

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-1997

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Legislative Document

No. 1813

S.P. 612

In Senate, April 16, 1997

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**An Act to Authorize a General Fund Bond Issue in the Amount of \$10,000,000 to Address Federal and State Accessibility and Public Safety Issues.**

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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 CATHCART of Penobscot. (GOVERNOR'S BILL).  
Cosponsored by Representative STEVENS of Orono and  
Senators: BENNETT of Oxford, JENKINS of Androscoggin, LIBBY of York, MICHAUD of Penobscot, Representatives: DONNELLY of Presque Isle, DUNLAP of Old Town, KERR of Old Orchard Beach, KNEELAND of Easton.

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 support the Adaptive Equipment  
6 Loan Program fund and to address federal and state accessibility  
7 and safety requirements at the University of Maine System.

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

10           **Sec. 1. Authorization of bonds to provide funding for the Adaptive**  
11 **Equipment Loan Program fund and improve accessibility and address**  
12 **related safety issues at the University of Maine System.** The Treasurer  
13 of 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 \$10,000,000 to raise funds to support the Adaptive  
16 Equipment Loan Program fund and to provide funds for the  
17 University of Maine System to address accessibility and other  
18 public health and safety issues related to federal and state  
19 requirements as authorized by section 7. The bonds are a pledge  
20 of the full faith and credit of the State. The bonds may not run  
21 for a period longer than 10 years from the date of the original  
22 issue of the bonds. At the discretion of the Treasurer of State,  
23 with the approval of the Governor, any issuance of bonds may  
24 contain a call feature.

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

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

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

46           **Sec. 5. Taxable bond option.** The Treasurer of State, at the  
47 direction of the Governor, shall covenant and consent that the  
48 interest on the bonds is includable in the gross income of

2 the holders of the bonds under the United States Internal Revenue  
Code or any subsequent law. The powers conferred by this section  
4 may not be subject to any limitations or restrictions of any law  
that may limit the power so as to covenant and consent.

6 **Sec. 6. Disbursement of bond proceeds.** The proceeds of the  
bonds must be expended as set out in section 7 under the  
8 direction and supervision of the Chief Executive Officer of the  
Finance Authority of Maine and the Chancellor of the University  
10 of Maine System.

12 **Sec. 7. Allocations from General Fund bond issue; accessibility and  
other safety related concerns.** The proceeds of the sale of bonds  
14 must be expended as designated in the following schedule.

16	Adaptive Equipment Loan Program fund	\$3,000,000
18	University of Maine System	7,000,000
20	TOTAL	<u>\$10,000,000</u>

22 **Sec. 8. Contingent upon ratification of bond issue.** Sections 1 to  
7 do not become effective unless the people of the State have  
24 ratified the issuance of bonds as set forth in this Act.

26 **Sec. 9. Appropriation balances at year end.** At the end of each  
fiscal year, all unencumbered appropriation balances representing  
28 state money carry forward. Bond proceeds that have not been  
expended within 5 years after the date of the sale of the bonds  
30 lapse to General Fund debt service.

32 **Sec. 10. Bonds authorized but not issued.** Any bonds authorized  
but not issued, or for which bond anticipation notes are not  
34 issued within 5 years of ratification of this Act, are  
deauthorized and may not be issued; except that the Legislature  
36 may, within 2 years after the expiration of that 5-year period,  
extend the period for issuing any remaining unissued bonds or  
38 bond anticipation notes for an additional amount of time not to  
exceed 5 years.

40  
42 **Sec. 11. 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  
44 held on the Tuesday following the first Monday of November  
following passage of this Act. The municipal officers of this  
46 State shall notify the inhabitants of their respective cities,  
towns and plantations to meet, in the manner prescribed by law  
48 for holding a statewide

election, to vote on the acceptance or rejection of this Act by  
voting on the following question:

"Do you favor a \$10,000,000 bond issue to assist individuals with disabilities to purchase adaptive equipment to improve their independence; to assist small businesses in improving accessibility for individuals with disabilities; and to provide the 7 University of Maine System campuses the ability to meet fire safety requirements and make facilities more accessible to students and individuals with disabilities?"

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 delay, and the Act becomes effective 30 days after the date of the proclamation.

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.

### SUMMARY

The funds provided by this bond issue, in the amount of \$10,000,000, will be used for the following purposes:

1. Three million dollars to fund the Adaptive Equipment Loan Program fund; and

2. Seven million dollars for accessibility and other public health and safety issues related to federal and state requirements at the University of Maine System.