

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 1617

H.P. 1113

House of Representatives, May 18, 2017

An Act To Initiate the Process of Terminating the Maine Turnpike Authority

Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ESPLING of New Gloucester. (GOVERNOR'S BILL)
Cosponsored by Senator BRAKEY of Androscoggin.

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

2 **Sec. 1. 23 MRSA §1965, sub-§1, ¶¶M and N**, as enacted by PL 1981, c. 595,
3 §3, are amended to read:

4 M. ~~Borrow~~ Until October 15, 2017, borrow money, make, issue and sell at public or
5 private sale negotiable notes, bonds and other evidences of indebtedness or
6 obligations of the authority for the purposes set forth in this chapter and secure the
7 payment of that obligation or any part thereof by pledge of all or any part of the
8 operating revenues of the turnpike;

9 N. ~~Enter~~ Until October 15, 2017, enter into loan or security agreements with one or
10 more lending institutions, including, but not limited to, banks, insurance companies
11 and pension funds, or trustees for those institutions for purposes for which bonds may
12 be issued and to exercise with respect to such loan or security agreements all of the
13 powers delineated in this chapter for the issuances of bonds;

14 **Sec. 2. 23 MRSA §1968, sub-§4** is enacted to read:

15 **4. Prohibition on issuance of bonds.** The authority may not issue any bonds after
16 October 15, 2017.

17 **Sec. 3. 23 MRSA §1978**, as enacted by PL 1981, c. 595, §3, is amended to read:

18 **§1978. Termination of the authority**

19 The authority ~~shall not be dissolved until such time as~~ is dissolved on October 15,
20 2028. The authority shall ensure that:

21 ~~1. Legislature provide for termination.~~ The Legislature shall provide for its
22 termination; and

23 **2. Payment of debt, bonds, premiums and interest.** ~~All~~ No later than October 15,
24 2027, all bonds, the premium, if any, and the interest thereon ~~shall~~ have been paid or a
25 sufficient amount for the payment of all bonds and the interest to maturity or prior
26 redemption date thereon ~~shall have~~ has been irrevocably set aside in trust for the benefit
27 of the bondholders; ~~and all debts of the authority have been paid; and~~

28 **3. Legislation.** No later than November 1, 2027, the authority submits for
29 introduction to the Second Regular Session of the 132nd Legislature a bill to transfer all
30 of the duties, responsibilities and assets of the authority to the department and to provide
31 for the sale of all unnecessary equipment, buildings and property owned by the authority
32 and the removal of all the toll facilities on the turnpike, with the exception of the York
33 toll facility.

34 **Sec. 4. Submission of plan to Department of Transportation.** No later than
35 April 1, 2018, the Maine Turnpike Authority shall provide to the Department of
36 Transportation a plan to accomplish the requirements set forth in this Act.

1 **SUMMARY**

2 This bill:

3 1. Prohibits the Maine Turnpike Authority from issuing any bonds after October 15,
4 2017;

5 2. Requires the Maine Turnpike Authority, no later than October 15, 2027, to set
6 aside sufficient funds in trust to pay all its bonds and debts or to pay all its bonds and
7 debts;

8 3. Requires the Maine Turnpike Authority, no later than April 1, 2018, to provide to
9 the Department of Transportation a plan to accomplish the payment of outstanding debt
10 held by the authority; and

11 4. Requires the Maine Turnpike Authority, no later than November 1, 2027, to
12 submit for introduction to the Second Regular Session of the 132nd Legislature a bill to
13 transfer all of the duties, responsibilities and assets of the authority to the department and
14 to provide for the sale of all unnecessary equipment, buildings and property owned by the
15 authority and the removal of all the toll facilities on the turnpike, with the exception of
16 the York toll facility.