

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST SPECIAL SESSION - 1989

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No. 1794

S.P. 673

In Senate, August 21, 1989

Received by the Secretary of the Senate on August 16, 1989. Referred to the Committee on Appropriations and Financial Affairs and 1,400 ordered printed pursuant to Joint Rule 14.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator PERKINS of Hancock.

STATE OF MAINE

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

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.

(EMERGENCY)



2 Preamble. Two thirds of both Houses of the Legislature
deeming it necessary in accordance with the Constitution of
4 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.

6
8 Emergency preamble. Whereas, Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

10
12 Whereas, this Act requires ratification by referendum of the
issuance of bonds on behalf of the State to provide funds for
construction and renovation of correctional facilities; and

14
16 Whereas, this Act would not otherwise become effective until
after the November elections; and

18
20 Whereas, in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
22 necessary for the preservation of the public peace, health and
safety; now, therefore,

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

26 PART A

28 Sec. 1. Authorization of bonds to provide for construction and
renovation of correctional facilities. The Treasurer of State is
30 authorized, under the direction of the Governor, to issue from
time to time registered bonds in the name and behalf of the State
32 to an amount not exceeding \$35,000,000 for the purpose of raising
funds to provide for construction and renovation of correctional
34 facilities as authorized by section 6 of this Part, including the
purchase of any residential structures that lie within 1000 feet
36 of the maximum security prison site. The bonds shall be deemed a
pledge of the full faith and credit of the State. The bonds
38 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
40 contain a call feature at the discretion of the Treasurer of
State with the approval of the Governor.

42
44 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
46 bonds, showing the number and amount of each, the date when
payable and the date of delivery of the bonds to the Treasurer of
48 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
50 payable.

2 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
3 Treasurer of State may negotiate the sale of the bonds by
4 direction of the Governor, but no bond may be loaned, pledged or
5 hypothecated on behalf of the State. The proceeds of the sale of
6 the bonds, which shall be held by the Treasurer of State and paid
7 by the Treasurer of State upon warrants drawn by the Governor,
8 are appropriated to be used solely for the purposes set forth in
9 Part A of this Act. Any unencumbered balances remaining at the
10 completion of the projects in section 6 of this Part shall lapse
11 to the debt service account established for the retirement of
12 these bonds.

14 **Sec. 4. Interest and debt retirement.** Interest due or accruing
15 upon any bonds issued under Part A of this Act and all sums
16 coming due for payment of bonds at maturity shall be paid by the
17 Treasurer of State.

18 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
19 bonds set out in section 6 of this Part shall be expended under
20 the direction and supervision of the Director of Public
21 Improvements in consultation with the Commissioner of Corrections.

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

28 **CORRECTIONS, DEPARTMENT OF**

30 Construction and Renovation -
31 Maximum Security Prison, Warren \$35,000,000

32 **DEPARTMENT OF CORRECTIONS**

34 **TOTAL** \$35,000,000

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

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

46 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
47 but not issued, or for which bond anticipation notes have not
48 been issued within 5 years of ratification of Part A of this Act,
49 shall be deauthorized and may not be issued, provided that the
50 Legislature

2 may, within 2 years after the expiration of that 5-year period,
3 extend the period for issuing any remaining unissued bonds or
4 bond anticipation notes for an additional amount of time not to
5 exceed 5 years.

6 **Sec. 10. Referendum for ratification; submission at statewide**
7 **election; form of question; effective date.** Part A of this Act shall be
8 submitted to the legal voters of the State of Maine at a
9 statewide election to be held on the Tuesday following the first
10 Monday of November following passage of this Act. The city
11 aldermen, town selectmen and plantation assessors of this State
12 shall notify the inhabitants of their respective cities, towns
13 and plantations to meet, in the manner prescribed by law for
14 holding a statewide election, to vote on the acceptance or
15 rejection of Part A of this Act by voting on the following
16 question:

18 "Shall a bond issue be authorized in the amount of
19 \$35,000,000 to build, repair and renovate a maximum security
20 prison at Warren?"

