

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 953

S.P. 308

In Senate, March 9, 2017

An Act To Authorize a General Fund Bond Issue To Support the Biomass Industry

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 JACKSON of Aroostook.
Cosponsored by Representative MARTIN of Eagle Lake and
Senators: DILL of Penobscot, LIBBY of Androscoggin, SAVIELLO of Franklin,
WOODSOME of York, Representatives: GATTINE of Westbrook, Speaker GIDEON of
Freeport.

1 B. Preference must be given to projects making capital investments at least
2 equivalent to the loan proceeds being sought in facilities that will enhance the State's
3 renewable portfolio standard or qualify for regional energy or environmental credits;
4 and

5 C. Proposals must be scored based on an evaluation of the effect on the State's forest
6 products industry and the State's economy, including proximity to related forestry-
7 related manufacturers, proximity to areas of the State with the most active logging
8 and trucking activities over the last 3 years based on an analysis by the Director of
9 the Bureau of Forestry within the Department of Agriculture, Conservation and
10 Forestry, fiber supply agreements, location within a Pine Tree Development Zone as
11 defined in the Maine Revised Statutes, Title 30-A, section 5250-I, cost-
12 competitiveness of electrical output and employment at the facility or facilities.

13 2. Loans may have terms up to but not to exceed the term of the bond; interest
14 charged may be equal to or less than that of the bond. Loans are limited to 70% of the
15 value of the proposed project.

16 **Sec. A-6. Disbursement of bond proceeds from General Fund bond issue.**
17 The proceeds of the sale of the bonds authorized under this Part must be expended as
18 designated in the following schedule under the direction and supervision of the agencies
19 and entities set forth in this section.

20 **PUBLIC UTILITIES COMMISSION**

21 Provides funds to support the biomass industry through the establishment of a
22 revolving loan fund to be administered by the Public Utilities Commission to make
23 low-interest or no-interest loans for capital investment in biomass generators or
24 similar facilities.

25 Total \$20,000,000

26 **Sec. A-7. Contingent upon ratification of bond issue.** Sections 1 to 6 do not
27 become effective unless the people of the State ratify the issuance of the bonds as set
28 forth in this Part.

29 **Sec. A-8. Appropriation balances at year-end.** At the end of each fiscal year,
30 all unencumbered appropriation balances representing state money carry forward. Bond
31 proceeds that have not been expended within 10 years after the date of the sale of the
32 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
33 obligation bonds.

34 **Sec. A-9. Bonds authorized but not issued.** Any bonds authorized but not
35 issued within 5 years of ratification of this Part are deauthorized and may not be issued,
36 except that the Legislature may, within 2 years after the expiration of that 5-year period,
37 extend the period for issuing any remaining unissued bonds for an additional amount of
38 time not to exceed 5 years.

