

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2434

S.P. 962

In Senate, March 23, 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 WEBSTER of Franklin (GOVERNOR'S BILL).
Cosponsored by Representative BAILEY of Farmington.

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
\$18,500,000 for Water Pollution Control Facilities Construction.**



2 **Preamble.** Two thirds of both Houses of the Legislature
deeming it necessary in accordance with the Constitution of
4 Maine, Article IX, Section 14, to authorize the issuance of bonds
on behalf of the State of Maine to provide funds for the
construction of water pollution control facilities.

6
8 **Be it enacted by the People of the State of Maine as follows:**

10 **Sec. 1. Authorization of bonds to provide for the construction of**
water pollution control facilities. The Treasurer of State is
12 authorized, under the direction of the Governor, to issue bonds
in the name and behalf of the State in an amount not exceeding
14 \$18,500,000 to raise funds for the construction of water
pollution control facilities as authorized by section 6. The
16 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
18 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.

20 **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
22 bonds, showing the number and amount of each, the date when
payable and the date of delivery of the bonds to the Treasurer of
24 State. The Treasurer of State shall keep an account of each bond
26 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
28 and the date when payable.

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

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

44 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
46 bonds must be expended as set out in section 6 under the
direction and supervision of the Department of Environmental
48 Protection.

2 **Sec. 6. Allocations from General Fund bond issue; cost of capital**
3 **construction for water pollution control facilities.** The proceeds of the
4 sale of bonds must be expended as designated in the following
5 schedule.

6 **DEPARTMENT OF ENVIRONMENTAL**
7 **PROTECTION**

10 State revolving loan fund	\$5,500,000
12 Small community and overboard 13 discharge programs	5,000,000
14 Water pollution control facilities	<u>8,000,000</u>
16 TOTAL ALLOCATIONS	\$18,500,000

18 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
19 6 do not become effective unless the people of the State have
20 ratified the issuance of bonds as set forth in this Act.

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

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

38 **Sec. 10. Referendum for ratification; submission at general election;**
39 **form of question; effective date.** This Act must be submitted to the
40 legal voters of the State of Maine at the next general election
41 in the month of November following passage of this Act. The
42 municipal officers of this State shall notify the inhabitants of
43 their respective cities, towns and plantations to meet, in the
44 manner prescribed by law for holding a general election, to vote
45 on the acceptance or rejection of this Act by voting on the
46 following question:

2 "Do you favor an \$18,500,000 bond issue for the construction
of water pollution control facilities, providing the state
4 match for approximately \$30,000,000 in federal money?"

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

18 The Secretary of State shall prepare and furnish to each
city, town and plantation all ballots, returns and copies of this
20 Act necessary to carry out the purpose of this referendum.

22 **STATEMENT OF FACT**

24 The funds provided by this bond issue, in the amount of
26 \$18,500,000, will be used for the planning, design and
construction of water pollution control facilities. The amount
28 of \$5,500,000 for the state revolving loan fund will provide most
of the State's 20% match for an anticipated \$30,000,000 in
30 federal grant dollars.