

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 1378

S.P. 508

In Senate, April 29, 2015

**An Act To Amend the Laws Governing the Issuance of Bonds and
To Effectuate the Issuance of Bonds To Support Maine's Natural
Resource-based Economy**

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator KATZ of Kennebec.
Cosponsored by Representative MARTIN of Eagle Lake and
Senators: COLLINS of York, GERZOFSKY of Cumberland, LANGLEY of Hancock,
SAVIELLO of Franklin, WHITTEMORE of Somerset, Representatives: BLACK of Wilton,
MAKER of Calais, MAREAN of Hollis.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 2 MRSA §11** is enacted to read:

3 **§11. General obligation bonds**

4 The Governor shall authorize the issuance of a general obligation bond that has been
5 ratified by the legal voters of the State unless:

6 1. Debt service greater. The Treasurer of State determines that the debt service on
7 the bond would be greater than the amount budgeted;

8 2. Adverse impact on credit rating. The Treasurer of State determines that the
9 issuance of the bonds will adversely affect the credit rating of the State;

10 3. Advantageous interest rate. The Treasurer of State determines that a delay in
11 the issuance of the bonds will likely result in a more financially advantageous interest
12 rate;

13 4. Project not proceeding. The Governor receives notification that a project for
14 which the bond was authorized is not going forward and the funding to be provided by
15 the bond is not required; or

16 5. Alternative funding available. The Governor receives notification that
17 alternative funding sources are available to implement, within a comparable time frame, a
18 project and the purposes for which the bond was authorized and ratified.

19 Upon the occurrence of any of the circumstances set out in subsections 1 to 5, the
20 Governor shall immediately notify the President of the Senate and the Speaker of the
21 House of Representatives and the majority and minority leaders of the Senate and the
22 House of Representatives of the specific bond delayed or otherwise not issued, the extent
23 of the delay of the issuance of the bond and the effect of the delay or nonissuance on the
24 project and purposes of the bond.

25 **Sec. 2. 5 MRSA §145**, as amended by PL 1991, c. 780, Pt. Y, §15, is further
26 amended to read:

27 **§145. Registered bonds**

28 The Treasurer of State may issue registered bonds, transferable by assignment, in
29 pieces of not less than \$1,000, and of any multiple of 1,000, in exchange for, and in place
30 of, any coupon bonds issued under the laws of this State, bearing the same rate of interest
31 and maturing at the same time as the bonds that the Treasurer of State may receive
32 therefor in exchange. The place of payment prescribed therein must be the State
33 Treasury. Said bonds must ~~bear the facsimile of the signature of the Governor and must~~
34 be signed by the Treasurer of State or the Treasurer of State's deputy and attested by the
35 Commissioner of Administrative and Financial Services, or such agent as the
36 commissioner may designate.

