

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 287

S.P. 112

In Senate, January 27, 1995

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$20,000,000 for Construction of Wastewater Treatment Facilities.**

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

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS
Secretary of the Senate

Presented by Senator MICHAUD of Penobscot.
Cosponsored by Representatives: DEXTER of Kingfield, GOULD of Greenville.

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 for the
6 construction of wastewater treatment facilities.

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

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

20 **Sec. 2. Records of bonds issued to be kept by the Treasurer of State.**
21 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
23 sold, the amount received for the bond, the date of sale and the
24 date when payable.

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

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

38 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
39 bonds must be expended as set out in section 6 under the
40 direction and supervision of the Department of Environmental
41 Protection.

42 **Sec. 6. Allocations from General Fund bond issue; cost of capital**
43 **construction for wastewater treatment facilities.** The proceeds of the
44 sale of bonds must be expended as designated in the following
45 schedule.
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1995-96

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DEPARTMENT OF ENVIRONMENTAL PROTECTION

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Wastewater Treatment Facilities

\$20,000,000

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Sec. 7. 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. 8. 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. 9. 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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Sec. 10. Referendum for ratification; submission at statewide election; form of question; effective date. This Act must be submitted to the legal voters of the State of Maine at a statewide election held on the Tuesday following the first Monday 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 statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

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"Do you favor a \$20,000,000 bond issue for the construction of wastewater treatment facilities?"

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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

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.

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STATEMENT OF FACT

12 The funds provided by this bond issue, in the amount of
\$20,000,000, will be used for the planning, design and
14 construction of wastewater treatment facilities.