

# MAINE STATE LEGISLATURE

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(Governor's Bill)  
FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 1396

H.P. 1038 House of Representatives, April 30, 1987  
Reference to the Committee on Transportation suggested  
and ordered printed.

EDWIN H. PERT, Clerk  
Presented by Representative WHITCOMB of Waldo.

Cosponsored by Senators DOW of Kennebec, CAHILL of  
Sagadahoc and Representative MACOMBER of South Portland.

STATE OF MAINE

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

1 AN ACT to Authorize Department of  
2 Transportation Bond Issues in the  
3 Amount of \$26,500,000 to Match  
4 Available Federal Funds for Highway,  
5 Bridge and Airport Improvements and to  
6 Reduce Ground Water Pollution Resulting  
7 from the Storage of State and  
8 Municipally-owned Highway Materials.  
9

10 Preamble. Two thirds of both Houses of the Leg-  
11 islature deeming it necessary in accordance with the  
12 Constitution of Maine, Article IX, Section 14, to au-  
13 thorize the issuance of Highway and General Fund  
14 bonds on behalf of the State of Maine to provide  
15 funds to match available federal funds for highway,  
16 bridge and airport improvements and to reduce ground  
17 water pollution resulting from the storage of state  
18 and municipally-owned highway materials.

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 **highway, bridge and airport improvements and to re-**  
5 **duce ground water pollution resulting from the stor-**  
6 **age of state and municipally-owned highway materials.**  
7 The Treasurer of State is authorized, under the di-  
8 rection of the Governor, to issue from time to time  
9 registered bonds in the name and behalf of the State  
10 to an amount not exceeding \$26,500,000 for the pur-  
11 pose of raising funds to match available federal  
12 funds for highway, bridge and airport improvements  
13 and to reduce ground water pollution from the storage  
14 of state and municipally-owned highway materials as  
15 authorized by section 6. The bonds shall be deemed a  
16 pledge of the full faith and credit of the State.  
17 The bonds shall not run for a longer period than 20  
18 years from the date of the original issue of the  
19 bonds. Any issuance of bonds may contain a call fea-  
20 ture at the discretion of the Treasurer of State with  
21 the approval of the Governor.

22       **Sec. 2. Records of bonds issued to be kept by**  
23 **the State Auditor and Treasurer of State. The State**  
24 **Auditor shall keep an account of the bonds, showing**  
25 **the number and amount of each, the date when payable**  
26 **and the date of delivery of the bonds to the Treasur-**  
27 **er of State who shall keep an account of each bond**  
28 **showing the number of the bond, the name of the suc-**  
29 **cessful bidder to whom sold, the amount received for**  
30 **the same, the date of sale and the date when payable.**

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

1           Sec. 4. Interest and debt retirement. Interest  
2 due or accruing upon any bonds issued under this Act  
3 and all sums coming due for payment of bonds at maturity  
4 shall be paid by the Treasurer of State.

5           Sec. 5. Disbursement of bond proceeds. The proceeds  
6 of the bonds set out in section 6 shall be expended  
7 under the direction and supervision of the  
8 Commissioner of Transportation.

9           Sec. 6. Allocations and appropriations from  
10 Highway Fund and General Fund bond issues - highway,  
11 bridge and airport improvements and to reduce pollution  
12 from the storage of state and municipally-owned  
13 highway materials. The proceeds of the sale of bonds  
14 shall be expended as designated in the following  
15 schedule.

16           Summary of Bond Issues

17           Highway Fund bond issues

18           Highway and bridge improvements	\$19,000,000
19           Sand and salt pile covering	6,500,000
20	
21           Total Highway Fund	<u>\$25,500,000</u>
22           General Fund bond issue	
23           Airport improvements	1,000,000
24	
25           Total Highway Fund and General Fund	<u>Bonds</u>
26           Bonds	\$26,500,000

27           Allocation of Highway Fund bond issue. Receipt  
28 of the Highway Fund for the fiscal years, from July  
29 1, 1987, to June 30, 1988, and from July 1, 1988, to  
30 June 30, 1989, from the proceeds of the sale of bonds  
31 shall be segregated, apportioned and expended as designated  
32 in the following schedule.

33	<u>1987-88</u>	<u>1988-89</u>
34           Highway-Highway		
35           Bridge		

1	Improvements	\$ 9,500,000	\$ 9,500,000
2	Sand and salt pile cover-	3,250,000	3,250,000
3	ing		
4			
5	Total Allocations	<u>\$12,750,000</u>	<u>\$12,750,000</u>

6       **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to 6 shall not become effective unless and until the people of the State have ratified the issuance of bonds as set forth in this Act.

10       **Sec. 8. Appropriation balances at year end.** At the end of each fiscal year, all unencumbered appropriation balances representing state money shall carry forward from year to year. Bond proceeds which have not been expended within 10 years after the date of the sale of the bonds shall lapse to General Fund debt service.

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

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

39       "Do you favor a \$26,500,000 bond issue for highway, bridge and airport improvements and to reduce ground water pollution resulting from the

1 storage of state and municipally-owned highway  
2 materials?"

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

17 The Secretary of State shall prepare and furnish  
18 to each city, town and plantation all ballots, re-  
19 turns and copies of this Act necessary to carry out  
20 the purpose of this referendum.

21 STATEMENT OF FACT

22 The funds provided by this bond issue, in the  
23 amount of \$26,500,000, will be used to match availa-  
24 ble federal funds for highway, bridge and airport im-  
25 provements and to reduce ground water pollution re-  
26 sulting from the storage of state and municipally-  
27 owned highway materials.

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