

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 643

H.P. 453

House of Representatives, February 14, 1991

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

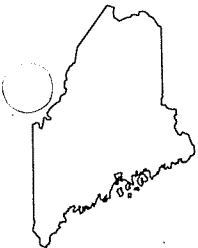
Presented by Representative NORTON of Winthrop.

Cosponsored by Senator McCORMICK of Kennebec, Representative TARDY of Palmyra and Representative AULT of Wayne.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Authorize a General Fund Bond Issue in the Amount of \$5,000,000 for the Construction of Necessary Safe Drinking Water Facilities.



2 **Preamble.** Two thirds of both Houses of the Legislature
3 deeming it necessary in accordance with the Constitution of
4 Maine, Article IX, Section 14, to authorize the issuance of bonds
5 on behalf of the State of Maine to provide funds for the
6 construction of drinking water filtration and purification
7 facilities.

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

10 **Sec. 1. Authorization of bonds to provide for the construction of**
11 **drinking water filtration and purification facilities.** The Treasurer of
12 State is authorized, under the direction of the Governor, to
13 issue bonds in the name and behalf of the State in an amount not
14 exceeding \$5,000,000 to raise funds for the construction of
15 drinking water filtration and purification facilities as
16 authorized by section 6. The bonds are a pledge of the full
17 faith and credit of the State. The bonds may not run for a
18 period longer than 20 years from the date of the original issue
19 of the bonds. At the discretion of the Treasurer of State, with
20 the approval of the Governor, any issuance of bonds may contain a
21 call feature.

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

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

40 **Sec. 4. Interest and debt retirement.** The Treasurer of State
41 shall pay interest due or accruing on any bonds issued under this
42 Act and all sums coming due for payment of bonds at maturity.

43 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
44 bonds must be expended as set out in section 6 under the
45 direction and supervision of the Maine Municipal Bond Bank.

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2 **Sec. 6. Allocations from General Fund bond issue; costs of capital**
3 **construction for drinking water purification and filtration facilities.** The
4 proceeds of the sale of bonds must be expended as follows.

5 Safe Drinking Water Revolving Loan Fund \$5,000,000

6
7 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
8 6 do not become effective unless the people of the State have
9 ratified the issuance of bonds as set forth in this Act.

10
11 **Sec. 8. Appropriation balances at year end.** At the end of each
12 fiscal year, all unencumbered appropriation balances representing
13 state money carry forward. Bond proceeds that have not been
14 expended within 10 years after the date of the sale of the bonds
15 lapse to General Fund debt service.

16
17 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
18 but not issued, or for which bond anticipation notes are not
19 issued within 5 years of ratification of this Act, are
20 deauthorized and may not be issued; except that the Legislature
21 may, within 2 years after the expiration of that 5-year period,
22 extend the period for issuing any remaining unissued bonds or
23 bond anticipation notes for an additional amount of time not to
24 exceed 5 years.

25
26 **Sec. 10. Referendum for ratification; submission at statewide**
27 **election; form of question; effective date.** This Act must be submitted
28 to the legal voters of the State of Maine at a statewide election
29 to be held on the Tuesday following the first Monday of November
30 following passage of this Act. The municipal officers of this
31 State shall notify the inhabitants of their respective cities,
32 towns and plantations to meet, in the manner prescribed by law
33 for holding a statewide election, to vote on the acceptance or
34 rejection of this Act by voting on the following question:

35 "Do you favor a \$5,000,000 bond issue for assisting water
36 utilities in the construction of drinking water purification
37 and filtration facilities?"

38
39 The legal voters of each city, town and plantation shall
40 vote by ballot on this question and designate their choice by a
41 cross or check mark placed within a corresponding square below
42 the word "Yes" or "No." The ballots must be received, sorted,
43 counted or declared in open ward, town and plantation meetings
44 and returns made to the Secretary of State in the same manner as
45 votes for members of the Legislature. The Governor shall review
46 the returns and, if a majority of the legal votes are cast in
47 favor of the Act, the Governor shall proclaim the
48

2 result without delay, and the Act becomes effective 30 days after
the date of the proclamation.

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

8
10 **STATEMENT OF FACT**

12 The funds provided by this bond issue, in the amount of
14 \$5,000,000, will be used to set up a revolving loan fund to
16 assist public and consumer-owned water utilities in the
construction of drinking water purification and filtration
facilities as required by the 1986 amendments to the federal Safe
Drinking Water Act.