

MAINE STATE LEGISLATURE

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1 (New Draft of S.P. 639, L.D. 1795)

2 FIRST SPECIAL SESSION
3

4 ONE HUNDRED AND ELEVENTH LEGISLATURE
5

6 Legislative Document

No. 1801

8 S.P. 640

In Senate, September 1, 1983

9 Reported by Senator Najarian of Cumberland from the Committee on
10 Appropriations and Financial Affairs and printed under Joint Rule 2.

11 JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator Carpenter of Aroostook.

Cosponsors: Representative Beaulieu of Portland, Representative
12 Drinkwater of Belfast and Representative Vose of Easport.

13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-THREE
17

18 AN ACT to Authorize a General Fund Bond
19 Issue in the Amount of \$11,875,000
20 for the Purpose of Making Air and Sea
21 Transportation Improvements.
22

23 Preamble. Two-thirds of both Houses of the
24 Legislature deeming it necessary in accordance with
25 the Constitution of Maine, Article IX, Section 14, to
26 authorize the issuance of bonds on behalf of the
27 State of Maine to provide for air and sea transporta-
28 tion improvements.

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

31 Sec. 1. Bond issue of \$11,875,000 author-
32 ized. The Treasurer of State is authorized under the
33 direction of the Governor to issue from time to time
34 serial coupon bonds in the name and behalf of the

1 State to an amount not exceeding \$11,875,000, payable
2 serially at the State Treasury within 20 years from
3 date of issue. Such bonds and coupons shall be of
4 such denominations and form and upon such terms and
5 conditions, not inconsistent with this Act, as the
6 Governor shall direct. The proceeds from the sale of
7 the bonds shall be used for transportation improve-
8 ment as authorized by section 4. The bonds shall be
9 deemed a pledge of the faith and credit of the State.
10 The bonds shall be issued from time to time so as to
11 meet the needs of the transportation improvement pro-
12 gram. The bonds when paid at maturity or otherwise
13 retired shall not be reissued, but may be refunded on
14 terms more favorable to the State than those in the
15 original issue.

16 Sec. 2. Interest and debt retirement. Interest
17 due or accruing upon any bonds issued under this Act
18 and all sums coming due for payment of bonds at matu-
19 rity shall be paid by the Treasurer of State from any
20 money in the State Treasury not otherwise appropri-
21 ated.

22 Sec. 3. Disbursement of bond proceeds. The pro-
23 ceeds of the bonds appropriated to the Department of
24 Transportation shall be expended under this direction
25 and supervision of the State Director of Public
26 Improvements to the extent required by law.

27 Sec. 4. Appropriation. The following funds are
28 appropriated from the General Fund to carry out the
29 purposes of this Act.

30 TRANSPORTATION, DEPART-
31 MENT OF

32	Airport improvements	\$ 1,000,000
33	Cargo and ferry terminal	10,000,000
34	improvements and construction	

35 This appropriation will be
36 used as follows: (a)
37 \$4,500,000 will be used
38 to complete the development
39 of the Sears Island terminal;

1 (b) \$4,500,000 will be used
2 to develop a public general
3 cargo-handling facility in
4 Portland; (c) Up to \$0.5
5 million of the \$4.5 million
6 earmarked for the Portland
7 facility could be used for
8 a terminal for ferry services
9 in Portland; and (d) \$1,000,000
10 will be used to match federal
11 funds to rehabilitate and
12 extend the Eastport break-
13 water, presently being used as
14 a cargo pier.

15 Ferry service - new ferry and 875,000
16 crew quarters

17 The amount of \$775,000 is
18 included in this program for
19 the construction of a new
20 ferry to be used by the Maine
21 State Ferry Service in
22 Penobscot Bay and \$100,000
23 for the replacement of crew
24 quarters at Vinalhaven and
25 Islesboro.

26 _____
27 Total \$11,875,000

28 It is the intent of the Legis-
29 lature that any of the
30 improvements in this section
31 for which matching funds are
32 required, as indicated in fed-
33 eral or state laws or depart-
34 ment programs, shall have the
35 matching funds available
36 before state money is expended
37 on the improvement.

38 Sec. 5. Appropriation balances at year end. At
39 the end of each fiscal year, all unencumbered appro-
40 priation balances representing state moneys shall

1 carry forward from year to year.

2 **Sec. 6. Acquisition of land.** Land required for
3 improvements undertaken directly by the Department of
4 Transportation may be acquired for the purpose of
5 making necessary improvements in the same manner as
6 provided in the Revised Statutes, Title 23, section
7 154.

8 **Sec. 7. Department of Transportation; author-**
9 **ity.** Consistent with existing law, in implementing
10 this Act, the State, acting through the Department of
11 Transportation, may enter into any agreements neces-
12 sary to effect the purposes and authorization set
13 forth in this Act.

