

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 652

H.P. 482

House of Representatives, February 11, 2003

**An Act To Authorize a General Fund Bond Issue in the Amount of
\$15,000,000 for Economic Development**

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND

Clerk

Presented by Representative BRANNIGAN of Portland.
Cosponsored by President DAGGETT of Kennebec and
Representatives: BLANCHETTE of Bangor, DUDLEY of Portland, FAIRCLOTH of Bangor,
MAILHOT of Lewiston, ROSEN of Bucksport, Senators: CATHCART of Penobscot,
ROTUNDO of Androscoggin, TURNER of Cumberland.

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
\$15,000,000 to raise funds to issue grants to municipalities to
14 promote economic development by improving public infrastructure,
including, but not limited to, public roads, utilities, parking
16 garages, transportation facilities and cargo facilities as
authorized by this Act. The bonds are a pledge of the full faith
18 and credit of the State. The bonds may not run for a period
longer than 10 years from the date of the original issue of the
20 bonds. At the discretion of the Treasurer of State, with the
approval of the Governor, any issuance of bonds may contain a
call feature.

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

28 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
30 Treasurer of State may negotiate the sale of the bonds by
direction of the Governor, but no bond may be loaned, pledged or
32 hypothecated on behalf of the State. The proceeds of the sale of
the bonds, which must be held by the Treasurer of State and paid
34 by the Treasurer of State upon warrants drawn by the State
Controller, are appropriated solely for the purposes set forth in
36 this Act. Any unencumbered balances remaining at the completion
of the project in this Act lapse to the debt service account
38 established for the retirement of these bonds.

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

44 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
bonds must be expended as set out in this Act under the direction
46 and supervision of the Department of Economic and Community
Development.

2 **Sec. 6. Allocations from General Fund bond issue.** The proceeds
of the sale of the bonds must be expended as designated in the
following schedule.

4

6 **ECONOMIC AND COMMUNITY DEVELOPMENT,
DEPARTMENT OF**

8 Provide funds to issue grants \$15,000,000
to municipalities to promote
10 economic development by improving
public infrastructure, including,
12 but not limited to, public roads,
utilities, parking garages,
14 transportation facilities and cargo
facilities.

16

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

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

26

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

36

38 **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 at a statewide election held on
the Tuesday following the first Monday of November following
40 passage of this Act. The municipal officers of this State shall
notify the inhabitants of their respective cities, towns and
42 plantations to meet, in the manner prescribed by law for holding
a statewide election, to vote on the acceptance or rejection of
44 this Act by voting on the following question:

46

48 "Do you favor a \$15,000,000 bond issue to issue grants to
municipalities to promote economic development by improving
public infrastructure, including, but not limited to, public

2 roads, utilities, parking garages, transportation facilities
and cargo facilities?"

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

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

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SUMMARY

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The funds provided by this bond issue, in the amount of
24 \$15,000,000, will be used to issue grants to municipalities to
promote economic development by improving public infrastructure,
26 including, but not limited to, public roads, utilities, parking
garages, transportation facilities and cargo facilities.