



130th MAINE LEGISLATURE

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Legislative Document

No. 1084

H.P. 799

House of Representatives, March 11, 2021

An Act To Authorize a General Fund Bond Issue To Create Energy-efficient and Affordable Homes for Maine People

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative DOUDERA of Camden.
Cosponsored by Senator MIRAMANT of Knox and
Senator: CHIPMAN of Cumberland.

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 **Sec. 1. Authorization of bonds.** The Treasurer of State is authorized, under the
6 direction of the Governor, to issue bonds in the name and on behalf of the State in an
7 amount not exceeding \$50,000,000 for the purposes described in section 5 of this Act. The
8 bonds are a pledge of the full faith and credit of the State. The bonds may not run for a
9 period longer than 10 years from the date of the original issue of the bonds.

10 **Sec. 2. Records of bonds issued; Treasurer of State.** The Treasurer of State
11 shall ensure that an account of each bond is kept showing the number of the bond, the name
12 of the successful bidder to whom sold, the amount received for the bond, the date of sale
13 and the date when payable.

14 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State
15 may negotiate the sale of the bonds by direction of the Governor, but no bond may be
16 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the
17 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State
18 upon warrants drawn by the State Controller, are appropriated solely for the purposes set
19 forth in this Act. Any unencumbered balances remaining at the completion of the project
20 in this Act lapse to the Office of the Treasurer of State to be used for the retirement of
21 general obligation bonds.

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

25 **Sec. 5. Disbursement of bond proceeds from General Fund bond issue.** The
26 proceeds of the sale of the bonds authorized under this Act must be expended as designated
27 in the following schedule under the direction and supervision of the agencies and entities
28 set forth in this section.

29 **MAINE STATE HOUSING AUTHORITY**

30 Provides funds to be used to leverage an estimated \$82,500,000 in private and other
31 funds to build new energy-efficient, affordable homes for low-income households
32 through construction of new structures and adaptive reuse of existing structures.
33 Preference must be given to properties that use building strategies outlined in "Maine
34 Won't Wait: A Four-year Plan for Climate Action," the December 2020 climate plan of
35 the Maine Climate Council, established by the Maine Revised Statutes, Title 5, section
36 12004-I, subsection 24-G. At least 30% of the bond proceeds must be allocated to the
37 construction or adaptive reuse of buildings for new rental housing for households headed
38 by a person 55 years of age or older. At least 20% of the bond proceeds must be allocated
39 to the construction or adaptive reuse of buildings for new rental housing located in rural
40 areas as defined by the United States Department of Agriculture, Office of Rural
41 Development.

42 Total \$50,000,000

1 **Sec. 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 forth
3 in this Act.

4 **Sec. 7. Appropriation balances at year-end.** At the end of each fiscal year, all
5 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 bonds
7 lapse to the Office of the Treasurer of State to be used for the retirement of general
8 obligation bonds.

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

14 **Sec. 9. Referendum for ratification; submission at election; form of**
15 **question; effective date.** This Act 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 Act by voting on the following question:

20 "Do you favor a \$50,000,000 bond issue to build new energy-efficient,
21 affordable homes for low-income households through construction of
22 new structures and adaptive reuse of existing structures, which will be
23 matched by an estimated \$82,500,000 in private and other funds?"

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 declared
27 in open ward, town and plantation meetings and returns made to the Secretary of State in
28 the same manner as votes for members of the Legislature. The Governor shall review the
29 returns. If a majority of the legal votes are cast in favor of this Act, the Governor shall
30 proclaim the result without delay and this Act becomes effective 30 days after the date of
31 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 Act necessary to carry out the purposes of this
34 referendum.

35 **SUMMARY**

36 The funds provided by this bond issue, in the amount of \$50,000,000, will be used to
37 build new energy-efficient, affordable homes for low-income households through
38 construction of new structures and adaptive reuse of existing structures, which will be
39 matched by an estimated \$82,500,000 in private and other funds.