

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2010

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Legislative Document

No. 1748

H.P. 1242

House of Representatives, January 19, 2010

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### **An Act To Authorize a General Fund Bond Issue To Purchase and Upgrade Trackage of the Montreal, Maine and Atlantic Railway**

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

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative THERIAULT of Madawaska.  
Cosponsored by Senator JACKSON of Aroostook and  
Representatives: AYOTTE of Caswell, BEAUDOIN of Biddeford, BERRY of Bowdoinham,  
BRIGGS of Mexico, BROWNE of Vassalboro, CLARK of Millinocket, CLEARY of Houlton,  
CRAY of Palmyra, DILL of Cape Elizabeth, EATON of Sullivan, EDGECOMB of Caribou,  
GIFFORD of Lincoln, HARLOW of Portland, HAYES of Buckfield, MARTIN of Eagle Lake,  
MAZUREK of Rockland, PENDLETON of Scarborough, PEOPLES of Westbrook, ROSEN of  
Bucksport, SCHATZ of Blue Hill, SHAW of Standish, SUTHERLAND of Chapman, TREAT  
of Hallowell, Senators: DAMON of Hancock, SHERMAN of Aroostook.

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 \$20,000,000 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 Department of  
29 Transportation.

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

33	<b>DEPARTMENT OF</b>	
34	<b>TRANSPORTATION</b>	
35		
36	Provides funds to purchase and upgrade	\$20,000,000
37	241 miles of track of the Montreal, Maine	
38	and Atlantic Railway to maintain service to	
39	towns in the northern part of the State and	
40	to prevent closure of this trackage.	

