



# **122nd MAINE LEGISLATURE**

### FIRST REGULAR SESSION-2005

Legislative Document

No. 149

S.P. 55

In Senate, January 13, 2005

## An Act To Authorize a General Fund Bond Issue in the Amount of \$5,000,000 for the Fractionation Development Center

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

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator BRYANT of Oxford. Cosponsored by Representative PATRICK of Rumford and Senator: MARTIN of Aroostook, Representatives: BRYANT of Windham, HOTHAM of Dixfield, JODREY of Bethel, MARRACHÉ of Waterville, MILLETT of Waterford, MILLS of Farmington, TUTTLE of Sanford.

Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14 to authorize the issuance of bonds on behalf of the State of Maine to provide funds as described in this Act.

Be it enacted by the People of the State of Maine as follows:

#### PART A

Sec. A-1. Authorization of bonds. The Treasurer of State is 12 authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$5,000,000 for the purposes described in section 6 of this Part. 14 The bonds are a pledge of the full faith and credit of the The bonds may not run for a period longer than 10 years State. from the date of the original issue of the bonds. At the 18 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 22 number of the bond, the name of the successful bidder to whom 24 sold, the amount received for the bond, the date of sale and the date when payable.

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

Sec. A-4. Interest and debt retirement. The Treasurer of State 38 shall pay interest due or accruing on any bonds issued under this Part and all sums coming due for payment of bonds at maturity. 40

Sec. A-5. Disbursement of bond proceeds. The proceeds of the 42 bonds must be expended as set out in this Part under the direction and supervision of the Department of Economic  $\operatorname{and}$ 44 Community Development.

Sec. A-6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be 48 expended as designated in the following schedule.

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#### DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

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|----|---|-------------|
|    | Provides funds for the Fractionation                  | \$5,000,000 |
| 4  | Development Center for equipment                      |             |
|    | purchases for the pyrolysis/gasification              |             |
| 6  | pilot platforms and for the chemical/mechanical       |             |
|    | fractionation route or the acid hydrolysis            |             |
| 8  | fractionation route and for facility                  |             |
|    | renovations.  |             |
| 10 |   |             |
|    | Sec. A-7. Contingent upon ratification of bond issue. | Sections 1  |

Sec. A-7. Contingent upon ratification of bond issue. Sections 1 12 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Part.

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

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 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.

30 Sec. A-10. Referendum for ratification: submission at statewide election: form of question: effective date. This Part must be submitted 32 to the legal voters of the State at a statewide election held on the Tuesday following the first Monday of November following 34 passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and 36 plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of 38 this Part by voting on the following question:

40 "Do you favor a \$5,000,000 bond issue for the Fractionation Development Center for the purchase of equipment necessary
42 for the initiation of the pyrolysis/gasification pilot platforms and for the chemical/mechanical fractionation
44 route or the acid hydrolysis fractionation route and for facility renovations?"

The legal voters of each city, town and plantation shall 48 vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below

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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

16 Sec. B-1. Appropriations and allocations. The following appropriations and allocations are made.

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   ECONOMIC AND COMMUNITY DEVELOPMENT,
   20 DEPARTMENT OF
- 22 Office of Innovation

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24 Initiative: Provides funds for the operation of the Fractionation Development Center in fiscal year 2005-06 and fiscal year 2006-07.

| 28 | GENERAL FUND       | 2005-06   | 2006-07   |
|----|--------------------|-----------|-----------|
|    | All Other          | \$310,000 | \$620,000 |
| 30 |                    |           |           |
|    | GENERAL FUND TOTAL | \$310,000 | \$620,000 |
| 32 |                    |           |           |

**SUMMARY** 

The funds provided by this bond issue, in the amount of \$5,000,000, will be used for the Fractionation Development Center to purchase the equipment necessary for the initiation of the 90 pyrolysis/gasification pilot platforms and for the chemical/mechanical fractionation route or the acid hydrolysis 42 fractionation route and for facility renovations.

44 This bill also provides funds for the operating costs of the Fractionation Development Center in fiscal year 2005-06 and 46 fiscal year 2006-07.