

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 1552

S.P. 543

In Senate, April 27, 2017

**An Act To Authorize Multiple General Fund Bond Issues To
Improve Highways, Bridges and Multimodal Facilities**

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 COLLINS of York. (GOVERNOR'S BILL)

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 **PART A**

7 **Sec. A-1. Authorization of bonds.** The Treasurer of State is authorized, under
8 the direction of the Governor, to issue bonds in the name and on behalf of the State in an
9 amount not exceeding \$100,000,000 for the purposes described in section 5 of this Part.
10 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
11 a period longer than 10 years from the date of the original issue of the bonds.

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

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

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

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

31 **TRANSPORTATION, DEPARTMENT**
32 **OF**

33 Provides funds to construct, reconstruct or rehabilitate Priority 1, Priority 2 and
34 Priority 3 state highways under the Maine Revised Statutes, Title 23, section 73,
35 subsection 7 and for associated improvements, for the department's municipal
36 partnership initiative and to replace and rehabilitate bridges.

37 Total \$80,000,000

1 Provides funds for facilities or equipment, including property acquisition, related to
2 ports, harbors, marine transportation, aviation, freight and passenger railroads, transit
3 and bicycle and pedestrian trails that preserve public safety or otherwise have
4 demonstrated high economic value.

5 Total \$20,000,000

6 **Sec. A-6. Contingent upon ratification of bond issue.** Sections 1 to 5 do not
7 become effective unless the people of the State ratify the issuance of the bonds as set
8 forth in this Part.

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

14 **Sec. A-8. Bonds authorized but not issued.** Any bonds authorized but not
15 issued within 5 years of ratification of this Part are deauthorized and may not be issued,
16 except that the Legislature may, within 2 years after the expiration of that 5-year period,
17 extend the period for issuing any remaining unissued bonds for an additional amount of
18 time not to exceed 5 years.

19 **Sec. A-9. Referendum for ratification; submission at election; form of**
20 **question; effective date.** This Part must be submitted to the legal voters of the State at
21 a statewide election held in the month of November 2017. The municipal officers of this
22 State shall notify the inhabitants of their respective cities, towns and plantations to meet,
23 in the manner prescribed by law for holding a statewide election, to vote on the
24 acceptance or rejection of this Part by voting on the following question:

25 "Do you favor a \$100,000,000 bond issue for construction, reconstruction
26 and rehabilitation of highways and bridges and for facilities or equipment
27 related to ports, harbors, marine transportation, freight and passenger
28 railroads, aviation, transit and bicycle and pedestrian trails, to be used to
29 match an estimated \$137,000,000 in federal and other funds?"

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

38 The Secretary of State shall prepare and furnish to each city, town and plantation all
39 ballots, returns and copies of this Part necessary to carry out the purposes of this
40 referendum.

1 **PART B**

2 **Sec. B-1. Authorization of bonds.** The Treasurer of State is authorized, under
3 the direction of the Governor, to issue bonds in the name and on behalf of the State in an
4 amount not exceeding \$100,000,000 for the purposes described in section 5 of this Part.
5 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
6 a period longer than 10 years from the date of the original issue of the bonds.

7 **Sec. B-2. Records of bonds issued; Treasurer of State.** The Treasurer of
8 State shall ensure that an account of each bond is kept showing the number of the bond,
9 the name of the successful bidder to whom sold, the amount received for the bond, the
10 date of sale and the date when payable.

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

19 **Sec. B-4. Interest and debt retirement.** The Treasurer of State shall pay
20 interest due or accruing on any bonds issued under this Part and all sums coming due for
21 payment of bonds at maturity.

22 **Sec. B-5. Disbursement of bond proceeds from General Fund bond issue.**
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24 designated in the following schedule under the direction and supervision of the agencies
25 and entities set forth in this section.

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34 ports, harbors, marine transportation, aviation, freight and passenger railroads, transit
35 and bicycle and pedestrian trails that preserve public safety or otherwise have
36 demonstrated high economic value.

37 Total \$20,000,000

1 transportation, freight and passenger railroads, aviation, transit and bicycle and pedestrian
2 trails, matching an estimated \$137,000,000 per year in federal and other funds.