

# MAINE STATE LEGISLATURE

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# 129th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2019

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Legislative Document

No. 1847

S.P. 631

In Senate, August 26, 2019

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**An Act To Authorize a General Fund Bond Issue for the Protection  
and Enhancement of Water Quality, Support of Environmental  
Clean-up Efforts and Provision of Loans for the Residential  
Purchase of High-performance Air Source Heat Pumps**

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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 BREEN of Cumberland. (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           **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 \$15,000,000 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  
29 Department of Environmental Protection and the Efficiency Maine Trust as set forth in  
30 this section.

31           The Efficiency Maine Trust shall use funds provided pursuant to the General Fund  
32 bond issue authorized under this Act to establish a revolving loan fund to finance loans  
33 for the purchase and installation of high-performance air source heat pumps installed in  
34 Maine residences through a program established under and in compliance with the Maine  
35 Revised Statutes, Title 35-A, section 10119, subsection 2. The Efficiency Maine Trust  
36 shall give consideration to addressing barriers to accessing market-based financing.

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# 129th MAINE LEGISLATURE

**LD 1847**

**LR 2578(01)**

**An Act To Authorize a General Fund Bond Issue for the Protection and Enhancement of Water Quality, Support of Environmental Clean-up Efforts and Provision of Loans for the Residential Purchase of High-performance Air Source Heat Pumps**

**Fiscal Note for Original Bill**

**Sponsor: Sen. Breen of Cumberland**

**Committee: Not Referred**

**Fiscal Note Required: Yes**

## Fiscal Note

Current biennium cost increase - General Fund

<b>Bond Issues</b>	<b>Term (years)</b>	<b>Principal</b>	<b>Rate (%)</b>	<b>Interest</b>	<b>Total Cost</b>
General Fund - Non-Taxable	10	\$10,000,000	4.25%	\$2,337,500	\$12,337,500
General Fund - Taxable	10	\$5,000,000	4.75%	\$1,306,250	\$6,306,250

<b>Referendum Costs</b>	<b>Month/Year</b>	<b>Election Type</b>	<b>Question</b>	<b>Length</b>
	Nov-19	General	Bond Issue	Standard

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions requires production and delivery of a second ballot, an additional appropriation of \$172,000 may be required.