

MAINE STATE LEGISLATURE

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R. of S.

L.D. 2388

(Filing No. S-563)

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STATE OF MAINE
SENATE
115TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "A" to H.P. 1707, L.D. 2388, Bill, "An Act to Authorize Bond Issues for Transportation and Public Infrastructure Capital Improvements and Other Activities Designed to Create and Preserve Jobs for Maine Citizens"

Amend the bill by striking out the title and substituting the following:

'An Act to Authorize a Bond Issue for Transportation Infrastructure Capital Improvements and Other Activities Designed to Create and Preserve Jobs for Maine Citizens'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

Sec. 1. Authorization of bonds to provide for transportation infrastructure capital improvements. 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 \$56,000,000 to raise funds for transportation infrastructure capital improvements 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.

SENATE AMENDMENT

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SENATE AMENDMENT "A" to H.P. 1707, L.D. 2388

2 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
3 Treasurer of State may negotiate the sale of the bonds by
4 direction of the Governor, but no bond may be loaned, pledged or
5 hypothecated on behalf of the State. The proceeds of the sale of
6 the bonds, which must be held by the Treasurer of State and paid
7 by the Treasurer of State upon warrants drawn by the State
8 Controller, are appropriated solely for the purposes set forth in
9 this Act. Any unencumbered balances remaining at the completion
10 of the project in section 6 lapse to the debt service account
11 established for the retirement of these bonds.

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

15 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
16 bonds must be expended as set out in section 6 under the
17 direction and supervision of the Commissioner of Transportation.

18 **Sec. 6. Allocations from General Fund and Highway Fund bond
19 issue; transportation infrastructure capital improvements.** The proceeds
20 of the sale of bonds must be expended as designated in the
21 following schedule.

22 **Highway Fund Bond Issues**

23	Highway and bridge improvements	\$25,000,000
24	Salt and sand shed projects	3,000,000
25	Local road assistance program	10,000,000
26	Total Highway Fund	<u>\$38,000,000</u>

27 **General Fund Bond Issues**

28	Ferry, pier and port improvements	\$13,600,000
29	Railroad and airport improvements	4,400,000
30	Total General Fund	<u>\$18,000,000</u>

31 **TOTAL HIGHWAY FUND AND GENERAL FUND BOND** \$56,000,000

32 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
33 6 do not become effective unless the people of the State have
34 ratified the issuance of bonds as set forth in this Act.

2 **Sec. 8. Appropriation balances at year end.** At the end of each
3 fiscal year, all unencumbered appropriation balances representing
4 state money carry forward. Bond proceeds that have not been
5 expended within 10 years after the date of the sale of the bonds
6 lapse to General Fund debt service.

8 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
9 but not issued, or for which bond anticipation notes are not
10 issued within 5 years of ratification of this Act, are
11 deauthorized and may not be issued; except that the Legislature
12 may, within 2 years after the expiration of that 5-year period,
13 extend the period for issuing any remaining unissued bonds or
14 bond anticipation notes for an additional amount of time not to
15 exceed 5 years.

16 **Sec. 10. Referendum for ratification; submission at special election;**
17 **form of question; effective date.** This Act must be submitted to the
18 legal voters of the State of Maine at a special election to be
19 held on April 14, 1992 following passage of this Act. The
20 municipal officers of this State shall notify the inhabitants of
21 their respective cities, towns and plantations to meet, in the
22 manner prescribed by law for holding a general election, to vote
23 on the acceptance or rejection of this Act by voting on the
24 following question:

26
27 "Do you favor a \$56,000,000 bond issue to create and protect
28 jobs through capital improvements in transportation
29 facilities?"
30

31 The legal voters of each city, town and plantation shall
32 vote by ballot on this question and designate their choice by a
33 cross or check mark placed within a corresponding square below
34 the word "Yes" or "No." The ballots must be received, sorted,
35 counted and declared in open ward, town and plantation meetings
36 and returns made to the Secretary of State in the same manner as
37 votes for members of the Legislature. The Governor shall review
38 the returns and, if a majority of the legal votes are cast in
39 favor of this Act, the Governor shall proclaim the result without
40 delay, and this Act becomes effective 30 days after the date of
41 the proclamation.
42

43 The Secretary of State shall prepare and furnish to each
44 city, town and plantation all ballots, returns and copies of this
45 Act necessary to carry out the purpose of this referendum. All
46 costs of conducting the special election required by this Act
47 must be paid by the State. In conducting elections under this
48 Act, municipal officers shall permit twice as many voters to vote
49 per voting station as authorized in the Maine Revised Statutes,
50 Title 21-A.

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FISCAL NOTE

The estimated cost of sending this bond issue out to referendum is \$621,400 in fiscal year 1991-92. The Department of the Secretary of State will require a General Fund appropriation of \$121,400 in fiscal year 1991-92 for its own expenses for this bond referendum. A General Fund appropriation will also be required for the costs to municipalities of holding this special election, currently estimated at \$500,000.

The total cost of the bond issue is estimated to be \$73,248,000 with principal payments of \$56,000,000 and interest payments of \$17,248,000. The General Fund share of this total cost is \$23,544,000. The Highway Fund share of this total cost is \$49,704,000.

Debt service payments will come due in fiscal year 1992-93. A General Fund appropriation of \$554,400 and a Highway Fund allocation of \$1,170,400 will be required in fiscal year 1992-93 for the interest payments payable in that fiscal year. These figures assume the first principal payment can be structured to be payable no sooner than fiscal year 1993-94 and that 2 interest payments will be payable in fiscal year 1992-93.'

STATEMENT OF FACT

This amendment removes Part A from the bill and retains the transportation infrastructure capital improvements bond issue portion of the bill.

(Senator TWITCHELL)
SPONSORED BY: 

COUNTY: Oxford

Reproduced and Distributed Pursuant to Senate Rule 12.
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