

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1038

S.P. 346

In Senate, April 1, 1987

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

JOY J. O'BRIEN, Secretary of the Senate
Presented by President PRAY of Penobscot.

Cosponsored by Senator BUSTIN of Kennebec, Representative
DIAMOND of Bangor, Representative CONNOLLY of Portland.

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 \$15,000,000 for**
3 **Capital Improvements, Major Repairs,**
4 **Building Purchase Capital and other**
5 **Special Needs of Community-based**
6 **Nonprofit, Voluntary Social Services**
7 **Organizations.**
8

9 Preamble. Two thirds of both Houses of the Legis-
10 lature deeming it necessary in accordance with the
11 Constitution of Maine, Article IX, Section 14, to au-
12 thorize the issuance of bonds on behalf of the State
13 of Maine to provide funds for capital improvements,
14 major repairs, building purchase capital and other
15 special needs of community-based nonprofit, voluntary
16 social services organizations.

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

1 **Sec. 1. Bond issue authorized.** The Treasurer of
2 State is authorized, under the direction of the Gov-
3 ernor, to issue from time to time serial coupon bonds
4 in the name and on behalf of the State to an amount
5 not exceeding \$15,000,000 for the purpose of raising
6 funds for capital improvements, major repairs, build-
7 ing purchase capital and other special needs of
8 community-based nonprofit, voluntary social services
9 organizations. These bonds shall be deemed a pledge
10 of the faith and credit of the State. These bonds
11 shall not run for a longer period than 5 years from
12 the date of the original issue of the bonds. Any is-
13 suance of bonds may contain a call feature at the
14 discretion of the Treasurer of State with the approv-
15 al of the Governor. All bonds hereby authorized ei-
16 ther not issued or for which bond anticipation notes
17 have not been issued within 5 years of the ratifica-
18 tion of this Act shall be deauthorized and may not be
19 issued.

20 **Sec. 2. Records of bonds issued to be kept by**
21 **State Auditor and Treasurer of State.** The State Audi-
22 tor shall keep an account of these bonds, showing the
23 number and amount of each, the date of countersign-
24 ing, the date when payable and the date of delivery
25 of the bonds to the Treasurer of State, who shall
26 keep an account of each bond, showing the number of
27 the bond, the name of the person to whom sold, the
28 amount received from the same, the date of sale and
29 the date when payable.

30 **Sec. 3. Sale; how negotiated; proceeds appropri-**
31 **ated.** The Treasurer of State may negotiate the sale
32 of these bonds by direction of the Governor, but no
33 such bond may be loaned, pledged or hypothecated in
34 behalf of the State. The proceeds of sales of these
35 bonds, which shall be held by the Treasurer of State
36 and paid by him upon warrants drawn by the Governor,
37 are appropriated to be used solely for the purposes
38 set forth in this Act. Any unencumbered balances re-
39 maining at the completion of the projects listed in
40 section 6 shall lapse to the debt service account es-
41 tablished for the retirement of these bonds.

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

1 **Sec. 5. Disbursement of bond proceeds.** The pro-
2 ceeds of these bonds shall be expended under the di-
3 rection and supervision of the Maine State Housing
4 Authority which shall promulgate rules under the
5 Maine Administrative Procedure Act, the Maine Revised
6 Statutes, Title 5, chapter 375, dealing with eligi-
7 bility, use of funds and loan payments. The Maine
8 State Housing Authority may select an advisory com-
9 mittee composed of members representing community
10 agencies.

11 **Sec. 6. Allocation from General Fund bond issue;**
12 **low interest loan fund; emergency capital needs**
13 **grants.** The funds allocated by this section shall be
14 expended for the following:

	<u>1987-88</u>
15	
16 Maine State Housing Authority	
17 Low interest loan fund	\$11,225,000
18 Emergency capital needs grants	3,725,000
19 Total	<u>\$15,000,000</u>

20 These funds are intended for nonprofit agencies
21 which are not building-based: For example, hospitals
22 and nursing homes would not be eligible for any of
23 these funds. The funds will be primarily aimed at
24 agencies providing services to state clients or
25 through state contracts.

26 **Sec. 7. Bonds authorized but not issued.** Any
27 bonds authorized but not issued, or for which bond
28 anticipation notes have not been issued within 5
29 years of the ratification of this Act, shall be
30 deauthorized and may not be issued, provided that the
31 Legislature may, within 2 years after the expiration
32 of that 5-year period, extend the period for issuing
33 any remaining unissued bonds or bond anticipation
34 notes for an additional amount of time not to exceed
35 5 years.

36 **Sec. 8. Unexpended bond proceeds.** Any bond pro-
37 ceeds which have not been expended 10 years after the
38 date of the sale of the bonds shall lapse to the Gen-
39 eral Fund debt service account.

1 Sec. 9. Contingent upon ratification of bond issue.
2 Sections 1 to 8 shall not become effective until
3 the people of the State have ratified the issuance of
4 bonds as set forth in this Act.

5 Sec. 10. Appropriation balances at year end. At
6 the end of each fiscal year, all unencumbered appropriation
7 balances representing state money shall carry
8 forward from year to year.

9 Sec. 11. Statutory referendum procedure; submission
10 at statewide election; form of question; effective
11 date. This Act shall be submitted to the legal
12 voters of the State of Maine at a statewide election
13 to be held on the Tuesday following the first Monday
14 of November following passage of this Act. The city
15 aldermen, town selectmen and plantation assessors of
16 this State shall notify the inhabitants of their respective
17 cities, towns and plantations to meet, in the manner
18 prescribed by law for holding a statewide election,
19 to vote on the acceptance or rejection of this Act
20 by voting on the following question:

21 "Shall a bond issue be authorized in the amount
22 of \$15,000,000 to provide funds which would be available,
23 through grants and a loan fund, to certain non-profit
24 community service agencies?"

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

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

1 STATEMENT OF FACT

2 The purpose of this Bill is to authorize a Gener-
3 al Fund bond issue in the amount of \$15,000,000 for
4 capital improvements, major repairs, building pur-
5 chase capital and other special needs of
6 community-based nonprofit, voluntary social services
7 organizations.

8

1131030987