

MAINE STATE LEGISLATURE

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L.D. 1447

Date: 3-22-16

(Filing No. S-416)

CRIMINAL JUSTICE AND PUBLIC SAFETY

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

STATE OF MAINE

SENATE

127TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "B" to S.P. 547, L.D. 1447, Bill, "An Act To Authorize Increased Borrowing by the Maine Governmental Facilities Authority To Support the Maine Correctional Center in South Windham"

Amend the bill by striking out the title and substituting the following:

'An Act To Authorize a General Fund Bond Issue for Capital Construction, Repairs and Improvements to the Maine Correctional Center in South Windham and a Facility Owned by the Department of Corrections in Washington County'

Amend the bill by striking out everything after the title and before the summary and inserting the following:

'Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14 to authorize the issuance of bonds on behalf of the State of Maine to provide funds as described in this Act,

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

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 \$149,700,000 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

COMMITTEE AMENDMENT

1 upon warrants drawn by the State Controller, are appropriated solely for the purposes set
2 forth in this Act. Any unencumbered balances remaining at the completion of the project
3 in this Act lapse to the Office of the Treasurer of State to be used for the retirement of
4 general obligation bonds.

5 **Sec. 4. Interest and debt retirement.** The Treasurer of State shall pay interest
6 due or accruing on any bonds issued under this Act and all sums coming due for payment
7 of bonds at maturity.

8 **Sec. 5. Disbursement of bond proceeds from General Fund bond issue.**
9 The proceeds of the sale of the bonds authorized under this Act must be expended as
10 designated in the following schedule under the direction and supervision of the agencies
11 and entities set forth in this section.

12 **CORRECTIONS, DEPARTMENT OF**

13 Provides funds for capital construction, repairs and improvements to the Maine
14 Correctional Center in South Windham and a facility owned by the Department of
15 Corrections in Washington County.

16 Total \$149,700,000

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

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

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

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

36 "Do you favor a \$149,700,000 bond issue for capital construction, repairs
37 and improvements to the Maine Correctional Center in South Windham
38 and a facility owned by the Department of Corrections in Washington
39 County?"

ROF 8

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

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

12

SUMMARY

13 This amendment is the minority report of the Joint Standing Committee on Criminal
14 Justice and Public Safety. The amendment changes the title and replaces the bill with
15 legislation authorizing a General Fund bond issue. The bonds, in the amount of
16 \$149,700,000, will be used for capital construction, repairs and improvements to the
17 Maine Correctional Center in South Windham and a facility owned by the Department of
18 Corrections in Washington County.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



127th MAINE LEGISLATURE

LD 1447

LR 2080(03)

An Act To Authorize Increased Borrowing by the Maine Governmental Facilities Authority To Support the Maine Correctional Center in South Windham

Fiscal Note for Bill as Amended by Committee Amendment 'B' (5-416)
Committee: Criminal Justice and Public Safety
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	\$149,700,000	4.0%	\$32,934,000	\$182,634,000

Referendum Costs	Month/Year	Election Type	Question	Length
	Nov-16	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.