

MAINE STATE LEGISLATURE

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**Direct Initiated Question,
Referendum Questions
and
Proposed Constitutional
Amendments**

In Accordance with a Direct Initiated
Bill and Acts Passed by the
106th Legislature at Regular Session

Direct Initiated Question

An Act Creating the Power Authority of Maine.

Bond Issues

1. Providing for a State Lottery.
2. \$3,000,000 for Acquisition of Real Property for State Parks.

Constitutional Amendments

1. Providing for Regulation of Municipal Borrowing by the Legislature.
2. Clarifying the Status of Bills Presented to the Governor and Time the Legislature Adjourns.

(Including Brief Explanatory Statements by the
Attorney General as to Intent and Content.)



1973

To be Voted Upon at the Special Election,

Tuesday, November 6, 1973

STATE OF MAINE
Summary of Bonded Indebtedness
June 30, 1973

Total Bonds Outstanding	\$258,525,000
Total Interest to Maturity	108,251,908
Authorized but Unissued	75,853,000
Limit of Potential Contingent Bond Liability	121,088,500
Total amount of bonds contemplated to be issued if the enactments submitted to the voters be ratified.	3,000,000

STATE OF MAINE
In The Year Of Our Lord Nineteen Hundred
Seventy-Three.

AN ACT Creating the Power Authority of
Maine.

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

R.S., T. 35, Part 8, additional. Title 35 of the Revised Statutes is amended by adding a new Part 8, to read as follows:

PART 8

ELECTRIC POWER

CHAPTER 301

POWER AUTHORITY OF MAINE

§ 3341. Power Authority of Maine created

In order to provide an adequate supply of electric power and energy for the residents of this State as a whole at the lowest possible cost consistent with sound utility practices; for the purposes of developing the natural resources of the State; stimulating the agricultural, recreational, general economic and industrial growth of the State, and thereby promoting the general health and welfare of the people of the State, there is created the Power Authority of Maine with the powers and duties set forth in this chapter.

§ 3342. Definitions

As used in this chapter the following words and terms shall have the following meanings unless the context shall indicate another or different meaning or intent:

1. Bonds. "Bonds" or the words "revenue bonds" shall mean revenue bonds and refunding revenue bonds, and notes, certificates of indebtedness or any other evidences of indebtedness issued by the commission under this chapter.

2. Cost. "Cost" as applied to any project shall include the cost of purchase, construction or other acquisition thereof, the cost of acquisition of all land, rights-of-way, property rights, easements and interests acquired by the PAM for such construction; landscaping and conservation; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved; the cost of all machinery and equipment; financing the charges; interest prior to and during construction and for a period of time after completion of construction as deemed advisable by the PAM; cost of estimates of revenues and income; engineering and legal services; plans, specifications, surveys and all other expenses necessary or incidental to the determination of the feasibility or practicability of constructing the project, administrative expenses; initial working capital; debt service reserves and the repayment to the State of any obligation or expense incurred or paid by the State before or after the effective date of this Act for engineering, legal or other professional or technical services, reports, studies and data in connection with the construction of a project, shall be included as a part of the cost of the project.

3. Owners. "Owners" shall include all individuals, partnerships, associations, organizations and corporations and all public agencies and instrumentalities having any title or interest in and to any property, rights, easements and interests therein authorized to be acquired by the PAM by this chapter.

4. PAM. "PAM" shall mean the Power Authority of Maine created by this chapter or, if the PAM shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof, or upon whom the powers given by this chapter to the PAM shall be conferred by law.

5. PAM system. "PAM system" shall mean any or all facilities for the generation, transmission and delivery of electric power and energy purchased, constructed and otherwise acquired by the PAM pursuant to this chapter and all extensions, improvements and betterments thereof.

6. Project. "Project" shall mean any single facility constituting a part of the PAM's system, as described in the resolution providing for the construction thereof, including extensions, improvements and betterments thereof.

7. Public highways. "Public highways" shall include highways, roads and streets either maintained by the State or any of its political subdivisions.

8. Revenues. "Revenues" shall mean any and all fees, tolls, rents, rates, receipts, moneys and income derived

by the PAM through the ownership and operation of the PAM system.

9. State. "State" shall mean the State of Maine.

§ 3343. Creation of the PAM

There is created a public body, corporate and politic, and an agency of the State to be known as the Power Authority of Maine, consisting of 7 members who are residents of the State, of whom one shall represent a publicly-owned electric utility system, one a co-operatively-owned electric utility system and one a privately-owned electric utility system, and no more than 4 of whom shall belong to any one political party. The members of the PAM shall be appointed by the Governor with the advice and consent of the Council. The members so appointed initially shall be for terms of one, 2, 3, 4, 5, 6, and 7 years from the date of their appointment and until their respective successors shall be duly appointed and qualified, the term of each member to be designated by the Governor at the time of appointment. Successor members shall be appointed for a term of 7 years, except any member appointed to fill a vacancy shall serve only for the unexpired term of the member creating the vacancy.

PAM members shall be eligible for reappointment. The PAM so appointed shall enter upon the performance of its duties as soon as practicable after the members thereof shall have been appointed and qualified, and shall initially and biennially thereafter elect one of its members as chairman and another as vice-chairman, and shall elect annually a secretary and treasurer or a secretary-treasurer who need not be a member of the PAM. The chairman, or in his absence the vice-chairman, shall preside at all meetings of the PAM, and in the absence of both the chairman and vice-chairman, the PAM shall elect a chairman pro tempore who shall preside at such meetings. Four PAM members shall constitute a quorum and all action by the PAM shall require the affirmative vote of a majority of the members. PAM members shall be entitled to reimbursement for expenses incurred in attendance upon meetings of the PAM or while otherwise engaged in the performance of their duties, and each PAM member shall be paid the sum of \$50.00 a day for each day or the portion thereof during which he is engaged in the performance of his duties. Such expenses and compensation shall be paid out of the treasury of the PAM in such manner as shall be prescribed by the PAM.

§ 3344. Powers of the PAM

In order to obtain the benefits and extend the services provided by section 3341 and to otherwise contribute to the economy, industrial and agricultural development and welfare of the State, the PAM shall have the following powers:

1. Contracts, seal, bylaws, rules and regulations. To contract and be contracted with; to sue and be sued; to adopt and use a seal and to alter the same at its pleasure; to adopt and amend from time to time bylaws

covering proceedings of the PAM, and to adopt and amend from time to time rules and regulations governing the sale and delivery of all services sold, furnished or supplied by the PAM system;

2. Property. To acquire and hold real or personal property necessary or convenient for its purposes;

3. Disposal. To sell, lease or otherwise dispose of any personal or real property or rights, easements or estates therein deemed by the PAM not necessary for its purposes;

