



131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 367

S.P. 174

In Senate, January 31, 2023

**An Act to Authorize General Fund Bond Issues to Improve
Highways, Bridges and Nonhighway Modes of Transportation**

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 FARRIN of Somerset.
Cosponsored by Representative: WHITE of Waterville.

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 issuance
3 of bonds on behalf of the State of Maine to provide funds as described in this Act,

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

5 **PART A**

6 **Sec. A-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 \$100,000,000 for the purposes described in section 5 of this Part.
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. A-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 name
13 of the successful bidder to whom sold, the amount received for the bond, the date of sale
14 and the date when payable.

15 **Sec. A-3. Sale; how negotiated; proceeds appropriated.** The Treasurer of
16 State may negotiate the sale of the bonds by direction of the Governor, but no bond may
17 be 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 Part. Any unencumbered balances remaining at the completion of the project
21 in this Part lapse to the Office of the Treasurer of State to be used for the retirement of
22 general obligation bonds.

23 **Sec. A-4. Interest and debt retirement.** The Treasurer of State shall pay interest
24 due or accruing on any bonds issued under this Part and all sums coming due for payment
25 of bonds at maturity.

26 **Sec. A-5. Disbursement of bond proceeds from General Fund bond issue.**
27 The proceeds of the sale of the bonds authorized under this Part 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 **DEPARTMENT OF TRANSPORTATION**

31 Provides \$85,000,000 for improvements to roads and bridges and \$15,000,000 for
32 nonhighway modes of transportation.

33 Total \$100,000,000

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

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

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

6 **Sec. A-9. Referendum for ratification; submission at election; form of**
7 **question; effective date.** This Part must be submitted to the legal voters of the State at
8 a statewide election held in the month of November 2023. The municipal officers of this
9 State shall notify the inhabitants of their respective cities, towns and plantations to meet,
10 in the manner prescribed by law for holding a statewide election, to vote on the acceptance
11 or rejection of this Part by voting on the following question:

12 "Do you favor a \$100,000,000 bond issue for improvements to roads and
13 bridges and nonhighway modes of transportation?"

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

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

25 **PART B**

26 **Sec. B-1. Authorization of bonds.** The Treasurer of State is authorized, under the
27 direction of the Governor, to issue bonds in the name and on behalf of the State in an
28 amount not exceeding \$100,000,000 for the purposes described in section 5 of this Part.
29 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
30 a period longer than 10 years from the date of the original issue of the bonds.

31 **Sec. B-2. Records of bonds issued; Treasurer of State.** The Treasurer of State
32 shall ensure that an account of each bond is kept showing the number of the bond, the name
33 of the successful bidder to whom sold, the amount received for the bond, the date of sale
34 and the date when payable.

35 **Sec. B-3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State
36 may negotiate the sale of the bonds by direction of the Governor, but no bond may be
37 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the
38 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State
39 upon warrants drawn by the State Controller, are appropriated solely for the purposes set
40 forth in this Part. Any unencumbered balances remaining at the completion of the project
41 in this Part lapse to the Office of the Treasurer of State to be used for the retirement of
42 general obligation bonds.

1 **Sec. B-4. Interest and debt retirement.** The Treasurer of State shall pay interest
2 due or accruing on any bonds issued under this Part and all sums coming due for payment
3 of bonds at maturity.

4 **Sec. B-5. Disbursement of bond proceeds from General Fund bond issue.**
5 The proceeds of the sale of the bonds authorized under this Part must be expended as
6 designated in the following schedule under the direction and supervision of the agencies
7 and entities set forth in this section.

8 **DEPARTMENT OF TRANSPORTATION**

9 Provides \$85,000,000 for improvements to roads and bridges and \$15,000,000 for
10 nonhighway modes of transportation.

11 Total \$100,000,000

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

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

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

25 **Sec. B-9. Referendum for ratification; submission at election; form of**
26 **question; effective date.** This Part must be submitted to the legal voters of the State at
27 a statewide election held in the month of November 2024. The municipal officers of this
28 State shall notify the inhabitants of their respective cities, towns and plantations to meet,
29 in the manner prescribed by law for holding a statewide election, to vote on the acceptance
30 or rejection of this Part by voting on the following question:

31 "Do you favor a \$100,000,000 bond issue for improvements to roads and
32 bridges and nonhighway modes of transportation?"

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

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

4 **SUMMARY**

5 The funds provided in Part A by this bond issue, put out to referendum in November
6 2023, in the amount of \$100,000,000, will be used to provide funding for improvements to
7 roads and bridges and nonhighway modes of transportation.

8 The funds provided in Part B by this bond issue, put out to referendum in November
9 2024, in the amount of \$100,000,000, will be used to provide funding for improvements to
10 roads and bridges and nonhighway modes of transportation.