

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1992

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Legislative Document

No. 2228

S.P. 873

In Senate, January 28, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.  
Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by President PRAY of Penobscot  
Cosponsored by Representative GOULD of Greenville, Representative MERRILL of  
Dover-Foxcroft and Representative HUSSEY of Milo.

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STATE OF MAINE

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

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An Act to Preserve East-west Railroads.

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2           **Preamble.** Two thirds of both Houses of the Legislature  
4           deeming it necessary in accordance with the Constitution of  
6           Maine, Article IX, Section 14, to authorize the issuance of bonds  
          on behalf of the State of Maine to provide funds for the  
          acquisition of certain rail lines to ensure the continuation of  
          rail services in rural Piscataquis, Penobscot and Waldo counties.

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

10           **Sec. 1. Authorization of bonds to provide for the acquisition of**  
12           **certain rail lines to ensure the continuation of rail services in rural**  
14           **Piscataquis, Penobscot and Waldo counties.** The Treasurer of State is  
16           authorized, under the direction of the Governor, to issue bonds  
18           in the name and behalf of the State in an amount not exceeding  
20           \$3,000,000 to raise funds for the acquisition of certain rail  
22           lines to ensure the continuation of rail services in rural  
          Piscataquis, Penobscot and Waldo counties 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 20  
          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.

24           **Sec. 2. Records of bonds issued to be kept by the State Auditor and**  
26           **Treasurer of State.** The State Auditor shall keep an account of the  
28           bonds, showing the number and amount of each, the date when  
30           payable and the date of delivery of the bonds to the Treasurer of  
32           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.

34           **Sec. 3. Sale; how negotiated; proceeds appropriated.** The  
36           Treasurer of State may negotiate the sale of the bonds by  
38           direction of the Governor, but no bond may be loaned, pledged or  
40           hypothecated on behalf of the State. The proceeds of the sale of  
42           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.

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



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.

12  
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  
\$3,000,000, will be used to pay for the costs associated with the  
22 acquisition of certain rail lines to ensure the continuation of  
rail services in rural Piscataquis, Penobscot and Waldo counties.