

MAINE STATE LEGISLATURE

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Ref

L.D. 1572

DATE: 8-22-03

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
121ST LEGISLATURE
FIRST SPECIAL SESSION

HOUSE AMENDMENT "I" to COMMITTEE AMENDMENT "A" to S.P. 531, L.D. 1572, Bill, "An Act To Authorize Department of Transportation Bond Issues in the Amount of \$75,000,000 for Improvements to Highways; Bridges; Airports; State-owned Ferry Vessels; Ferry and Port Facilities; Port and Harbor Structures; Development of Rail Corridors; Improvements to Railroad Structures and Intermodal Facilities; Investment in Public Transportation Fleet and Public Park and Ride and Service Facilities; and Statewide Trail and Pedestrian Improvements"

Amend the amendment by striking out the substitute title and replacing it with the following:

'An Act To Authorize Bond Issues for Ratification by the Voters at the November 2003 Election'

Further amend the amendment by striking out all of Parts A, B and C and inserting in their place the following:

PART A

Sec. A-1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$63,450,000 to raise funds to match available federal funds for the purposes described in section 6 of this Part. The bonds are a pledge of the full 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 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.

Sec. A-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond showing 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.

HOUSE AMENDMENT

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2 **Sec. A-3. Sale; how negotiated; proceeds appropriated.** The
3 Treasurer of State may negotiate the sale of the bonds by
4 direction of the Governor, but no bond may be loaned, pledged or
5 hypothecated on behalf of the State. The proceeds of the sale of
6 the bonds, which must be held by the Treasurer of State and paid
7 by the Treasurer of State upon warrants drawn by the State
8 Controller, are appropriated solely for the purposes set forth in
9 this Part. Any unencumbered balances remaining at the completion
10 of the project in this Part lapse to the debt service account
11 established for the retirement of these bonds.

12 **Sec. A-4. Interest and debt retirement.** The Treasurer of State
13 shall pay interest due or accruing on any bonds issued under this
14 Part and all sums coming due for payment of bonds at maturity.

15 **Sec. A-5. Disbursement of bond proceeds.** The proceeds of the
16 bonds must be expended as set out in this Part under the
17 direction and supervision of the Department of Transportation and
18 the Department of Public Safety.

19 **Sec. A-6. Allocations from Highway Fund and General Fund bond**
20 **issues.** The proceeds of the sale of the bonds authorized under
21 this Part must be expended as designated in the following
22 schedule.
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26 **TRANSPORTATION, DEPARTMENT OF**

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28 **Highway Fund**

29 Highway and Bridge Improvements \$13,000,000

30 **Highway Fund Total** \$13,000,000

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32 **General Fund**

33 Airport Improvements \$3,600,000

34 Highway and Bridge Improvements 29,000,000

35 Port and Ferry Improvements 4,550,000

36 Rail Improvements 7,850,000

37 Trail Improvements 1,250,000

38 Transit and Park and Ride Improvements 1,200,000

39 **General Fund Total** \$47,450,000

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42 **PUBLIC SAFETY, DEPARTMENT OF**

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44 **General Fund**

45 Provides funds to expand the

2018

2 air-medical response system
throughout Maine \$3,000,000

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

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10 **Sec. A-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
12 expended within 10 years after the date of the sale of the bonds
lapse to General Fund or Highway Fund debt service.

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16 **Sec. A-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 Part, are
18 deauthorized and may not be issued, except that the Legislature
may, within 2 years after the expiration of that 5-year period,
20 extend the period for issuing any remaining unissued bonds or
bond anticipation notes for an additional amount of time not to
22 exceed 5 years.

