

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-1997

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Legislative Document

No. 1812

S.P. 611

In Senate, April 16, 1997

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**An Act to Authorize Department of Transportation Bond Issues in the Amount of \$79,500,000 to Match Available Federal Funds for Improvements to Municipal and State Roads, State and Local Bridges, Airports, State Ferry Vessels and Terminals and Rail and Marine Facilities.**

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Reference to the Committees on Appropriations and Financial Affairs and 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 O'GARA of Cumberland. (GOVERNOR'S BILL).  
Cosponsored by Representative CLUKEY of Houlton and  
Senators: BENNETT of Oxford, GOLDTHWAIT of Hancock, MICHAUD of Penobscot,  
PARADIS of Aroostook, Representatives: DRISCOLL of Calais, LaVERDIERE of Wilton,  
MAYO of Bath, WINSOR of Norway.

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 to match  
6           available federal funds for improvements to municipal and state  
7           roads, state and local bridges, airports, state ferry vessels and  
8           terminals and rail and marine facilities.

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

10           **Sec. 1. Authorization of bonds to provide for improvements to**  
11           **municipal and state roads, state and local bridges, airports, state ferry**  
12           **vessels and terminals and rail and marine facilities.** The Treasurer of  
13           State is authorized, under the direction of the Governor, to  
14           issue bonds in the name and on behalf of the State in an amount  
15           not exceeding \$79,500,000 to provide funds to match available  
16           federal funds for improvements to municipal and state roads,  
17           state and local bridges, airports, state ferry vessels and  
18           terminals and rail and marine facilities as authorized by section  
19           6. The bonds are a pledge of the full faith and credit of the  
20           State. The bonds may not run for a period longer than 20 years  
21           from the date of the original issue of the bonds. At the  
22           discretion of the Treasurer of State, with the approval of the  
23           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.**  
25           The Treasurer of State shall keep an account of each bond showing  
26           the number of the bond, the name of the successful bidder to whom  
27           sold, the amount received for the bond, the date of sale and the  
28           date when payable.

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

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

42           **Sec. 5. Disbursement of bond proceeds.** The proceeds of the  
43           bonds must be expended as set out in section 6 under the  
44           direction and supervision of the Commissioner of Transportation.

2           **Sec. 6. Allocations from Highway Fund and General Fund bond**  
4 **issues; improvements to municipal and state roads, state and local bridges,**  
6 **airports, state ferry vessels and terminals and rail and marine facilities.**  
The proceeds of the sale of bonds must be expended as designated  
in the following schedule.

8           **TRANSPORTATION, DEPARTMENT OF**

10          **General Fund**

12	State and local bridges	\$30,000,000
	Airport improvements	2,500,000
14	Ferry vessels and terminal improvements	710,000
	Rail facility improvements	4,350,000
16	Marine and harbor facility improvements	1,440,000

18           **General Fund Total** \$39,000,000

20          **Highway Fund**

22	Collector roads and bridges	\$3,000,000
24	Highway and bridge improvements and collector road award program	14,250,000
26	Local roads assistance program	23,250,000

28           **Highway Fund Total** \$40,500,000

32           **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to  
34 6 do not become effective unless the people of the State have  
ratified the issuance of bonds as set forth in this Act.

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

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

2           **Sec. 10. Referendum for ratification; submission at statewide**  
3 **election; form of question; effective date.** This Act must be submitted  
4 to the legal voters of the State of Maine at a statewide election  
5 held on the Tuesday following the first Monday of November  
6 following passage of this Act. The municipal officers of this  
7 State shall notify the inhabitants of their respective cities,  
8 towns and plantations to meet, in the manner prescribed by law  
9 for holding a statewide election, to vote on the acceptance or  
10 rejection of this Act by voting on the following question:

12           "Do you favor a \$79,500,000 bond issue for improvements to  
13           municipal and state roads, state and local bridges,  
14           airports, state ferry vessels and terminals and rail and  
15           marine facilities that makes the State eligible for up to  
16           \$238,730,000 in matching federal funds?"

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

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

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### SUMMARY

38           The funds provided by this bond issue, in the amount of  
39 \$79,500,000, will be used for improvements to municipal and state  
40 roads, state and local bridges, airports, state ferry vessels and  
41 terminals and rail and marine facilities.