

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-1997

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Legislative Document

No. 1840

H.P. 1295

House of Representatives, April 24, 1997

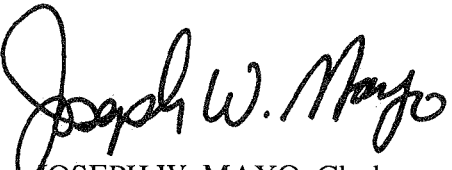
**An Act to Authorize a General Fund Bond Issue in the Amount of  
\$25,000,000 for Development of the East-West Highway.**

(AFTER DEADLINE)

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

Received by the Clerk of the House on April 22, 1997. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

  
JOSEPH W. MAYO, Clerk

Presented by Representative SAXL of Bangor.

2           **Preamble.** Two thirds of both Houses of the Legislature  
deeming it necessary in accordance with the Constitution of  
4           Maine, Article IX, Section 14, to authorize the issuance of bonds  
on behalf of the State of Maine to provide funds for development  
of the East-West Highway.

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

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10           **Sec. 1. Authorization of bonds to provide for the East-West**  
**Highway.** The Treasurer of State is authorized, under the  
12           direction of the Governor, to issue bonds in the name and on  
behalf of the State in an amount not exceeding \$25,000,000 to  
14           raise funds for the development of the East-West Highway as  
authorized by section 6. The bonds are a pledge of the full  
16           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  
18           the approval of the Governor, any issuance of bonds may contain a  
call feature.

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

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

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

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

46           **Sec. 6. Allocations from General Fund bond issue; capital expenses**  
**for the East-West Highway.** The proceeds of the sale of bonds must  
48           be expended as designated in the following schedule.

50	<b>TRANSPORTATION, DEPARTMENT OF</b>	\$25,000,000
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2 Funds must be used for the study and  
4 development of the East-West Highway in the  
State of Maine.

6 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to  
8 6 do not become effective unless the people of the State have  
ratified the issuance of bonds as set forth in this Act.

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

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

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

36 "Do you favor a \$25,000,000 bond issue for the study and  
development of the East-West Highway for the State of Maine?"

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

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

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### SUMMARY

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10           The funds provided by this bond issue, in the amount of  
\$25,000,000, will be used to study and develop the East-West  
Highway in the State of Maine.