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

34 "Do you favor a \$63,450,000 bond issue for improvements to
highways and bridges, airports, state-owned ferry vessels
36 and ferry and port facilities and port and harbor
structures; development of rail corridors and improvements
38 to railroad structures and intermodal facilities; investment
in the statewide public transportation fleet and public park
and ride and service facilities; statewide trail and
40 pedestrian improvements; and expansion of the statewide
air-medical response system through construction of hospital
42 helipads, building additional refueling facilities,
44 upgrading navigational systems and acquiring training
equipment to improve access to health care that makes the
46 State eligible for \$217,000,000 in matching federal funds?"

48 The legal voters of each city, town and plantation shall
vote by ballot on this question and designate their choice by a

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cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns and, if a majority of the legal votes are cast in favor of this Part, the Governor shall proclaim the result without delay, and this Part becomes effective 30 days after the date of the proclamation.

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

PART B

Sec. B-1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$6,950,000 for the purposes described in section 6 of this Part. The bonds are a pledge of the full 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 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.

Sec. B-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond showing 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.

Sec. B-3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or 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 by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Part. Any unencumbered balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

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

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Sec. B-5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Part under the direction and supervision of the Department of Environmental Protection, the Department of Agriculture, Food and Rural Resources and the Department of Human Services.

Sec. B-6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized by this Part must be expended as designated in the following schedule.

**ENVIRONMENTAL PROTECTION,
DEPARTMENT OF**

Loans to construct and upgrade water pollution control facilities matched by \$10,000,000 in federal funds	\$2,000,000
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Grants to construct water pollution control facilities	\$1,500,000
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Funds to clean up uncontrolled hazardous substance sites	\$500,000
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Fund the small community grant program, which provides grants to rural communities to solve local pollution problems	\$500,000
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Fund the overboard discharge removal program, which provides grants to municipalities and individuals to eliminate licensed overboard discharges to shellfish areas, great ponds, and drainage areas of less than 10 square miles	\$500,000
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**HUMAN SERVICES,
DEPARTMENT OF**

Grants and loans for public drinking water system improvements matched by \$4,140,000 in federal funds	\$1,200,000
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**AGRICULTURE, FOOD AND
RURAL RESOURCES,
DEPARTMENT OF**

Construction of environmentally sound water sources that help avoid drought damage to crops	\$750,000
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TOTAL ALLOCATIONS

\$6,950,000

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

Sec. B-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 expended within 10 years after the date of the sale of the bonds lapse to General Fund debt service.

Sec. B-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 Part, are deauthorized and may not be issued, except that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. B-10. Referendum for ratification; submission at statewide election; form of question; effective date. This Part 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 passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Part by voting on the following question:

"Do you favor a \$6,950,000 bond issue for the following purposes:

(1) The sum of \$2,000,000 to construct and upgrade water pollution control facilities, providing the state match for \$10,000,000 in federal funds;

(2) The sum of \$1,500,000 to provide grants to construct water pollution control facilities;

(3) The sum of \$500,000 to clean up uncontrolled hazardous substance sites;

(4) The sum of \$500,000 for the small community grant program to provide grants to rural communities to solve local pollution problems;

(5) The sum of \$500,000 for the overboard discharge removal program to provide grants to municipalities and individuals to eliminate licensed overboard discharges to shellfish areas, great ponds and drainage areas of less than 10 square miles;

(6) The sum of \$1,200,000 to support drinking water system improvements that address public health threats, providing the state match for \$4,140,000 in federal funds; and

(7) The sum of \$750,000 to construct environmentally sound water sources that help avoid drought damage to crops?"

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

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

PART C

Sec. C-1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$19,000,000 for the purposes described in section 6 of this Part. The bonds are a pledge of the full 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 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.

Sec. C-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond showing 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.

Sec. C-3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by

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direction of the Governor, but no bond may be loaned, pledged or
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
by the Treasurer of State upon warrants drawn by the State
Controller, are appropriated solely for the purposes set forth in
this Part. Any unencumbered balances remaining at the completion
of the project in this Part lapse to the debt service account
established for the retirement of these bonds.

