

# MAINE STATE LEGISLATURE

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# 128th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2017

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Legislative Document

No. 735

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S.P. 245

In Senate, February 28, 2017

### **An Act To Authorize a General Fund Bond Issue To Support the Independence of Maine's Seniors**

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Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Secretary of the Senate

Presented by Senator VOLK of Cumberland.  
Cosponsored by Representative HERBIG of Belfast and  
Senator: LIBBY of Androscoggin, Representatives: DENNO of Cumberland, Speaker  
GIDEON of Freeport, GROHMAN of Biddeford, TUELL of East Machias, VACHON of  
Scarborough.

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

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

6           **Sec. 1. Authorization of bonds.** The Treasurer of State is authorized, under the  
7 direction of the Governor, to issue bonds in the name and on behalf of the State in an  
8 amount not exceeding \$50,000,000 for the purposes described in section 5 of this Act.  
9 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for  
10 a period longer than 10 years from the date of the original issue of the bonds.

11           **Sec. 2. Records of bonds issued; Treasurer of State.** The Treasurer of State  
12 shall ensure that an account of each bond is kept showing the number of the bond, the  
13 name of the successful bidder to whom sold, the amount received for the bond, the date of  
14 sale and the date when payable.

15           **Sec. 3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State  
16 may negotiate the sale of the bonds by direction of the Governor, but no bond may be  
17 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the  
18 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State  
19 upon warrants drawn by the State Controller, are appropriated solely for the purposes set  
20 forth in this Act. Any unencumbered balances remaining at the completion of the project  
21 in this Act lapse to the Office of the Treasurer of State to be used for the retirement of  
22 general obligation bonds.

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

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

30           **MAINE STATE HOUSING**  
31           **AUTHORITY**

32           Provides funds to be used to leverage an estimated \$75,000,000 in private and other  
33 funds for the construction of new energy-efficient affordable multifamily housing for  
34 low-income households headed by a person 55 years of age or older and the adaptive  
35 reuse of existing structures for multifamily housing for low-income households  
36 headed by a person 55 years of age or older. Preference must be given to housing in  
37 locations that have access to health care services and other essential goods and  
38 services. Funds must also provide a vehicle for a local transportation provider  
39 serving each facility to meet the needs of facility residents and their neighbors. At  
40 least one housing facility must be located in each county.

1  
2 Total \$40,000,000

3 Provides funds to be used to match private and other funds for the rehabilitation of  
4 existing affordable senior housing facilities.

5  
6 Total \$5,000,000

7 Provides funds to be used to match private and other funds for home repair and  
8 weatherization programs that assist low-income seniors.

9  
10 Total \$5,000,000

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

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

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

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

30 "Do you favor a \$50,000,000 bond issue to support energy-efficient  
31 housing for low-income seniors through the construction of new  
32 multifamily housing, the adaptive reuse of existing structures for  
33 multifamily housing, the rehabilitation of affordable senior housing and  
34 the repair and weatherization of existing homes, which will create jobs  
35 and will be matched by an estimated \$75,000,000 in private and other  
36 funds?"

37 The legal voters of each city, town and plantation shall vote by ballot on this question  
38 and designate their choice by a cross or check mark placed within a corresponding square

1 below the word "Yes" or "No." The ballots must be received, sorted, counted and  
2 declared in open ward, town and plantation meetings and returns made to the Secretary of  
3 State in the same manner as votes for members of the Legislature. The Governor shall  
4 review the returns. If a majority of the legal votes are cast in favor of this Act, the  
5 Governor shall proclaim the result without delay and this Act becomes effective 30 days  
6 after the date of the proclamation.

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

10 **SUMMARY**

11 The funds provided by this bond issue, in the amount of \$50,000,000, will be used to  
12 assist in the provision of energy-efficient affordable multifamily housing to low-income  
13 Maine seniors. Forty million dollars of the bond proceeds will be used to construct new  
14 multifamily housing for seniors and to adaptively reuse existing structures to provide  
15 multifamily housing for seniors. At least one housing facility will be located in each of  
16 Maine's 16 counties. Preference will be given to housing locations that have access to  
17 health care services and other essential goods and services. Five million dollars will be  
18 used to rehabilitate existing affordable senior housing facilities. Five million dollars will  
19 provide for home repair and weatherization of the existing homes of low-income seniors.  
20 The bond proceeds will leverage an estimated \$75,000,000 in private and other funds.