

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1207

H.P. 841

House of Representatives, March 20, 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 BRANNIGAN of Cumberland, Representative POULIOT of Lewiston and Senator GILL of Cumberland.

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 \$20,000,000 to Provide Funds to Help Municipalities with the Costs of Capital Construction to Correct Combined Sewer Overflows.



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 helping
6 municipalities with the costs of capital construction to correct
7 combined sewer overflows.

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

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

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

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

46 Sec. 5. Disbursement of bond proceeds. The proceeds of the
47 bonds must be expended as set out in section 6 under the
48 direction and supervision of the Department of Environmental
49 Protection.
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2 **Sec. 6. Allocations from General Fund bond issue; costs of capital**
3 **construction to correct combined sewer overflows.** The proceeds of the
4 sale of bonds must be expended as follows.

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1991-92

ENVIRONMENTAL PROTECTION,
DEPARTMENT OF \$20,000,000

These funds will be used to help municipalities with the costs of capital construction to correct combined sewer overflows through grants and loans.

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

Sec. 8. Appropriation balances at year end. At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond proceeds that have not been expended within 10 years after the date of the sale of the bonds 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 are not issued within 5 years of ratification of this Act, are deauthorized and may not be issued; except 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. This Act must be submitted to the legal voters of the State of Maine at a statewide election held on the Tuesday following the first Monday of November following passage of this Act. The municipal officers 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:

"Do you favor a \$20,000,000 bond issue for funds to help municipalities with the costs of capital construction to correct combined sewer overflows?"

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

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

18 STATEMENT OF FACT

20 The funds provided by this bond issue, in the amount of
\$20,000,000, will be used to help municipalities with the costs
22 of capital construction to correct combined sewer overflows.