

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2025

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Legislative Document

No. 1775

H.P. 1186

House of Representatives, April 24, 2025

### **An Act to Authorize the Issuance of a Revenue Bond to Upgrade County Jails to Meet the Corrections Needs of Maine's Counties**

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Reference to the Committee on Housing and Economic Development suggested and ordered printed.

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

ROBERT B. HUNT  
Clerk

Presented by Representative DUCHARME of Madison.  
Cosponsored by Senator GUERIN of Penobscot and  
Representatives: BRIDGEO of Augusta, FARRIN of Jefferson, GREENWOOD of Wales,  
Senators: BALDACCI of Penobscot, BERNARD of Aroostook, BLACK of Franklin, MOORE  
of Washington, STEWART of Aroostook.

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

2 **Sec. 1. Finance Authority of Maine to issue revenue bonds.** In accordance  
3 with the Maine Revised Statutes, Title 10, section 962, subsection 2 and section 969-A,  
4 subsection 5, the Finance Authority of Maine may issue up to \$87,000,000 in revenue  
5 bonds to provide funds to county jails for the purposes stated in section 4.

6 **Sec. 2. Not debt of State.** Bonds issued pursuant to section 1, including any notes  
7 or other evidences of indebtedness or obligations designated as bonds issued pursuant to  
8 section 1, may not be considered to be a debt of the State or a pledge of the full faith and  
9 credit of the State. All bonds issued pursuant to section 1 must have a statement on their  
10 face that the State is not obligated to pay the bonds or the interest on the bonds and that the  
11 full faith and credit of the State is not pledged to the payment of the principal of or interest  
12 or premium on the bonds.

13 **Sec. 3. Repayment.** Repayment of the bonds must be started by July 1, 2026. The  
14 bonds must be fully repaid no later than June 30, 2036. Notwithstanding any provision of  
15 law to the contrary, of the funds needed to repay the bonds issued pursuant to section 1,  
16 50% must be derived from amounts received pursuant to the Maine Revised Statutes, Title  
17 28-A, section 90 and 50% must be derived from the opioid settlement funds received  
18 pursuant to the Memoranda of Understanding, as defined in Title 5, section 203-C,  
19 subsection 1, paragraph C, and deposited into the Maine Recovery Fund, as defined in Title  
20 5, section 203-C, subsection 1, paragraph B. Bonds issued pursuant to section 1 are deemed  
21 to be an approved use, as defined in Title 5, section 203-C, subsection 1, paragraph A. If  
22 either funding source under this section is determined to expire before the expiration of the  
23 bonds issued pursuant to section 1, an appropriate amount from the expiring funding source  
24 must be escrowed to ensure repayment of the bonds.

25 **Sec. 4. Distribution and use of funds from bonds.** Funds from the sale of bonds  
26 issued pursuant to section 1 must be allocated by the Finance Authority of Maine, after  
27 consultation with the Commissioner of the Department of Corrections, on a pro rata  
28 population basis to county jails and to jails used as holding facilities for the detention of  
29 adult residents, whether the residents are detained pending a trial or other court proceeding  
30 or sentenced for periods of up to 72 hours excluding Saturdays, Sundays and legal holidays  
31 and excluding days during which a resident is at court.

32 Funds must be used improve county jails and holding facilities to allow jails or holding  
33 facilities to accommodate residents with a substance use disorder and assist those residents  
34 in obtaining treatment and recovery and to supplement the needs of jails and holding  
35 facilities that have potential funding shortfalls.

## 36 **SUMMARY**

37 This bill authorizes the Finance Authority of Maine to issue revenue bonds in the  
38 amount of \$87,000,000 to provide funding to county jails, including those that detain adult  
39 residents for up to 72 hours, to upgrade their facilities to accommodate residents who have  
40 a substance use disorder and to provide treatment and recovery services for those residents  
41 and to provide supplemental funding for jails that may have potential funding shortfalls.  
42 The bonds are issued for 10 years and are repaid using equal amounts from revenue from

1 the contract for wholesale spirits operations and the funds received from the opioid  
2 settlement funds.