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## **An Act To Authorize a Bond Issue for Ratification by the Voters for the June 2010 Election To Create Jobs in the State**

**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 as described in this Act,

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

### **PART A**

**Sec. A-1. Authorization of bonds.** The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$99,170,000 for the purposes described in section 6 of this Part. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.

**Sec. A-2. Records of bonds issued kept by Treasurer of State.** The Treasurer of State 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 bond, the date of sale and the date when payable.

**Sec. A-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 must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Part. Any unencumbered balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

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

**Sec. A-5. Disbursement of bond proceeds.** The proceeds of the bonds must be expended as set out in this Part under the direction and supervision of the Department of Health and Human Services, the Department of Environmental Protection, the Public Utilities Commission and the Department of Transportation.

**Sec. A-6. Allocations from General Fund bond issue.** The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

**DEPARTMENT OF HEALTH AND  
HUMAN SERVICES**

\$2,120,000

Provides funds for a drinking water revolving loan fund in the department to be matched by federal funds.

**DEPARTMENT OF ENVIRONMENTAL  
PROTECTION**

\$3,050,000

Provides funds for a wastewater program state revolving loan fund to be matched by federal funds.

\$500,000

Provides funds for an overboard discharge assistance program fund.

\$500,000

Provides funds for an underground oil tank remediation fund.

\$500,000

Provides funds for culvert replacement for fish passage.

**PUBLIC UTILITIES COMMISSION**

\$20,000,000

Provides funds for the Efficiency Maine Trust energy program.

**DEPARTMENT OF TRANSPORTATION**

\$20,000,000

Provides funds to purchase and upgrade 241 miles of track of the Montreal, Maine and Atlantic Railway to maintain service to towns in the northern part of the State to prevent closure of this trackage.

\$5,000,000

Provides funds for a passenger rail connector between Topsham and the Lewiston-Auburn multimodal facility.

\$47,500,000

Provides funds for the highway maintenance program for reconstruction and preservation of pavement.

**Sec. A-7. Contingent upon ratification of bond issue.** Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Part.

**Sec. A-8. Appropriation balances at year-end.** At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond proceeds that have not been expended within 10 years after the date of the sale of the bonds lapse to Highway Fund or General Fund debt service.

**Sec. A-9. Bonds authorized but not issued.** Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Part, are deauthorized and may not be issued, except 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.

**Sec. A-10. Referendum for ratification; submission at election; form of question; effective date.** This Part shall be submitted to the electors of the State at a public election held

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 Part by voting on the following question:

"Do you favor a \$99,170,000 bond issue to create jobs in the State by improving our roads and bridges, to support clean water programs, wastewater programs and repairs, to perform railroad improvements and to provide funds for energy efficiency grants for schools and higher education?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must 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. If a majority of the legal votes are cast in favor of this Part, the Governor shall proclaim the result without delay and this Part becomes 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 Part necessary to carry out the purposes of this referendum.

## PART B

**Sec. B-1. Disbursement of Efficiency Maine Trust bond proceeds.** The proceeds of the bond issued for the Efficiency Maine Trust energy program under the authority of the Public Utilities Commission must be expended as set out in this Part under the direction and supervision of the Efficiency Maine Trust for energy efficiency retrofits and related work to reduce energy costs for public school buildings in the State. The use of the proceeds of this bond must be consistent with the goals of the Efficiency Maine Trust established under the Maine Revised Statutes, Title 35-A, chapter 97 and must also adhere to the following requirements.

1. The funding must be awarded on a competitive basis and the award criteria must include the expected amount of energy saved or greenhouse gases reduced, an analysis of the costs and benefits of a project, the ability of the applicant to leverage additional funding, the likelihood that the project can be implemented promptly and whether the project is supported by technical information, including an audit by a certified energy auditor, professional engineer or qualified commercial energy auditor.

2. For each project, the Efficiency Maine Trust shall coordinate with the Department of Education to leverage funding, loans, credits or other resources provided through the federal American Recovery and Reinvestment Act of 2009 to maximize the opportunities to provide energy savings for the school.

3. The amount of funding from bond proceeds to be awarded to any single school in the State may not exceed \$2,000,000.

**Sec. B-2. Contingent upon ratification of bond issue.** This Part does not become effective unless the people of the State ratify the issuance of the bonds as set forth in Part A of this Act.

## **SUMMARY**

Part A of this bill creates jobs in Maine by authorizing a June 2010 referendum on a \$99,170,000 bond issue to support drinking water programs and to support the construction of wastewater treatment facilities; to support overboard discharge assistance programs; to support underground oil tank remediation programs; to support culvert replacement for fish passage; to support the Efficiency Maine Trust; to purchase and upgrade 241 miles of track in the northern part of Maine; to construct a rail connector between Topsham and Lewiston-Auburn; to support the highway maintenance program; and to leverage other matching funds.

Part B of this bill describes specific requirements for the awarding of bond funds by the Efficiency Maine Trust.