

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE  
4

5 Legislative Document

No. 1318

6  
7 S.P. 491

In Senate, April 16, 1985

8 Referred to the Committee on Appropriations and Financial Affairs. Sent  
9 down for concurrence and ordered printed.

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

Presented by President Pray of Penobscot.

11 Cosponsored by Representative Diamond of Bangor, Senator Tuttle of  
York and Representative Carter of Winslow.

12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-FIVE  
16

17 AN ACT to Authorize a Bond Issue in the  
18 Amount of \$2,000,000 to Establish an  
19 Occupational Safety Loan Fund.  
20

21 Preamble. Two thirds of both Houses of the Leg-  
22 islature deeming it necessary in accordance with the  
23 Constitution of Maine, Article IX, Section 14, to au-  
24 thorize the issuance of bonds on behalf of the State  
25 of Maine to establish an Occupational Safety Loan  
26 Fund.

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

29 Sec. 1. Issue of bonds to establish an Occupa-  
30 tional Safety Loan Fund. The Treasurer of State may,  
31 under the direction of the Governor, issue from time  
32 to time registered bonds in the name and behalf of  
33 the State to an amount not exceeding \$2,000,000 for  
34 the purpose of raising funds to fund an Occupational  
35 Safety Loan Fund as authorized by section 6. The  
36 bonds shall be deemed a pledge of the faith and cred-

1 it of the State. The bonds shall not run for a  
2 longer period than 10 years from the date of the  
3 original issue. Any issuance of bonds may contain a  
4 call feature at the discretion of the Treasurer of  
5 State with approval of the Governor.

6 Sec. 2. Records of bonds issued to be kept by  
7 the State Auditor and Treasurer of State. The State  
8 Auditor shall keep an account of the bonds, showing  
9 the number and amount of each, the date when payable  
10 and the date of delivery to the Treasurer of State  
11 who shall keep an account of each bond showing the  
12 number of the bond, the name of the successful bidder  
13 to whom sold, the amount received for the bond, the  
14 date of sale and the date when payable.

15 Sec. 3. Sale, how negotiated; proceeds appropri-  
16 ated. The Treasurer of State may negotiate the sale  
17 of the bonds by direction of the Governor, but no  
18 bond may be loaned, pledged or hypothecated in behalf  
19 of the State. The proceeds of the sale of the bonds,  
20 which shall be held by the Treasurer of State and  
21 paid by him upon warrants drawn by the Governor, are  
22 appropriated to be used solely for the purposes set  
23 forth in this Act.

24 Sec. 4. Interest and debt retirement. Interest  
25 due or accruing upon any bonds issued under this Act  
26 and all sums coming due for payment of bonds at matu-  
27 rity shall be paid by the Treasurer of State.

28 Sec. 5. Disbursement of bond proceeds. The pro-  
29 ceeds of the bonds shall be expended under the direc-  
30 tion and supervision of the Director of the Bureau of  
31 Labor Standards.

32 Sec. 6. Allocations from General Fund bond is-  
33 sue; Occupational Safety Loan Fund. The funds allo-  
34 cated by this section shall be expended for the fol-  
35 lowing.

36 LABOR, DEPARTMENT OF

37 Bureau of Labor Standards	
38 Occupational Safety Loan Fund	\$2,000,000

1           Sec. 7. Contingent upon ratification of bond is-  
2           sue. Sections 1 to 6 shall not become effective un-  
3           less and until the people of the State have ratified  
4           the issuance of bonds as set forth in this Act.

5           Sec. 8. Appropriation balances at year end. At  
6           the end of each fiscal year, all unencumbered appro-  
7           priations balances representing state money shall  
8           carry forward from year to year.

9           Sec. 9. Lapse of unused bonds. Bond proceeds  
10          from the sale of bonds under this Act which have not  
11          been expended 10 years after the date of the sale of  
12          the bonds shall lapse to General Fund debt service.

13          Sec. 10. Bond authorized but not issued. Any  
14          bonds authorized but not issued, or for which bond  
15          anticipation notes have not been issued within 5  
16          years of the ratification of this Act, shall be  
17          deauthorized and may not be issued, provided that the  
18          Legislature may, within 2 years after the expiration  
19          of the 5-year period, extend the period for issuing  
20          any remaining unissued bonds or bond anticipation  
21          notes for an additional amount of time not to exceed  
22          5 years.

23          Sec. 11. Statutory referendum procedure; submis-  
24          sion at statewide election; form of question; effec-  
25          tive date. This Act shall be submitted to the legal  
26          voters of the State of Maine at a statewide election  
27          to be held on the Tuesday following the first Monday  
28          of November following passage of this Act. The city  
29          aldermen, town selectmen and plantation assessors of  
30          this State shall notify the inhabitants of their re-  
31          spective cities, towns and plantations to meet, in  
32          the manner prescribed by law for holding a statewide  
33          election, to vote on the acceptance or rejection of  
34          this Act by voting on the following question:

35                 "Do you favor a \$2,000,000 bond issue to estab-  
36                 lish a fund for low-interest loans to improve  
37                 safety and promote healthful working conditions  
38                 in factories, workshops and workplaces in  
39                 Maine?"

40          The legal voters of each city, town and  
41          plantation shall vote by ballot on this question, and

1 shall designate their choice by a cross or check mark  
2 placed within a corresponding square below the word  
3 "Yes" or "No." The ballots shall be received,  
4 sorted, counted and declared in open ward, town and  
5 plantation meetings and returns made to the Secretary  
6 of State in the same manner as votes for members of  
7 the Legislature. The Governor shall review the re-  
8 turns and, if it appears that a majority of the legal  
9 voters are in favor of the Act, the Governor shall  
10 proclaim that fact without delay, and the Act shall  
11 become effective 30 days after the date of the proc-  
12 lamation.

13 The Secretary of State shall prepare and furnish  
14 to each city, town and plantation all ballots, re-  
15 turns and copies of this Act necessary to carry out  
16 the purpose of this referendum.

#### 17 STATEMENT OF FACT

18 The bill authorizes a bond issue in the amount of  
19 \$2,000,000 for the purpose of providing funds to be  
20 used for a low-interest workplace, health and safety  
21 loan fund. In many instances, it is inaccessibility  
22 to capital which inhibits installation of appropriate  
23 safety devices in Maine factories and workplaces. It  
24 is most often the small employer who has limited ac-  
25 cess to the necessary capital to make these necessary  
26 health and safety improvements. The Occupational  
27 Safety Loan Fund is a nonlapsing fund established in  
28 the office of Treasurer of State and administered by  
29 the Director of the Bureau of Labor Standards.

30 Loans are limited to no more than \$15,000 to any  
31 single applicant and must bear a fixed low-interest  
32 rate, not in excess of a rate equal to 2 points below  
33 the prime rate in the Boston Metropolitan area. The  
34 loans will be made only to applicants with insuffi-  
35 cient access to conventional sources of credit and  
36 must be solely for the purpose of improving, install-  
37 ing or erecting equipment which reduces hazards to  
38 and promotes the health and safety of workers.

39 The loans will only be approved if a safety in-  
40 spection by the Division of Industrial Safety results

1 in a recommendation for the installation of the safe-  
2 ty equipment for which the loan is being applied.

3       Loans are also subject to approval by a special  
4       loan review panel.

5        This bond issue is, of course, subject to ratifi-  
6        cation by the electorate.

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