

MAINE STATE LEGISLATURE

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LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FOURTEENTH LEGISLATURE

FIRST REGULAR SESSION

December 7, 1988 to July 1, 1989

THE GENERAL EFFECTIVE DATE FOR
NON-EMERGENCY LAWS IS
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PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Company
Augusta, Maine
1989

PRIVATE AND SPECIAL LAWS

OF THE

STATE OF MAINE

AS PASSED AT THE

FIRST REGULAR SESSION

of the

ONE HUNDRED AND FOURTEENTH LEGISLATURE

1989

with an alliance for the mentally ill, or represents mental health consumers, appointed in consultation with a coalition of psychiatrically labeled persons.

See title page for effective date.

CHAPTER 84

H.P. 1000 - L.D. 1389

An Act to Authorize a General Fund Bond Issue in the Amount of \$15,000,000 to Provide Funds for Acquiring and Preserving Land for Affordable Housing and for the Development of Affordable Housing

Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds for acquiring and preserving land for affordable housing and for the development of affordable housing.

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

Sec. 1. Authorization of bonds for affordable housing. The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time, registered bonds in the name and behalf of the State to an amount not exceeding \$15,000,000 for the purpose of developing affordable housing as authorized by section 7. Of this amount:

1. \$4,000,000 shall be used to provide grants and low-interest loans to municipalities as governed by the Maine Revised Statutes, Title 30-A, chapter 201, subchapter II;
2. \$5,000,000 shall be used for the purpose of acquiring land for affordable housing as governed by Title 30-A, chapter 201, subchapter IV;
3. \$3,000,000 shall be used to preserve affordable housing under Title 30-A, chapter 201, subchapter XII;
4. \$2,000,000 shall be used to restore deteriorating residential areas as governed by Title 30-A, chapter 201, subchapter VI; and
5. \$1,000,000 shall be used to capitalize the Mortgage Insurance Fund administered by the Maine State Housing Authority.

The bonds shall be deemed a pledge of the full faith and credit of the State. The bonds shall not run for a longer period than 10 years from the date of the original issue of the bonds. Any issuance of bonds may contain a call feature at the discretion of the Treasurer of State with the approval of the Governor.

Sec. 2. Records of bonds issued to be kept by the State Auditor and Treasurer of State. The State Auditor shall keep an account of the bonds, showing the number and amount of each, the date when payable and the date of delivery of the bonds to the Treasurer of State who shall keep an account of each bond showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the same, the date of sale and the date when payable.

Sec. 3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no such bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which shall be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated to be used solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the projects in section 7 shall lapse to the debt service account established for the retirement of these bonds.

Sec. 4. Taxable bond option. With respect to bonds issued for purposes governed by Title 30-A, chapter 201, the Treasurer of State, at the direction of the Governor, shall covenant and consent that the interest on the bonds shall be includable, under the United States Internal Revenue Code, in the gross income of the holders of the bonds to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders under the United States Internal Revenue Code or any subsequent law. The powers conferred by this section shall not be subject to any limitations or restrictions of any law which may limit the power to so covenant and consent. All efforts shall be made to maximize the use of tax-exempt bonds.

Sec. 5. Interest and debt retirement. Interest due or accruing upon any bonds issued under this Act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State.

Sec. 6. Disbursement of bond proceeds. The proceeds of the bonds set out in section 7 shall be expended under the direction and supervision of the Department of Economic and Community Development and the Maine State Housing Authority as defined in section 7.

Sec. 7. Allocations from General Fund bond issue; affordable housing. The proceeds of the sale of bonds shall be expended as follows.

1989-90

ECONOMIC AND COMMUNITY
DEVELOPMENT, DEPARTMENT OF

Maine Housing Alliance

Municipal Revolving Loan Fund

All Other \$4,000,000

These funds will be used to create a nonlapsing fund which will provide grants and low-interest loans to municipalities for improvements to land, including, but not limited to, necessary public service infrastructure for the development of affordable housing.

income housing pursuant to Title 30-A, chapter 201, subchapter XII.

Mortgage Insurance Fund

All Other \$1,000,000

These funds shall be used to capitalize the Mortgage Insurance Fund to develop affordable housing for low-income and moderate-income households.

Maine Housing Alliance

Municipal Land Acquisition Revolving Fund

All Other \$500,000

These funds will be used to create a nonlapsing fund to provide low-interest loans to municipalities for the acquisition of land for affordable housing, pursuant to Title 30-A, chapter 201, subchapter IV.

Sec. 8. Contingent upon ratification of bond issue. Sections 1 to 7 shall not become effective unless and until the people of the State have ratified the issuance of bonds as set forth in this Act.

