

MAINE STATE LEGISLATURE

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M
R.S.

L.D. 268

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DATE: June 20, 1997

(Filing No. S-445)

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**STATE OF MAINE
SENATE
118TH LEGISLATURE
FIRST SPECIAL SESSION**

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SENATE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 88, L.D. 268, Bill, "An Act to Authorize a General Fund Bond Issue in the Amount of \$20,000,000 for Landfill Closure and Remediation"

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Amend the amendment by striking out the substitute title and replacing it with the following:

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'An Act to Authorize 2 General Fund Bond Issue in the Amount of \$13,000,000 to Construct Water Pollution Control Facilities, to Close and Clean Up Municipal Solid Waste Landfills, to Clean Up Tire Stockpiles, to Mitigate Storm Water Pollution through a Comprehensive Watershed Protection Program and to Make Drinking Water Improvements'

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Further amend the amendment by striking out everything after the title and before the summary and inserting in its place the following:

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'Amend the bill by striking out everything after the title and before the enacting clause and inserting in its place the following:

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'Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds to construct water pollution control facilities, to clean up tire stockpiles and to make drinking water improvements and to provide funds to construct water pollution control facilities, waste landfills and to mitigate storm water pollution through a comprehensive watershed protection program.'

SENATE AMENDMENT

2 Further amend the bill by striking out everything after the
4 enacting clause and before the summary and inserting in its place
the following:

6 **PART A**

8 **Sec. A-1. Authorization of bonds to provide for funds to construct**
10 **water pollution control facilities, to clean up tire stockpiles and to make**
12 **drinking water improvements.** The Treasurer of State is
14 authorized, under the direction of the Governor, to issue bonds
16 in the name and on behalf of the State in an amount not exceeding
18 \$7,000,000 to raise funds to construct water pollution control
20 facilities, to clean up tire stockpiles and to make drinking
water 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 5 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.

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

28 **Sec. A-3. Sale; how negotiated; proceeds appropriated.** The
30 Treasurer of State may negotiate the sale of the bonds by
32 direction of the Governor, but no bond may be loaned, pledged or
34 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
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.

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

44 **Sec. A-5. Disbursement of bond proceeds.** The proceeds of the
46 bonds must be expended as set out in section 6 under the
direction and supervision of the Department of Environmental
Protection and the Department of Human Services.

48 **Sec. A-6. Allocations from General Fund bond issue; to construct**
water pollution control facilities, to clean up tire

stockpiles and make drinking water improvements. The proceeds of the sale of bonds must be expended as designated in the following schedule.

1997-98

**ENVIRONMENTAL PROTECTION,
DEPARTMENT OF**

Construction of water pollution control facilities to provide the state match for \$12,500,000 in federal funds \$4,500,000

Cleanup of tire stockpiles to protect the public health and safety and the environment \$2,000,000

HUMAN SERVICES, DEPARTMENT OF

Address environmental health deficiencies in drinking water supplies to provide the state match for \$2,500,000 in federal funds \$500,000

TOTAL ALLOCATIONS \$7,000,000

Sec. A-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.

Sec. A-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.

Sec. A-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.

Sec. A-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

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SENATE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 88, L.D.
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2 statewide election held on the Tuesday following the first Monday
of November following passage of this Act. The municipal
4 officers of this State shall notify the inhabitants of their
respective cities, towns and plantations to meet, in the manner
6 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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10 "Do you favor a \$7,000,000 bond issue, which will match
\$15,000,000 in federal funds, to construct water pollution
12 control facilities, to clean up tire stockpiles and to make
drinking water improvements?"

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

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

30 **PART B**

32 **Sec. B-1. Authorization of bonds to provide for funds to construct**
34 **water pollution control facilities, to close and clean up municipal solid**
36 **waste landfills and to mitigate storm water pollution through a**
38 **comprehensive watershed protection program.** The Treasurer of State
is authorized, under the direction of the Governor, to issue
40 bonds in the name and on behalf of the State in an amount not
exceeding \$6,000,000 to raise funds to construct water pollution
42 control facilities, to close and clean up municipal solid waste
landfills, and to mitigate storm water pollution through a
comprehensive watershed protection program as authorized by
44 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 5
46 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.

48 **Sec. B-2. Records of bonds issued to be kept by the Treasurer of**
State. The Treasurer of State shall keep an account

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of each bond 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.

Sec. B-3. Sale; how negotiated; proceeds appropriated. The
Treasurer of State may negotiate the sale of the bonds by
direction of the Governor, but no bond may be loaned, pledged or
hypothecated on behalf of the State. The proceeds of the sale of
the bonds, which must be held by the Treasurer of State and paid
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.

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

Sec. B-5. Disbursement of bond proceeds. The proceeds of the
bonds must be expended as set out in section 6 under the
direction and supervision of the Department of Environmental
Protection.

