



# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 942

S.P. 319

In Senate, March 7, 2013

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**An Act To Authorize a General Fund Bond Issue To Invest in  
Deficient State Highways, Bridges and Aviation, Marine, Rail and  
Transit Facilities**

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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 MAZUREK of Knox.

Cosponsored by Representative THERIAULT of Madawaska and

Senators: President ALFOND of Cumberland, CAIN of Penobscot, COLLINS of York, GERZOFSKY of Cumberland, GOODALL of Sagadahoc, HILL of York, JACKSON of Aroostook, JOHNSON of Lincoln, SAVIELLO of Franklin, VALENTINO of York, YOUNGBLOOD of Penobscot, Representatives: BERRY of Bowdoinham, CAREY of Lewiston, CHASE of Wells, DICKERSON of Rockland, FREDETTE of Newport, GILLWAY of Searsport, KESCHL of Belgrade, KNIGHT of Livermore Falls, McLEAN of Gorham, PARRY of Arundel, PEOPLES of Westbrook, WERTS of Auburn, WILLETTE of Mapleton.

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 \$120,000,000 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 agencies  
29 and entities set forth in this section.

30       **TRANSPORTATION, DEPARTMENT**  
31       **OF**

32           Provides funds to reconstruct or rehabilitate state highways graded poor or  
33 unacceptable under the Maine Revised Statutes, Title 23, section 73, subsection 7.  
34       Total   \$60,000,000

35           Provides funds to reconstruct or rehabilitate state aid minor collector highways under  
36 the Secondary Road Program Fund established in the Maine Revised Statutes, Title  
37 23, section 1803-C.  
38       Total   \$8,000,000

1	Provides funds to rehabilitate or replace bridges.	
2	Total	\$31,000,000
3	Provides funds for industrial rail facility and passenger rail improvements.	
4	Total	\$6,000,000
5	Provides funds for ports and marine facilities.	
6	Total	\$9,500,000
7	Provides funds for transit bus replacement.	
8	Total	\$2,000,000
9	Provides funds to reconstruct and rehabilitate aviation facilities.	
10	Total	\$2,000,000
11	Provides funds for pedestrian and bicycle facilities.	
12	Total	\$1,500,000

13           **Sec. 6. Contingent upon ratification of bond issue.** Sections 1 to 5 do not  
14 become effective unless the people of the State ratify the issuance of the bonds as set  
15 forth in this Act.

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

21           **Sec. 8. Bonds authorized but not issued.** Any bonds authorized but not issued  
22 within 5 years of ratification of this Act are deauthorized and may not be issued, except  
23 that the Legislature may, within 2 years after the expiration of that 5-year period, extend  
24 the period for issuing any remaining unissued bonds for an additional amount of time not  
25 to exceed 5 years.

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

32                           "Do you favor a \$120,000,000 bond issue for improvements to highways  
33 and bridges and rail, marine, pedestrian and bicycle and aviation  
34 facilities, as well as funding for transit buses, which will make the State  
35 eligible for at least \$173,000,000 in federal and other matching funds?"

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

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

12 **SUMMARY**

13 The funds provided by this bond issue, in the amount of \$120,000,000, will be used  
14 for improvements to highways and bridges and rail, aviation, pedestrian and bicycle and  
15 marine facilities and to replace transit buses. Highway and bridge investments will be in  
16 high-priority roads that are rated in poor or unacceptable condition. Funding is also  
17 provided to repair state aid minor collector highways in partnership with municipalities  
18 under the Secondary Road Program Fund. Bond funds will match federal, local and  
19 private funds providing a total match of at least \$173,000,000.