MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2414

S.P. 948

In Senate, March 11, 1992

Reference to the Committee on Housing and Economic Development suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator CARPENTER of York (GOVERNOR'S BILL).

STATE OF MAINE

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

An Act to Authorize a General Fund Bond Issue in the Amount of \$10,000,000 to Provide for Job Retention and Job Creation.



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- Sec. 1. Authorization of bonds to provide for the Maine Street Investment Program. 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 \$10,000,000 to raise funds for downtown and business district revitalization 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. The bonds must be issued from time to time so as to meet the needs of the Maine Street Investment Program and the Economic Opportunity Fund. The bonds, when paid at maturity or otherwise retired, may not be reissued, but may be refunded on terms more favorable to the State than those in the original issue.
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- 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.

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Sec. 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 by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Act.

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

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Sec. 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 Finance Authority of Maine and the Department of Economic and Community Development.

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Sec. 6. Allocations from General Fund bond issue; downtown and business district revitalization. The proceeds of the sale of bonds must be expended as designated in the following schedule.

2 FINANCE AUTHORITY OF MAINE

4	Mame Street investment riogram	\$5,000,000
6	Provides funds for the capitalization of the Maine Street Investment Program. The	
8	program may provide loans to businesses for investments in downtown and business	
10	districts. The fund and the program are administered by the Finance Authority of	
12	Maine.	
14	FINANCE AUTHORITY OF MAINE TOTAL	\$5,000,000
16 18	ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF	
20	Economic Opportunity Fund	\$5,000,000
22	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	
24	TOTAL	\$5,000,000
26	TOTAL ALLOCATIONS	\$10,000,000
28 30	Sec. 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 Act.	
32	Sec. 8. Appropriation balances at year end. At the	end of each
34	fiscal year, all unencumbered appropriation balances state money carry forward. Bond proceeds that he	representing
36	expended within 10 years after the date of the sale lapse to General Fund debt service.	of the bonds
3 8	Sec. 9. Taxable bond option. The Treasurer of S	tate, at the
40	direction of the Governor, may covenant and constinterest on some or all of the bonds is includabl	
42	United States Internal Revenue Code, in the gross in holders of the bonds to the same extent and in the	ncome of the
	that the interest on bills, bonds, notes and other o	bligations of
14	the United States is includable in the gross in holders under the United States Internal Revenue	
16	subsequent law. The powers conferred by this section subject to any limitations or restrictions of any	n may not be
18	limit the power to so covenant and consent.	raw chac may

Sec. 10. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Act, are 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.

Sec. 11. Referendum for ratification; submission at general election; form of question; effective date. This Act must be submitted to the legal voters of the State of Maine at the next general election in the month of November following passage of this Act. 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 Act by voting on the following question:

"Do you favor a \$10,000,000 bond issue for use in providing financing assistance to Maine's industries for job retention and job creation?"

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 the Act, the Governor shall proclaim the result without delay, and the Act 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 Act necessary to carry out the purpose of this referendum.

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STATEMENT OF FACT

This bond issue provides funds for downtown revitalization, job retention and job creation through programs administered by the Finance Authority of Maine and the Department of Economic and Community Development. This bill is a companion measure to "An Act to Adopt the Recommendations of the Governor's Jobs Commission," LR 3807.