

MAINE STATE LEGISLATURE

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R. 375.

L.D. 1794

(Filing No. S-454)

STATE OF MAINE
SENATE
114TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 673, L.D. 1794, Bill, "An Act to Authorize General Fund Bond Issues in the Amounts of \$35,000,000 and \$14,500,000 for Construction and Renovation of Correctional Facilities"

Amend the bill by striking out all of the title and inserting in its place the following:

'An Act to Authorize General Fund Bond Issues in the Amounts of \$14,500,000 and \$35,000,000 for Construction and Renovation of Correctional Facilities'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

PART A

Sec. 1. Authorization of bonds to provide for construction and renovation 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 \$14,500,000 for the purpose of raising funds to provide for construction and renovation of correctional facilities as authorized by section 6 of this Part. 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 10 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

COMMITTEE AMENDMENT "A" to S.P. 673, L.D. 1794

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 Part A of this Act. Any unencumbered balances remaining at the completion of the projects in section 6 of this Part 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 Part A of 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 of this Part shall be expended under the direction and supervision of the Director of Public Improvements in consultation with the Commissioner of Corrections.

Sec. 6. Allocations from General Fund bond issue; correctional facilities. The proceeds of the sale of bonds shall be expended as designated in the following schedule.

CORRECTIONS, DEPARTMENT OF

Construction and Renovation - Maine Correctional Center	\$200,000
Construction and Renovation - Maine State Prison	4,510,000
Construction and Renovation - Charleston Correctional Facility	100,000
Construction and Renovation - Maine Youth Center	5,020,000
Construction - Juvenile Detention Facility in Northern Maine	4,500,000
Construction and Renovation - Downeast Correctional Facility	100,000
Construction and Renovation - Prerelease Centers	70,000

DEPARTMENT OF CORRECTIONS

TOTAL

\$14,500,000

2
4 **Sec. 7. Transfer between items.** The amounts listed after the
6 items in section 6 of this Part are to be construed as a guide.
8 Any of the amounts may be exceeded with the approval of the
10 Governor by transfer from one item to another not exceeding 10%
12 in the aggregate.

8
10 **Sec. 8. Contingent on ratification of bond issue.** Sections 1 to 7
12 of this Part shall not become effective unless and until the
14 people of the State have ratified the issuance of bonds as set
16 forth in Part A of this Act.

14 **Sec. 9. Appropriation balances at year end.** At the end of each
16 fiscal year, all unencumbered appropriation balances representing
18 state money shall carry forward from year to year. Bond proceeds
20 which have not been expended within 10 years after the date of
22 the sale of the bonds shall lapse to General Fund debt service.

20 **Sec. 10. Bonds authorized but not issued.** Any bonds authorized
22 but not issued, or for which bond anticipation notes have not
24 been issued within 5 years of ratification of Part A of this Act,
26 shall be deauthorized and may not be issued, provided that the
28 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.

28 **Sec. 11. Referendum for ratification; submission at statewide
30 election; form of question; effective date.** Part A of this Act shall be
32 submitted to the legal voters of the State of Maine at a
34 statewide election to be held on the Tuesday following the first
36 Monday of November following passage of Part A of this Act. The
38 city aldermen, town selectmen and plantation assessors of this
40 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 Part A of this Act by voting on the following
question:

40 "Shall a bond issue be authorized in the amount of
42 \$14,500,000 to build and repair correctional facilities,
44 \$9,520,000 of which shall be for juvenile correctional
facilities?"

46 The legal voters of each city, town and plantation shall
48 vote by ballot on this question and shall designate their choice
50 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

COMMITTEE AMENDMENT "A" to S.P. 673, L.D. 1794

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 Part A of the Act, the Governor shall proclaim that fact without delay, and Part A of 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 Part A of this Act necessary to carry out the purpose of this referendum.

PART B

Sec. 1. Authorization of bonds to provide for construction and renovation 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 \$35,000,000 for the purpose of raising funds to provide for construction and renovation of adult correctional facilities as authorized by section 6 of this Part, including the purchase of any residential structures that lie within 1000 feet of any maximum security prison site. 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 Part B of this Act. Any unencumbered balances remaining at the completion of the projects in section 6 of this Part 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 Part B of 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 of this Part shall be expended under the direction and supervision of the Director of Public Improvements in consultation with the Commissioner of Corrections.

Sec. 6. Allocations from General Fund bond issue; adult correctional facilities. The proceeds of the sale of bonds shall be expended as deemed necessary for building, repair or renovation of adult correctional facilities. No money may be expended until the proceeds of the sale of bonds are allocated by the Second Regular Session of the 114th Legislature.

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

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.

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 Part B 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. 10. Referendum for ratification; submission at statewide election; form of question; effective date. Part B of 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 1990 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 Part B of this Act by voting on the following question:

"Shall a bond issue be authorized in the amount of \$35,000,000 to build, repair or renovate adult correctional facilities?"

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

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

18 PART C

20 The Joint Select Committee on Corrections is authorized to
study and evaluate the type of adult correctional facility or
22 facilities that should be implemented pursuant to Part B of this
Act, including the size, location and security status of the
24 facility or facilities. The Joint Select Committee on
Corrections shall submit a report to the Second Regular Session
26 of the 114th Legislature no later than February 1, 1990, which
includes their final recommendations and draft legislation to
28 allocate the \$35,000,000 General Fund bond issue.

30 **Emergency clause.** In view of the emergency cited in the
preamble, this Act shall take effect when approved.

32 FISCAL NOTE

34 The cost of the bond issue authorized in Part A is estimated
36 to be \$19,843,250 with principal payments of \$14,500,000 and
interest payments of approximately \$5,343,250.

38 The cost of the bond issue authorized in Part B is estimated
40 to be \$60,541,250 with principal payments of \$35,000,000 and
interest payments of approximately \$25,541,250.

42 Also, the estimated cost of sending these questions out to
44 referendum will vary according to the total number of referenda
enacted by this session of the Legislature. The estimated cost
46 to the Secretary of State, if one to 6 referenda are presented to
the voters, is \$88,000. Each additional referendum costs an
48 additional \$5,300.

50 Finally, the construction and renovation projects authorized
in this bill will create significant operating costs to the State
52 once these projects come on line.'

R. of S.

COMMITTEE AMENDMENT "A" to S.P. 673, L.D. 1794

STATEMENT OF FACT

This amendment authorizes the construction and renovation of correctional facilities totaling \$49,500,000. This amendment would send a \$14,500,000 General Fund bond issue for various construction and renovation projects to Maine's voters in November 1989. This amendment would also send a \$35,000,000 General Fund bond issue for building, repairing or renovating adult correctional facilities to Maine's voters in November 1990. Part C of this amendment authorizes the Joint Select Committee on Corrections to study and evaluate the type of adult correctional facilities that should be implemented with the \$35,000,000 bond issue and to make recommendations to the Second Regular Session of the 114th Legislature.

This amendment also adds a fiscal note.

Reported by the Majority of the Committee on Appropriations and Financial Affairs. Reproduced and distributed pursuant to Senate Rule 12.

(8/22/89)

(Filing Number S-454)