

MAINE STATE LEGISLATURE

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Date: 4-7-10

(Filing No. S-526)

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STATE OF MAINE
SENATE
124TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "D" to COMMITTEE AMENDMENT "A" to H.P. 1313, L.D. 1826, Bill, "An Act To Authorize Bond Issues for Ratification by the Voters for the June 2010 Election"

Amend the amendment by striking out the substitute title and replacing it with the following:

'An Act To Authorize a Bond Issue for Ratification by the Voters for the June 2010 Election'

Amend the amendment by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 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 \$22,000,000 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.

SENATE AMENDMENT

A. 68.

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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 Department of Transportation.

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.

**DEPARTMENT OF
TRANSPORTATION**

General Fund

Provides funds, including \$17,000,000 to purchase and preserve approximately 240 miles of railroad track in Aroostook County currently owned and operated by the Montreal, Maine and Atlantic Railway, which track upon acquisition by the State must be operated by a rail operator chosen through a competitive process, in consultation with shippers and other stakeholders of the track, and \$5,000,000 to purchase a portion of rail line and to make other improvements related to improved freight rail service and preparation for future passenger rail service to Lewiston and Auburn.	\$22,000,000
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Sec. 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 Act.

Sec. 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. 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 Act, 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. 10. Referendum for ratification; submission at election; form of question; effective date. This Act must be submitted to the legal voters of the State at a statewide election held in the month of June following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns

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and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

"Do you favor a \$22,000,000 bond issue to purchase and preserve approximately 240 miles of railroad track in Aroostook County and to purchase a portion of rail line and make improvements in preparation for future passenger rail service to Lewiston and Auburn?"

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. 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.'

SUMMARY

This amendment strikes Committee Amendment "A" and authorizes a \$22,000,000 bond issue to purchase and preserve approximately 240 miles of railroad track in Aroostook County and to purchase a portion of rail line and make improvements in preparation for future passenger rail service to Lewiston and Auburn. It requires a June 2010 referendum.

SPONSORED BY: 

(Senator TRAHAN)

COUNTY: Lincoln

FISCAL NOTE REQUIRED
(See attached)

SENATE AMENDMENT



124th MAINE LEGISLATURE

LD 1826

LR 2648(04)

An Act To Authorize Bond Issues for Ratification by the Voters for the June 2010 Election

Fiscal Note for Senate Amendment "D" to Committee Amendment "A"
Sponsor: Sen. Trahan of Lincoln
Fiscal Note Required: Yes

Fiscal Note

Bond Issues	Term (years)	Principal	Rate (%)	Interest	Total Cost
General Fund - Non-Taxable	10	(\$57,800,000)	4.0%	(\$12,716,000)	(\$70,516,000)
General Fund - Taxable	10	(\$5,200,000)	5.0%	(\$1,430,000)	(\$6,630,000)

Fiscal Detail and Notes

This amendment reduces the amount of bonds to be sent to the voters by \$63,000,000.