

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1994

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Legislative Document

No. 1895

S.P. 697

In Senate, February 18, 1994

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**An Act to Authorize Department of Transportation Bond Issues in the Amount of \$19,800,000 to Improve Passenger and Freight Rail Facilities and Make Improvements at State and Municipal Transportation Facilities.**

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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 GOULD of Waldo. (GOVERNOR'S BILL).  
Cosponsored by Senator BRANNIGAN of Cumberland, Representative O'GARA of Westbrook and  
Senator: PARADIS of Aroostook, Representatives: BAILEY of Township 27, BAILEY of Farmington, DRISCOLL of Calais, GOULD of Greenville, HUSSEY of Milo, MELENDY of Rockland, MICHAUD of East Millinocket, PLOURDE of Biddeford, RICKER of Lewiston, STROUT of Corinth.

2           **Preamble.** Two thirds of both Houses of the Legislature  
4           deeming it necessary in accordance with the Constitution of  
6           Maine, Article IX, Section 14, to authorize the issuance of bonds  
          on behalf of the State of Maine to provide funds to improve  
          passenger and freight rail facilities and make improvements at  
          state and municipal transportation facilities.

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

10           **Sec. 1. Authorization of bonds to provide funds to improve passenger**  
12           **and freight rail facilities and make improvements at state and municipal**  
14           **transportation facilities.** The Treasurer of State is authorized,  
16           under the direction of the Governor, to issue bonds in the name  
18           and behalf of the State in an amount not exceeding \$19,800,000 to  
20           raise funds to improve passenger and freight rail facilities and  
22           make improvements at state and municipal transportation  
          facilities 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 10 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.

24           **Sec. 2. Records of bonds issued to be kept by the Treasurer of State.**  
26           The Treasurer of State shall keep an account of each bond showing  
28           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.

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

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

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

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

5  
6 1993-94

7 **TRANSPORTATION, DEPARTMENT OF**

8 **General Fund**

9  
10           State share of rail facilities  
11           improvements

\$10,000,000

12  
13 **General Fund Total**

\$10,000,000

14  
15 **Highway Fund**

16  
17           Oil tank removal at Department of  
18           Transportation and State Police  
19           facilities

1,800,000

20  
21           State and municipal sand and salt  
22           storage facilities

8,000,000

23 **Highway Fund Total**

\$9,800,000

24  
25           **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to  
26 6 do not become effective unless the people of the State have  
27 ratified the issuance of bonds as set forth in this Act.

28  
29           **Sec. 8. Appropriation balances at year end.** At the end of each  
30 fiscal year, all unencumbered appropriation balances representing  
31 state money carry forward. Bond proceeds that have not been  
32 expended within 10 years after the date of the sale of the bonds  
33 lapse to General Fund or Highway Fund debt service.

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

**Sec. 10. 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 bond issues totaling \$19,800,000 to provide the state share of costs to improve passenger and freight rail facilities that will make the State eligible for federal and private funds, and to build municipal sand and salt storage facilities and to remove underground fuel tanks at Department of Transportation and State Police facilities?"

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.

#### STATEMENT OF FACT

The funds provided by this bond issue, in the amount of \$19,800,000, will be used to improve passenger and freight rail facilities, to construct municipal sand and salt storage facilities and to remove underground fuel tanks at Department of Transportation and State Police facilities.

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This document has not yet been reviewed to determine the need for cross-reference, stylistic and other technical amendments to conform existing law to current drafting standards.