

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

No. 686

S.P. 215

In Senate, February 25, 1993

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$10,000,000 for Lake Restoration.**

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator BUSTIN of Kennebec.
Cosponsored by Representative CHASE of China and
Senators: CAREY of Kennebec, O'DEA of Penobscot, TITCOMB of Cumberland,
Representatives: BARTH of Bethel, DAGGETT of Augusta, JACQUES of Waterville, LORD of
Waterboro.

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 lake
6 restoration and protection.

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

10 **Sec. 1. Authorization of bonds to provide for lake restoration and**
protection. The Treasurer of State is authorized, under the
12 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
14 funds for lake restoration and protection as authorized by
section 6. The bonds are a pledge of the full faith and credit
16 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
18 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 Treasurer of State.**
The Treasurer of State shall keep an account of each bond showing
22 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
24 date when payable.

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

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

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

46 **Sec. 6. Allocations from General Fund bond issue; lake restoration**
and protection. The proceeds of the sale of bonds must be
48 expended as designated in the following schedule.

2 **ENVIRONMENTAL PROTECTION,**
3 **DEPARTMENT OF**

4 Transfer to Lake Restoration and \$10,000,000
5 Protection Fund

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

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

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

22 **Sec. 10. Referendum for ratification; submission at statewide**
23 **election; form of question; effective date.** This Act must be submitted
24 to the legal voters of the State of Maine at a statewide election
25 held on the Tuesday following the first Monday of November
26 following passage of this Act. The municipal officers of this
27 State shall notify the inhabitants of their respective cities,
28 towns and plantations to meet, in the manner prescribed by law
29 for holding a statewide election, to vote on the acceptance or
30 rejection of this Act by voting on the following question:

31 "Do you favor a \$10,000,000 bond issue for restoration and
32 protection of lakes in communities throughout the State?"

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

2 delay, and the Act becomes effective 30 days after the date of
the proclamation.

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

8
10 **STATEMENT OF FACT**

12 The funds provided by this bond issue, in the amount of
\$10,000,000, will be used for lake restoration and protection.
14 Reduction of federal funding of the lake restoration program will
limit efforts in Maine to restore lakes damaged by historical
development practices. Money from this bond issue will be used
16 with money raised by Maine municipalities to continue lake
restoration and protection efforts in Maine.