14 **Sec. 8. Bonds authorized but not issued.** Any
15 bonds authorized but not issued, or for which bond
16 anticipation notes have not been issued within 5
17 years of the ratification of this Act, shall be
18 deauthorized and may not be issued, provided that the
19 Legislature may, within 2 years after the expiration
20 of that 5-year period, extend the period for issuing
21 any remaining unissued bonds or bond anticipation
22 notes for an additional amount of time not to exceed
23 5 years.

24 **Sec. 9. Unexpended bond proceeds.** Any bond pro-
25 ceeds which have not been expended 10 years after the
26 date of the sale of the bonds shall lapse to General
27 Fund debt service.

28 **Sec. 10. Transfer between items.** The amount
29 listed after each item is to be construed as a guide.
30 Within section 4, any one or more amounts may be
31 exceeded with the approval of the Governor by trans-
32 fer from one item to another not exceeding 10% in the
33 aggregate.

34 **Sec. 11. Contingent upon ratification of bond**
35 **issue.** Sections 1 to 4 shall not become effective
36 unless and until the people of the State have rati-
37 fied the issuance of bonds as set forth in this Act.

38 **Sec. 12. Statutory referendum procedure; submis-**
39 **sion at statewide election; form of question; effec-**

1 tive date. This Act shall be submitted to the legal
2 voters of the State of Maine at a statewide election
3 to be held on the Tuesday following the first Monday
4 of November following passage of this Act. The city
5 aldermen, town selectmen and plantation assessors of
6 this State shall notify the inhabitants of their
7 respective cities, towns and plantations to meet, in
8 the manner prescribed by law for holding a statewide
9 election, to vote on the acceptance or rejection of
10 this Act by voting on the following question:

11 "Shall a bond issue be authorized in the amount
12 of \$11,875,000 to provide state funds which,
13 together with available matching funds from fed-
14 eral and other sources, will be utilized for
15 capital improvement projects directed toward
16 enhancing economic development and related sup-
17 port systems throughout the State and will
18 encompass: \$1,000,000 for upgrading facilities
19 at 33 airports; port and marine transportation
20 facilities' development as follows: Eastport
21 area (\$1,000,000), Searsport (\$4,500,000) and
22 Portland (\$4,500,000); and improvements to the
23 state's island ferry service, including a new
24 vessel (\$775,000) to serve Penobscot Bay and
25 \$100,000 for replacement of crew quarters at
26 Vinalhaven and Islesboro?"

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

41 The Secretary of State shall prepare and furnish
42 to each city, town and plantation all ballots,
43 returns and copies of this Act necessary to carry out

1 the purpose of this referendum.

2 FISCAL NOTE

3 The total cost is estimated to be \$22,972,187.
4 This amount includes interest calculated at 8.90%
5 over 20 years on \$11,875,000 of bonds authorized by
6 this new draft.

7 STATEMENT OF FACT

8 The purpose of this bond issue is to provide for
9 capital improvements in other than highway trans-
10 portation facilities.

11 Airport improvements are proposed at 8 air car-
12 rier airports and 25 general aviation airports. A
13 total expenditure of \$1,000,000 in state dollars will
14 attract 13.2 million federal dollars. This is part
15 of the state's continuing obligation to maintain and
16 improve its airport facilities and provide for the
17 growth and development of the air transportation
18 industry, both public and private.

19 The port and marine transportation program
20 includes \$10,000,000 for proposed improvements to
21 cargo piers and ferry terminals in Maine. It is
22 intended that these funds will be utilized in a way
23 that best serves the port and marine transportation
24 needs of the State.

25 The amount of \$875,000 is included in this pro-
26 gram for the construction of a new ferry to be used
27 by the Maine State Ferry Service in Penobscot Bay and
28 the replacement of crew quarters at Vinalhaven and
29 Islesboro. Of that amount, \$775,000 represents the
30 state's share which would be required to match funds
31 that may be available from discretionary funds admin-
32 istered by the United States Secretary of Transporta-
33 tion under the Public Transportation Act of 1982.
34 The cost of the new ferry is estimated at \$3.1 mil-
35 lion. Whether federal funds will actually be avail-
36 able for this purpose will not be known for several
37 months.

1 Ferries operated by the Maine State Ferry Service
2 are now reaching 20 years of age and a program of re-
3 placement and modification has been developed in
4 order to respond promptly and efficiently to the
5 present and future needs of the service. The new
6 vessel will be compatible with the other vessels in
7 the fleet, in that it can be used on any of the runs,
8 whereas the existing Islesboro ferry can now be used
9 only on the Islesboro-Lincolnville route. As previ-
10 ously indicated, \$100,000 is included for the re-
11 placement of crew quarters. The ferry service pro-
12 gram totals \$3.2 million.

13 This program implements in part the recommenda-
14 tions of the Blaine House Conference on State and
15 Local Relations.

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