MAINE STATE LEGISLATURE

The following document is provided by the

LAW AND LEGISLATIVE DIGITAL LIBRARY

at the Maine State Law and Legislative Reference Library

http://legislature.maine.gov/lawlib



Reproduced from scanned originals with text recognition applied (searchable text may contain some errors and/or omissions)



115th WAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2388

H.P. 1707

House of Representatives, February 27, 1992

Reported by Representative MELENDY for the Joint Standing Committee on Housing and Economic Development pursuant to Joint Order H.P. 1705.

EDWIN H. PERT, Clerk

STATE OF MAINE

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

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.



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 for transportation and public infrastructure capital improvements and other activities designed to create and preserve jobs for Maine citizens.

8

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

10

PARTA

12

14

16

18

20

22

2.4

26

28

30

32

Sec. A-1. Authorization of bonds to provide for public infrastructure capital improvements and other activities designed to create and preserve jobs for Maine citizens. 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 \$50,000,000 to raise funds to stimulate the creation of jobs by accelerating the οf immediate, short-term, labor-intensive construction projects to make needed improvements in the public infrastructure of the facilities, public school buildings and grounds, public higher education facilities, group residential homes and rural health clinics and to protect existing jobs through a program of financial assistance to distressed small businesses 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. For the purposes of this Part, the term "public school" includes private schools approved for tuition purposes that have school enrollments of at least 60% publicly funded students.

34

36

38

40

42

44

46

48

- Sec. A-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. A-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

2	Controller, are appropriated solely for the purposes this Part. Any unencumbered balances remaining at	
4	of the project in section 6 lapse to the debt se	_
	established for the retirement of these bonds.	
6	Clark A. A. Thadanand and Halled and annual and an	.
0		urer of State
8	shall pay interest due or accruing on any bonds issues Part and all sums coming due for payment of bonds at	
10		
	Sec. A-5. Disbursement of bond proceeds. The pr	
12	bonds must be expended as set out in section	
	direction and supervision of the Commissioner of	
14	Community Development for capital improvement	
	municipalities and for rural health clinics; the Ch	
16	Officer of the Finance Authority of Maine for	
	program for small businesses threatened with	
18		Education for
	public school capital improvement projects; the Boar	
20	of the Maine Technical College System for capita	
	projects in the technical college system; the Boar	
22	of the University of Maine System for capital	
2.4	projects in the university system; and the Director	
24	State Housing Authority for capital improvement projresidential homes.	jects at group
26		
•••	Sec. A-6. Allocations from General Fund bond	
28	infrastructure capital improvements and other activities des	
	and preserve jobs for Maine citizens. The proceeds of	
30	bonds must be expended as designated in the following	g schedule.
2.2	december 1 P. 1 P. 1 T.	
32	General Fund Bond Issues	•
34	Department of Economic and Community	
34	Development	
36	релеторинетс	
30	Municipal Infrastructure Capital	
38	Improvements	\$30,000,000
30	ImbioAemenca	ф30,000,000
40	Rural Health Clinics Capital	
- -	Improvements	700,000
42		. 00,000
	Finance Authority of Maine	
44	•	

by the Treasurer of State upon warrants drawn by the State

7,000,000

Economic Program Recovery Fund

46

Department	ο£	Education
------------	----	-----------

2		
	Public School Capital Improvements	5,300,000
4		
	Board of Trustees - Maine Technical College System	
6		4 000 000
0	Capital Improvements	4,000,000
8	Board of Trustees - University of Maine System	
10	board or truscees - oniversity or maine system	
-0	Capital Improvements	2,000,000
12		_, ,
	Maine State Housing Authority	•
14	- · · · · · · · · · · · · · · · · · · ·	
	Residential Group Homes - Capital	
16	Improvements	1,000,000
18	GENERAL FUND BOND ISSUES	
	TOTAL	\$50,000,000

Sec. A-7. Contingent upon ratification of bond issue. Sections 1 to 6 do not become effective unless the people of the State have ratified the issuance of bonds as set forth in this Part.

Sec. A-8. Appropriation balances at year end. At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward except that, on July 1, 1992, balances that have not been committed to be spent as provided in this Part before December 31, 1992 in accounts other than those authorized for the Department of Economic and Community Development do not carry forward and must be transferred to the Department of Economic and Community Development to be used for municipal capital improvement projects as provided in this Part. Bond proceeds that have not been expended within one year after the date of the sale of the bonds lapse to General Fund debt service.

