

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1119

S.P. 339

In Senate, March 7, 2019

**An Act To Authorize a General Fund Bond Issue To Support
Investments in Energy Efficiency and Renewable Energy in
Municipalities and School Administrative Units**

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

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator LUCHINI of Hancock.
Cosponsored by Representative HUBBELL of Bar Harbor and
Senators: BLACK of Franklin, DAVIS of Piscataquis, DOW of Lincoln, President JACKSON
of Aroostook, SANBORN, L. of Cumberland, Representatives: GATTINE of Westbrook,
JORGENSEN of Portland, PIERCE of Falmouth.

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 \$10,000,000 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 **EFFICIENCY MAINE TRUST**

32
33 Provides funds to purchase solar arrays, high-efficiency ductless heat pumps and
34 high-efficiency modern wood heating systems for buildings and property owned by
35 municipalities and school administrative units.

36 Total \$10,000,000

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

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

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

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

20 "Do you favor a \$10,000,000 bond issue to purchase solar arrays, high-
21 efficiency ductless heat pumps and high-efficiency modern wood heating
22 systems for buildings and property owned by municipalities and school
23 administrative units?"

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

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

35 **PART B**

36 **Sec. B-1. Bond funding.** The Efficiency Maine Trust shall use funds provided
37 pursuant to the General Fund bond issue authorized under Part A to make grants to
38 municipalities, or municipally authorized citizen committees acting on a municipality's
39 behalf, and school administrative units to support investment in energy efficiency and
40 renewable energy infrastructure through the Municipal Energy Efficiency and Renewable
41 Energy Program established under the Maine Revised Statutes, Title 35-A, section 10124.

1 **SUMMARY**

2 The funds provided by the bond issue in Part A, in the amount of \$10,000,000, will
3 be used to purchase solar arrays, high-efficiency ductless heat pumps and high-efficiency
4 modern wood heating systems for buildings and property owned by municipalities and
5 school administrative units.

6 Part B directs the Efficiency Maine Trust to use funds from the bond issue under Part
7 A to fund the Municipal Energy Efficiency and Renewable Energy Program.

8 Part C establishes the Municipal Energy Efficiency and Renewable Energy Program
9 within the Efficiency Maine Trust to support municipalities and municipally authorized
10 citizen committees and school administrative units across the State in reducing energy
11 costs, reducing carbon emissions, facilitating the development of renewable energy
12 resources and creating local jobs related to the building of renewable energy facilities and
13 the installation of energy-efficient equipment. It funds the program with the proceeds of
14 bonds, including bonds issued pursuant to Part A, any other funds allocated by the trust
15 and matching funds from participating municipalities.

16 Parts B and C take effect only if the bond issue under Part A is approved by the
17 voters of the State.