# MAINE STATE LEGISLATURE

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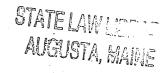
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## 124th MAINE LEGISLATURE

### FIRST REGULAR SESSION-2009

Legislative Document

No. 1481

H.P. 1034

House of Representatives, May 21, 2009

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

Reported by Representative MARTIN of Eagle Lake for the Joint Select Committee on Maine's Energy Future pursuant to Joint Order, H.P. 63.

Millicent M. Macfarland MILLICENT M. MacFARLAND Clerk **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:

- **Sec. 1.** Authorization of bonds. The Treasurer of State, after July 1, 2010, 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 \$30,000,000 for the purposes described in section 6 of this Act. 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. 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. 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 Act. Any unencumbered balances remaining at the completion of the project in this Act lapse to the debt service account established for the retirement of these bonds.
- **Sec. 4. Interest and debt retirement.** The Treasurer of State shall pay interest due or accruing on any bonds issued under this Act and all sums coming due for payment of bonds at maturity.
- Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Act under the direction and supervision of the Public Utilities Commission, or the authority to which the energy efficiency programs of the commission are transferred by the Legislature, and the Department of Labor.
- Sec. 6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Act must be expended as designated in the following schedule.

#### PUBLIC UTILITIES COMMISSION 2 3 \$24,000,000 Provides funds for weatherization and 4 energy efficiency programs. If the energy 5 efficiency programs of the commission are 6 transferred to another entity established by 7 the Legislature, the commission shall 8 transfer all unexpended funds to that entity. 9 10 DEPARTMENT OF LABOR 11. 12 Provides funds for green energy workforce \$6,000,000 13 development to be used in accordance with 14 green energy workforce development 15 programs established or approved by the 16 Legislature. 17 Sec. 7. Contingent upon ratification of bond issue. Sections 1 to 6 do not 18 become effective unless the people of the State ratify the issuance of the bonds as set 19 forth in this Act. 20 Sec. 8. Appropriation balances at year-end. At the end of each fiscal year, all 21 unencumbered appropriation balances representing state money carry forward. Bond 22 proceeds that have not been expended within 10 years after the date of the sale of the 23 bonds lapse to General Fund debt service. 24 Sec. 9. Bonds authorized but not issued. Any bonds authorized but not issued, 25 or for which bond anticipation notes are not issued within 5 years of ratification of this 26 Act, are deauthorized and may not be issued, except that the Legislature may, within 2 27 years after the expiration of that 5-year period, extend the period for issuing any 28 remaining unissued bonds or bond anticipation notes for an additional amount of time not 29 to exceed 5 years. 30 Sec. 10. Referendum for ratification; submission at election; form of 31 question; effective date. This Act must be submitted to the legal voters of the State at 32 a statewide election held in the month of November following passage of this Act. The 33 municipal officers of this State shall notify the inhabitants of their respective cities, towns 34 and plantations to meet, in the manner prescribed by law for holding a statewide election, 35 to vote on the acceptance or rejection of this Act by voting on the following question: 36 "Do you favor a \$30,000,000 bond issue to be used to provide funds for 37 investments in weatherization and energy efficiency projects and related 38 workforce development?" 39 The legal voters of each city, town and plantation shall vote by ballot on this question 40 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 41

declared in open ward, town and plantation meetings and returns made to the Secretary of

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State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If a majority of the legal votes are cast in favor of this Act, the Governor shall proclaim the result without delay and this Act 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 Act necessary to carry out the purposes of this referendum.

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**SUMMARY** 

The funds provided by this bond issue, in the amount of \$30,000,000, will be used to provide for investments in weatherization and energy efficiency projects and green energy workforce development.

FISCAL NOTE REQUIRED (See attached)



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LD 1481

LR 2000(01)

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Preliminary Fiscal Impact Statement for Original Bill Committee: Joint Select Committee on Maine's Energy Future Fiscal Note Required: Yes

### **Preliminary Fiscal Impact Statement**

<b>Bond Issues</b>	Term (years)	Principal	Rate (%)	Interest	<b>Total Cost</b>
General Fund - Taxable	10	\$30,000,000	5.5%	\$9,075,000	\$39,075,000
Referendum Costs	Month/Year	Election Type	Question	Length	
iterefendum Costs	Nov-09	General	Bond Issue	Standard	,
	Nov-09	General	Bond Issue	Standard	

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions requires production and delivery of a second ballot, an additional appropriation of \$107,250 may be required.