

MAINE STATE LEGISLATURE

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Date: 8.27.13

APPROPRIATIONS AND FINANCIAL AFFAIRS

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STATE OF MAINE
SENATE
126TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 377, L.D. 1095, Bill, "An Act To Authorize a General Fund Bond Issue To Improve Highways, Bridges and Multimodal Facilities"

Amend the bill 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 \$100,000,000 for the purposes described in section 5 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.

Sec. 2. Records of bonds issued; Treasurer of State. The Treasurer of State shall ensure that an account of each bond is kept 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 Office of the Treasurer of State to be used for the retirement of general obligation 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 from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Act must be expended as

COMMITTEE AMENDMENT

1 designated in the following schedule under the direction and supervision of the agencies
2 and entities set forth in this section.

3 **TRANSPORTATION, DEPARTMENT**
4 **OF**

5 Provides funds to construct, reconstruct or rehabilitate Priority 1, Priority 2 and
6 Priority 3 state highways under the Maine Revised Statutes, Title 23, section 73,
7 subsection 7 and for associated improvements.

8 Total \$44,000,000

9 Provides funds for municipal partnership initiatives and the Secondary Road Program
10 Fund established in the Maine Revised Statutes, Title 23, section 1803-C.

11 Total \$5,000,000

12 Provides funds to replace and rehabilitate bridges.

13 Total \$27,000,000

14 Provides funds for facilities or equipment related to ports, harbors, marine
15 transportation, aviation, freight and passenger railroads and transit that preserve
16 public safety or otherwise have demonstrated high economic value for transportation,
17 including property acquisition and capital improvements at the International Marine
18 Terminal.

19 Total \$24,000,000

20 **Sec. 6. Contingent upon ratification of bond issue.** Sections 1 to 5 do not
21 become effective unless the people of the State ratify the issuance of the bonds as set
22 forth in this Act.

23 **Sec. 7. Appropriation balances at year-end.** At the end of each fiscal year, all
24 unencumbered appropriation balances representing state money carry forward. Bond
25 proceeds that have not been expended within 10 years after the date of the sale of the
26 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
27 obligation bonds.

28 **Sec. 8. Bonds authorized but not issued.** Any bonds authorized but not issued
29 within 5 years of ratification of this Act are deauthorized and may not be issued, except
30 that the Legislature may, within 2 years after the expiration of that 5-year period, extend
31 the period for issuing any remaining unissued bonds for an additional amount of time not
32 to exceed 5 years.

1 **Sec. 9. Referendum for ratification; submission at election; form of**
2 **question; effective date.** This Act must be submitted to the legal voters of the State at
3 a statewide election held in the month of November following passage of this Act. The
4 municipal officers of this State shall notify the inhabitants of their respective cities, towns
5 and plantations to meet, in the manner prescribed by law for holding a statewide election,
6 to vote on the acceptance or rejection of this Act by voting on the following question:

7 "Do you favor a \$100,000,000 bond issue for reconstruction and
8 rehabilitation of highways and bridges and for facilities or equipment
9 related to ports, harbors, marine transportation, freight and passenger
10 railroads, aviation and transit, to be used to match an estimated
11 \$154,000,000 in federal and other funds?"

12 The legal voters of each city, town and plantation shall vote by ballot on this question
13 and designate their choice by a cross or check mark placed within a corresponding square
14 below the word "Yes" or "No." The ballots must be received, sorted, counted and
15 declared in open ward, town and plantation meetings and returns made to the Secretary of
16 State in the same manner as votes for members of the Legislature. The Governor shall
17 review the returns. If a majority of the legal votes are cast in favor of this Act, the
18 Governor shall proclaim the result without delay and this Act becomes effective 30 days
19 after the date of the proclamation.

20 The Secretary of State shall prepare and furnish to each city, town and plantation all
21 ballots, returns and copies of this Act necessary to carry out the purposes of this
22 referendum.'

23 SUMMARY

24 This amendment provides for a bond issue in the amount of \$100,000,000 to be used
25 for transportation projects, such as for the reconstruction and rehabilitation of highways
26 and bridges and for facilities or equipment related to ports, harbors, marine
27 transportation, freight and passenger railroads, aviation and transit, matching an estimated
28 \$154,000,000 in federal and other funds.

29 This amendment decreases the amount of the bonds provided for in the bill for
30 highway and bridge projects but maintains the total bonding of \$100,000,000 by
31 increasing the bond amounts for intermodal improvements.

FISCAL NOTE REQUIRED
(See attached)



126th MAINE LEGISLATURE

LD 1095

LR 2006(02)

An Act To Authorize a General Fund Bond Issue To Improve Highways, Bridges and Multimodal Facilities

Fiscal Note for Bill as Amended by Committee Amendment 'A' (S-373)

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Fiscal Note

Current biennium cost increase - General Fund

Bond Issues	Term (years)	Principal	Rate (%)	Interest	Total Cost
General Fund - Non-Taxable	10	\$12,000,000	3.5%	\$2,310,000	\$14,310,000
General Fund - Non-Taxable	10	\$75,000,000	4.0%	\$16,500,000	\$91,500,000
General Fund - Taxable	10	\$13,000,000	4.0%	\$2,860,000	\$15,860,000

Referendum Costs	Month/Year	Election Type	Question	Length
	Nov-13	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.