

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

SECOND REGULAR SESSION-2004

Legislative Document

No. 1707

S.P. 639

In Senate, December 17, 2003

**An Act To Authorize a General Fund Bond Issue in the Amount of
\$1,000,000 To Fund Downtown Revitalization To Preserve the
Heritage of Municipalities**

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 16, 2003. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in black ink, reading 'Joy J. O'Brien'.

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator GAGNON of Kennebec.
Cosponsored by Representative COWGER of Hallowell and
Senators: HALL of Lincoln, MAYO of Sagadahoc, SHOREY of Washington, STANLEY of
Penobscot, Representatives: DUDLEY of Portland, KOFFMAN of Bar Harbor, PINGREE of
North Haven.

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
\$1,000,000 for the purposes described in section 6 of this Act.
14 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
16 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.

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

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

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

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

44 **Sec. 6. Allocations from General Fund bond issue.** The proceeds
46 of the sale of the bonds authorized under this Act must be
expended as designated in the following schedule.

2 **Economic and Community Development,**
3 **Department of**

4 To fund downtown revitalization in order \$1,000,000
5 to preserve the heritage of municipalities.

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

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

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

22 **Sec. 10. Referendum for ratification; submission at general election;**
23 **form of question; effective date.** This Act must be submitted to the
24 legal voters of the State at the next general election in the
25 month of November following passage of this Act. The municipal
26 officers of this State shall notify the inhabitants of their
27 respective cities, towns and plantations to meet, in the manner
28 prescribed by law for holding a general election, to vote on the
29 acceptance or rejection of this Act by voting on the following
30 question:

31 "Do you favor a \$1,000,000 bond issue to fund downtown
32 revitalization to preserve the heritage of municipalities?"

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

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

6

SUMMARY

8 The funds provided by this bond issue, in the amount of
\$1,000,000, will be used for downtown revitalization to preserve
10 the heritage of municipalities.