

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1460

H.P. 1049

House of Representatives, May 3, 1989

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

A handwritten signature in cursive script that reads 'Ed Pert'.

EDWIN H. PERT, Clerk

Presented by Representative PENDLETON of Scarborough.

Cosponsored by Senator THERIAULT of Aroostook, Senator COLLINS of Aroostook and Representative TOWNSEND of Eastport.

STATE OF MAINE

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

An Act to Authorize a General Fund Bond Issue in the Amount of \$1,000,000 for a Low-interest Loan Program for Sewerage System Access or Septic System Replacement.



1 **Preamble.** Two thirds of both Houses of the Legislature
2 deeming it necessary in accordance with the Constitution of
3 Maine, Article IX, Section 14, to authorize the issuance of bonds
4 on behalf of the State of Maine to provide funds for a
5 low-interest loan program for sewerage system access or septic
6 system replacement.

7 **Be it enacted by the People of the State of Maine as follows:**

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

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

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

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

44 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
45 bonds set out in section 6 shall be expended under the direction
46 and supervision of the Maine State Housing Authority.

1 by a cross or check mark placed within a corresponding square
2 below the word "Yes" or "No." The ballots shall be received,
3 sorted, counted and declared in open ward, town and plantation
4 meetings and returns made to the Secretary of State in the same
5 manner as votes for members of the Legislature. The Governor
6 shall review the returns and, if it appears that a majority of
7 the legal voters are in favor of the Act, the Governor shall
8 proclaim that fact without delay and the Act shall become
9 effective 30 days after the date of the proclamation.

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

15 STATEMENT OF FACT

17 The funds provided by this bond issue, in the amount of
18 \$1,000,000, will be used to set up a low-interest loan program to
19 be administered by the Maine State Housing Authority. The loans
20 will be available for families for sewerage system access or
21 septic system replacement.