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Legislative Document

No. 416

H.P. 296

House of Representatives, February 7, 2017

An Act To Authorize a General Fund Bond Issue To Strengthen Maine's Groundfish Permit Bank

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

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative KUMIEGA of Deer Isle.

Cosponsored by Senator MIRAMANT of Knox and Representatives: DEVIN of Newcastle, SPEAR of South Thomaston, SYLVESTER of Portland, Senators: CHIPMAN of Cumberland, DION of Cumberland.

1 2 3 4	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,
5	Be it enacted by the People of the State of Maine as follows:
6	PART A
7 8 9 10	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 \$5,000,000 for the purposes described in section 5 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.
12 13 14 15	Sec. A-2. Records of bonds issued; Treasurer of State. The Treasurer of State shall ensure that an account of each bond is kept 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.
16 17 18 19 20 21 22 23	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 Office of the Treasurer of State to be used for the retirement of general obligation bonds.
24 25 26	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.
27 28 29 30	Sec. A-5. Disbursement of bond proceeds 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 under the direction and supervision of the agencies and entities set forth in this section.
31 32 33	MARINE RESOURCES, DEPARTMENT OF
34	Bureau of Resource Management
35 36	Provides funds to purchase federal northeast multispecies groundfish permits to enable Maine fishing vessels to land their catch in Maine.
37	Total \$5,000,000

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

 Sec. A-7. 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 the Office of the Treasurer of State to be used for the retirement of general obligation bonds.

- **Sec. A-8. Bonds authorized but not issued.** Any bonds authorized but 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 for an additional amount of time not to exceed 5 years.
- Sec. A-9. Referendum for ratification; submission at election; form of question; effective date. This Part must be submitted to the legal voters of the State at a statewide election held in the month of November following passage of this Act. The municipal officers 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 Part by voting on the following question:

"Do you favor a \$5,000,000 bond issue for the purchase of federal northeast multispecies groundfish permits to enable Maine fishing vessels to land their catch in Maine?"

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.

34 PART B

Sec. B-1. Federal northeast multispecies groundfish permits program costs. If the referendum question in Part A is approved, the Department of Marine Resources shall retain revenue from leasing the quota of federal northeast multispecies groundfish permits to cover the cost of administering the permit program. The department shall return revenue in excess of program expenses to the General Fund.

1	SUMMARY
2 3 4	The funds provided by this bond issue, in the amount of \$5,000,000, will be used to purchase federal northeast multispecies groundfish permits to enable Maine fishing vessels to land their catch in Maine.
5 6 7	The Department of Marine Resources is directed to retain revenue from leasing the quota of permits to cover the cost of the permit program and to return revenue in excess of program expenses to the General Fund.