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

Sec. C-5. Disbursement of bond proceeds. The proceeds of the
bonds must be expended as set out in this Part under the
direction and supervision of the University of Maine System; the
Maine Community College System, which was formerly the Maine
Technical College System; the Maine Maritime Academy; and the
Maine State Library.

Sec. C-6. Allocations from General Fund bond issue. The proceeds
of the sale of the bonds authorized by this Part must be expended
as designated in the following schedule.

UNIVERSITY OF MAINE SYSTEM

Upgrade health and safety features in laboratory buildings at various campuses of the University of Maine System	\$2,500,000
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UNIVERSITY OF MAINE SYSTEM

Improve and expand the facilities and classrooms at the University of Maine Lewiston-Auburn campus	\$2,000,000
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MAINE COMMUNITY COLLEGE SYSTEM

Make repairs, upgrades and other facility improvements, enhance access to facilities for students with disabilities and update classroom equipment at all community college campuses	\$12,000,000
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MAINE MARITIME ACADEMY

2 Repair and replace classroom and \$1,000,000
3 other facilities at the Maine
4 Maritime Academy

6 **MAINE STATE LIBRARY**

8 Grants to construct and renovate \$1,500,000
9 public libraries and to improve
10 community access to electronic
11 resources

12 **TOTAL ALLOCATIONS** \$19,000,000

14 **Sec. C-7. Contingent upon ratification of bond issue.** Sections 1
15 to 6 of this Part do not become effective unless the people of
16 the State ratify the issuance of the bonds as set forth in this
17 Part.

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

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

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

44 "Do you favor a \$19,000,000 bond issue to make repairs,
45 upgrades and other facility improvements and enhance access
46 for students with disabilities and upgrade classroom
47 equipment at various campuses of the University of Maine
48 System; the Maine Maritime Academy; and the Maine Community
College System, which was formerly the Maine Technical

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College System, and to provide grants to construct and renovate public libraries and to improve community access to electronic resources?"

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

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

Further amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment strikes out Parts A to C of Committee Amendment "A" and replaces them with language that authorizes the issuance of bonds as follows.

PART A

Part A authorizes the issuance of bonds in the amount of \$63,450,000 to be used for highways and bridges, airports, state-owned ferry vessels and ferry and port facilities and port and harbor structures; development of rail corridors and improvements to railroad structures and intermodal facilities; investment in the statewide public transportation fleet and public park and ride and service facilities; statewide trail and pedestrian improvements; and expansion of the statewide air-medical response system through construction of hospital helipads, building additional refueling facilities, upgrading navigational systems and acquiring training equipment to improve access to health care.

PART B

Part B authorizes the issuance of bonds in the amount of \$6,950,000 as follows:

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5. The sum of \$1,500,000 to construct and renovate public
libraries and to improve community access to electronic resources.

FISCAL NOTE REQUIRED
(See attached)

SPONSORED BY: Joe Brannigan (Representative BRANNIGAN)

TOWN: Portland



121st Maine Legislature
Office of Fiscal and Program Review

LD 1572

An Act To Authorize Bond Issues for Ratification by the Voters at the
November 2003 Election

LR 2068(48)

Fiscal Note for House Amendment " " to Committee Amendment "A"

Sponsor: Rep.Brannigan

Fiscal Note Required: Yes

Fiscal Note

Fiscal Detail and Notes

This amendment reduces the amount of bonds authorized by \$4,400,000 to a new total of \$89,400,000. The net change is expressed below.

Bond Issues (Part A,B &C)	Term(years)	Principal	Rate (%)	Interest	Total Cost
A General Fund - Non-taxable	10	\$2,650,000	4.1%	\$597,575	\$3,247,575
B General Fund - Non-taxable	10	(\$1,300,000)	4.1%	(\$293,150)	(\$1,593,150)
B General Fund - Taxable	10	\$750,000	5.2%	\$214,500	\$964,500
C General Fund - Non-taxable	10	(\$6,500,000)	4.1%	(\$1,465,750)	(\$7,965,750)