4. Electric generating and transmission systems and facilities. To purchase, construct or otherwise acquire, maintain, repair and operate, or cause to be repaired, maintained and operated thermal, including nuclear or fossil fuel, generating or hydroelectric plant or plants at a location or locations to be determined by the PAM, together with a system of high voltage transmission lines as may be required to enable interconnection of such plants and interconnections with other electric utility systems, either publicly, cooperatively or privately owned, within or without the State, including such systems in Canada and any of the provinces therein, together with substations, transformers and other equipment and accessories as may be necessary or convenient for the delivery of power to such systems; provided that, in order to insure environmental protection and conservation of the State's resources, the PAM shall insure that such plants, systems and facilities comply with state environmental control laws;

5. Licenses. To apply to any federal or state board, agency or commission having authority to make or issue rulings, licenses, orders or decisions deemed by the PAM to be necessary or convenient to enable the PAM to perform the powers conferred upon the PAM; provided that the Environmental Improvement Commission or its successor shall be the only state board, agency or commission which may require the PAM to secure any rulings, licenses, orders or decisions from it before the PAM engages in any activity authorized in this part;

6. Eminent domain. To acquire by the exercise of the power of eminent domain any lands, property, rights, rights-of-way, franchises, easements and other property, including public lands, parks, playgrounds, reservations, highways or parkways, or parts thereof or rights therein, or of any person, copartnership, association, railroad or any other corporation, or of any municipality, county or other political subdivision as to such property owned by them, whenever the PAM cannot agree on the terms of purchase or settlement with such public agencies or other owners because of the incapacity of such owners, or because of the inability to agree on the compensation to be paid or other terms of settlement or purchase, or because such owners are nonresidents of the State, or are unknown, or are unable to convey valid title to such property. The PAM shall not have power to condemn any generating, transmission or distribution facilities of any publicly, cooperatively or privately owned electric utility system, except easements for rights-of-way for the construction of transmission lines by the PAM. Title to

property acquired shall be taken in the name of the PAM, and such proceedings shall be instituted and conducted in accordance with, and subject to, chapter 263, and the PAM shall pay the costs and expenses of such proceedings as a part of the cost of construction or acquisition of the property so acquired as a part of the cost of acquisition of the project in connection with which such proceedings were instituted. The acquisition of any property by the PAM by condemnation or by the exercise of the power of eminent domain is declared to be for a public use of such property;

7. **Contracts and agreements.** To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter, including contracts for the purchase, sale, transmission or exchange of power and energy with the United States of America; contracts for the purchase, sale, transmission or exchange of power and energy with Canada and any of its provinces; contracts for the purchase, sale, transmission, or exchange of power and energy with electric utility systems, either privately, cooperatively or publicly owned, within and without the State, provided that the PAM shall give prior consideration to furnish the full power requirement of electric utility systems, either privately, cooperatively or publicly owned, within the State of Maine;

8. **Grants or loans.** To apply for and accept grants or loans and the cooperation of the United States of America or any agency thereof, or the State or any of its agencies or instrumentalities or any foundation, instrumentality or source whatsoever for the purpose of planning, purchasing, constructing or acquiring the PAM system and the operation, management and financing thereof, and to do any and all things necessary to obtain such aid and cooperation;

9. **Rates.** To fix, establish, revise, maintain, charge and collect rates or charges for electric power and energy and all other services, facilities and commodities sold, furnished or supplied by the PAM;

10. **Employees.** To employ a general manager or executive director and such assistants, agents and employees, engineering, architectural and construction supervisors, inspectors, trustees, depositaries, paying agents, attorneys and such other employees as it shall deem necessary or desirable to properly perform the duties imposed on the PAM by this chapter and to fix their compensation;

11. **Surveys, etc.** To enter upon any lands, waters and premises for the purpose of making such surveys, soundings, borings and examinations as the PAM may deem necessary or convenient in the exercise of its powers, and such entry shall not be deemed a trespass, nor shall an entry for such purposes be deemed an entry under any condemnation proceedings, provided the PAM shall pay any actual damage resulting to such lands, water and premises as a result of such entry and activities;

12. **Borrow money and issue evidences of indebtedness.** To borrow money and issue bonds, notes, certificates or other evidences of indebtedness for any of its purposes as provided in this chapter payable solely from the revenues pledged for the payment of such bonds, notes, certificates or other evidences of indebtedness; and

13. **Other acts.** To do all other acts or things necessary or convenient to carry out the powers expressly granted in this chapter.

§ 3345. Issuance of revenue bonds

The PAM is authorized to provide by resolution for the issuance from time to time of revenue bonds of the PAM for the purpose of paying all or any part of the cost of the PAM system or any project or portion of such system. The principal of and interest on such bonds shall be payable solely from the revenues and other available moneys of the PAM pledged for such payment. The bonds of each issue or series shall be dated, shall bear interest at such rate or rates as may be determined by the PAM, shall mature at such time or times not exceeding 50 years from the date or dates thereof, as may be determined by the PAM and may contain provisions reserving the right of the PAM to redeem such bonds before maturity at such price or prices and upon such terms and conditions as may be fixed by the PAM in the resolution authorizing such bonds. Such bonds may be issued in coupon or registered form, or both, as prescribed by the PAM and provisions may be made for the registration of coupon bonds as to principal only or as to both principal and interest and for the reconversion of registered bonds into coupon bonds. Such bonds may be issued in any denomination or denominations and may be made payable at any bank or trust company within or without the State as the PAM may determine. Such bonds and the coupons attached to coupon bonds shall be signed in such manner, either manually or by facsimile signature as shall be determined by the PAM, and sealed with the seal of the PAM or a facsimile thereof. In case any officer whose signature or facsimile thereof shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer or officers had remained in office until the delivery thereof. The PAM may sell such bonds in such manner either at public or private sale and for such price or prices as the PAM may determine. Prior to the preparation of definitive bonds, the PAM may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The PAM may provide for the replacement of any bonds which shall have become mutilated or shall be destroyed or lost.

Revenue bonds issued under this chapter shall not be deemed to constitute a debt of the State or of any political subdivision or instrumentality thereof, but shall be obligations of the PAM only and payable solely from the funds provided for the payment thereof from the revenues and other available moneys of the PAM.

§ 3346. Rates and charges

Whenever the PAM shall have constructed or otherwise acquired any part of the PAM system and has issued revenue bonds for such purposes, the PAM shall fix, revise, charge and collect fees, tolls, rents, rates and other charges for electric power and energy and all other services, facilities and commodities sold, furnished or supplied by the PAM from such system and the different parts or sections thereof, sufficient, together with any other moneys made available and used for that purpose, to pay the principal of and interest on such bonds, together with reserves for such purposes, and to maintain and operate such system and to keep the same in good condition and repair, and for the payment in lieu of taxes provided for in section 3354. Such fees, rates and other charges shall not be subject to supervision or regulation by any commission, board, bureau or agency of the State or of any municipality, county or other political subdivision of the State, and all revenues, when collected, and the proceeds from the sale of revenue bonds, shall be held by the PAM in trust for the benefit of the holders of bonds of the PAM issued for the construction or acquisition of the PAM system and for the proper maintaining, operating and repairing of the PAM system.

