

MAINE STATE LEGISLATURE

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L.D. 1875

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DATE: 4-30-04

(Filing No. S-605)

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**STATE OF MAINE
SENATE
121ST LEGISLATURE
SECOND SPECIAL SESSION**

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to S.P. 723, L.D. 1875, Bill, "An Act To Authorize Department of Transportation Bond Issues in the Amount of \$18,250,000 To Match Available Federal Funds for Improvements to and Development of Highways and Bridges; Airports; Ferry Vessels, Port Facilities and Marine Infrastructure; Rail Corridors and Structures; Intermodal Facilities; and Trail and Pedestrian Facilities"

Amend the amendment by striking out all of Parts A, B, C and D 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 \$12,400,000 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. 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

R. of S.

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 projects 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 Commissioner of Transportation.

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

22 **TRANSPORTATION, DEPARTMENT OF**

23	Highway Fund	
24	Highways and Bridges	\$11,000,000
25	Highway Fund Total	<u>\$11,000,000</u>
26	General Fund	
27	Ferry Vessels, Port Facilities and	
28	Marine Infrastructure	\$1,400,000
29	General Fund Total	<u>\$1,400,000</u>

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

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

38 **Sec. A-9. Bonds authorized but not issued.** Any bonds authorized
39 but not issued, or for which bond anticipation notes

R.O.S.

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. A-10. Referendum for ratification; submission at general
election; form of question; effective date.** This Part must be submitted
to the legal voters of the State at the next general election in
the month 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 general election, to vote
on the acceptance or rejection of this Part by voting on the
following question:

"Do you favor a \$12,400,000 bond issue for improvements to
and development of highways and bridges, ferry vessels and
port facilities that makes the State eligible for up to
\$41,622,222 in matching 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 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
\$7,475,000 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.

R. of S.

2 **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
4 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
6 date when payable.

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

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

22 **Sec. B-5. Disbursement of bond proceeds.** The proceeds of the
24 bonds must be expended as set out in this Part under the
direction and supervision of the Department of Environmental
26 Protection, the Department of Human Services and the University
of Maine.

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

32	ENVIRONMENTAL PROTECTION,	
34	DEPARTMENT OF	
36	Grants to construct and upgrade water	\$3,000,000
38	pollution control facilities matched by	
	\$10,000,000 in federal funds.	
40	Funds to abate, clean up and remediate	1,425,000
42	threats to public health and the	
44	environment from uncontrolled hazardous	
	substance sites and municipal	
	brownfields.	
46	Provides a grant to the Town of Warren to	300,000
48	effectively deal with certain	
	combustible material to avoid the	
	possibility of an uncontrollable fire	

R. of S.

in the town.

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**HUMAN SERVICES,
DEPARTMENT OF**

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Grants and low-interest loans to construct 2,000,000
and upgrade public water systems matched
by \$10,000,000 in federal funds.

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UNIVERSITY OF MAINE

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Provides funds for critical storage and 750,000
upgrades at the Raymond H. Fogler Library,
the state research library for business,
science and technology at the University of
Maine.

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16

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TOTAL ALLOCATIONS \$7,475,000

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Sec. B-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 Part.

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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.

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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.

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**Sec. B-10. Referendum for ratification; submission at general
election; form of question; effective date.** This Part must be submitted
to the legal voters of the State at the next general election in
the month 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 general election, to vote
on the acceptance or rejection of this Part by voting on the
following question:

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"Do you favor a \$7,475,000 bond issue to be used for the
following purposes:

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R. G. S.

