

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

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ONE HUNDRED AND TENTH LEGISLATURE

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**Legislative Document**

**No. 949**

H. P. 795

House of Representative, February 20, 1981

Referred to the Committee on Energy and Natural Resources. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Huber of Falmouth.

Cosponsor: Representative Peterson of Caribou.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

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**AN ACT to Authorize a General Fund Bond Issue in the Amount of \$5,000,000 to Assist Municipalities with Resource Recovery of Solid Waste.**

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**Preamble.** Two-thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State to provide funds for the planning and implementation of municipal solid waste management programs which provide for resource recovery systems or components thereof, regional systems and any system or program or facility for resource conservation.

Whereas, the Legislature deems it necessary to alleviate the threat to ground and surface waters to prevent environmental damage, to conserve valuable land and other resources and to reduce the hazard to the health, safety or welfare of the State caused by prevailing solid waste management practices.

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

**Sec. 1.** 38 MRSA § 1303, sub-§ 6-A is enacted to read:

**6-A. Planning agency.** "Planning agency" means 3 or more public agencies formed under sections 1551 to 1566, regional refuse disposal districts, acting under Title 30, sections 1951 to 1958, regional planning commissions, councils of governments or county government.

Sec. 2. 38 MRSA, c. 13, sub-c. IV is enacted to read:

**SUBCHAPTER IV  
MANAGEMENT PROGRAMS**

**§ 1319-B. Grants by State for preliminary solid waste management planning**

1. **Solid waste management plans.** “Solid waste management plans” means studies which include, but are not limited to, the identification and classification of existing facilities; projections of capacity and expected life of existing facilities; the analysis of municipal solid waste generation rates; alternative collection, transfer, treatment and disposal systems; capital and annual costs of each alternative; resource recovery and conservation practices; the development of alternative implementation plans; and other data required by the Board of Environmental Protection.

2. **Payment of expenses.** The Board of Environmental Protection is authorized to pay an amount not in excess of the amount determined by the following formula:  $\text{Grant} = 50\%$  of the total expenses incurred by a municipality or quasi-municipal entity, except unorganized areas, for preliminary solid waste management planning.

**§ 1319-C. Grants by State for design and engineering**

“Design and engineering” means the engineering and design and the preparation of drawings, specifications and contracts, as well as all other documents necessary for the implementation of solid waste management programs which provide for resource conservation or resource recovery. The Board of Environmental Protection is authorized to pay an amount not in excess of the amount determined by the formula:  $\text{Grant} = 50\%$  of the total expenses incurred by a municipality or quasi-municipal entity, except unorganized areas, for design and engineering.

**§ 1319-D. Grants by State for implementation of solid waste management programs which provide for resource conservation or resource recovery.**

The Board of Environmental Protection is authorized to pay an amount not in excess of the amount determined by the formula:  $\text{Grant} = 50\%$  of the total expenses incurred by a municipality or quasi-municipal entity, except unorganized areas, for the implementation of solid waste management programs approved by the Board of Environmental Protection which provide for resource conservation or resource recovery or for a solid waste management system that services 3 or more communities. Grants under this section are limited to capital construction and development costs, fixed equipment and other reasonable one-time costs designed in regulations promulgated by the Board of Environmental Protection.

**§ 1319-E. Priority lists and regulations**

1. **Priority lists.** The board after public hearing shall annually adopt criteria for the purpose of establishing eligible costs and a grant awards priority list. Criteria for determining priority include, but are not limited to:

- A. Resource conservation;
- B. Resource recovery systems; or
- C. Serving more than one community.

2. **Rules.** The board may adopt, amend and repeal reasonable rules necessary for the proper administration of the grant program authorized by sections 1319-B to 1319-D.

#### § 1319-F. Federal funds

In the event that there is a combination of federal and state grants that exceeds the total costs of the projects eligible for state assistance under sections 1319-B to 1319-D, the Board of Environmental Protection may reduce the state's share by an amount equivalent to the amount in excess of the total costs of the project.

