

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 39

S.P. 25

In Senate, January 16, 2003

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$10,000,000 to Promote Affordable Housing**

Reference to the Committee on Business and Economic Development suggested and ordered printed.

A handwritten signature in cursive script, reading 'Joy J. O'Brien'.

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator BRENNAN of Cumberland.

Cosponsored by Senators: BROMLEY of Cumberland, MAYO of Sagadahoc, STRIMLING of Cumberland, Representatives: BRANNIGAN of Portland, CUMMINGS of Portland, DUDLEY of Portland, MARLEY of Portland, NORBERT of Portland.

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 as described in
6 this Act,

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

10 **Sec. 1. Authorization of bonds.** The Treasurer of State is
authorized, under the direction of the Governor, to issue bonds
12 in the name and on behalf of the State in an amount not exceeding
\$10,000,000 to raise funds for the Maine State Housing Authority
14 to address the affordable housing crisis across the State by
renovating or replacing affordable apartments and homes, by
16 providing housing for people who are homeless, by reducing the
costs of acquiring land for the development of new affordable
18 housing, by providing predevelopment costs to nonprofit housing
organizations and providing housing for mental health services
20 consumers with attention to the affected populations as
authorized by section 6. The bonds are a pledge of the full
22 faith and credit of the State. The bonds may not run for a
period longer than 10 years from the date of the original issue
24 of the bonds. At the discretion of the Treasurer of State, with
the approval of the Governor, any issuance of bonds may contain a
26 call feature.

28 **Sec. 2. Records of bonds issued to be kept by Treasurer of State.**
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
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
Treasurer of State may negotiate the sale of the bonds by
36 direction of the Governor, but no bond may be loaned, pledged or
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
by the Treasurer of State upon warrants drawn by the State
40 Controller, are appropriated solely for the purposes set forth in
this Act. Any unencumbered balances remaining at the completion
42 of the project in section 6 lapse to the debt service account
established for the retirement of these bonds.

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

2 this Act by voting on the following question:

4 "Do you favor a \$10,000,000 bond issue to address the
affordable housing crisis in Maine?"

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

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

22
24 **SUMMARY**

26 The funds provided by this bond issue, in the amount of
\$10,000,000, will be used for the Maine State Housing Authority
28 to address the affordable housing crisis across the State by
renovating or replacing affordable apartments and homes, by
30 providing housing for people who are homeless, by reducing the
costs of acquiring land for the development of new affordable
32 housing, by providing predevelopment costs to nonprofit housing
organizations and providing housing for mental health services
consumers.

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