

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

SMC
R OF S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34

Date: 4/17/14

(Filing No. S-558)

APPROPRIATIONS AND FINANCIAL AFFAIRS

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
126TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 539, L.D. 1455, Bill, "An Act To Authorize a General Fund Bond Issue To Ensure Clean Water and Safe Communities"

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 \$10,000,000 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.

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. The proceeds of the bonds must be expended as set out in this Act.

COMMITTEE AMENDMENT

ROFS

1 **Sec. 6. Allocations from Highway Fund and General Fund bond issue.**
2 The proceeds of the sale of the bonds authorized under this Act must be expended as
3 designated in the following schedule.

4 **ENVIRONMENTAL PROTECTION,**
5 **DEPARTMENT OF**

6 Provides funds for vital public improvement projects including stream crossing or
7 culvert upgrades.

8 Total \$5,400,000

9 Provides funds to restore state wetlands.

10 Total \$400,000

11 **ENVIRONMENTAL PROTECTION,**
12 **DEPARTMENT OF**

13 Provides funds for the revolving loan fund for wastewater treatment facilities, which
14 will make the State eligible to secure federal grants.

15 Total \$2,400,000

16 **HEALTH AND HUMAN SERVICES,**
17 **DEPARTMENT OF**

18 Provides funds for the revolving loan fund for drinking water systems, which will
19 make the State eligible to secure federal grants.

20 Total \$1,800,000

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

24 **Sec. 8. Appropriation balances at year-end.** At the end of each fiscal year, all
25 unencumbered appropriation balances representing state money carry forward. Bond
26 proceeds that have not been expended within 10 years after the date of the sale of the

ROFS

1 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
2 obligation bonds.

3 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized but not issued
4 within 5 years of ratification of this Act are deauthorized and may not be issued, except
5 that the Legislature may, within 2 years after the expiration of that 5-year period, extend
6 the period for issuing any remaining unissued bonds for an additional amount of time not
7 to exceed 5 years.

8 **Sec. 10. Referendum for ratification; submission at election; form of**
9 **question; effective date.** This Act must be submitted to the legal voters of the State at
10 a statewide election held in the month of November following passage of this Act. The
11 municipal officers of this State shall notify the inhabitants of their respective cities, towns
12 and plantations to meet, in the manner prescribed by law for holding a statewide election,
13 to vote on the acceptance or rejection of this Act by voting on the following question:

14 "Do you favor a \$10,000,000 bond issue to ensure clean water and safe
15 communities across Maine; to protect drinking water sources; to restore
16 wetlands; to create jobs and vital public infrastructure; and to strengthen
17 the State's long-term economic base and competitive advantage?"

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

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

29 **SUMMARY**

30 This amendment authorizes a bond issue in the amount of \$10,000,000 in order to
31 make cost-effective investments in natural and built infrastructure to encourage
32 improvements to the State's water resources and provide a host of benefits for
33 communities across Maine, including ensuring an abundant and high-quality drinking
34 water supply; restoring wetlands; and strengthening the State's long-term economic base
35 and competitive advantage.

FISCAL NOTE REQUIRED
(See Attached)



126th MAINE LEGISLATURE

LD 1455

LR 1625(02)

An Act To Authorize a General Fund Bond Issue To Ensure Clean Water and Safe Communities

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-558)
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	\$5,800,000	4.0%	\$1,276,000	\$7,076,000
General Fund - Taxable	10	\$4,200,000	4.5%	\$1,039,500	\$5,239,500

Referendum Costs	Month/Year	Election Type	Question	Length
	Nov-14	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.