**Sec. 3. Authorization of bond issue to assist municipalities with solid waste management.**

1. **Issue of bonds to provide for the planning and implementation of municipal or quasi-municipal solid waste management programs.** The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time bonds in the name and behalf of the State to an amount not exceeding \$5,000,000 for the purpose of raising funds to provide for the planning and implementation of solid waste management programs which provide for resource recovery systems or components thereof, regional systems and any system or program or facility for resource conservation. These bonds shall be general obligations of the State and the full faith and credit of the State shall be pledged to the payment of interest and redemption of the bonds.

The bonds shall be dated, shall mature at such time or times not exceeding 20 years from their date and may be made redeemable before maturity, at the option of the Treasurer of State, at such price or prices and under such terms and conditions as may be approved by the Governor prior to the issuance of bonds.

The Treasurer of State, with the approval of the Governor, shall determine the form of the bonds, including any interest coupons to be attached thereto and shall fix the denomination or denominations of the bonds and the place or places of payment or principal and interest, which may include any bank or trust company within or without the State.

The bonds shall be signed by the Treasurer of State and any interest coupon attached thereto shall be executed with facsimile signature of the Treasurer of State. In case any officer whose signature appears on any bonds or coupons ceases to be the officer before the delivery of the bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had

remained in office until the delivery. The bonds may be issued in coupon or registered form, or both, and may be interchangeable as the Treasurer of State may determine.

**2. Records of bonds issued to be kept by State Auditor and Treasurer of State.** The State Auditor shall keep an account of the bonds, showing the number and amount of each, the date of countersigning, 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.

**3. Sale, how negotiated, proceeds appropriated.** The Treasurer of State may negotiate the sale of the bonds by direction of the Board of Environmental Protection with the approval of the Governor. The proceeds of the sales of the bonds, which shall be held by the Treasurer of State and paid by him upon warrants drawn by the State Controller at the order of the Board of Environmental Protection or its authorized representative, are hereby appropriated to be used solely for the purposes set forth in this Act. Any balance unexpended shall not lapse, but shall be carried forward to the same account to be used only for the purposes set forth in this Act.

**4. Proceeds of bonds not available for other purposes; must be kept separate from other funds.** The proceeds of all bonds issued under the authority of this Act, and the funds made available for interest and debt retirement thereunder shall at all times be kept distinct from all other moneys of the State and shall not be drawn upon or be available for any other purpose.

**5. 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.

**6. Disbursement of bond proceeds.** The proceeds of these bonds shall be expended under the direction and supervision of the Board of Environmental Protection.

**7. Contingent upon ratification of bond issue.** Sections 1 and 2 and section 3, subsections 1 to 6, shall not become effective unless and until the electors of the State have ratified the issuance of bonds as set forth in this Act.

**8. Statutory referendum procedure; submission at statewide election; effective date.** This Act shall be submitted to the legal voters of the State of Maine at a statewide election to be held on the Tuesday following the first Monday of November following passage of this Act. The city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

“Shall a bond issue be ratified in the amount of \$5,000,000 to assist

municipalities with solid waste management programs which provide for resource conservation and recovery?"

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

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

#### STATEMENT OF FACT

The bond issue is intended to assist communities with the costs of planning, designing and implementing solid waste management programs which provide for resource conservation and recovery.

Solid waste systems that protect the public health, safety or welfare and prevent or abate air and water pollution benefit the people of Maine as a whole, as well as the people of the immediate local area. The sharing of the benefits of a program makes it desirable that some of the costs of the program be shared also. The bond issue and its accompanying program authorization proposes that some of the so-called up-front costs, such as planning and capital costs, be shared on a statewide basis.

This bill proposes to assist communities with the financial burden of complying with state and federal law through a bond issue mechanism. This will allow communities to develop alternative, energy and resource saving solid waste systems which protect the natural environment of the State and its ground water resources.