

125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 984

H.P. 728

House of Representatives, March 8, 2011

RESOLUTION, Proposing an Amendment to the Constitution of Maine To Require a Two-thirds Vote To Approve the Issuance of a Bond or Security by the Maine Governmental Facilities Authority

Reference to the Committee on State and Local Government suggested and ordered printed.

HEATHER J.R. PRIEST Clerk

Presented by Representative WATERHOUSE of Bridgton.

Cosponsored by Senator ROSEN of Hancock and

Representatives: CHASE of Wells, CLARK of Easton, SIROCKI of Scarborough, WINSOR of Norway.

Constitutional amendment. Resolved: Two thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of Maine be proposed:

Constitution, Art. IX, §14 is amended to read:

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Section 14. Authority and procedure for issuance of bonds. The credit of the State shall not be directly or indirectly loaned in any case, except as provided in sections 14-A, 14-B, 14-C and 14-D. The Legislature shall not create any debt or debts, liability or liabilities, on behalf of the State, which shall singly, or in the aggregate, with previous debts and liabilities hereafter incurred at any one time, exceed \$2,000,000, except to suppress insurrection, to repel invasion, or for purposes of war, and except for temporary loans to be paid out of money raised by taxation during the fiscal year in which they are made, and except for loans to be repaid within 12 months with federal transportation funds in amounts not to exceed 50% of transportation funds appropriated by the Federal Government in the prior federal fiscal year; and excepting also that whenever 2/3 of both Houses shall deem it necessary, by proper enactment ratified by a majority of the electors voting thereon at a general or special election, the Legislature may authorize the issuance of bonds on behalf of the State at such times and in such amounts and for such purposes as approved by such action; but this shall not be construed to refer to any money that has been, or may be deposited with this State by the Government of the United States, or to any fund which the State shall hold in trust for any Indian tribe. A bond or security to be issued by the Maine Governmental Facilities Authority must be authorized by a 2/3 vote of both Houses. Whenever ratification by the electors is essential to the validity of bonds to be issued on behalf of the State, the question submitted to the electors shall be accompanied by a statement setting forth the total amount of bonds of the State outstanding and unpaid, the total amount of bonds of the State authorized and unissued, and the total amount of bonds of the State contemplated to be issued if the enactment submitted to the electors be ratified. For any bond authorization requiring ratification of the electors pursuant to this section, if any bonds have not been issued within 5 years of the date of ratification, then those bonds may not be issued after that date. Within 2 years after expiration of that 5-year period, the Legislature may extend, by a majority vote, the 5-year period for an additional 5 years or may deauthorize the bonds. If the Legislature fails to take action within those 2 years, the bond issue shall be considered to be deauthorized and no further bonds may be issued. For any bond authorization in existence on November 6, 1984, and for which the 5-year period following ratification has expired, no further bonds may be issued unless the Legislature, by November 6, 1986, reauthorizes those bonds by a majority vote, for an additional 5-year period, failing which all bonds unissued under those authorizations shall be considered to be deauthorized. Temporary loans to be paid out of moneys raised by taxation during any fiscal year shall not exceed in the aggregate during the fiscal year in question an amount greater than 10% of all the moneys appropriated, authorized and allocated by the Legislature from undedicated revenues to the General Fund and dedicated revenues to the Highway Fund for that fiscal year, exclusive of proceeds or expenditures from the sale of bonds, or greater than 1% of the total valuation of the State of Maine, whichever is the lesser.

45 ; and be it further

Resolved: That 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, at a statewide election held in the month of November following the passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by voting upon the following question:

"Do you favor amending the Constitution of Maine to require a 2/3 vote of both Houses of the Legislature to authorize the issuance of a bond or security by the Maine Governmental Facilities Authority?"

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 the 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 it appears that a majority of the legal votes are cast in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment becomes part of the Constitution of Maine on the date of the proclamation; and be it further

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

22 SUMMARY

This resolution proposes to amend the Constitution of Maine to require a 2/3 vote of both Houses of the Legislature to authorize a bond or security to be issued by the Maine Governmental Facilities Authority.