§ 3347. Refunding bonds

The PAM is authorized by resolution to provide for the issuance of refunding revenue bonds with which to refund outstanding revenue bonds or any issue or series of such outstanding bonds, which refunding revenue bonds may be issued at or before the maturity or redemption date of the bonds to be refunded, and to include different issues or series of such outstanding revenue bonds by a single issue of refunding revenue bonds, and to issue refunding revenue bonds to pay any redemption premium and interest to accrue and become payable on the outstanding revenue bonds being refunded to the date of payment or redemption and to establish reserves for such refunding revenue bonds. Such refunding revenue bonds shall be payable solely from all of that portion of the revenues of the PAM system pledged to the payment thereof in the bond resolution pursuant to which said bonds were issued. Such refunding revenue bonds may, in the discretion of the PAM, be exchanged at par for the revenue bonds which are being refunded, or may be sold at public or private sale in such manner and at such price or prices as the PAM shall deem for the best interest of the PAM, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than 7% per year, computed with relation to the absolute maturity of the revenue bonds in accordance with standard tables of bond values, excluding from such computation the amount of any premium to be paid on the redemption of any bonds prior to maturity, and may be issued and delivered at any time prior to the date of redemption or maturity date of the bonds to be refunded as the PAM determines to be in the best interest of the PAM. The interest rate or rates on refunding revenue bonds shall not be limited by the interest rate or rates borne by any of the revenue bonds to be refunded thereby. The proceeds derived from the sale of refunding

revenue bonds issued under this chapter may be invested in obligations of or guaranteed by the United States Government pending the application of such proceeds to the purpose for which such refunding revenue bonds have been issued, and to further secure such refunding revenue bonds, the PAM may contract with the purchasers thereof with respect to the safekeeping and application of the proceeds thereof and the safekeeping and application of the earnings of such investments. The determination of the PAM with respect to the financial soundness and advantage of the issuance and delivery of refunding revenue bonds authorized under this chapter shall be conclusive, but nothing contained in this chapter shall require the holders of any outstanding revenue bonds being refunded to accept payment thereof otherwise than as provided in said outstanding revenue bonds.

§ 3348. Trust agreement

In the discretion of the PAM any revenue bonds issued under this chapter may be secured by a trust agreement or indenture by and between the PAM and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the State to be selected by the PAM in such manner as it may elect. Such trust agreement or the resolution providing for the issuance of such bonds may pledge or assign all or any portion of the revenues to be received by the PAM from the ownership and operation of the PAM system, but shall not convey or mortgage any PAM system or any part thereof. It shall be lawful for any bank or trust company incorporated under the laws of this State which may act as depository of the proceeds of revenue bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the PAM. Any such resolution, trust agreement or indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition, any such resolution, trust agreement or indenture may contain such other provisions as the PAM may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out such trust agreement or resolution may be treated as a part of the cost of the operation of the PAM system or portion thereof.

§ 3349. Security for revenue bonds

All or any portion of the revenues derived from the ownership and operation of PAM system, as may be provided for in the resolution authorizing the issuance of revenue bonds or in the trust agreement or indenture securing the same, may be pledged to, and charged with, the payment of the principal or the interest on such bonds as the same shall become due, and the redemption price or the purchase price of such bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made. The revenues or other moneys so pledged and thereafter received by the PAM shall immediately be subject to the lien of such pledge without any physical delivery thereof or further action, and 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 PAM, irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement nor indenture by which a pledge is created need be filed or recorded except in the records of the PAM.

§ 3350. Covenants to secure bonds

Any resolution, trust agreement or indenture authorizing the issuance of revenue bonds of the PAM may, for the benefit and security of the holders from time to time of such bonds, contain covenants by the PAM for said purpose, including covenants as to, among other things:

1. Operation and maintenance. The operation, maintenance and repair of the PAM system;

2. Purposes. The purpose or purposes to which the proceeds of the sale of such bonds may be applied and the use and disposition thereof;

3. Revenues. The use and disposition of the revenues of the PAM derived from the ownership or operation of the PAM system and additions, betterments and extensions thereof, including the investment thereof and the creation and maintenance of reserve funds and funds for working capital and all renewals and replacements to the PAM system;

4. Additional revenue bonds. The amount, if any, of additional revenue bonds payable from such revenues which may be issued and the terms and conditions on which such additional revenue bonds may be issued;

5. Rates. The fixing, maintaining, collection and deposit of rates and other charges for all the services sold, furnished or supplied by the PAM system;

6. Commission activities. The operation, maintenance, repair, management, accounting and auditing of the PAM;

7. Limitations on disposition. Limitations upon the right of the PAM to dispose of the PAM system or any part thereof without providing for the payment of the outstanding revenue bonds;

8. Trustees, etc. The appointment of trustees, depositaries and paying agents within or without the State to receive, hold, disburse, invest or reinvest the proceeds derived from the sale of revenue bonds and all or any part of the revenues derived by the PAM from the operation, ownership and management of the PAM system; and

9. Other covenants. Such other covenants and agreements as may be determined necessary in the discretion of the PAM to advantageously market the revenue bonds of the PAM.

§ 3351. Revenue bonds eligible for investment

Revenue bonds issued by the PAM under this chapter are made securities in which all public officers and public bodies of the State and its political subdivisions, all insurance companies, trust companies, banks, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital, in their control or belonging to them. Such bonds are made securities which may properly and legally be deposited with and received by any State or municipal officer or any agency or political subdivision of the State for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law.

§ 3352. Authority obligations to be negotiable instruments; enforcement of bonds

Notwithstanding this chapter or any provisions of the laws of the State, and any recitals in any revenue bonds or any other obligations issued under this chapter, all such revenue bonds or other obligations shall be deemed to be negotiable instruments under the laws of this State.

§ 3353. Contract with bondholders

The provisions of this chapter, and of any resolution or resolutions or indentures providing for the issuance and security of any revenue bonds or other obligations issued as set forth in this chapter, shall constitute a contract with the holder or holders of any such revenue bonds or other obligations, and the agreements and covenants of the PAM under this chapter and under any such resolution, resolutions or indentures shall be enforceable by any holder or holders of revenue bonds or other obligations issued under this chapter and any representative of such holder or holders, and any trustees appointed under the bond resolution and authorized so to do may, by action, injunction, mandamus or other proceedings issued by a court of competent jurisdiction, enforce any and all rights of such holders under the laws of the State or granted by this chapter and in any such bond resolution or indenture, and may compel performance of all duties required to be performed by this chapter and by such bond resolutions or indenture by the PAM or by an officer or agent thereof, including the fixing, charging and collecting of rates and other charges for the services sold, furnished or supplied by the PAM system.

§ 3354. Exemption from taxation

All property, real and personal, and all rights and interests therein, the income of the PAM, the revenue bonds and the interest thereon, the transfer thereof and any profit made on the sale thereof, shall at all times be free from taxation or assessment by the State or by any municipality, county or other political subdivision thereof, provided that, after paying or making provision for the payment of the principal of and interest on the outstanding bonds of the PAM as such principal and interest falls due and the proper costs of maintaining, operating and repairing the PAM system, including

reasonable reserves for said purposes, the PAM shall pay to the General Fund of the State in lieu of taxes, within 60 days after the close of each fiscal year of the PAM, an amount equal to 1/2 mill per kwh of power and energy sold by the PAM during the preceding fiscal year but not to exceed 10% of the gross revenues received by the PAM from said sale of power and energy during the preceding fiscal year.

