

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 2089

S.P. 740

In Senate, March 30, 1999

An Act to Authorize Department of Transportation Bond Issues in the Amount of \$56,616,000 to Match Available Federal Funds for Improvements to Highways and Bridges, Airports and State-owned Ferry Facilities; Development of Rail Corridors and Marine Infrastructure; and Replacement of Public Transportation Fleets Statewide.

Reference to the Committee on Transportation 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 O'GARA of Cumberland. (GOVERNOR'S BILL).
Cosponsored by Representative TOWNSEND of Portland and
Senators: CASSIDY of Washington, HARRIMAN of Cumberland, MICHAUD of Penobscot,
Representatives: JABAR of Waterville, KNEELAND of Easton, LINDAHL of Northport.

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 highways and bridges,
7 airports and state-owned ferry facilities; development of rail
8 corridors and marine infrastructure; and replacement of public
9 transportation fleets statewide.

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

12 **Sec. 1. Authorization of bonds to provide for improvements to**
13 **highways and bridges, airports and state-owned ferry facilities;**
14 **development of rail corridors and marine infrastructure; and replacement**
15 **of public transportation fleets statewide.** The Treasurer of State is
16 authorized, under the direction of the Governor, to issue bonds
17 in the name and on behalf of the State in an amount not exceeding
18 \$56,616,000 to provide funds to match available federal funds for
19 improvements to highways and bridges, airports and state-owned
20 ferry facilities; development of rail corridors and marine
21 infrastructure; and replacement of public transportation fleets
22 statewide, as authorized by section 6 of this Act. The bonds are
23 a pledge of the full faith and credit of the State. The bonds
24 may not run for a period longer than 20 years from the date of
25 the original issue of the bonds. At the discretion of the
26 Treasurer of State, with the approval of the Governor, any
27 issuance of bonds may contain a call feature.

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

34 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
35 Treasurer of State may negotiate the sale of the bonds by
36 direction of the Governor, but no bond may be loaned, pledged or
37 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
39 by the Treasurer of State upon warrants drawn by the State
40 Controller, are appropriated solely for the purposes set forth in
41 this Act. Any unencumbered balances remaining at the completion
42 of the project in section 6 of this Act lapse to the debt service
43 account established for the retirement of these bonds.

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

2 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
3 bonds must be expended as set out in section 6 of this Act under
4 the direction and supervision of the Commissioner of
5 Transportation.

6
7 **Sec. 6. Allocations from Highway Fund and General Fund bond**
8 **issues; improvements to highways and bridges, airports and state-owned**
9 **ferry facilities; development of rail corridors and marine infrastructure;**
10 **and replacement of public transportation fleets statewide.** The proceeds
11 of the sale of bonds must be expended as designated in the
12 following schedule.

14 **TRANSPORTATION, DEPARTMENT OF**

16 **Highway Fund**

18 Highway and Bridge Improvements	\$25,000,000
20 Highway Fund Total	<hr/> \$25,000,000

22 **General Fund**

24 Airports	\$3,000,000
State-owned Ferry Facilities	1,000,000
26 Rail Corridor Development	17,700,000
Marine Infrastructure Development	8,476,000
28 Transit	1,440,000
30 General Fund Total	<hr/> \$31,616,000

32 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
33 6 of this Act do not become effective unless the people of the
34 State have ratified the issuance of bonds as set forth in this
35 Act.

36
37 **Sec. 8. Appropriation balances at year-end.** At the end of each
38 fiscal year, all unencumbered appropriation balances representing
39 state money carry forward. Bond proceeds that have not been
40 expended within 10 years after the date of the sale of the bonds
41 lapse to General Fund or Highway Fund debt service.

42
43 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
44 but not issued, or for which bond anticipation notes are not
45 issued within 5 years of ratification of this Act, are
46 deauthorized and may not be issued; except that the Legislature
47 may, within 2 years after the expiration of that 5-year period,
48 extend the period for issuing any remaining unissued bonds or
49 bond anticipation notes for an additional amount of time not to
50 exceed 5 years.

