

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 2575

H.P. 1883 House of Representatives, March 23, 1988
Reference to the Committee on Appropriations and
Financial Affairs suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative DEXTER of Kingfield.

Cosponsored by Representative McGOWAN of Canaan, Senators
EMERSON of Penobscot and USHER of Cumberland.

STATE OF MAINE

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

1 AN ACT to Authorize a General Fund Bond Issue in
2 the Amount of \$12,000,000 for Sewerage
3 Facilities Construction.
4

5 Preamble. Two thirds of both Houses of the
6 Legislature deeming it necessary in accordance with
7 the Constitution of Maine, Article IX, Section 14, to
8 authorize the issuance of bonds on behalf of the State
9 of Maine to provide funds for sewerage facilities

1 construction.

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

4 **Sec. 1. Authorization of bonds to provide for**
5 **sewerage facilities construction.** The Treasurer of
6 State is authorized, under the direction of the
7 Governor, to issue from time to time registered bonds
8 in the name and behalf of the State to an amount not
9 exceeding \$12,000,000 for the purpose of raising funds
10 to provide for sewerage construction as authorized by
11 section 6. The bonds shall be deemed a pledge of the
12 full faith and credit of the State. The bonds shall
13 not run for a longer period than 20 years from the
14 date of the original issue of the bonds. Any issuance
15 of bonds may contain a call feature at the discretion
16 of the Treasurer of State with the approval of the
17 Governor.

18 **Sec. 2. Records of bonds issued to be kept by**
19 **the State Auditor and Treasurer of State.** The State
20 Auditor shall keep an account of the bonds, showing
21 the number and amount of each, the date when payable
22 and the date of delivery of the bonds to the Treasurer
23 of State who shall keep an account of each bond
24 showing the number of the bond, the name of the
25 successful bidder to whom sold, the amount received
26 for the same, the date of sale and the date when
27 payable.

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

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

9 **Sec. 6. Allocations from General Fund bond**
10 **issue; sewerage facilities construction.** The
11 proceeds of the sale of bonds shall be expended as
12 designated in the following schedule.

13 Sewerage facilities construction \$12,000,000.

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

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

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

34 **Sec. 10. Statutory referendum procedure;**
35 **submission at general election; form of question;**
36 **effective date.** This Act shall be submitted to the
37 legal voters of the State at the next general election
38 in the month of November following passage of this

1 Act. The city aldermen, town selectmen and plantation
2 assessors of this State shall notify the inhabitants
3 of their respective cities, towns and plantations to
4 meet, in the manner prescribed by law for holding a
5 statewide election, to vote on the acceptance or
6 rejection of this Act by voting on the following
7 question:

8 "Do you favor a \$12,000,000 bond issue for
9 sewerage facilities construction?"

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

23 The Secretary of State shall prepare and furnish
24 to each city, town and plantation all ballots, returns
25 and copies of this Act necessary to carry out the
26 purpose of this referendum.

27 STATEMENT OF FACT

28 The funds provided by this bond issue, in the
29 amount of \$12,000,000, will be used for sewerage
30 facilities construction.

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