In order that the counties, municipalities and other political subdivisions of the State having power to levy ad valorem taxes shall not suffer the loss of revenues through the acquisition of taxable property by the PAM, the Treasurer of State shall, from the moneys paid into the General Fund, for so long as the PAM is owner of such property, pay annually to the counties, municipalities and other political subdivisions in which such property is located, sums equal to the amounts which the counties, municipalities and other political subdivisions received from the taxation from such property from the person, firm or corporation owning same during the year immediately preceding the purchase or acquisition of such property. Seventy-five per cent of the balance of such moneys remaining after making the payments is dedicated to, and shall be set aside and used solely for the support of, elementary and secondary education in the State, including the construction of school buildings and the furnishing and equipping of same.

§ 3355. Powers of state agencies

Any municipal corporation, county or other political subdivision of the State, and any agency or instrumentality of the State, are authorized and empowered to enter into and perform contracts or agreements with the PAM providing for furnishing to the PAM any one or more of the following cooperative undertaking or any combination thereof:

1. Surveys. The preparation, acquisition loan or exchange of surveys, engineering data and other technical reports, studies and plans;

2. Professional services. The providing of engineering, planning and other professional and technical services, labor or other things of value;

3. Construction. The construction in whole or in part of any works or facilities to facilitate the construction of the PAM system and the purchase, sale or exchange of power and energy with said system;

4. Costs. The providing of funds in lump sums or installments to assist in paying the cost of any part of the PAM system or the operation and maintenance thereof;

5. Land easements etc. The acquisition and transfer to the PAM of land easements, rights-of-way or other property useful in the construction, operation and maintenance of the PAM system.

§ 3356. Consent to use state lands

The State consents, subject to the approval of the Governor with the advice and consent of the Council to the use by the PAM of any lands or property owned by the State, including public highways and lands lying under water, which are deemed by the PAM to be necessary or convenient for the construction, maintenance and operation of the PAM system.

§ 3357. Miscellaneous

1. State Treasury. Any money set aside for the payment of the principal of or interest on any revenue bonds issued by the PAM not claimed within 2 years from the day the principal of such bonds is due by maturity or by call for redemption shall be paid into the State Treasury. No interest shall accrue on such principal or interest from the day the same is due. The State Controller shall keep an account of all money thus paid, into the treasury, and it shall be paid to the individual, copartnership, association or corporation entitled thereto upon satisfactory proof that such individual, copartnership, association or corporation is so entitled to such money. If the claim so presented is rejected by the State Controller, the claimant may proceed against the State Controller for recovery in the Superior Court of Kennebec County. An appeal from the judgment of the court shall lie to the law court as in civil actions shall apply to proceedings authorized hereunder. No such proceedings shall be filed after 10 years from the date the principal of or interest on such bonds is due, provided, if the individual having such claim is an infant or insane person or is imprisoned at such due date, such proceedings may be filed within 5 years after the removal of such disability, notwithstanding the fact that such 10-year period shall have expired.

2. Venue. All civil actions and other proceedings against the PAM or any other person, firm or corporation, growing out of the construction, maintenance, repair, operation and use of any PAM system, or growing out of any other circumstances, events or causes in connection therewith, unless otherwise provided herein, shall be brought and conducted in the court or courts having jurisdiction of such civil actions and proceedings in Kennebec County, and jurisdiction is conferred on such court or courts for that purpose. All such civil actions, suits and proceedings on behalf of the PAM shall be brought and conducted in the Superior Court of Kennebec County, except as otherwise provided, and exclusive jurisdiction is conferred on such courts for the purpose.

3. Report; audit. On or before the 90 days after the close of each fiscal year of the PAM, the PAM shall prepare a report of its activities for the preceding fiscal year and shall file a copy thereof with the Governor and the Legislature. Each such report shall set forth an operating and financial statement covering the PAM's operations during the period covered by such report. The PAM shall cause an audit of its books and accounts to be made at least once in each year by certified public

accounts to be selected by the PAM and the cost thereof shall be treated as a part of the cost of construction and operation of the project.

4. Books examined. The records, books and accounts of the PAM shall be subject to examination and inspection by duly authorized representatives of the Governor or of the Legislature, and any bondholder or bondholders, at any reasonable time, provided the business of the PAM is not unduly interrupted or interfered with thereby.

5. Interest in contracts. Any member, agent or employee of the PAM who contracts with the PAM or is interested, either directly or indirectly other than as a holder of a security interest in the contracting corporation, in any contract with the PAM or in the sale of any property, either real or personal, to the PAM shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than 11 months, or by both. Exclusive jurisdiction for the trial of such misdemeanors is conferred upon the District Courts, provided that the term "contract" shall not be held to include the depositing of funds in, or the borrowing of funds from, or the serving as agent or trustee by, any bank in which any member, agent or employee of the PAM may be a director, officer or employee or have a security interest, or the purchase of services from, or other transactions in the ordinary course of business with, public service corporations.

§ 3358. Construction

This chapter shall be liberally construed to effectuate the purposes hereof, and the foregoing sections of this chapter shall be deemed to provide an additional and alternate method of doing the things authorized, and shall be regarded as supplemental and additional to powers that may be conferred upon the PAM by other provisions of law. The issuance of revenue bonds under this chapter need not comply with the requirements of any other law applicable to the issuance of bonds, and, except as otherwise expressly provided in this chapter, none of the powers granted to the PAM under this chapter shall be subject to the supervision or regulation or require the approval or consent of any commission, board, bureau, official or agency of the State.

§ 3359. Inconsistent laws inapplicable

All other general or special laws, inconsistent with any provisions of this chapter, are declared to be inapplicable to this chapter and to any project construed by the PAM pursuant to this chapter.

STATE OF MAINE

Proclamation

WHEREAS, written petitions bearing the signatures of 34,837 electors of this State, which number is in excess of ten percent of the total vote cast in the last gubernatorial election preceding the filing of such petitions, as required by Article IV, Part Third, Section 18 of the Constitution of Maine, were addressed to the Legislature of the State of Maine and were filed in the office of the Secretary of State within forty-five days after the convening of the One Hundred and Sixth Legislature in regular session, requesting that the Legislature consider a bill entitled: AN ACT Creating the Power Authority of Maine; and

WHEREAS, the petitioning electors further requested that should the Legislature not enact said measure without change, that said measure be referred to the people at a Special Election ordered by Proclamation of the Governor; and

WHEREAS, by Joint Order on June 26, 1973 the Legislature proposed to neither enact nor reject the initiated bill and that the bill was submitted without a competing measure to the electors in accordance with the Constitution; and

WHEREAS, under the provisions of Article IV, Part Third, Section 18 of the Constitution of Maine, such election may be held not less than four nor more than six months from the date of this Proclamation;

NOW, THEREFORE, I, Kenneth M. Curtis, Governor of the State of Maine, acting under the provision of Article IV, Part Third, Section 18 of the Constitution of Maine, do proclaim that a special election shall be called for Tuesday following the first Monday in November, being the sixth day of the month, in the year of our Lord, One Thousand Nine Hundred and Seventy-three, at which time the following question shall be presented on the ballots prepared by the Secretary of State and voted on by the electors of the State in accordance with the Constitutional procedure: "Shall an initiated bill 'AN ACT Creating the Power Authority of Maine' become law."