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

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

38 PART B

40 **Sec. 1. Authorization of bonds to provide for construction and**
41 **renovation of correctional facilities.** The Treasurer of State is
42 authorized, under the direction of the Governor, to issue from
43 time to time registered bonds in the name and behalf of the State
44 to an amount not exceeding \$14,500,000 for the purpose of raising
45 funds to provide for construction and renovation of correctional
46 facilities as authorized by section 6 of this Part. The bonds
47 shall be deemed a pledge of the full faith and credit of the
48 State. The bonds shall not run for a longer period than 10 years
49 from the date of the original issue of the bonds. Any issuance
50 of bonds may contain a call feature at the discretion of the
51 Treasurer of State with the approval of the Governor.

2 **Sec. 2. Records of bonds issued to be kept by the State Auditor and**
3 **Treasurer of State.** The State Auditor shall keep an account of the
4 bonds, showing the number and amount of each, the date when
5 payable and the date of delivery of the bonds to the Treasurer of
6 State who shall keep an account of each bond showing the number
7 of the bond, the name of the successful bidder to whom sold, the
8 amount received for the same, the date of sale and the date when
9 payable.

10 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
11 Treasurer of State may negotiate the sale of the bonds by
12 direction of the Governor, but no bond may be loaned, pledged or
13 hypothecated on behalf of the State. The proceeds of the sale of
14 the bonds, which shall be held by the Treasurer of State and paid
15 by the Treasurer of State upon warrants drawn by the Governor,
16 are appropriated to be used solely for the purposes set forth in
17 Part B of this Act. Any unencumbered balances remaining at the
18 completion of the projects in section 6 of this Part shall lapse
19 to the debt service account established for the retirement of
20 these bonds.

21 **Sec. 4. Interest and debt retirement.** Interest due or accruing
22 upon any bonds issued under Part B of this Act and all sums
23 coming due for payment of bonds at maturity shall be paid by the
24 Treasurer of State.

25 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
26 bonds set out in section 6 of this Part shall be expended under
27 the direction and supervision of the Director of Public
28 Improvements in consultation with the Commissioner of Corrections.

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

32
33 **CORRECTIONS, DEPARTMENT OF**

34	Construction and Renovation -	
35	Maine Correctional Center	\$200,000
36	Construction and Renovation -	
37	Maine State Prison	4,510,000
38	Construction and Renovation -	
39	Charleston Correctional Facility	100,000
40	Construction and Renovation -	
41	Maine Youth Center	5,020,000
42	Construction - Juvenile Detention	
43	Facility in Northern Maine	4,500,000

2	Construction and Renovation -	
4	Downeast Correctional Facility	100,000
6	Construction and Renovation -	
	Prerelease Centers	70,000
8	DEPARTMENT OF CORRECTIONS	
10	TOTAL	<u>\$14,500,000</u>

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

22 **Sec. 8. Contingent on ratification of bond issue.** Sections 1 to 7
24 of this Part shall not become effective unless and until the
26 people of the State have ratified the issuance of bonds as set
28 forth in Part B of this Act.

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

40 **Sec. 10. Bonds authorized but not issued.** Any bonds authorized
42 but not issued, or for which bond anticipation notes have not
44 been issued within 5 years of ratification of Part B of this Act,
46 shall be deauthorized and may not be issued, provided that the
48 Legislature may, within 2 years after the expiration of that
50 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.

52 **Sec. 11. Referendum for ratification; submission at statewide**
54 **election; form of question; effective date.** Part B of this Act shall be
56 submitted to the legal voters of the State of Maine at a
58 statewide election to be held on the Tuesday following the first
60 Monday of November 1990 following passage of Part B of this Act.
62 The city aldermen, town selectmen and plantation assessors of
64 this State shall notify the inhabitants of their respective
66 cities, towns and plantations to meet, in the manner prescribed
68 by law for holding a statewide election, to vote on the
70 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
 \$14,500,000 to build and repair prisons?"

2 The legal voters of each city, town and plantation shall
4 vote by ballot on this question and shall designate their choice
6 by a cross or check mark placed within a corresponding square
8 below the word "Yes" or "No." The ballots shall be received,
10 sorted, counted and declared in open ward, town and plantation
12 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 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.

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

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

22
24 **STATEMENT OF FACT**

26 This bill authorizes the construction and renovation of
28 correctional facilities totalling \$49,500,000. However, this
bill also sends a \$35,000,000 General Fund bond issue for
30 construction and renovation of an additional 200 maximum security
beds at Warren to Maine's voters in November 1989. This bill
32 would send a \$14,000,000 General Fund bond issue for various
construction and renovation projects to Maine's voters in
34 November 1990.