**Sec. B-6. Allocations from General Fund bond issue; to construct
water pollution control facilities, to close and clean up municipal solid
waste landfills and to mitigate storm water pollution through a
comprehensive watershed protection program.** The proceeds of the
sale of bonds must be expended as designated in the following
schedule.

1997-98

**ENVIRONMENTAL PROTECTION,
DEPARTMENT OF**

Construction of water pollution control facilities	\$1,000,000
Grants to municipalities to close and clean up solid waste landfills	\$4,500,000
Mitigation of storm water pollution through establishment of a comprehensive watershed protection program	\$500,000
TOTAL ALLOCATIONS	\$6,000,000

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

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

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

20 **Sec. B-10. Referendum for ratification; submission at statewide**
22 **election; form of question; effective date.** This Act must be submitted
to the legal voters of the State of Maine at the June 1998
24 primary election following passage of this Act. The municipal
officers of this State shall notify the inhabitants of their
26 respective cities, towns and plantations to meet, in the manner
prescribed by law for holding a statewide election, to vote on
28 the acceptance or rejection of this Act by voting on the
following question:

30 "Do you favor a \$6,000,000 bond issue to construct water
32 pollution control facilities, to close and clean up
municipal solid waste landfills and to mitigate storm water
34 pollution through a comprehensive watershed protection
program?"

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

48 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.

PART C

Sec. C-1. 38 MRSA §2013, sub-§3 is enacted to read:

3. Limitation on use of bond proceeds. Bond proceeds allocated to a priority watershed protection program may only be expended in accordance with the following.

A. Bond proceeds may not be used to fund current expenditures.

B. Bond proceeds may only be used to finance capital improvements or to purchase tangible assets with useful lives greater than 10 years.

Sec. C-2. PL 1997, c. 519, Pt. B, §3 is amended to read:

Sec. B-3. Contingent upon ratification of bond issue. This Part takes effect only if a \$13,000,000 ~~\$6,000,000~~ General Fund bond issue, including \$500,000 for mitigation of storm water pollution through the establishment of a comprehensive watershed protection program, is approved by the voters of the State.'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

Further amend the bill by inserting at the end before the summary the following:

FISCAL NOTE

The estimated cost of sending the bond issue in Part A of the bill out to referendum will vary according to the total number of referenda enacted during the First Special Session of the 118th Legislature to be submitted to the voters in November. The estimated cost to the Secretary of State if one to 6 referenda are enacted is \$95,000. Each additional referendum costs an additional \$7,000.

If approved by the voters, the total cost of this bond issue is estimated to be \$7,987,000 with principal payments of \$7,000,000 and interest payments of approximately \$987,000.

The estimated cost of sending the bond issue in Part B of the bill out to referendum will vary according to the total

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SENATE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 88, L.D. 268

2 number of referenda enacted during the First Special Session and
the Second Regular Session of the 118th Legislature that will be
4 presented to the voters at the June 1998 primary election. The
estimated cost to the Secretary of State if one to 6 referenda
6 are enacted is \$95,000. Each additional referendum costs an
additional \$7,000. The Secretary of State's fiscal year 1997-98
8 budget does not include funding for June 1998 referendum
questions.

10 If approved by the voters, the total cost of this bond issue
is estimated to be \$6,846,000 with principal payments of
12 \$6,000,000 and interest payments of approximately \$846,000.'

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SUMMARY

18 This amendment, which incorporates the substance of S "A" to
Committee "A" (S-421), segregates the \$13,000,000 bond issue into
20 2 parts:

- 22 1. Part A authorizes a \$7,000,000 bond issue to be
presented to the voters in November 1997; and
- 24 2. Part B authorizes a \$6,000,000 bond issue to be
presented to the voters in June 1998.

26 The funds provided in Part A will be used for the following
28 purposes:

- 30 1. To construct water pollution control facilities, as a
match for \$12,500,000 in federal funds, \$4,500,000;
- 32 2. To clean up tire stockpiles that pose a threat to the
34 public health and safety and the environment, \$2,000,000; and
- 36 3. To address environmental health deficiencies in drinking
water supplies, as a match for \$2,500,000 in federal funds,
38 \$500,000.

40 The funds provided in Part B will be used for the following
purposes.

- 42 1. To construct water pollution control facilities,
44 \$1,000,000;
- 46 2. To close and clean up municipal solid waste landfills,
\$4,500,000; and
- 48 3. To mitigate storm water pollution through the
50 establishment of a comprehensive watershed protection program,
\$500,000.

SENATE AMENDMENT

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2 Part C of this amendment adds a provision to limit the use
4 of bond proceeds allocated to a priority watershed protection
6 program to finance capital improvements and to purchase tangible
8 assets with useful lives greater than 10 years.

10 It also adds a technical correction concerning the
12 implementation of the priority watershed protection grants
14 program.

16 SPONSORED BY:

18 (Senator BENNETT)

COUNTY: Oxford