Given at the office of the Governor at Augusta, and sealed with the Great Seal of the State of Maine, this Fifth day of July, in the Year of Our Lord, One Thousand Nine Hundred and Seventy-three, and of the Independence of the United States of America, the One Hundred and Ninety-eighth.



By the Governor

Kenneth M. Curtis

Joseph T. Edgar
Secretary of State

The following is a brief explanatory statement prepared by the Attorney General in accordance with the provisions of 1 M.R.S.A. § 353, with reference to the Intent and Content of "An Act Creating the Power Authority of Maine."

INTENT

The intent of this initiated Act is to create a public body known as the Power Authority of Maine to generate and transmit electricity for sale to other electric utility systems and to Canada or any of its provinces and the United States of America, but prior consideration to be given to full power requirements of electric utility systems in Maine.

CONTENT

The Power Authority of Maine will consist of 7 residents of Maine to be appointed by the Governor with approval of the Council for 7-year terms after the initial appointment. One shall represent a publicly-owned electric utility system, one a cooperatively-owned electric utility system and one a privately-owned electric utility system. No more than 4 shall belong to one political party. Each member receives \$50 per day plus expenses when engaged in the performance of his duties.

The Authority may acquire and operate thermal, including nuclear or fossil fuel, generating or hydroelectric plants; high voltage transmission lines to enable interconnection of its plants and with other electric utility systems. All plants and systems must comply with state environmental control laws.

The Authority must secure federal licenses, but the Department of Environmental Protection is the only state agency which may require the Authority to secure rulings, licenses, orders or decisions from it.

The Authority is granted power of eminent domain for lands, including public lands, parks, playgrounds, reservations, highways or parkways including those owned by political subdivisions. The Authority cannot condemn any electric utility system except easements for transmission lines.

The Authority fixes its rates and charges for electric power and all other services, facilities and commodities sold or supplied by it and are not subject to supervision or regulation by any regulatory authority of the state or any political subdivision.

The Authority may borrow money and issue notes, bonds, and other evidences of indebtedness payable solely from its revenues. Such bonds are not a debt of the state or of any political subdivision or instrumentality thereof.

Power Authority revenue bonds are legal investments for all types of investors. Revenue bonds are negotiable instruments under Maine law.

All property, income, revenue bonds interest thereon and profits from the sale thereof are free from taxation by the state or any political subdivision. After payment of principal and interest, costs of maintenance and operation, and reasonable reserves, the Authority shall pay to the General Fund of the state at the end of the fiscal years $\frac{1}{2}$ mill per KWH of power and energy sold during the preceding fiscal year but not to exceed 10% of gross revenues from sale of power and energy during the preceding fiscal year.

The Treasurer of State shall pay to political subdivisions from the money paid by the Power Authority a sum equal to amounts which a political subdivision received as taxes on the property from the taxpayer owning the property during the year immediately preceding the acquisition of the property by the Authority. 75% of the money remaining in the General Fund is to be used for the support of elementary and secondary education including construction of school buildings, furnishing and equipping the same.

Any agency of the state or any political subdivision is authorized to contract with the Authority to provide engineering data and other technical reports; construction of any works or facilities and the purchase, sale or exchange of power and energy; to assist in paying the cost of any part of the system or operation and maintenance; transfer easements, rights-of-way or other property useful in the construction, operation and maintenance of the system.

The State consents, subject to approval of the Governor and Council, to use by the Authority of any lands or property owned by the State including public highways and lands under the waters.

Annually the Authority shall prepare an operating and financial statement for the preceding fiscal year for the Governor and Legislature. A certified public accountant shall audit the books once a year. Books and records may be examined by representatives of the Governor, Legislature, and bondholders.

A member, agent or employee may not contract or be interested directly or indirectly other than as a holder of a security interest in the contracting corporation or in the sale of any property to the Authority upon penalty of a fine of \$1000 or imprisonment for 11 months or both.

**CHAPTER 570
PUBLIC LAWS OF 1973**

AN ACT Providing for a State Lottery.

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

Sec. 1. R.S., T. 8, c. 14, additional. Title 8 of the Revised Statutes is amended by adding a new chapter 14, to read as follows:

**CHAPTER 14
LOTTERY**

§ 351. State Lottery Commission

There is established a State Lottery Commission which shall consist of 5 members, all of whom shall be citizens and residents of this State and all of whom shall be appointed by the Governor with the advice and consent of the Council. No more than 3 of the 5 members shall be members of the same political party. The members shall be appointed for terms of 5 years, except that of the members first appointed, one shall be appointed for a term of 1 year, one for a term of 2 years, and one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years. The term of each of the members first appointed shall be designated by the Governor. The members shall annually elect one of them as chairman of the commission.

Any vacancy in the commission, occurring for any reason other than the expiration of term, shall be filled for the unexpired term in the same manner as the original appointment.

Any member of the commission may be removed from office by the Governor, for cause, upon notice and opportunity to be heard at a public hearing.

The members of the commission shall receive no salaries but shall be allowed reasonable expenses in the performance of their official duties not exceeding \$5,000 per year in the case of the chairman, and \$3,500 in the case of each of the other commissioners.

§ 352. Director of State Lotteries

The State Lotteries shall be under the immediate supervision and direction of a director, who shall be a person qualified by training and experience to direct the State Lotteries. The director shall be appointed by the Governor, with the advice and consent of the Council, to serve a term coterminous with that of the Governor, subject to removal for cause by the Governor and Council. Any vacancy occurring in the office of the director shall be filled in the same manner as the original appointment.

The director shall devote his entire time and attention to the duties of his office and shall not be engaged in any other profession or occupation. He shall receive such salary as provided by law.

§ 353. Commission; powers and duties

The commission shall meet with the director, not less than once each month, for the purpose of promulgating and amending rules relating to the lotteries, to make recommendations and set policy for State Lotteries, to approve or reject reports of the director and to transact other business that may be properly brought before said commission.