- 2 (1) The sum of \$2,000,000 to the state revolving fund
4 that provides low-interest loans to municipalities and
6 others for wastewater treatment to leverage an
8 additional \$10,000,000 in federal funds;
- 10 (2) The sum of \$1,000,000 to the small community grant
12 program to provide grants to towns for pollution
14 abatement and septic facilities to protect drinking
16 water, shellfish areas and other waters of the State;
- 18 (3) The sum of \$300,000 to provide a grant to the Town
20 of Warren to effectively deal with certain combustible
22 material to avoid the possibility of an uncontrollable
24 fire in the town;
- 26 (4) The sum of \$1,175,000 to the uncontrolled
28 hazardous substance program for site clean-up;
- 30 (5) The sum of \$250,000 to the municipal brownfields
32 program to allow assessment of sites for economic reuse;
- 34 (6) The sum of \$2,000,000 to construct and upgrade
36 public water systems to address public health threats
38 to leverage an additional \$10,000,000 in federal funds;
40 and
- 42 (7) The sum of \$750,000 for critical improvements and
44 expansion plans for the Raymond H. Fogler Library at
46 the University of Maine, the state research library for
48 business, science and technology?"

34 The legal voters of each city, town and plantation shall
36 vote by ballot on this question and designate their choice by a
38 cross or check mark placed within a corresponding square below
40 the word "Yes" or "No." The ballots must be received, sorted,
42 counted and declared in open ward, town and plantation meetings
44 and returns made to the Secretary of State in the same manner as
46 votes for members of the Legislature. The Governor shall review
48 the returns and, if a majority of the legal votes are cast in
50 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.

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

50

PART C

R.O.S.

2 **Sec. C-1. Authorization of bonds.** The Treasurer of State is
3 authorized, under the direction of the Governor, to issue bonds
4 in the name and on behalf of the State in an amount not exceeding
5 \$20,000,000 for the purposes described in section 8 of this Part
6 and to access \$10,000,000 in matching contributions from public
7 and private sources. The bonds are a pledge of the full faith
8 and credit of the State. The bonds may not run for a period
9 longer than 10 years from the date of the original issue of the
10 bonds. At the discretion of the Treasurer of State, with the
11 approval of the Governor, any issuance of bonds may contain a
12 call feature.

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

20 **Sec. C-3. Sale; how negotiated; proceeds appropriated.** The
21 Treasurer of State may negotiate the sale of the bonds by
22 direction of the Governor, but no bond may be loaned, pledged or
23 hypothecated on behalf of the State. The proceeds of the sale of
24 the bonds, which must be held by the Treasurer of State and paid
25 by the Treasurer of State upon warrants drawn by the State
26 Controller, are appropriated solely for the purposes set forth in
27 this Part. Any unencumbered balances remaining at the completion
28 of the projects in this Part lapse to the debt service account
29 established for the retirement of these bonds.

30 **Sec. C-4. Taxable bond option.** The Treasurer of State, at the
31 direction of the Governor, shall covenant and consent that the
32 interest on the bonds is includable under the United States
33 Internal Revenue Code in the gross income of the holders of the
34 bonds to the same extent and in the same manner that the interest
35 on bills, bonds, notes or other obligations of the United States
36 is includable in the gross income of the holders under the United
37 States Internal Revenue Code or any subsequent law. The powers
38 conferred by this section are not subject to any limitations or
39 restrictions of any law that may limit the power to so covenant
40 and consent.

42 **Sec. C-5. Interest and debt retirement.** The Treasurer of State
43 shall pay interest due or accruing on any bonds issued under this
44 Part and all sums coming due for payment of bonds at maturity.

46 **Sec. C-6. Disbursement of bond proceeds allocated to Land for
48 Maine's Future Board.** The proceeds of the bonds allocated to the
Land for Maine's Future Board must be expended for

10-2-89

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to S.P. 723,
L.D. 1875

2 acquisition of land and interest in land for conservation, water
access, outdoor recreation, wildlife and fish habitat and
4 farmland preservation in accordance with the provisions for such
acquisitions under the Maine Revised Statutes, Title 5, chapter
6 353, including all costs associated with such acquisitions,
except that use of the proceeds of these bonds is subject to the
following conditions and requirements.

8
1. Hunting, fishing, trapping and public access may not be
10 prohibited on land acquired with bond proceeds, except to the
extent of applicable state, local or federal laws and regulations.

12
2. Payment from bond proceeds for acquisitions of local or
14 regional significance, as determined by the Land for Maine's
Future Board, may be made directly to cooperating entities as
16 defined in Title 5, section 6201, subsection 2 for acquisition of
land and interest in land by cooperating entities, subject to
18 terms and conditions enforceable by the State to ensure their use
for the purposes of this Part.

