

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1668

S.P. 550

In Senate, March 26, 1997

**An Act to Authorize a Bond Issue to Assist Small Businesses in
Improving Accessibility for Individuals with Disabilities and to Provide
Loans to Individuals with Disabilities.**

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Appropriations and Financial Affairs 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 JENKINS of Androscoggin.

Cosponsored by Senators: NUTTING of Androscoggin, PARADIS of Aroostook, RAND of Cumberland, RUHLIN of Penobscot, TREAT of Kennebec.

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 assisting
6 small businesses in improving accessibility for individuals with
7 disabilities and provide loans to individuals with disabilities.

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

10 **Sec. 1. Authorization of bonds to provide for the continued**
11 **capitalization of the Adaptive Equipment Loan Program Fund.** The
12 Treasurer of State is authorized, under the direction of the
13 Governor, to issue bonds in the name and on behalf of the State
14 in an amount not exceeding \$10,000,000 to raise funds for the
15 Adaptive Equipment Loan Program Fund to provide loans to assist
16 individuals with disabilities and assist businesses endeavoring
17 to enhance their accessibility to individuals with disabilities,
18 as authorized by section 7. The bonds are a pledge of the full
19 faith and credit of the State. The bonds may not run for a
20 period longer than 15 years from the date of the original issue
21 of the bonds. At the discretion of the Treasurer of State, with
22 the approval of the Governor, any issuance of bonds may contain a
23 call feature. The bonds, when paid at maturity or otherwise
24 retired, may not be reissued, but may be refunded on terms more
25 favorable to the State than those in the original issue.

26 **Sec. 2. Records of bonds issued to be kept by the State Auditor and**
27 **Treasurer of State.** The State Auditor shall keep an account of the
28 bonds, showing the number and amount of each, the date when
29 payable and the date of delivery of the bonds to the Treasurer of
30 State. The Treasurer of State shall keep an account of each bond
31 showing the number of the bond, the name of the successful bidder
32 to whom sold, the amount received for the bond, the date of sale
33 and the date when payable.

34 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
35 Treasurer of State may negotiate the sale of the bonds by
36 direction of the Governor, but no bond may be loaned, pledged or
37 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
39 by the Treasurer of State upon warrants drawn by the State
40 Controller, are appropriated solely for the purposes set forth in
41 this Act. Any unencumbered balances remaining at the completion
42 of the project in section 7 lapse to the debt service account
43 established for the retirement of these bonds.

44 **Sec. 4. Taxable bond option.** The Treasurer of State, at the
45 direction of the Governor, shall covenant and consent that the
46 interest on the bonds is includable, under the United States
47 Internal Revenue Code, in the gross income of the holders of the
48 bonds.

2 bonds to the same extent and in the same manner that the interest
3 on bills, bonds, notes or other obligations of the United States
4 is includable in the gross income of the holders under the United
5 States Internal Revenue Code or any subsequent law. The powers
6 conferred by this section are subject to any limitations or
7 restrictions of any law that may limit the power to covenant and
8 consent.

9
10 **Sec. 5. Interest and debt retirement.** The Treasurer of State
11 shall pay interest due or accruing on any bonds issued under this
12 Act and all sums coming due for payment of bonds at maturity.

13
14 **Sec. 6. Disbursement of bond proceeds.** The proceeds of the
15 bonds must be expended as set out in section 7.

16
17 **Sec. 7. Allocations from General Fund bond issue.** The proceeds
18 of the sale of bonds must be expended as designated in the
19 following schedule.

20 **1998-99**

21 **ADAPTIVE EQUIPMENT LOAN PROGRAM FUND**

22
23 **Adaptive Equipment Loan Program Fund** \$10,000,000

24
25 **Sec. 8. Contingent upon ratification of bond issue.** Sections 1 to
26 7 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. 9. 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 debt service.

34
35 **Sec. 10. 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.

43
44 **Sec. 11. Referendum for ratification; submission at statewide
45 election; form of question; effective date.** This Act must be submitted
46 to the legal voters of the State of Maine at a statewide election
47 held on the

2 Tuesday following the first Monday of November following passage
of this Act. The municipal officers of this State shall notify
4 the inhabitants of their respective cities, towns and plantations
to meet, in the manner prescribed by law for holding a statewide
6 election, to vote on the acceptance or rejection of this Act by
voting on the following question:

8 "Do you favor a \$10,000,000 bond issue to assist individuals
with disabilities to purchase adaptive equipment to improve
10 their independence and to assist small businesses in
improving accessibility to individuals with disabilities?"

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

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

30 SUMMARY

32 The funds provided by this bond issue, in the amount of
\$10,000,000, will be used to capitalize the Adaptive Equipment
34 Loan Program Fund that will provide loans to individuals with
disabilities to purchase adaptive equipment and will assist
36 businesses in becoming more accessible to individuals with
disabilities.