

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST SPECIAL SESSION-1997

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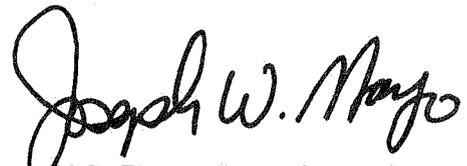
H.P. 1299

House of Representatives, April 29, 1997

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.

Reported by Representative KERR for the Joint Standing Committee on Appropriations and Financial Affairs pursuant to Joint Order H.P. 148.

Reference to the Committee on Transportation suggested and ordered printed.


JOSEPH W. MAYO, Clerk

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 and state and local bridges.

8 **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 and state and local bridges.** The Treasurer of
12 State is authorized, under the direction of the Governor, to
13 issue bonds in the name and on behalf of the State in an amount
14 not exceeding \$40,500,000 to provide funds to match available
15 federal funds for improvements to municipal and state roads and
16 state and local bridges as authorized by section 6. The bonds
17 are a pledge of the full faith and credit of the State. The
18 bonds may not run for a period longer than 20 years from the date
19 of the original issue of the bonds. At the discretion of the
20 Treasurer of State, with the approval of the Governor, any
21 issuance of bonds may contain a call feature.

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

27 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
28 Treasurer of State may negotiate the sale of the bonds by
29 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
31 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
33 Controller, are appropriated solely for the purposes set forth in
34 this Act. Any unencumbered balances remaining at the completion
35 of the project in section 6 lapse to the debt service account
36 established for the retirement of these bonds.

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

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

2 **Sec. 6. Allocations from Highway Fund; improvements to municipal**
3 **and state roads and state and local bridges.** The proceeds of the sale
4 of bonds must be expended as designated in the following schedule.

6 **TRANSPORTATION, DEPARTMENT OF**

8 **Highway Fund**

10 Collector roads and bridges	\$3,000,000
11 Highway and bridge improvements	
12 and collector road award program	14,250,000
13 Local roads assistance program	23,250,000

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

18 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
19 6 do not become effective unless the people of the State have
20 ratified the issuance of bonds as set forth in this Act.

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

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

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

46 "Do you favor a \$40,500,000 bond issue for improvements to
47 municipal and state roads and state and local bridges that
48 makes the State eligible for matching federal funds?"

