

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2410

S.P. 946

In Senate, March 10, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27. Reference to the Committee on Housing and Economic Development 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 President PRAY of Penobscot

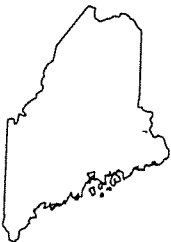
Cosponsored by Senator DUTREMBLE of York, Senator MATTHEWS of Kennebec and Representative KONTOS of Windham.

STATE OF MAINE

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

**An Act to Finance Rapid Employment Opportunities for the People of
Maine.**

(AFTER DEADLINE)



2 of the project in section 6 lapse to the debt service account
established for the retirement of these bonds.

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

8 **Sec. A-5. Disbursement of bond proceeds.** The proceeds of the
bonds must be expended as set out in section 6 under the
10 direction and supervision of the Commissioner of Economic and
Community Development for capital improvement projects for
12 municipalities; the Chief Executive Officer of the Finance
Authority of Maine for an assistance program for small businesses
14 threatened with loan recall resulting in foreclosure; and the
Commissioner of Education for public school capital improvement
16 projects.

18 **Sec. A-6. Allocations from General Fund bond issue; public
infrastructure capital improvements and other activities designed to create
20 and preserve jobs for Maine citizens.** The proceeds of the sale of
bonds must be expended as designated in the following schedule.

22	General Fund Bond Issues	
24	Department of Economic and Community Development	
26		
28	Municipal Infrastructure Capital Improvements	\$30,000,000
30		
32	Finance Authority of Maine	
34	Economic Program Recovery Fund	7,000,000
36	Department of Education	
38	Public School Capital Improvements	5,300,000
40	GENERAL FUND BOND ISSUES	
	TOTAL	<hr/> \$42,300,000

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

46 **Sec. A-8. Appropriation balances at year end.** At the end of each
fiscal year, all unencumbered appropriation balances representing
48 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 \$42,300,000 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

2 Part, municipal officers shall permit twice as many voters to
vote per voting station as authorized in the Maine Revised
Statutes, Title 21-A.

4
6
PART B

8 **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
10 in the name and behalf of the State in an amount not exceeding
\$48,000,000 to raise funds for transportation infrastructure
12 capital improvements as authorized by section 6. The bonds are a
pledge of the full faith and credit of the State. The bonds may
14 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
16 of State, with the approval of the Governor, any issuance of
bonds may contain a call feature.

18
20 **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
22 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
24 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
26 and the date when payable.

28 **Sec. B-3. Sale; how negotiated; proceeds appropriated.** The
Treasurer of State may negotiate the sale of the bonds by
30 direction of the Governor, but no bond may be loaned, pledged or
hypothecated on behalf of the State. The proceeds of the sale of
32 the bonds, which must be held by the Treasurer of State and paid
by the Treasurer of State upon warrants drawn by the State
34 Controller, are appropriated solely for the purposes set forth in
this Part. Any unencumbered balances remaining at the completion
36 of the project in section 6 lapse to the debt service account
established for the retirement of these bonds.

38
40 **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.

42
44 **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.

46
48 **Sec. B-6. Allocations from General Fund bond issue; transportation
infrastructure capital improvements.** The proceeds of the sale of
bonds must be expended as designated in the following schedule.

2	General Fund Bond Issues	
4	Highway and bridge improvements	\$25,000,000
6	Local road assistance program	10,000,000
8	Ferry, pier and port improvements	\$8,600,000
10	Railroad and airport improvements	4,400,000
12	GENERAL FUND BOND ISSUES	
	TOTAL	<hr/> \$48,000,000

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

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

26 **Sec. B-9. Bonds authorized but not issued.** Any bonds authorized
28 but not issued, or for which bond anticipation notes are not
30 issued within 5 years of ratification of this Part, are
32 deauthorized and may not be issued; except that the Legislature
may, within 2 years after the expiration of that 5-year period,
extend the period for issuing any remaining unissued bonds or
bond anticipation notes for an additional amount of time not to
exceed 5 years.

34 **Sec. B-10. Referendum for ratification; submission at special**
36 **election; form of question; effective date.** This Part must be submitted
38 to the legal voters of the State of Maine at a special election
40 to be held on April 14, 1992 following passage of this Part. The
42 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:

44 "Do you favor a \$48,000,000 bond issue to create and protect
46 jobs through capital improvements in transportation
48 facilities?"

50 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

2 the word "Yes" or "No." The ballots must be received, sorted,
4 counted and declared in open ward, town and plantation meetings
6 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
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.

10 The Secretary of State shall prepare and furnish to each
12 city, town and plantation all ballots, returns and copies of this
14 Part necessary to carry out the purpose of this referendum. All
16 costs of conducting the special election required by this Part
18 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.

20 STATEMENT OF FACT

22 This bill authorizes a \$90,300,000 bond package to create
24 and protect jobs and to make necessary capital improvements in
26 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.

28 Part A establishes a multipart \$42,300,000 General Fund bond
30 package to be used for immediate capital improvement projects,
including municipal infrastructure and public schools. Part A
32 also authorizes \$7,000,000 of these bonds to be used by the
Finance Authority of Maine to assist distressed but otherwise
34 healthy businesses through establishment of a revolving loan fund.

36 Part B authorizes a \$48,000,000 bond issue to fund
transportation infrastructure improvements, including highway and
38 bridge improvements, the local road assistance program, ferry,
pier and port facilities improvements and railroad and airport
40 improvements.