prescribed by law for holding a statewide election,
14 to vote on the acceptance or rejection of this Act by voting on the following question:

15 "Do you favor a \$50,000,000 bond issue to help finance the design and
16 construction or the retrofitting of a manufacturing facility to produce mass
17 timber in the State using sustainably harvested Maine forest products?"

18 The legal voters of each city, town and plantation shall vote by ballot on this question
19 and designate their choice by a cross or check mark placed within a corresponding square
20 below the word "Yes" or "No." The ballots must be received, sorted, counted and declared
21 in open ward, town and plantation meetings and returns made to the Secretary of State in
22 the same manner as votes for members of the Legislature. The Governor shall review the
23 returns. If a majority of the legal votes are cast in favor of this Act, the Governor shall
24 proclaim the result without delay and this Act becomes effective 30 days after the date of
25 the proclamation.

26 The Secretary of State shall prepare and furnish to each city, town and plantation all
27 ballots, returns and copies of this Act necessary to carry out the purposes of this
28 referendum.

29 SUMMARY

30 The funds provided by this bond issue, in the amount of \$50,000,000, will be used to
31 help finance the design and construction or the retrofitting of a manufacturing facility to
32 produce mass timber in the State using sustainably harvested Maine forest products.