

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

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Legislative Document

No. 1529

S.P. 505

In Senate, May 21, 1993

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**An Act to Authorize Department of Transportation Bond Issues in the Amount of \$39,500,000 to Match Available Federal Funds for Improvements to Highways, State and Local Bridges, Airports, Cargo Ports and the Ferry Service.**

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Reference to the Committee on Transportation 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 Senator BRANNIGAN of Cumberland. (GOVERNOR'S BILL).  
Cosponsored by Representative STROUT of Corinth and  
Senators: GOULD of Waldo, PARADIS of Aroostook, Representatives: BAILEY of Township  
27, BAILEY of Farmington, DRISCOLL of Calais, HUSSEY of Milo, MELENDY of Rockland,  
O'GARA of Westbrook, PLOURDE of Biddeford, RICKER of Lewiston.

2           **Preamble.** Two thirds of both Houses of the Legislature  
3           deeming it necessary in accordance with the Constitution of  
4           Maine, Article IX, Section 14, to authorize the issuance of bonds  
5           on behalf of the State of Maine to provide funds to match  
6           available federal funds for highway, bridge, airport and cargo  
7           port improvements.

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

10           **Sec. 1. Authorization of bonds to provide for highway, bridge and**  
11           **airport improvements.** The Treasurer of State is authorized, under  
12           the direction of the Governor, to issue bonds in the name and  
13           behalf of the State in an amount not exceeding \$39,500,000 to  
14           raise funds to match available federal funds for surface and air  
15           transportation improvements as authorized by section 6. The  
16           bonds are a pledge of the full faith and credit of the State.  
17           The bonds may not run for a period longer than 20 years from the  
18           date of the original issue of the bonds. At the discretion of  
19           the Treasurer of State, with the approval of the Governor, any  
20           issuance of bonds may contain a call feature.

22           **Sec. 2. Records of bonds issued to be kept by the Treasurer of State.**  
23           The Treasurer of State shall keep an account of each bond showing  
24           the number of the bond, the name of the successful bidder to whom  
25           sold, the amount received for the bond, the date of sale and the  
26           date when payable.

28           **Sec. 3. Sale; how negotiated; proceeds appropriated.** The  
29           Treasurer of State may negotiate the sale of the bonds by  
30           direction of the Governor, but no bond may be loaned, pledged or  
31           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  
33           by the Treasurer of State upon warrants drawn by the State  
34           Controller, are appropriated solely for the purposes set forth in  
35           this Act. Any unencumbered balances remaining at the completion  
36           of the project in section 6 lapse to the debt service account  
37           established for the retirement of these bonds.

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

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

46           **Sec. 6. Allocations from Highway Fund and General Fund bond**  
47           **issues.** The proceeds of the sale of bonds must be expended as  
48           designated in the following schedule.

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**Summary of bond issues**

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**Highway Fund Bond Issues**

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Highway and bridge improvements \$30,000,000

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Total Highway Fund \$30,000,000

10

**General Fund Bond Issues**

12

Airport improvements \$2,500,000

Cargo port improvements 2,000,000

14

Ferry service improvements 5,000,000

(Penobscot Bay and Casco Bay)

16

Total General Fund \$9,500,000

18

20

Total Highway Fund and General Fund Bonds \$39,500,000

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**Sec. 7. Allocation of Highway Fund bond issue.** For fiscal year 1993-94 and fiscal year 1994-95, receipt of the Highway Fund from the proceeds of the sale of bonds must be segregated, apportioned and expended as designated in the following schedule.

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**1993-94**

**1994-95**

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Highway and Bridge Improvements \$20,000,000 \$10,000,000

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**Sec. 8. 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.

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**Sec. 9. Appropriation balances at year end.** At the end of each fiscal year, all unencumbered appropriation balances representing 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.

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**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.

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