

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2012

S.P. 813

In Senate, January 8, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.
Reference to the Committee on State and Local Government suggested and ordered printed.

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

JOY J. O'BRIEN
Secretary of the Senate

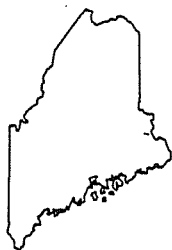
Presented by Senator BUSTIN of Kennebec

Cosponsored by President PRAY of Penobscot, Representative MAYO of Thomaston and
Representative CHONKO of Topsham.

STATE OF MAINE

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

**RESOLUTION, Proposing an Amendment to the Constitution of Maine
to Allow the State to Refund Bonds.**



2 **Constitutional amendment. RESOLVED:** Two thirds of each
3 branch of the Legislature concurring, that the following
4 amendment to the Constitution of Maine be proposed:

5 **Constitution, Art. IX, §14, first sentence,** as amended by CR 1983,
6 c. 4, is further amended to read:

7 The credit of the State shall may not be directly or
8 indirectly loaned in any case, except as provided in sections
9 14-A, 14-B, 14-C, 14-D and 14-E.
10

11 **Constitution, Art. IX, §14-E** is enacted to read:

12 **Section 14-E. Refunding bonds.** To refund any prior debt or
13 liability of the State, the Legislature, by proper enactment, may
14 authorize the issuance of refunding bonds. These refunding bonds
15 do not constitute a new debt or liability of the State within the
16 meaning of Section 14 as long as the refunding bonds do not
17 increase the remaining unpaid principal amount of the prior debt
18 or liability to be refunded and do not mature on a date later
19 than the final maturity authorized for the prior debt or
20 liability to be refunded. The refunding bonds may remain
21 outstanding concurrently with the prior debt or liability to be
22 refunded for that period as the proceeds of the refunding bonds,
23 together with any other amounts of the State as are specially
24 pledged for that purpose. The proceeds and other amounts must be
25 invested in obligations of, or guaranteed by, either the Federal
26 Government or State Government, in an amount sufficient to pay
27 the principal of, premium, if applicable, and interest on the
28 prior debt or liability to be refunded at the maturity of the
29 prior debt or liability or at an earlier date of redemption as
30 determined by enactment of the Legislature.
31

32 ; and be it further
33

34 **Constitutional referendum procedure; form of question; effective**
35 **date. Resolved:** That the municipal officers of this State shall
36 notify the inhabitants of their respective cities, towns and
37 plantations to meet, in the manner prescribed by law for holding
38 a general election, at the next general election in the month of
39 November following passage of this resolution, to vote upon the
40 ratification of the amendment proposed in this resolution by
41 voting upon the following question:
42

43 "Shall the Constitution of Maine be amended as proposed by a
44 resolution of the Legislature to authorize the issuance of
45 refunding bonds?"
46

47 The legal voters of each city, town and plantation shall vote by
48 ballot on this question, and designate their choice by a cross or
49 check mark placed within the corresponding square below the word
50 "Yes" or "No." The ballots must be received, sorted, counted and
51
52

2 declared in open ward, town and plantation meetings and returns
made to the Secretary of State in the same manner as votes for
4 members of the Legislature. The Governor shall review the
returns and, if it appears that a majority of the legal votes are
6 cast in favor of the amendment, the Governor shall proclaim that
fact without delay and the amendment becomes part of the
8 Constitution on the date of the proclamation; and be it further

10 **Secretary of State shall prepare ballots. Resolved:** That the
Secretary of State shall prepare and furnish to each city, town
12 and plantation all ballots, returns and copies of this resolution
necessary to carry out the purpose of this referendum.

14

16

STATEMENT OF FACT

18

Currently, the State is not allowed to refund its existing
bonds. This resolution amends the Constitution of Maine so that
20 existing bonds could be refunded.

20