1. Rules. The rules promulgated by the commission shall include but not be limited to:

A. The types of lotteries to be conducted;

B. The price of tickets or shares in the lotteries;

C. The number and size of the prizes on the winning tickets or shares;

D. The manner of selecting the winning tickets or shares;

E. The manner of payment of prizes to the holders of winning tickets or shares;

F. The frequency of the drawings or selections of winning tickets or shares;

G. The number or types of locations at which tickets or shares may be sold;

H. The method to be used in selling tickets or shares;

I. The licensing of agents to sell tickets or shares, but a person under the age of 18 shall not be licensed as an agent;

J. The license fee to be charged to agents, except that such fee shall not exceed \$10;

K. The manner and amount of compensation to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the general public;

L. The apportionment of the total annual revenue accruing from the sale of lottery tickets or shares and from all other sources for the payment of prizes to the holders of winning tickets or shares, for the payment of costs incurred in the operation and administration of the lotteries, including the expense of the commission and the costs resulting from any contract or contracts entered into for promotional, advertising, consulting or operational services or for the purchase or lease of lottery equipment and materials, for the repayment of the moneys appropriated to the State Lottery Fund and for transfer to the General Fund for distribution pursuant to section 366, subsection 1, paragraph D.

No action of the commission shall be binding unless taken at a meeting at which at least 3 of the 5 members are present and shall vote in favor thereof. The minutes of every meeting of the commission, including any rules and regulations promulgated by the commission or any amendments, revisions, supplements or repeal thereof, shall be forthwith transmitted, by and under the certification of the secretary thereof, to the Governor.

§ 354. Director; powers and duties

1. Duties. The director shall have the power, and it shall be his duty to:

A. Supervise the operation of lotteries in accordance with this chapter and with the rules and regulations of the commission;

B. Act as the chief administrative officer, having general charge of the office and records and to employ, with the approval of the commission and subject to the Personnel Law, such personnel as may be necessary to fulfill the purposes of this chapter;

C. Act as executive secretary of the commission;

D. In accordance with this chapter and the rules and regulations of the commission, license as agents to sell lottery tickets such persons, as in his opinion, who will best serve the public convenience and promote the sale of tickets or shares. The director may require a bond from every licensed agent, in such amount as provided in the rules and regulations of the commission. Every licensed agent shall prominently display his license, or a copy thereof, as provided in the rules and regulations of the commission;

E. Confer regularly as necessary or desirable and not less than once each month with the commission on the operation and administration of the lotteries; shall make available for inspection by the commission, upon request, all books, records, files and other information and documents of the commission; shall advise the commission and recommend such matters as he deems necessary and advisable to improve the operation and administration of the lotteries;

F. Recommend to the commission that it suspend or revoke any license issued pursuant to this chapter or the rules and regulations promulgated thereunder;

G. Subject to the approval of the commission and to any applicable laws relating to public contracts, enter into contracts for the operation of the lotteries, or any part thereof, and into contracts for the promotion of the lotteries. All contracts shall be awarded to the lowest responsible bidder and shall be let for a period not to exceed 3 years. No contract awarded or entered into by the director may be assigned by the holder thereof except by specific approval of the commission;

H. Certify monthly to the Treasurer of State, the commission and to the Governor and Council a full and complete statement of lottery revenues, prize disbursements and other expenses for the preceding

month; submit an annual report which shall include a full and complete statement of lottery revenues, prize disbursements and expenses, to the Governor and the State Legislature together with recommendations for changes in this chapter;

I. Carry on a continuous study and investigation of the lotteries throughout the State, and the operation and administration of similar laws which may be in effect in other states or countries.

§ 355. Lottery sales agent; licensing

1. Factors. No license as an agent to sell lottery tickets or shares shall be issued to any person to engage in business exclusively as a lottery sales agent. Before issuing such license, the director shall consider such factors as:

A. The financial responsibility and security of the person and his business or activity;

B. The accessibility of his place of business or activity to the public;

C. The sufficiency of existing licensees to serve the public convenience; and

D. The volume of expected sales.

For the purpose of this chapter, the term "person" shall be construed to mean and include an individual, association, corporation, club, trust, estate, society, company, receiver, trustee, assignee, referee or other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, and any combination of individuals. "Person" shall be construed to mean all departments, commissions, agencies and instrumentalities of the State, including counties and municipalities and agencies and instrumentalities thereof.

§ 356. —authority to act

Notwithstanding any other provision of law, any person licensed as provided in this chapter is authorized and empowered to act as a lottery sales agent.

§ 357. Assignment of prizes

No right of any person to a prize drawn shall be assignable, except that payment of any prize drawn may be paid to the estate of a deceased prize winner, and except that any person pursuant to an appropriate judicial order may be paid the prize to which the winner is entitled. The director shall be discharged of all further liability upon payment of a prize pursuant to this section.

§ 358. Sales above fixed price; unlicensed sale gifts

No person shall sell a ticket or share at a price greater than that fixed by rule or regulation of the commission. No person other than a licensed lottery sales agent shall sell lottery tickets or shares, except that nothing in this section shall be construed to prevent any person from giving lottery tickets or shares to another as a gift.

Any person convicted of violating this section shall be guilty of a misdemeanor.

§ 359. Sales to person under 18 years; gifts

No ticket or share shall be sold to any person under the age of 18 years, but this shall not be deemed to prohibit the purchase of a ticket or share for the purpose of making a gift by a person 18 years of age or older to a person less than that age. Any licensee who knowingly sells or offers to sell a lottery ticket or share to any person under the age of 18, shall, upon conviction, be guilty of a misdemeanor.

§ 360. Persons prohibited from purchasing tickets or shares

No ticket or share shall be purchased by, and no prize shall be paid to any of the following persons: Any officer or employee of the commission or to any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any of the foregoing persons.

§ 361. Unclaimed prize money

Unclaimed prize money for the prize on a winning ticket or share shall be retained by the director for the person entitled thereto for one year after the drawing in which the prize was won. If no claim is made for said money within such year, the prize money shall be reallocated as prizes in the form of special promotions.

§ 362. Deposit of receipts; reports

The director may, in his discretion, require any and all lottery sales agents to deposit to the credit of the State Lottery Fund in banks designated by the Treasurer of State all moneys received by such agents from the sale of lottery tickets or shares, less the amount, if any, retained as compensation for the sale of tickets or shares, and to file with the director or his designated agents reports of their receipts and transactions in the sale of lottery tickets in such form and containing such information as he may require. The director may make such arrangements for any person, including a bank, to perform such functions, activities or services in connection with the operation of the lottery as he may deem advisable pursuant to this chapter and the rules and regulations of the commission, and such functions, activities or services shall constitute lawful functions, activities and services of such person.

§ 363. Other laws; applicability

No other law providing any penalty or disability for the sale of lottery tickets or any acts done in connection with a lottery shall apply to the sale of tickets or shares performed pursuant to this chapter.

§ 364. Persons under 18 years; payment of prizes

If the person entitled to a prize or any winning ticket is under the age of 18 years, and such prize is less than

\$5,000, the director may direct payment of the prize by delivery to an adult member of the minor's family or a guardian of the minor of a check or draft payable to the order of such minor. If the person entitled to a prize or any ticket is under the age of 18 years, and such prize is \$5,000 or more, the director may direct payment to such minor by depositing the amount of the prize in any bank to the credit of an adult member of the minor's family or guardian of the minor as custodian for such minor. The person so named as custodian shall have the same duties and powers as a person designated as a custodian in a manner prescribed by the "Maine Uniform Gifts to Minors Act," and for purposes of this section the terms "adult member of a minor's family," "guardian of a minor" and "bank" shall have the same meaning as in said Act. The director shall be relieved of all further liability upon payment of a prize to a minor pursuant to this section.

