

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 1577

H.P. 1133

House of Representatives, June 21, 1995

An Act to Authorize Department of Transportation Bond Issues in the Amount of \$51,900,000 to Match up to \$135,000,000 in Federal Funds for Improvements to Highways, State and Local Bridges, Airports and Ports.

Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative O'GARA of Westbrook. (GOVERNOR'S BILL)
Cosponsored by Representatives: BOUFFARD of Lewiston, CHARTRAND of Rockland,
DRISCOLL of Calais, HEINO of Boothbay, LINDAHL of Northport, STROUT of Corinth,
Senators: CASSIDY of Washington, PARADIS of Aroostook.

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 match
 available federal funds for highway, bridge, airport and port
 improvements.

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

10 **PART A**

12 **Sec. A-1. Authorization of bonds to provide for highway, bridge,**
14 **airport and port improvements.** The Treasurer of State is
16 authorized, under the direction of the Governor, to issue bonds
18 in the name and on behalf of the State in an amount not exceeding
20 \$51,900,000 to raise funds to match, in whole or in part,
22 available federal funds for surface, port and air transportation
 improvements 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 20 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. A-2. Records of bonds issued to be kept by the Treasurer of**
26 **State.** The Treasurer of State shall keep an account of each bond
28 showing 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. A-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
 hypothecated on behalf of the State. The proceeds of the sale of
36 the bonds, which must be held by the Treasurer of State and paid
 by the Treasurer of State upon warrants drawn by the State
38 Controller, are appropriated solely for the purposes set forth in
 this Part. Any unencumbered balances remaining at the completion
40 of the project in section 6 lapse to the debt service account
 established for the retirement of these bonds.

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

46 **Sec. A-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 Commissioner of Transportation.

2 to meet, in the manner prescribed by law for holding a statewide
election, to vote on the acceptance or rejection of this Part by
4 voting on the following question:

6 "Do you favor a \$51,900,000 bond issue for economic
development for improvements to highways, state and local
8 bridges, airports and cargo ports that makes the State
eligible for up to \$135,000,000 in matching federal funds?"

10 The legal voters of each city, town and plantation shall
vote by ballot on this question and designate their choice by a
12 cross or check mark placed within a corresponding square below
the word "Yes" or "No." The ballots must be received, sorted,
14 counted and declared in open ward, town and plantation meetings
and returns made to the Secretary of State in the same manner as
16 votes for members of the Legislature. The Governor shall review
the returns and, if a majority of the legal votes are cast in
18 favor of the Part, the Governor shall proclaim the result without
delay, and the Part becomes effective 30 days after the date of
20 the proclamation.

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

26 **PART B**

28 **Sec. B-1. 23 MRSA c. 19, sub-c. V-A** is enacted to read:

30 **SUBCHAPTER V-A**

32 **COLLECTOR ROAD IMPROVEMENT FUND**

34 **§1710. Establishment and administration**

36 The Collector Road Improvement Fund, referred to in this
38 subchapter as the "fund," is established to provide for the
reconstruction and maintenance of collector roads. The
40 Department of Transportation shall administer the fund.
Allocation of funds must be awarded competitively based on
42 guidelines developed by the department after public hearing.
These guidelines must establish a process by which the department
44 receives matching funds from public and private sources to
support collector road improvements. The department may set
46 aside any available federal funds into the fund. Local and
federal contributions to the fund accrue for redistribution in
48 subsequent program years and do not lapse.

2 For purposes of this subchapter, "collector roads" means
3 those highways not included in the system of state highways that
4 primarily serve as feeder routes connecting local service roads
5 to the arterial state highway system.

6 **Sec. B-2. Allocation from Highway Fund.** There is allocated
7 from the Highway Fund the sum of \$5,000,000 for fiscal year
8 1996-97 to the Collector Road Improvement Fund to carry out the
9 purpose of this Part. Any unexpended balance may not lapse but
10 must remain a continuing carrying account until the purpose of
11 this Part has been accomplished.

12 **Sec. B-3. Contingent upon ratification of bond issue.** This Part
13 does not take effect unless the bond issue under Part A of this
14 Act is approved by the legal voters of the State.
15

18 STATEMENT OF FACT

20 The funds provided by this bond issue in Part A of the bill,
21 in the amount of \$51,900,000, will be used to match up to
22 \$135,000,000 in federal funds to make necessary capital
23 improvements to the transportation infrastructure of the State.
24

25 Part B creates the Collector Road Improvement Fund,
26 contingent upon passage of the bond issue, designed to promote
27 economic development through targeted investments on the rural,
28 state-aid highway system with state funds awarded on a
competitive basis.