20
3. The bond funds must be matched with at least \$30,000,000
22 in public and private contributions. Seventy percent of that
amount must be in the form of cash or other tangible assets,
24 including the value of land and real property interest acquired
by or contributed to cooperating entities when property interests
26 have a direct relationship to the property proposed for
protection, as determined by the Land for Maine's Future Board.
28 The remaining 30% may be matching contributions and may include
the value of project-related, in-kind contributions of goods and
30 services to and by cooperating entities.

32
4. Ten percent of the bond proceeds allocated to the Land
for Maine's Future Board must be made available to acquire public
34 access to water in accordance with the provisions of Title 5,
section 6203-A.

36
5. Ten percent of the bond proceeds allocated to the Land
for Maine's Future Board must be made available to protect
38 farmland in accordance with Title 5, section 6207.

40
6. To the extent the purposes are consistent with the
42 disbursement provisions in this Part, 100% of the bond proceeds
may be considered as state match for any federal funding to be
44 made available to the State.

46
7. The Land for Maine's Future Board shall use a portion of
the funds to negotiate with the North Maine Woods Association and
48 landowners in other parts of the State for the removal of gates
or other restrictions on public access to large tracts of land in
50 this State.

SENATE AMENDMENT

R. 016

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to S.P. 723,
L.D. 1875

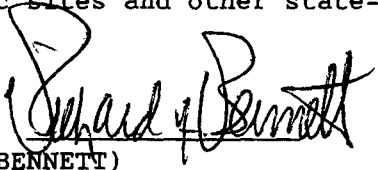
2 5. Adds \$300,000 to provide a grant to the Town of Warren;
and

4 6. Provides \$2,000,000 for critical improvements and
6 expansion plans for the Raymond H. Fogler Library at the
University of Maine, the state research library for business,
8 science and technology.

Part C

10 Part C reduces the amount provided to recapitalize the
12 program administered by the Land for Maine's Future Board by
\$40,000,000.

14 Part C also eliminates the part of the bond issue that
16 provided additional funds for capital improvements to state
18 parks, historic sites and other state-owned parks.

20 SPONSORED BY: 
22 (Senator R. BENNETT)

24 COUNTY: Oxford

26

SENATE AMENDMENT

**121st Maine Legislature
Office of Fiscal and Program Review**



LD 1875

An Act To Authorize Department of Transportation Bond Issues in the Amount of \$18,250,000 To Match Available Federal Funds for Improvements to and Development of Highways and Bridges; Airports; Ferry Vessels, Port Facilities and Marine Infrastructure; Rail Corridors and Structures; Intermodal Facilities; and Trail and Pedestrian Facilities

LR 2799(23)

Fiscal Note for Senate Amendment *h* to Committee Amendment *A*

Sponsor: Sen. Bennett

Fiscal Note Required: Yes

Fiscal Note

Fiscal Detail and Notes

This amendment decreases the amount of bonds authorized by \$80,050,000 to a new total of \$39,875,000. The net change is expressed below.

Bond Issues (Parts A,B,C&D)	Term(years)	Principal	Rate (%)	Interest	Total Cost
A Highway Fund - Non-taxable	10	(\$2,500,000)	4.1%	(\$563,750)	(\$3,063,750)
A General Fund - Non-taxable	10	(\$3,350,000)	4.1%	(\$755,425)	(\$4,105,425)
B General Fund - Non-taxable	10	(\$7,425,000)	4.1%	(\$1,674,338)	(\$9,099,338)
B General Fund - Taxable	10	(\$4,000,000)	5.2%	(\$1,144,000)	(\$5,144,000)
C General Fund - Non-taxable	10	\$2,225,000	4.1%	\$501,738	\$2,726,738
D General Fund - Non-taxable	10	(\$65,000,000)	4.1%	(\$14,657,500)	(\$79,657,500)
		(\$80,050,000)		(\$18,293,275)	(\$98,343,275)