

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 797

S.P. 279

In Senate, January 28, 1999

An Act to Authorize a General Fund Bond Issue in the Amount of \$9,400,000 to Enable Maine Public Broadcasting to Implement the Federally Mandated Conversion to Digital Broadcasting.

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 AMERO of Cumberland.
Cosponsored by Representative SAXL of Portland and
Senators: ABROMSON of Cumberland, President LAWRENCE of York, PINGREE of Knox,
SMALL of Sagadahoc, Representatives: MURPHY of Kennebunk, Speaker ROWE of
Portland, STEVENS of Orono.

2 **Preamble.** Two thirds of both Houses of the Legislature
4 deeming it necessary in accordance with the Constitution of
6 Maine, Article IX, Section 14, to authorize the issuance of bonds
 on behalf of the State of Maine to provide funds for the
 conversion to digital broadcasting by the Maine Public
 Broadcasting Corporation.

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

10 **Sec. 1. Authorization of bonds to provide for the conversion to digital**
12 **broadcasting by the Maine Public Broadcasting Corporation.** The
14 Treasurer of State is authorized, under the direction of the
16 Governor, to issue bonds in the name and on behalf of the State
18 in an amount not exceeding \$9,400,000 to raise funds for the
20 conversion to digital broadcasting by the Maine Public
22 Broadcasting Corporation as authorized by section 6. The bonds
 are a pledge of the full 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 the approval of the 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.**
26 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
 sold, the amount received for the bond, the date of sale and the
 date when payable.

30 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
32 Treasurer of State may negotiate the sale of the bonds by
34 direction of the Governor, but no bond may be loaned, pledged or
36 hypothecated on behalf of the State. The proceeds of the sale of
38 the bonds, which must be held by the Treasurer of State and paid
40 by the Treasurer of State upon warrants drawn by the State
42 Controller, are appropriated solely for the purposes set forth in
44 this Act. Any unencumbered balances remaining at the completion
 of the project in section 6 lapse to the debt service account
 established for the retirement of these bonds. Any portion of
 the total \$9,400,000 that is provided by the Federal Government
 toward this conversion, and thereby not necessary for bonding
 toward the conversion, will not be bonded by the Maine Public
 Broadcasting Corporation or, if acquired subsequent to the
 bonding, will be refunded to the Treasurer of State without
 prepayment penalty to the Maine Public Broadcasting Corporation.

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

2 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
bonds must be expended as set out in section 6 under the
4 direction and supervision of the Maine Public Broadcasting
Corporation.

6 **Sec. 6. Allocations from General Fund bond issue; conversion to**
digital broadcasting. The proceeds of the sale of bonds must be
8 expended as designated in the following schedule.

10 **MAINE PUBLIC BROADCASTING CORPORATION**

12 To implement the federally mandated \$9,400,000
conversion to digital broadcasting.

14 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
16 6 do not become effective unless the people of the State have
ratified the issuance of bonds as set forth in this Act.

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

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

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

44 "Do you favor a \$9,400,000 bond issue for the conversion to
digital broadcasting by the Maine Public Broadcasting
46 Corporation?"

2 The legal voters of each city, town and plantation shall
vote by ballot on this question and designate their choice by a
4 cross or check mark placed within a corresponding square below
the word "Yes" or "No." The ballots must be received, sorted,
6 counted and declared in open ward, town and plantation meetings
and returns made to the Secretary of State in the same manner as
8 votes for members of the Legislature. The Governor shall review
the returns and, if a majority of the legal votes are cast in
10 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.

12

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

16

SUMMARY

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 The funds provided by this bond issue, in the amount of
20 \$9,400,000, will be used by the Maine Public Broadcasting
Corporation to implement the federally mandated conversion to
22 digital broadcasting.