§ 365. State Lottery Fund; creation

There is created and established a separate fund to be known as the "State Lottery Fund," to be deposited in such depositories as the Treasurer of State may select. Such funds shall consist of all revenue received from the sale of lottery tickets or shares, agents' license fees and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 366. State Lottery Fund; appropriation of moneys

1. Appropriation. The moneys in said State Lottery Fund shall be appropriated only:

- A. For the payment of prizes to the holders of winning lottery tickets or shares;
- B. For the expense of the division in its operation of the lottery; and
- C. For payment to the General Fund.

Not less than 45% of the total moneys received in the lottery will be disbursed as prizes to the holders of winning tickets. The remaining 55% shall be the State's share.

§ 367. Maine state income tax; prizes exempt

The prizes received pursuant to this chapter shall be exempt from the Maine State Income Tax.

Sec. 2. R.S., T. 2, § 6, sub-§ 5, amended. Subsection 5 of section 6 of Title 2 of the Revised Statutes, as enacted by chapter 542 of the public laws of 1967, and as amended, is further amended by inserting after the 7th line the following:

Director of State Lotteries

Sec. 3. Appropriation. There is appropriated from the General Fund to the Department of Finance and Administration the sum of \$400,000 for the purpose of

implementing this Act. This appropriation shall be returned to the General Fund pursuant to the Revised Statutes, Title 8, section 366.

Sec. 4. Referendum; effective date. This Act shall take effect 90 days after the adjournment of the Legislature only for the purpose of presenting it to the legal voters of the State of Maine at a special state-wide election to be held on the Tuesday following the first Monday of November following the passage of this Act.

The aldermen of the cities, the selectmen of the towns and the assessors of the several plantations of this State are empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of Senators and Representatives, at a special state-wide election on the Tuesday following the first Monday of November following the passage of this Act, to give in their votes upon the acceptance or rejection of the foregoing Act, and the question shall be:

"Shall 'An Act Providing for a State Lottery become law?'"

The inhabitants of said cities, towns and plantations shall indicate by a cross or check mark placed within a square upon their ballots their opinion of the same, those in favor of acceptance voting "Yes" and those opposed to acceptance voting "No" and the ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings, and return made to the office of the Secretary of State in the same manner as votes for Governor and Members of the Legislature, and the Governor and Council shall review the same and if it shall appear that a majority of the inhabitants voting on the question are in favor of said Act, the Governor shall forthwith make known the fact by his proclamation, and the Act shall thereupon become effective in 30 days after the date of the said proclamation.

Secretary of State shall prepare ballots. The Secretary of State shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing Act, accompanied by a copy thereof.

Approved June 29, 1973

The following is a brief explanatory statement prepared by the Attorney General in accordance with the provisions of 1 M.R.S.A. § 353, with reference to the Intent and Content of Chapter 570 of the Public Laws of 1973 entitled, "AN ACT Providing for a State Lottery."

INTENT AND CONTENT

This Act provides for a state lottery. Money from the State Lottery Fund shall be appropriated only:

A. For payment of prizes to holders of winning tickets or shares;

B. For expenses of operation of the lottery;

C. For payment to the General Fund of the State.

Not less than 45% of the total money will be disbursed as prizes. The remaining 55% shall go to the State.

Prizes received from the state lottery are exempt from the Maine State Income Tax.

There is set up a State Lottery Commission of 5 members, appointed by the Governor with the advice and consent of the Council. No more than 3 members shall be of the same political party. Three members constitute a quorum. Actions of the commission must have affirmative vote of 3 members. Commission members receive no pay but are paid reasonable expenses not exceeding \$5,000 per year for the Chairman and \$3,500 for the other commissioners.

The Governor with the advice of the Council shall appoint a director to serve a term coterminous with the Governor. The director is the chief administrative officer for the Commission as well as executive secretary. He carries out the policies and rules of the Commission.

The Commission makes rules as to:

1. Types of lotteries
2. Price of tickets or shares
3. Number and size of prizes
4. Manner of selecting winners
5. Manner of payment of prizes
6. Frequency of drawings
7. Number or types of locations where tickets may be sold
8. Method of selling tickets
9. Licensing of agents who must be at least 18
10. License fee to be charged agents but not to exceed \$10
11. Manner and amount to be paid licensed agents
12. Apportionment of total annual revenue.

Agents must be licensed by the commission but they shall not engage in that business exclusively. Tickets may not be sold to persons under 18. No officer or employee of the commission nor spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of such persons may buy a ticket.

CHAPTER 138

PRIVATE AND SPECIAL LAWS OF 1973

AN ACT to Authorize Bond Issue in the Amount of \$3,000,000 for Acquisition of Real Property for State Parks.

Preamble. Two-thirds of both Houses of the Legislature deeming it necessary in accordance with Section 14 of Article IX of the Constitution to authorize the issuance of bonds on behalf of the State of Maine to provide for acquisition of real property for the purpose of establishing additional state parks.

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

Sec. 1. Issue of bonds to provide for acquisition of real property for state parks. The Treasurer of State is authorized, under the direction of the Governor and Council, to issue from time to time serial coupon bonds in the name and behalf of the State to an amount not exceeding \$3,000,000 for the purpose of raising funds to provide for such land acquisition as authorized by section 6. Said bonds shall not run for a longer period than 20 years from the date of the original issue thereof. Any issuance of bonds may contain a call feature at the discretion of the Treasurer of State with the approval of the Governor and Council.

Sec. 2. Records of bonds issued to be kept by State Auditor and Treasurer. The State Auditor shall keep an account of such bonds, showing the number and amount of each, the date when payable and the date of delivery thereof to the Treasurer of State, who shall keep an account of each bond, showing the number thereof, the name of the person to whom sold, the amount received for the same, the date of sale and the date when payable.

Sec. 3. Sale, how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of such bonds by direction of the Governor and Council; but no such bond shall be loaned, pledged or hypothecated in behalf of the State. The proceeds of the sales of such bonds, which shall be held by the Treasurer of State and paid by him upon warrants drawn by the Governor and Council, are appropriated to be used solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the acquisitions listed in section 6 shall lapse to the debt service account established for the retirement of these bonds.

Sec. 4. Interest and debt retirement. Interest due or accruing upon any bonds issued under this Act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State.

Sec. 5. Disbursement of bond proceeds. The proceeds of such bonds shall be expended under the direction and supervision of the Commissioner of Parks and Recreation.

Sec. 6. Allocations from general fund bond issue.

1. Acquisition of real property.

Sec. 7. Contingent upon ratification of bond issue. Sections 1 to 6 of this Act shall not become effective unless and until the people of the State of Maine shall have ratified the issuance of bonds as set forth in this Act.

Sec. 8. Referendum for ratification. The aldermen of cities, the selectmen of towns and the assessors of the several plantations of this State are empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of Senators and Representatives, at the next special or state-wide election to give in their votes upon the acceptance or rejection of the foregoing Act, and the question shall be:

"Shall the State provide for the acquisition of real property for state parks by issuing bonds in the amount of \$3,000,000?"

