

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 858

H.P. 589

House of Representatives, March 5, 2009

**An Act To Authorize a General Fund Bond Issue To Fund Energy
Investments for Maine's Future**

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative VAN WIE of New Gloucester.
Cosponsored by Representatives: BEAUDETTE of Biddeford, DILL of Cape Elizabeth,
FLETCHER of Winslow, GOODE of Bangor, HINCK of Portland, WAGNER of Lyman,
Senator: BOWMAN of York.

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

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

6 **Sec. 1. Authorization of bonds.** The Treasurer of State is authorized, under the
7 direction of the Governor, to issue bonds in the name and on behalf of the State in an
8 amount not exceeding \$28,000,000 for the purposes described in section 6 of this Act.
9 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
10 a period longer than 10 years from the date of the original issue of the bonds. At the
11 discretion of the Treasurer of State, with the approval of the Governor, any issuance of
12 bonds may contain a call feature.

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

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

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

27 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the bonds must be
28 expended as set out in this Act under the direction and supervision of the Public Utilities
29 Commission, the Department of Administrative and Financial Services, the Finance
30 Authority of Maine and the Maine State Housing Authority.

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

34 **PUBLIC UTILITIES COMMISSION**

35
36 **Energy Conservation Board**
37

1	Provides funds to support community-	\$10,000,000
2	based renewable energy projects, including	
3	50% cost sharing for equipment needed for	
4	interconnection to the transmission system.	
5		
6	Provides funds for 25% subsidies for	\$10,000,000
7	energy conservation projects in schools and	
8	public buildings.	
9		
10	Provides funds to the University of Maine	\$500,000
11	for research and development for a network	
12	of battery-charging and battery-changing	
13	stations for electric vehicles.	
14		
15	DEPARTMENT OF	
16	ADMINISTRATIVE AND FINANCIAL	
17	SERVICES, BUREAU OF GENERAL	
18	SERVICES	
19		
20	Provides funds for purchase of hybrid or	\$2,500,000
21	other low-emission or energy-efficient	
22	vehicles for public agencies.	
23		
24	FINANCE AUTHORITY OF MAINE	
25		
26	Provides funds for zero-interest start-up	\$5,000,000
27	loans to manufacturers of renewable energy	
28	products.	

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

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

36 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized but not issued,
37 or for which bond anticipation notes are not issued within 5 years of ratification of this
38 Act, are deauthorized and may not be issued, except that the Legislature may, within 2
39 years after the expiration of that 5-year period, extend the period for issuing any
40 remaining unissued bonds or bond anticipation notes for an additional amount of time not
41 to exceed 5 years.

