# MAINE STATE LEGISLATURE

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# 114th MAINE LEGISLATURE

### FIRST REGULAR SESSION - 1989

Legislative Document

No. 1702

S.P. 608

In Senate, May 24, 1989

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

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator PERKINS of Hancock.

Cosponsored by Representative GREENLAW of Standish, Senator BUSTIN of Kennebec and Representative MELENDY of Rockland.

#### 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 \$49,500,000 for Construction and Renovation of Correctional Facilities.



Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds for construction and renovation of correctional facilities.

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

- Sec. 1. Authorization of bonds to provide for construction and removation of correctional facilities. The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time registered bonds in the name and behalf of the State to an amount not exceeding \$49,500,000 for the purpose of raising funds to provide for construction and renovation of correctional facilities as authorized by section 6. The bonds shall be deemed a pledge of the full faith and credit of the State. The bonds shall not run for a longer period than 20 years from the date of the original issue of the bonds. Any issuance of bonds may contain a call feature at the discretion of the Treasurer of State with the approval of the Governor.
- Sec. 2. Records of bonds issued to be kept by the State Auditor and Treasurer of State. The State Auditor shall keep an account of the bonds, showing the number and amount of each, the date when payable and the date of delivery of the bonds to the Treasurer of State who shall keep an account of each bond showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the same, the date of sale and the date when payable.
- Sec. 3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which shall be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the Governor, are appropriated to be used solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the projects in section 6 shall lapse to the debt service account established for the retirement of these bonds.
- Sec. 4. Interest and debt retirement. Interest due or accruing upon any bonds issued under this Act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State.
- Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds set out in section 6 shall be expended under the direction and supervision of the Director of Public Improvements in consultation with the Commissioner of Corrections.

facilities. The proceeds of the sale of bonds shall be expended as designated in the following schedule. 3 CORRECTIONS, DEPARTMENT OF 7 Construction and Renovation -Maine Correctional Center \$200,000 Construction and Renovation -11 Maine State Prison 4,510,000 Construction and Renovation -13 Charleston Correctional Facility 100,000 15 Construction and Renovation -17 Maine Youth Center 5,020,000 19 Construction - Juvenile Detention Facility in Northern Maine 4,500,000 21 Construction and Renovation -35,000,000 Maximum Security Prison, Warren 23 Construction and Renovation -25 Downeast Correctional Facility 100,000 2.7 Construction and Renovation -29 Prerelease Centers 70,000 DEPARTMENT OF CORRECTIONS 31 TOTAL \$49,500,000 33 Sec. 7. Transfer between items. The amounts listed after the items in section 6 are to be construed as a guide. Any of the 35 amounts may be exceeded with the approval of the Governor by 37 transfer from one item to another not exceeding 10% in the aggregate. 39 Sec. 8. Contingent on ratification of bond issue. Sections 1 to 7 shall not become effective unless and until the people of the 41 State have ratified the issuance of bonds as set forth in this 43 Act. Sec. 9. Appropriation balances at year end. At the end of each 45 fiscal year, all unencumbered appropriation balances representing 47 state money shall carry forward from year to year. Bond proceeds which have not been expended within 10 years after the date of

Sec. 6. Allocations from General Fund bond issue; correctional

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the sale of the bonds shall lapse to General Fund debt service.

Sec. 10. 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.

Sec. 11. Referendum for ratification; 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:

"Shall a bond issue be authorized in the amount of \$49,500,000 to build and repair prisons?"

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

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

#### STATEMENT OF FACT

The purpose of this bill is to authorize a General Fund bond issue in the amount of \$49,500,000 for the construction and renovation of correctional facilities. Section 6 designates which facilities will receive which portion of the bond.