Sec. 9. Appropriation balances at year end. At the end of each fiscal year, all unencumbered appropriation balances representing state money shall carry forward from year to year. Bond proceeds which have not been expended within 10 years after the date of the sale of the bonds shall lapse to General Fund debt service.

Housing Opportunity Zones Fund

All Other \$2,000,000

These funds shall be used to create a nonlapsing fund to provide grants and loans for the restoration of dwelling units, assistance to shelters for the homeless, removal of structures, and the creation of recreational and park areas pursuant to the Maine Revised Statutes, Title 30-A, chapter 201, subchapter VI.

Sec. 10. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes have not been issued within 5 years of ratification of this Act, shall be deauthorized and may not be issued, provided that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed 5 years.

Maine State Housing Authority

Maine Affordable Housing Land Trust Fund

All Other \$4,500,000

These funds shall be used to create a nonlapsing fund to provide grants and loans to nonprofit housing corporations for the acquisition of land for affordable housing pursuant to Title 30-A, chapter 201, subchapter IV.

Sec. 11. Referendum for ratification; submission at statewide election; form of question; effective date. This Act shall be submitted to the legal voters of the State of Maine at a statewide election to be held on the Tuesday following the first Monday of November following passage of this Act. The city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

“Shall a bond issue in the amount of \$15,000,000 be approved to enhance affordable housing opportunities for the people of the State of Maine?”

Maine State Housing Authority

Housing Opportunities for Maine Fund

All Other \$3,000,000

These funds shall be used to preserve low-income and moderate-

The legal voters of each city, town and plantation shall vote by ballot on this question and shall designate their choice by a cross or check mark placed within a corresponding square below the word “Yes” or “No.” The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns and, if it appears that a majority of the legal voters are in favor of the Act, the Governor shall proclaim that fact without delay and the Act shall become effective 30 days after the date of the proclamation.

The Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this Act necessary to carry out the purpose of this referendum.

Effective pending referendum.

CHAPTER 85

H.P. 1235 - L.D. 1727

An Act to Authorize a General Fund Bond Issue in the Amount of \$20,210,600 for the Maine Vocational-Technical Institute System

Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds for the Maine Vocational-Technical Institute System.

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

Sec. 1. Authorization of bonds to provide for the Maine Vocational-Technical Institute System. The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time registered bonds in the name and behalf of the State to an amount not exceeding \$20,210,600 for the purpose of raising funds to finance a campus development planning study and make capital improvements at all branches of the Maine Vocational-Technical Institute System as authorized by section 6. The bonds shall be deemed a pledge of the full faith and credit of the State. The bonds shall not run for a longer period than 15 years from the date of the original issue of the bonds. Any issuance of bonds may contain a call feature at the discretion of the Treasurer of State with the approval of the Governor.

Sec. 2. Records of bonds issued to be kept by the State Auditor and Treasurer of State. The State Auditor shall keep an account of the bonds, showing the number and amount of each, the date when payable and the date of delivery of the bonds to the Treasurer of State who shall keep an account of each bond showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the same, the date of sale and the date when payable.

Sec. 3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which shall be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated to be used solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the projects in section 6 shall lapse to the debt service account established for the retirement of these bonds.

Sec. 4. Interest and debt retirement. Interest due or accruing upon any bonds issued under this Act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State.

Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds set out in section 6 shall be expended under the direction and supervision of the Trustees of the Maine Vocational-Technical Institute System.

Sec. 6. Allocations from General Fund bond issue; Maine Vocational-Technical Institute System. The proceeds of the sale of bonds shall be expended as designated in the following schedule.

MAINE VOCATIONAL-TECHNICAL INSTITUTE SYSTEM

Campus Development Planning Study All campuses	\$100,000
Capital Improvements Central Maine Vocational- Technical Institute	\$4,570,000
Capital Improvements Eastern Maine Vocational- Technical Institute	\$1,600,000
Capital Improvements Kennebec Valley Vocational- Technical Institute	\$3,296,000
Capital Improvements Northern Maine Vocational- Technical Institute	\$2,584,600
Property Acquisition and Capital Improvements Southern Maine Vocational- Technical Institute	\$4,260,000
Capital Improvements Washington County Vocational- Technical Institute	\$2,400,000
Capital Improvements Northern Maine Vocational- Technical Institute	\$1,400,000
TOTAL	\$20,210,600

Sec. 7. Transfer between items. The amounts listed after the items in section 6 are to be construed as a guide. Any of the amounts may be exceeded with the approval of the Governor by transfer from one item to another not exceeding 10% in the aggregate.

Sec. 8. Contingent on ratification of bond issue. Sections 1 to 7 shall not become effective unless and until the people of the State have ratified the issuance of bonds as set forth in this Act.