

MAINE STATE LEGISLATURE

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R.R.

L.D. 1572

DATE: 8-22-03

(Filing No. S-352)

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STATE OF MAINE
SENATE
121ST LEGISLATURE
FIRST SPECIAL SESSION

SENATE AMENDMENT "P" 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 \$62,550,000 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.

SENATE AMENDMENT

Sec. A-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. A-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. A-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 Transportation and the Department of Public Safety.

Sec. A-6. Allocations from Highway Fund and General Fund bond issues. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

TRANSPORTATION, DEPARTMENT OF

Highway Fund

Highway and Bridge Improvements \$13,000,000

Highway Fund Total \$13,000,000

General Fund

Airport Improvements \$3,600,000

Highway and Bridge Improvements 29,000,000

Port and Ferry Improvements 3,150,000

Rail Improvements 7,850,000

Trail Improvements 1,250,000

Transit and Park and Ride Improvements 1,200,000

General Fund Total \$46,050,000

PUBLIC SAFETY, DEPARTMENT OF

General Fund

Provides funds to expand the

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.

8
10 **Sec. A-8. Appropriation balances at year-end.** At the end of each
fiscal year, all unencumbered appropriation balances representing
12 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 or Highway Fund debt service.

14
16 **Sec. A-9. Bonds authorized but not issued.** Any bonds authorized
but not issued, or for which bond anticipation notes are not
18 issued within 5 years of ratification of this Part, are
deauthorized and may not be issued, except that the Legislature
20 may, within 2 years after the expiration of that 5-year period,
extend the period for issuing any remaining unissued bonds or
22 bond anticipation notes for an additional amount of time not to
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 \$62,550,000 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
40 and ride and service facilities; statewide trail and
pedestrian improvements; and expansion of the statewide
42 air-medical response system through construction of hospital
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 \$216,000,000 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

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
\$7,500,000 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.

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 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 \$12,500,000 in federal funds \$2,500,000

Grants to construct water pollution control facilities \$1,500,000

Funds to clean up uncontrolled hazardous substance sites \$800,000

Fund the small community grant program, which provides grants to rural communities to solve local pollution problems \$500,000

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

**HUMAN SERVICES,
DEPARTMENT OF**

Grants and loans for public drinking water system improvements matched by \$5,865,000 in federal funds \$1,700,000

TOTAL ALLOCATIONS \$7,500,000

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 \$7,500,000 bond issue for the following purposes:

(1) The sum of \$2,500,000 to construct and upgrade water pollution control facilities, providing the state match for \$12,500,000 in federal funds;

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

(3) The sum of \$800,000 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; and

(6) The sum of \$1,700,000 to support drinking water system improvements that address public health threats, providing the state match for \$5,865,000 in federal funds?"

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 \$19,050,000 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 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.

2 **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.

4
6 **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
8 Maine Community College System, which was formerly the Maine
Technical College System; the Maine Maritime Academy; and the
10 Maine State Library.

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

16 **UNIVERSITY OF MAINE SYSTEM**

18 Upgrade health and safety features in \$6,000,000
laboratory buildings at various campuses
20 of the University of Maine System

22 **UNIVERSITY OF MAINE SYSTEM**

24 Improve and expand the facilities and \$2,000,000
classrooms at the University of Maine
26 Lewiston-Auburn campus

28 **MAINE COMMUNITY COLLEGE SYSTEM**

30 Make repairs, upgrades and other \$9,250,000
facility improvements, enhance access
32 to facilities for students with
disabilities and update classroom
34 equipment at all community college
campuses

36 **MAINE MARITIME ACADEMY**

38 Repair and replace classroom and \$800,000
40 other facilities at the Maine
Maritime Academy

42 **MAINE STATE LIBRARY**

44 Grants to construct and renovate \$1,000,000
46 public libraries and to improve
community access to electronic
48 resources

TOTAL ALLOCATIONS

\$19,050,000

Sec. C-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. C-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. C-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. C-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 \$19,050,000 bond issue to make repairs, upgrades and other facility improvements and enhance access for students with disabilities and upgrade classroom equipment at various campuses of the University of Maine System; the Maine Maritime Academy; and the Maine Community College System, which was formerly the Maine Technical 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
2 favor of this Part, the Governor shall proclaim the result
4 without delay, and this Part becomes effective 30 days after the
date of the proclamation.

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

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

14
16 **SUMMARY**

18 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.

20 **PART A**

22 Part A authorizes the issuance of bonds in the amount of
24 \$62,550,000 to be used for highways and bridges, airports,
state-owned ferry vessels and ferry and port facilities and port
26 and harbor structures; development of rail corridors and
improvements to railroad structures and intermodal facilities;
28 investment in the statewide public transportation fleet and
public park and ride and service facilities; statewide trail and
30 pedestrian improvements; and expansion of the statewide
air-medical response system through construction of hospital
32 helipads, building additional refueling facilities, upgrading
navigational systems and acquiring training equipment to improve
34 access to health care.

36 **PART B**

38 Part B authorizes the issuance of bonds in the amount of
\$7,500,000 as follows:

40 1. The sum of \$2,500,000 to construct and upgrade water
42 pollution control facilities, providing the state match for
\$12,500,000 in federal funds;

44 2. The sum of \$1,500,000 to provide grants to construct
46 water pollution control facilities;

48 3. The sum of \$800,000 to clean up uncontrolled hazardous
substance sites;

50

4. The sum of \$500,000 to provide grants to rural communities to solve local pollution problems;

5. The sum of \$500,000 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; and

6. The sum of \$1,700,000 to support drinking water system improvements that address public health threats, providing the state match for \$5,865,000 in federal funds.

PART C

Part C authorizes the issuance of bonds in the amount of \$19,050,000 as follows:

1. The sum of \$6,000,000 to address health, safety and compliance deficiencies in the University of Maine System;

2. The sum of \$2,000,000 to improve and expand the facilities and classrooms at the University of Maine Lewiston-Auburn campus;

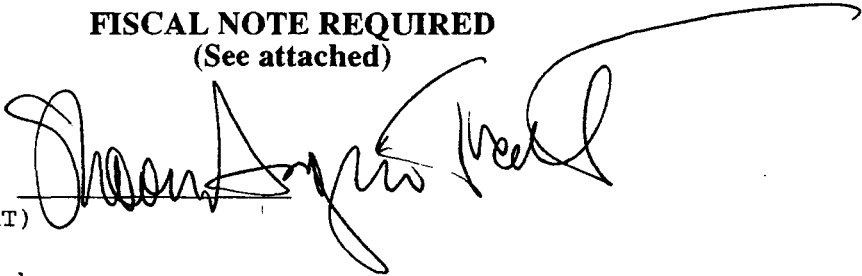
3. The sum of \$9,250,000 to make repairs, upgrades and other facility improvements, enhance access to facilities for students with disabilities and update classroom equipment at all community college campuses;

4. The sum of \$800,000 to repair and replace classroom and other facilities at the Maine Maritime Academy; and

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

FISCAL NOTE REQUIRED

(See attached)

SPONSORED BY: 
(Senator TREAT)

COUNTY: Kennebec

**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(49)

Fiscal Note for Senate Amendment "P" to Committee Amendment "A"

Sponsor: Sen. Treat

Fiscal Note Required: Yes

Fiscal Note

Fiscal Detail and Notes

This amendment reduces the amount of bonds authorized by \$4,700,000 to a new total of \$89,100,000. 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	\$1,750,000	4.1%	\$394,625	\$2,144,625
C General Fund - Non-taxable	10	(\$6,450,000)	4.1%	(\$1,454,475)	(\$7,904,475)