Sec. A-9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within one year of ratification of this Part, are deauthorized and may not be issued; except that the Legislature may, within 2 years after the expiration of that one-year period, extend the period for issuing any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed one year.

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

"Do you favor a \$50,000,000 bond issue for municipal and other infrastructure improvements and activities designed to create and preserve jobs?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings 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 this Part, the Governor shall proclaim the result without delay, and this Part becomes effective 30 days after the date of the proclamation.

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

PARTB

Sec. B-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. B-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. B-3. Sale; how megotiated; 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 Part. 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. B-4. Interest and debt retirement. The Treasurer of State shall pay interest due or accruing on any bonds issued under this Part and all sums coming due for payment of bonds at maturity.
 - Sec. B-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 Commissioner of Transportation.
 - Sec. B-6. Allocations from General Fund and Highway Fund bond issue; transportation infrastructure capital improvements. The proceeds of the sale of bonds must be expended as designated in the following schedule.

Highway Fund Bond Issues

40	Highway and bridge improvements	\$25,000,000
42	Salt and sand shed projects	3,000,000
	Local road assistance program	10,000,000
44	Total Highway Fund	\$38,000,000

General Fund Bond Issues

2	Ferry, pier and port improvements	\$13,600,000
4	Railroad and airport improvements	4,400,000
6	Total General Fund	\$18,000,000
8		
10	TOTAL HIGHWAY FUND AND GENERAL FUND BOND	\$56,000,000
	Sec. B-7. Contingent upon ratification of bond issue. to 6 do not become effective unless the people of the	
	ratified the issuance of bonds as set forth in this Pa	
14	Sec. B-8. Appropriation balances at year end. At the	end of each
	fiscal year, all unencumbered appropriation balances state money carry forward. Bond proceeds that have	representing
18	expended within 10 years after the date of the sale of lapse to General Fund debt service.	
20		
	Sec. B-9. Bonds authorized but not issued. Any bonds	
	but not issued, or for which bond anticipation not	
	issued within 5 years of ratification of this deauthorized and may not be issued; except that the	
	may, within 2 years after the expiration of that 5-y	_
	extend the period for issuing any remaining unissue	
	bond anticipation notes for an additional amount of	
28 (exceed 5 years.	
30	Sec. B-10. Referendum for ratification; submission	ı at special
	election; form of question; effective date. This Part must b	
	to the legal voters of the State of Maine at a speci	
	to be held on April 14, 1992 following passage of this municipal officers of this State shall notify the inh	
	their respective cities, towns and plantations to me	
	manner prescribed by law for holding a general electi	
	on the acceptance or rejection of this Part by vot	
38 1	following question:	
<u> 1</u> 0		
	"Do you favor a \$56,000,000 bond issue to create	_
12	jobs through capital improvements in tra facilities?"	nsportation
4		
.6 t	The legal voters of each city, town and plant vote by ballot on this question and designate their	

46

cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings 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 this Part, the Governor shall proclaim the result without delay, and this Part becomes effective 30 days after the date of the proclamation.

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

STATEMENT OF FACT

This bill results from the final recommendations of the Jobs Commission. The bill authorizes a \$106,000,000 bond package to create and protect jobs and to make necessary capital improvements in the public infrastructure of the State. All funds are to be used for capital improvement projects ready for initiation during this year's construction season.

Part A establishes a multipart \$50,000,000 General Fund bond package to be used for immediate capital improvement projects, including \$30,000,000 for municipal infrastructure, \$5,300,000 for public schools, \$4,000,000 for the Maine Technical College System, \$2,000,000 for the University of Maine System, \$1,000,000 for residential group homes and \$700,000 for rural health clinics and centers. Part A also authorizes \$7,000,000 in bonds to be used by the Finance Authority of Maine to assist distressed but otherwise healthy businesses through establishment of a revolving loan fund.

Part B authorizes a \$56,000,000 bond issue to fund transportation infrastructure improvements, including \$25,000,000 for highway bridge improvements, \$10,000,000 for the local road assistance program, \$3,000,000 for sand and salt shed projects, \$13,600,000 for ferry, pier and port facilities improvements and \$4,400,000 for railroad and airport improvements.