The inhabitants of said cities, towns and plantations shall indicate by a cross or check mark placed within a square upon their ballots their opinion of the same, those in favor of ratification voting "Yes" and those opposed to ratification voting "No" and the ballots shall be received, sorted, counted and declared in open ward, town, plantation meetings, and return made to the office of the Secretary of State in the same manner as votes for Governor and Members of the Legislature, and the Governor and Council shall review the same and if it shall appear that a majority of the inhabitants voting on the question are in favor of said Act, the Governor shall forthwith make known the fact by his proclamation and the Act shall thereupon become effective in 30 days after the date of said proclamation.

Secretary of State shall prepare ballots. The Secretary of State shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing Act, accompanied by a copy thereof.

Approved July 5, 1973

The following is a brief explanatory statement prepared by the Attorney General in accordance with the provisions of 1 M.R.S.A. § 353, with reference to the Intent and Content of Bond Issue, Private and Special Laws of 1973, Chapter 138 entitled, "An Act to Authorize Bond Issue in the Amount of \$3,000,000 for Acquisition of Real Property for State Parks."

INTENT AND CONTENT

This Private and Special Law authorizes the Treasurer of State under the direction of the Governor and Council to issue from time to time serial coupon bonds not exceeding \$3,000,000 to raise funds for land acquisition. The bonds shall not run for more than 20 years.

The proceeds of such bonds shall be expended under the direction and supervision of the Commissioner of Parks and Recreation for the acquisition of real property.

CHAPTER 1

CONSTITUTIONAL RESOLUTION OF 1973

RESOLUTION, Proposing an Amendment to the Constitution Providing for Regulation of Municipal Borrowing by the Legislature.

Constitutional amendment. Resolved: Two-thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of this State be proposed:

Constitution, Article IX, Section 15, repealed and replaced. Section 15 of Article IX of the Constitution is repealed and the following enacted in place thereof:

Section 15. Municipal indebtedness. The Legislature shall enact general law regulating the total borrowing capacity of municipal corporations.

Form of question and date when amendment shall be voted upon. Resolved: That the aldermen of cities, the selectmen of towns and the assessors of the several plantations of this State are empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of Senators and Representatives at the next general election in the month of November or special state-wide election on the Tuesday following the first Monday of November following the passage of this resolution to give in their votes upon the amendment proposed in the foregoing resolution, and the question shall be:

"Shall the Constitution be amended as proposed by a resolution of the Legislature providing for regulation of municipal borrowing by the Legislature?"

The inhabitants of said cities, towns and plantations shall vote by ballot on said question, and shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same. The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the office of the Secretary of State in the same manner as votes for Governor and Members of the Legislature, and the Governor and Council shall review the same, and if it shall appear that a majority of the inhabitants voting on the question are in favor of the amendment, the Governor shall forthwith make known the fact by his proclamation, and the amendment shall thereupon, as of the date of said proclamation, become a part of the Constitution.

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing resolution, accompanied by a copy thereof.

Resolution according to Article X, Section 4 of the Constitution of the State of Maine.

Received in the office of the Secretary of State May 3, 1973.

The following is a brief explanatory statement prepared by the Attorney General in accordance with the provisions of 1 M.R.S.A. § 353, with reference to the Intent and Content of Constitutional Resolution, Chapter 1, 1973, entitled, "RESOLUTION, Proposing an Amendment to the Constitution Providing for Regulation of Municipal Borrowing by the Legislature."

INTENT AND CONTENT

This resolve amends the Constitution relative to limitation upon municipal borrowing.

The Constitution presently limits municipal indebtedness or borrowing to 7½ per cent of the last regular valuation of the municipality as determined by the local assessors. There are some exceptions to this general limitation, i.e., trust funds, loans to repay existing loans or for war or tax anticipation loans. Long term rentals not exceeding 40 years with the Maine School Building Authority are not debts and liabilities.

Under the new amendment, the limits of the total borrowing capacity of municipal corporations will be determined by general law enacted by the Legislature.

CHAPTER 2

CONSTITUTIONAL RESOLUTION OF 1973

RESOLUTION, Proposing an Amendment to the Constitution Clarifying the Status of Bills Presented to the Governor and Time the Legislature Adjourns.

Constitutional amendment. Resolved: Two-thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of this State be proposed:

Constitution, Article IV, Part Third, Section 2, amended. The last sentence of Section 2 of Part Third of Article IV of the Constitution is amended to read as follows:

If the bill or resolution shall not be returned by the Governor within five days (Sundays excepted) after it shall have been presented to him, it shall have the same force and effect, as if he had signed it unless the Legislature by their adjournment prevent its return, in which case it shall have such force and effect, unless returned within three days after the next meeting of the same Legislature which enacted the bill or resolution; if there is no such next meeting of the Legislature which enacted the bill or resolution, the bill or resolution shall not be a law.

Form of question and date when amendment shall be voted upon. Resolved: That the aldermen of cities, the selectmen of towns and the assessors of the several plantations of this State are empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of Senators and Representatives at the next general election in the month of November or special state-wide election on the Tuesday following the first Monday of November following the passage of this resolution to give in their votes upon the amendment proposed in the foregoing resolution, and the question shall be:

“Shall the Constitution be amended as proposed by a resolution of the Legislature clarifying the status of bills presented to the Governor and time the Legislature adjourns?”

The inhabitants of said cities, towns and plantations shall vote by ballot on said question, and shall indicate by a cross or check mark placed against the words “Yes” or “No” their opinion of the same. The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the office of the Secretary of State in the same manner as votes for Governor and Members of the Legislature, and the Governor and Council shall review the same, and if it shall appear that a majority of the inhabitants voting on the question are in favor of the amendment, the Governor shall forthwith make known the fact by his proclamation, and the amendment shall thereupon, as of the date of said proclamation, become a part of the Constitution.

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing resolution, accompanied by a copy thereof.

Resolution according to Article X, Section 4 of the Constitution of the State of Maine.

Received in the office of the Secretary of State May 10, 1973.

The following is a brief explanatory statement prepared by the Attorney General in accordance with the provisions of 1 M.R.S.A. § 353, with reference to the Intent and Content of Constitutional Resolution, Chapter 2, 1973, entitled, “RESOLUTION, Proposing an Amendment to the Constitution Clarifying the Status of Bills Presented to the Governor and Time the Legislature Adjourns.”

INTENT AND CONTENT

This Constitutional resolve amends the Constitution of the State of Maine relative to the veto power of the Governor.

The Constitution will in the future provide that if the Legislature adjourns before the Governor has an opportunity to sign or veto a bill or resolution he may veto it by returning it without his signature within three days after the next meeting of the same Legislature which enacted the bill or resolution.

If there is no further meeting of the same Legislature, the bill or resolution shall not become law.

(Published under Appropriation 1072-1250)

JOSEPH T. EDGAR
Secretary of State