MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1340

S.P. 502

In Senate, March 28, 1991

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator PEARSON of Penobscot Cosponsored by Senator BRANNIGAN 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 \$15,000,000 to Help Municipalities and Water Districts with the Costs of Capital Construction to Protect Public Water Supplies.



Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds to help municipalities and water districts with the costs of capital construction to protect public water supplies.

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

- Sec. 1. Authorization of bonds to provide for costs of capital construction to protect public water supplies. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and behalf of the State in an amount not exceeding \$15,000,000 to raise funds for municipalities and water districts to help with the costs of capital construction to protect public water supplies as authorized by section 6. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.
 - 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. The Treasurer of State 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 bond, 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 must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the project in section 6 lapse to the debt service account established for the retirement of these bonds.
 - Sec. 4. Interest and debt retirement. The Treasurer of State shall pay interest due or accruing on any bonds issued under this Act and all sums coming due for payment of bonds at maturity.
 - Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in section 6 under the direction and supervision of the Department of Environmental Protection to help municipalities and water districts with the costs of capital construction to protect public water supplies.

2	Sec. 6. Allocations from General Fund bond issue; cost of capital construction protect public water supplies. The proceeds of the sale
4	of bonds must be expended as follows.
6	1991-92
8	\$15,000,000
10	These funds will be used to help municipalities and water districts with the
12	costs of capital construction to protect public water supplies as required by the
14	federal Clean Water Act.
16	Sec. 7. Contingent upon ratification of bond issue. Sections 1 to 6 do not become effective unless the people of the State have
18	ratified the issuance of bonds as set forth in this Act.
20	Sec. 8. Appropriation balances at year end. At the end of each fiscal year, all unencumbered appropriation balances representing
22	state money carry forward. Bond proceeds that have not been expended within 10 years after the date of the sale of the bonds
24	lapse to General Fund debt service.
26	Sec. 9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not
28	issued within 5 years of ratification of this Act, are deauthorized and may not be issued; except that the Legislature
30	may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds or
32	bond anticipation notes for an additional amount of time not to exceed 5 years.
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0.0	Sec. 10. Referendum for ratification; submission at statewide
36	election; form of question; effective date. This Act must be submitted to the legal voters of the State of Maine at a statewide election
38	held on the Tuesday following the first Monday of November
	following passage of this Act. The municipal officers of this
40	State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law
42	for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:
44	"Do you favor a \$15,000,000 bond issue to help
46	municipalities and water districts with the costs of capital

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
12	the proclamation.

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

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STATEMENT OF FACT

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The funds provided by this bond issue, in the amount of \$15,000,000, will be used to help municipalities and water districts with the costs of capital construction to protect public water supplies. These projects are necessary to comply with the federal Clean Water Act and are expected to cost up to \$500,000,000 to complete.