

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 264

H.P. 212 House of Representatives, February 5, 1987
Reference to the Committee on Appropriations and
Financial Affairs suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative MICHAUD of East Millinocket.

Cosponsored by Representatives CONNOLLY of Portland,
SIMPSON of Casco and McGOWAN of Canaan.

STATE OF MAINE

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

1 AN ACT to Authorize a General Fund Bond Issue
2 in the Amount of \$4,000,000 for the
3 Restoration and Cleanup of Oil
4 Contaminated Ground Water and Well
5 Water and to Assist Low-income
6 Homeowners in Defraying the Costs
7 Associated with the Removal of Old
8 Underground Oil Storage Tanks.
9

10 Preamble. Two thirds of both Houses of the Legis-
11 lature deeming it necessary in accordance with the
12 Constitution of Maine, Article IX, Section 14, to au-
13 thorize the issuance of bonds on behalf of the State
14 of Maine to provide funds for the restoration and
15 cleanup of oil contaminated ground water and well wa-
16 ter and assist low-income homeowners in removing old
17 underground oil storage tanks.

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

3 Sec. 1. Authorization of bonds to provide for
4 continuation of the efforts to restore and clean up
5 ground water and well water which have been contami-
6 nated by oil and to assist low-income homeowners in
7 removing old underground oil storage tanks throughout
8 the State. The Treasurer of State is authorized, un-
9 der the direction of the Governor, to issue from time
10 to time registered bonds in the name and behalf of
11 the State to an amount not exceeding \$3,000,000 for
12 the purpose of raising funds to provide for the
13 cleanup and restoration of oil contaminated ground
14 water and well water. The Treasurer of State is fur-
15 ther authorized, under the direction of the Governor,
16 to issue from time to time registered bonds in the
17 name and behalf of the State to an amount not exceed-
18 ing \$1,000,000 for the purpose of raising funds to
19 provide assistance to low-income homeowners of the
20 State in defraying costs associated with removing old
21 underground oil storage tanks used for household pur-
22 poses. Eligibility criteria for assistance to
23 homeowners shall be determined by the Division of
24 Community Services. The bonds shall be deemed a
25 pledge of the full faith and credit of the State. The
26 bonds shall not run for a longer period than 5 years
27 from the date of the original issue of the bonds. Any
28 issuance of bonds may contain a call feature at the
29 discretion of the Treasurer of State with the approv-
30 al of the Governor.

31 Sec. 2. Records of bonds issued to be kept by
32 State Auditor and Treasurer of State. The State Audi-
33 tor shall keep an account of the bonds, showing the
34 number and amount of each, the date when payable and
35 the date of delivery of the bonds to the Treasurer of
36 State who shall keep an account of each bond showing
37 the number of the bond, the name of the successful
38 bidder to whom sold, the amount received for the bond
39 and the date of sale and date when payable.

40 Sec. 3. Sale; how negotiated; proceeds appropri-
41 ated. The Treasurer of State may negotiate the sale
42 of the bonds by direction of the Governor, but no
43 such bond may be loaned, pledged or hypothecated in
44 behalf of the State. The proceeds of the sale of the

1 bonds, which shall be held by the Treasurer of State
2 and paid by him upon warrants drawn by the State Con-
3 troller, are appropriated to be used solely for the
4 purposes set forth in this Act. Any unencumbered bal-
5 ances remaining at the completion of the projects in
6 section 6 shall lapse to the debt service account es-
7 tablished for the retirement of these bonds.

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

12 Sec. 5. Disbursement of bond proceeds. The pro-
13 ceeds of the bonds set out in section 6 shall be ex-
14 pended under the direction and supervision of the
15 Commissioner of Environmental Protection.

16 Sec. 6. Allocations from General Fund bond is-
17 sues for restoration and cleanup of oil contaminated
18 ground water and well water and for assistance to
19 low-income homeowners for defraying the cost of re-
20 moving old underground oil storage tanks. The pro-
21 ceeds of the sale of bonds shall be expended as fol-
22 lows:

23 ENVIRONMENTAL PROTECTION,
24 DEPARTMENT OF

25	Restoration and cleanup of Maine's	\$3,000,000
26	ground water and well water	
27	polluted by contamination resulting	
28	from the handling of petroleum	
29	products.	
30	Assistance to low-income homeowners	\$1,000,000
31	to defray the costs of removing old	
32	underground oil storage tanks used	
33	for household purposes.	
34	Total	\$4,000,000

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

1 Sec. 8. Appropriation balances at year end. At
2 the end of each fiscal year, all unencumbered appro-
3 priation balances representing state money shall car-
4 ry forward from year to year. Bond proceeds which
5 have not been expended within 10 years after the date
6 of the sale of the bonds shall lapse to the General
7 Fund debt service.

8 Sec. 9. Bonds authorized but not issued. Any
9 bonds authorized but not issued, or for which bond
10 anticipation notes have not been issued within 5
11 years of ratification of this Act, shall be
12 deauthorized and may not be issued, provided that the
13 Legislature may, within 2 years after the expiration
14 of that 5-year period, extend the period for issuing
15 any remaining unissued bonds or bond anticipation
16 notes for an additional amount of time not to exceed
17 5 years.

18 Sec. 10. Statutory referendum procedure; submis-
19 sion at statewide election; form of question; effec-
20 tive date. This Act shall be submitted to the legal
21 voters of the State of Maine at a statewide election
22 to be held on the Tuesday following the first Monday
23 of November following passage of this Act. The city
24 aldermen, town selectmen and plantation assessors of
25 this State shall notify the inhabitants of their re-
26 spective cities, towns and plantations to meet, in
27 the manner prescribed by law for holding a statewide
28 election, to vote on the acceptance or rejection of
29 this Act by voting on the following question:

30 "Do you favor a \$4,000,000 bond issue for the
31 restoration and cleanup of oil contaminated
32 ground water and well water and for assisting
33 low-income homeowners in defraying the costs of
34 removing old underground oil storage tanks
35 throughout the State?"

36 The legal voters of each city, town and planta-
37 tion shall vote by ballot on this question, and shall
38 designate their choice by a cross or check mark
39 placed within a corresponding square below the word
40 "Yes" or "No." The ballots shall be received,
41 sorted, counted and declared in open ward, town and
42 plantation meetings and returns made to the Secretary

1 of State in the same manner as votes for members of
2 the Legislature. The Governor shall review the re-
3 turns and, if it appears that a majority of the legal
4 voters are in favor of the Act, the Governor shall
5 proclaim that fact without delay, and the Act shall
6 become effective 30 days after the date of the pro-
7 clamation.

8 The Secretary of State shall prepare and furnish
9 to each city, town and plantation all ballots, re-
10 turns and copies of this Act necessary to carry out
11 the purpose of this referendum.

12 STATEMENT OF FACT

13 Since it is anticipated that the original
14 \$3,000,000 bond issue for restoration of oil contami-
15 nated ground water and well water, Private and Spe-
16 cial Law 1985, chapter 72, will be depleted by the
17 end of calendar year 1987 or in early 1988, it is
18 necessary to obtain another bond issue if the depart-
19 ment is to continue its cleanup and restoration pro-
20 gram of the State's ground water and well water. In
21 addition, the department has learned of the existence
22 of an estimated 600 plus low-income homeowners,
23 throughout the State, who cannot afford to pay the
24 costs of removing their old underground oil storage
25 tanks. The \$1,000,000 new bond initiative will assist
26 these low-income homeowners.

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