

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
108TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. S-344)

SENATE AMENDMENT "A " to H.P. 1727, L.D. 1886, Bill,
"AN ACT to Improve the Effectiveness of the State's Development
Financing Mechanism."

Amend the Bill in section 12 in that part designated "§863."
by striking out all of subsection 2 and inserting in its place
the following:

2. Cost. "Cost," as applied to an industrial-commercial,
pollution-control, recreational or combined project, shall in-
clude the following:

- A. The purchase price of any such project;
- B. The cost of construction;
- C. The cost of all labor, materials, machinery and
equipment;
- D. The cost of improvements;
- E. The cost of all lands, property, rights, easements
and franchises acquired; and
- F. The cost of all utility extensions, access roads,
site development, financing charges, premiums for lease
rental insurance, interest prior to and during construc-
tion.

¶ If deemed advisable by the authority, for not more than one
year after completion of construction, cost shall also include
the following:

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G. The cost of plans and specifications, surveys and estimates of cost and of revenues;

H. The cost of engineering, legal and other professional services;

I. The cost of reserves for payment of future debt service on bonds of not more than the maximum amount of interest plus annual serial principal or sinking fund payment due in any 12-month period; and

J. The cost of all other expenses necessary or incident to determining the feasibility or practicability of such construction, administrative expense and such other expenses as may be necessary or incident to the financing authorized.

Any obligation or expenses incurred by the State, the authority, a municipality or any private person in connection with any of the foregoing items of cost may be regarded as a part of such cost and reimbursed to the State, the authority or a municipality or such person out of the proceeds of revenue obligation securities issued under this chapter.'

Further amend the Bill in section 12 in that part designated "§864." by striking out all of the last underlined sentence of subsection 2 and inserting in its place the following:

The certificate of approval filed by the authority with the Secretary of State shall be in such form as the authority may determine, but shall in any event identify and describe each project as to location, purpose, and the amount of revenue obligation securities to be issued in respect thereof. In the event that a single issue of revenue obligation securities is to be issued to provide for the costs of more than one project, the certificate of approval shall identify the aggregate amount of revenue obligation securities to be issued.

Further amend the Bill in section 12 in that part designated "§864." by striking out all of paragraph E of subsection 3 and inserting in its place the following:

E. In the case of projects including pollution-control facilities;

- (1) The proposed users of such facilities make a significant contribution to the economy of the State;
- (2) A substantial public benefit will result from the inclusion of such facilities in such project;
and
- (3) It is unlikely that public facilities meeting the needs of such users and securing comparable public benefit will become available in the reasonably foreseeable future; and

Further amend the Bill in section 12 in that part designated "§866." by striking out in the 5th line of subsection 4 (4th line in L.D.) the underlined punctuation and word ", and" and inserting in their place the following: '. These securities'

Further amend the Bill in section 12 in that part designated "§866." by striking out in the 30th line of subsection 4 (26th line in L.D.) the underlined punctuation and words ", and provision" and inserting in their place the following: '. Provision'

Further amend the Bill in section 12/by striking out all of subsection 6 and inserting in its place the following:

6. Anticipatory borrowing. The authority may borrow money in anticipation of the sale of securities under this chapter by issuing temporary notes and renewal notes, the total face amount of which does not exceed at any one time outstanding the authorized amount of the securities. The period of such anticipatory borrowing shall not exceed 3 years. The time within which such securities are to become due shall not be extended by such anticipatory borrowing, beyond the time fixed in the resolution of the authority authorizing their issue or, if no term is there specified, beyond the term permitted by law.

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Further amend the Bill in section 12 in that part designated "§867." by striking out all of the 2nd underlined sentence and inserting in its place the following:

'Such trust agreement or the resolution providing for the issuance of such securities may pledge or assign the revenues of the project or projects and may contain such provisions for protecting and enforcing the rights and remedies of the security holders as may be reasonable and proper and not in violation of law. Such provisions may include covenants setting forth the duties of the authority and the user in relation to the acquisition of property and the construction, reconstruction, renewal, replacement and insurance of the project or projects in connection with which such securities shall have been authorized, the rents to be charged or other payments to be made for the use thereof or payment therefor, and the custody, safeguarding and application of all moneys.'

Further amend the Bill in section 12 in that part designated "§867." by striking out all of the last sentence of the 4th paragraph and inserting in its place the following:

'All such revenues so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledges without any physical delivery thereof or further action under the Uniform Commercial Code or otherwise. The lien of such pledges shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof.'

Further amend the Bill in section 12 in that part designated "§869." by striking out all of the first underlined sentence and inserting in its place the following:

' All rentals and other revenues derived from any project or projects for which revenue obligation securities shall have been issued, except such part thereof, if any, as may be required to pay the cost of maintenance, repair and operation and to provide reserves therefor as may be provided in the resolution authorizing the issuance of the securities in the applicable financial document, or in the trust agreement, shall be set aside at such regular intervals as may be provided in such resolution, financial document, or trust agreement. These rentals and revenues shall be deposited to the credit of a sinking fund which is pledged to and charged with, the payment of the interest on such securities as such interest shall fall due, the principal of such securities as the same shall fall due, the necessary charges of paying agents for paying principal and interest and the redemption price or the purchase price of securities retired by call or purchase. '

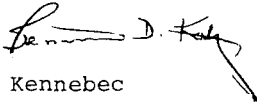
Further amend the Bill in section 12 in that part designated "§871." by striking out in the 3rd line from the end (2nd line in L.D.) the underlined punctuation and words ", and any" and inserting in their place the following: '. Any'

Statement of Fact

The purpose of this amendment is to make the bill easier to understand through the addition of appropriate punctuation.

(Katz)

NAME:



COUNTY: Kennebec

Reproduced and distributed pursuant to Senate Rule 11-A.

June 28, 1977

(Filing No. S-344)