

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

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Legislative Document

No. 1033

H.P. 766

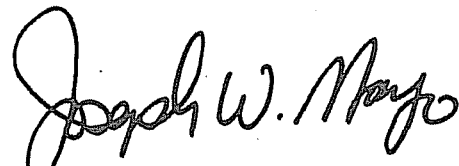
House of Representatives, March 25, 1993

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**An Act to Provide for the Purchase of School Buses.**

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

  
JOSEPH W. MAYO, Clerk

Presented by Representative LORD of Waterboro.  
Cosponsored by Representative: MITCHELL of Vassalboro, Senators: AMERO of Cumberland,  
TITCOMB of Cumberland.

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 purchase  
6           of school buses.

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

10           **Sec. 1. Authorization of bonds to provide for the purchase of school**  
buses. The Treasurer of State is authorized, under the direction  
12           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  
14           the purchase of school buses as authorized by section 6. The  
bonds are a pledge of the full faith and credit of the State.  
16           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  
18           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 Department of Education.

44           **Sec. 6. Allocations from General Fund bond issue; school buses.**  
46           The proceeds of the sale of bonds must be expended as designated  
in the following schedule.

2

1993-94

1994-95

4 **EDUCATION, DEPARTMENT OF**

6	All Other	\$5,000,000	\$5,000,000
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8 Funds will be distributed  
 among schools for the  
 10 purchase of school buses at  
 the rate of \$5,000,000 in  
 12 each of the fiscal years of  
 the biennium.

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

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

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

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

44 "Do you favor a \$10,000,000 bond issue to raise funds for  
 the purchase of school buses over a period of 2 years?"

46 The legal voters of each city, town and plantation shall  
 48 vote by ballot on this question and designate their choice by a  
 cross or check mark placed within a corresponding square below  
 50 the word "Yes" or "No." The ballots must be received, sorted,

2 counted and declared in open ward, town and plantation meetings  
and returns made to the Secretary of State in the same manner as  
4 votes for members of the Legislature. The Governor shall review  
the returns and, if a majority of the legal votes are cast in  
6 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.

8  
10 The Secretary of State shall prepare and furnish to each  
city, town and plantation all ballots, returns and copies of this  
12 Act necessary to carry out the purpose of this referendum.

#### 14 STATEMENT OF FACT

16 The funds provided by this bond issue, in the amount of  
\$10,000,000, will be used to raise money for the purchase of  
18 school buses.