

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 786

H.P. 549

House of Representatives, February 22, 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 MICHAUD of East Millinocket.

Cosponsored by Representative COLES of Harpswell, Senator PEARSON of Penobscot and Representative LORD of Waterboro.

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STATE OF MAINE

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

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**An Act to Authorize a General Fund Bond Issue in the Amount of  
\$10,000,000 to Provide Funds for the Municipal Capital Investment Fund.**

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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 grants to  
6           municipalities which have adopted comprehensive plans for the  
7           purpose of capital investment in municipal public service  
8           infrastructure.

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

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

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. The Treasurer of State shall keep an account of each bond  
26           showing the number of the bond, the name of the successful bidder  
27           to whom sold, the amount received for the bond, the date of sale  
28           and the date when 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 bond may be loaned, pledged or  
32           hypothecated on behalf of the State. The proceeds of the sale of  
33           the bonds, which must be held by the Treasurer of State and paid  
34           by the Treasurer of State upon warrants drawn by the State  
35           Controller, are appropriated solely for the purposes set forth in  
36           this Act. Any unencumbered balances remaining at the completion  
37           of the project in section 6 lapse to the debt service account  
38           established for the retirement of these bonds.

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

42           **Sec. 5. Disbursement of bond proceeds.** The proceeds of the  
43           bonds must be expended as set out in section 6 under the  
44           direction and supervision of the Department of Economic and  
45           Community Development.



2 restrictions of any law that may limit the power to so covenant  
and consent.

4 **Sec. 11. Referendum for ratification; submission at statewide**  
5 **election; form of question; effective date.** This Act must be submitted  
6 to the legal voters of the State of Maine at a statewide election  
7 held on the Tuesday following the first Monday of November  
8 following passage of this Act. The municipal officers of this  
9 State shall notify the inhabitants of their respective cities,  
10 towns and plantations to meet, in the manner prescribed by law  
11 for holding a statewide election, to vote on the acceptance or  
12 rejection of this Act by voting on the following question:

14 "Do you favor a \$10,000,000 bond issue for funds for a  
15 Municipal Growth Management and Capital Investment Fund to  
16 assist municipalities in the building of public facilities  
17 necessary to accommodate growth and economic development?"  
18

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

31 The Secretary of State shall prepare and furnish to each  
32 city, town and plantation all ballots, returns and copies of this  
33 Act necessary to carry out the purpose of this referendum.  
34

### 36 STATEMENT OF FACT

37 The funds provided by this bond issue, in the amount of  
38 \$10,000,000, will be used to assist towns and cities to build the  
39 public facilities, including roads, water supply and other items,  
40 needed to accommodate growth and economic development.  
42

43 The fund will be administered by the Department of Economic  
44 and Community Development. The department will coordinate this  
45 grants program with the other local and regional assistance  
46 programs it currently administers.