

MAINE STATE LEGISLATURE

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TRANSPORTATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1299, L.D. 1842, Bill, "An Act to Authorize Department of Transportation Bond Issues in the Amount of \$40,500,000 to Match Available Federal Funds for Improvements to Municipal and State Roads and State and Local Bridges"

Amend the bill by striking out the title and substituting the following:

'An Act to Authorize Department of Transportation Bond Issues in the Amount of \$56,850,000 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'

Further amend the bill by striking out all of the first paragraph after the title and before the enacting clause (page 1, lines 1 to 7 in L.D.) and inserting in its place the following:

'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 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.'

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

COMMITTEE AMENDMENT

R. G. S.

2 **Sec. 1. Authorization of bonds to provide for improvements to**
 4 **municipal and state roads, state and local bridges, airports, state ferry**
 6 **vessels and terminals and rail and marine facilities.** The Treasurer of
 8 State is authorized, under the direction of the Governor, to
 10 issue bonds in the name and on behalf of the State in an amount
 12 not exceeding \$56,850,000 to provide funds to match available
 14 federal funds for improvements to municipal and state roads,
 16 state and local bridges, airports, state ferry vessels and
 18 terminals and rail and marine facilities as authorized by section
 20 6. The bonds are a pledge of the full faith and credit of the
 22 State. The bonds may not run for a period longer than 20 years
 24 from the date of the original issue of the bonds. At the
 26 discretion of the Treasurer of State, with the approval of the
 28 Governor, any issuance of bonds may contain a call feature.

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

40 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
 42 Treasurer of State may negotiate the sale of the bonds by
 44 direction of the Governor, but no bond may be loaned, pledged or
 46 hypothecated on behalf of the State. The proceeds of the sale of
 48 the bonds, which must be held by the Treasurer of State and paid
 50 by the Treasurer of State upon warrants drawn by the State
 52 Controller, are appropriated solely for the purposes set forth in
 54 this Act. Any unencumbered balances remaining at the completion
 56 of the project in section 6 lapse to the debt service account
 58 established for the retirement of these bonds.

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

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

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

82 **TRANSPORTATION, DEPARTMENT OF**

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General Fund

4	State and local bridges	\$23,800,000
	Airport improvements	1,500,000
6	Ferry vessels and terminal improvements	710,000
	Rail facility improvements	3,350,000
8	Marine and harbor facility improvements	1,440,000

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General Fund Total

\$30,800,000

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Highway Fund

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	Collector roads and bridges	\$3,000,000
16	Highway and bridge improvements and collector road award program	9,550,000
18	Local road assistance program	13,500,000

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Highway Fund Total

\$26,050,000

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

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

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

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44 **Sec. 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 statewide election
 46 held on the Tuesday following the first Monday of November
 following passage of this Act. The municipal officers of this
 48 State shall notify the inhabitants of their respective cities,
 towns and plantations to meet, in the manner

R. 4. 8.

COMMITTEE AMENDMENT "A" to H.P. 1299, L.D. 1842

prescribed by law 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 \$56,850,000 bond issue for improvements to municipal and state roads, state and local bridges, airports, state ferry vessels and terminals and rail and marine facilities that makes the State eligible for approximately \$129,740,000 in matching federal funds?"

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.'

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

FISCAL NOTE

The estimated cost of sending this bond issue 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 \$91,471,650 with principal payments of \$56,850,000 and interest payments of approximately \$34,621,650. The cost of this bond issue to the General Fund is estimated to be \$49,557,200 with principal payments of \$30,800,000 and interest payments of approximately \$18,757,200. The cost of this bond issue to the Highway Fund is estimated to be \$41,914,450 with principal payments of \$26,050,000 and interest payments of approximately \$15,864,450.'

COMMITTEE AMENDMENT

SUMMARY

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The funds provided by this bond issue, in the amount of \$56,850,000, will be used for improvements to municipal and state roads, state and local bridges, airports, state ferry vessels and terminals and rail and marine facilities. This amendment combines the General Fund and Highway Fund components of the transportation bond issue and lowers the principal amount to be requested of the voters at the November 1997 election from \$79,500,000 to \$56,850,000. It also adds a fiscal note.