

MAINE STATE LEGISLATURE

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1 SECOND SPECIAL SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 2439

6
7 H.P. 1758

House of Representatives, May 30, 1986

8 Reference to the Committee on Appropriations and Financial Affairs
9 suggested and ordered printed.

EDWIN H. PERT, Clerk

10 Presented by Representative Nelson of Portland.

Cosponsored by Senator Gauvreau of Androscoggin, Senator Gill of
Cumberland and Representative Manning of Portland.

11
12 STATE OF MAINE
13

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

17 AN ACT to Authorize a General Bond Issue in
18 the Amount of \$15,000,000 for
19 Construction and Renovation of
20 Correctional Facilities.
21

22 Preamble. Two-thirds of both Houses of the Leg-
23 islature deeming it necessary in accordance with the
24 Constitution of Maine, Article IX, Section 14, to au-
25 thorize the issuance of bonds on behalf of the State
26 of Maine to provide funds for construction and
27 renovation of correctional facilities.

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

30 Sec. 1. Authorization of bonds to provide funds
31 for construction and renovation of correctional fa-
32 cilities. The Treasurer of State is authorized, under
33 the direction of the Governor, to issue from time to
34 time registered bonds in the name and behalf of the
35 State to an amount not exceeding \$15,000,000 for the

1 purpose of raising funds to provide for construction
2 and renovation of correctional facilities as autho-
3 rized by section 6. The bonds shall be deemed a
4 pledge of the full faith and credit of the State.
5 The bonds shall not run for a longer period than 10
6 years from the date of the original issue of the
7 bonds. Any issuance of bonds may contain a call fea-
8 ture at the discretion of the Treasurer of State with
9 the approval of the Governor.

10 **Sec. 2. Records of bonds issued to be kept by**
11 **the State Auditor and Treasurer of State.** The State
12 Auditor shall keep an account of the bonds, showing
13 the number and amount of each, the date when payable
14 and the date of delivery of the bonds to the Treasur-
15 er of State who shall keep an account of each bond
16 showing the number of the bond, the name of the suc-
17 cessful bidder to whom sold, the amount received for
18 the same, the date of sale and the date when payable.

19 **Sec. 3. Sale; how negotiated; proceeds appropri-**
20 **ated.** The Treasurer of State may negotiate the sale
21 of the bonds by direction of the Governor, but no
22 such bond may be loaned, pledged or hypothecated in
23 behalf of the State. The proceeds of the sale of the
24 bonds, which shall be held by the Treasurer of State
25 and paid by him upon warrants drawn by the Governor,
26 are appropriated to be used solely for the purposes
27 set forth in this Act. Any unencumbered balances re-
28 maining at the completion of the project in section
29 6 shall lapse to the debt service account established
30 for the retirement of these bonds.

31 **Sec. 4. Interest and debt retirement.** Interest
32 due or accruing upon any bonds issued under this Act
33 and all sums coming due for payment of bonds at matu-
34 rity shall be paid by the Treasurer of State.

35 **Sec. 5. Disbursement of proceeds of the bonds.**
36 The proceeds of the bonds shall be expended under the
37 direction and supervision of the Commissioner of Ad-
38 ministration after consultation with the Commissioner
39 of Corrections.

40 **Sec. 6. Legislative allocation.** The Legislature
41 shall allocate the proceeds of the sale of bonds to
42 specific correctional facilities and locations within

1 the State, provided that the overall limitation is
2 not exceeded.

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

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

17 **Sec. 9. Appropriation balances at year end.** At
18 the end of each fiscal year, all unencumbered appro-
19 priation balances representing state money shall car-
20 ry forward from year to year. Bond proceeds which
21 have not been expended within 10 years after the date
22 of the sale of the bonds shall lapse to General Fund
23 debt service.

24 **Sec. 10. Statutory referendum procedure; submis-**
25 **sion at general election; form of question; effective**
26 **date.** This Act shall be submitted to the legal vot-
27 ers of the State of Maine at the next general elec-
28 tion in the month of November following passage of
29 this Act. The city aldermen, town selectmen and
30 plantation assessors of this State shall notify the
31 inhabitants of their respective cities, towns and
32 plantations to meet, in the manner prescribed by law
33 for holding a statewide election, to vote on the ac-
34 ceptance or rejection of this Act by voting on the
35 following question:

36 "Do you favor a \$15,000,000 bond issue to build
37 and repair correctional facilities for prisoners?"

38 The legal voters of each city, town and plantation
39 shall vote by ballot on this question, and shall des-
40 ignate their choice by a cross or check mark placed
41 within a corresponding square below the word "Yes" or

1 "No." The ballots shall be received, sorted, counted
2 and declared in open ward, town and plantation meet-
3 ings and returns made to the Secretary of State in
4 the same manner as votes for members of the Legisla-
5 ture. The Governor shall review the returns and, if
6 it appears that a majority of the legal voters are in
7 favor of the Act, the Governor shall proclaim that
8 fact without delay, and the Act shall become effec-
9 tive 30 days after the date of the proclamation.

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

14 STATEMENT OF FACT

15 This bill provides for a bond issue in the amount
16 of \$15,000,000 for construction and renovation of
17 correctional facilities on a statewide basis. The
18 Legislature may allocate these funds to specific
19 projects after the voters have approved the total
20 bond issue.

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