

132nd MAINE LEGISLATURE

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Legislative Document

No. 483

H.P. 312

House of Representatives, February 11, 2025

An Act to Authorize a General Fund Bond Issue to Secure Prosperity for Maine Families and Businesses

Received by the Clerk of the House on February 6, 2025. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Speaker FECTEAU of Biddeford.

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 \$300,000,000 for the purposes described in section 5 of this Act. 8 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for 9 a 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 may negotiate the sale of the bonds by direction of the Governor, but no bond may be 15 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the 16 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State 17 upon warrants drawn by the State Controller, are appropriated solely for the purposes set 18 19 forth in this Act. Any unencumbered balances remaining at the completion of the project in this Act lapse to the Office of the Treasurer of State to be used for the retirement of 20 general obligation bonds. 21

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

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

29 MAINE STATE HOUSING AUTHORITY

30 **Ongoing programs**

- Provides \$80,000,000 for the State's tax credit for affordable housing; \$25,000,000 for
 the authority's rural affordable housing rental program; and \$20,000,000 for the
 authority's first-time homebuyer program.
- 34 Total

35 New programs

- Provides \$100,000,000 to create child care-public school partnerships for children up to
 4 years of age with a 100% match requirement and allowing school districts to contract
 with private providers and to create child care-private industry partnerships with a 100%
 match requirement; and \$75,000,000 for expansion of public water and public sewer in
 areas zoned for residential use with a 50% local match requirement.
- 41 Total

\$175,000,000

\$125,000,000

Sec. 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 Act.

Sec. 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.

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:

"Do you favor a \$300,000,000 bond issue to support the State's tax credit
for affordable housing and the Maine State Housing Authority's rural
affordable housing rental program and first-time homebuyer program and
to create child care-public school partnerships for children up to 4 years of
age and child care-private industry partnerships, both with a 100% match
requirement, and expand residential public water and public sewer systems
with a 50% local match requirement?"

27 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 28 below the word "Yes" or "No." The ballots must be received, sorted, counted and declared 29 in open ward, town and plantation meetings and returns made to the Secretary of State in 30 31 the same manner as votes for members of the Legislature. The Governor shall review the 32 returns. If a majority of the legal votes are cast in favor of this Act, the Governor shall 33 proclaim the result without delay and this Act becomes effective 30 days after the date of 34 the proclamation.

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

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SUMMARY

The funds provided by this bond issue, in the amount of \$300,000,000, will be used to support the State's tax credit for affordable housing and the Maine State Housing Authority's rural affordable housing rental program and first-time homebuyer program, create child care-public school partnerships for children up to 4 years of age and child careprivate industry partnerships and expand residential public water and public sewer systems.