



128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 1510

H.P. 1034

House of Representatives, April 25, 2017

**An Act To Authorize a General Fund Bond Issue To Fund
Wastewater Infrastructure Projects for Ratification by Voters in the
June 2017 Election**

Submitted by the Department of Environmental Protection pursuant to Joint Rule 204.
Reference to the Committee on Appropriations and Financial Affairs suggested and ordered
printed.

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

ROBERT B. HUNT
Clerk

Presented by Representative FREDETTE of Newport.

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
3 issuance of bonds on behalf of the State of Maine to provide funds as described in this
4 Act,

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

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

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

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

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

28 **Sec. 5. Disbursement of bond proceeds from General Fund bond issue.**
29 The proceeds of the sale of the bonds authorized under this Act must be expended as
30 designated in the following schedule under the direction and supervision of the
31 Department of Environmental Protection.

32 **ENVIRONMENTAL PROTECTION,**
33 **DEPARTMENT OF**

34 **Small Community Grant Program**

36 Provides funds for grants to towns to help replace malfunctioning septic systems that
37 are polluting coastal watersheds or causing a public nuisance.

38
39 Total \$2,000,000

1 and assist homeowners whose homes are served by substandard or
2 malfunctioning wastewater treatment systems?"

3 The legal voters of each city, town and plantation shall vote by ballot on this question
4 and designate their choice by a cross or check mark placed within a corresponding square
5 below the word "Yes" or "No." The ballots must be received, sorted, counted and
6 declared in open ward, town and plantation meetings and returns made to the Secretary of
7 State in the same manner as votes for members of the Legislature. The Governor shall
8 review the returns. If a majority of the legal votes are cast in favor of this Act, the
9 Governor shall proclaim the result without delay and this Act becomes effective 30 days
10 after the date of the proclamation.

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

14 **SUMMARY**

15 The funds provided by this bond issue, in the amount of \$50,000,000, will be used to
16 fund the replacement of malfunctioning septic systems, wastewater treatment facility
17 planning, construction grants and hydrographic modeling in coastal watersheds,
18 prioritizing areas with high-value shellfish resources, and assistance to homeowners
19 whose homes are served by substandard or malfunctioning wastewater treatment systems.