

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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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.

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

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator PEARSON of Penobscot  
Cosponsored by Senator BRANNIGAN of Cumberland.

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STATE OF MAINE

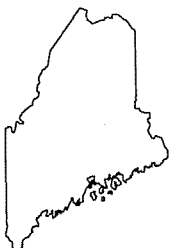
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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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**An Act to Authorize a General Fund Bond Issue in the Amount of  
\$15,000,000 to Help Municipalities and Water Districts with the Costs of  
Capital Construction to Protect Public Water Supplies.**

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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 to help  
6           municipalities and water districts with the costs of capital  
7           construction to protect public water supplies.

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

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

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 Department of Environmental  
46           Protection to help municipalities and water districts with the  
47           costs of capital construction to protect public water supplies.



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

14          The Secretary of State shall prepare and furnish to each  
16          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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22          The funds provided by this bond issue, in the amount of  
24          \$15,000,000, will be used to help municipalities and water  
26          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.