

125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 919

H.P. 679

House of Representatives, March 8, 2011

An Act To Authorize a General Fund Bond Issue To Weatherize and Upgrade the Energy Efficiency of Maine Homes and Businesses and To Provide for a Trained Workforce for Maine's Energy Future

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

Heather J.R. PRIEST

Presented by Representative HINCK of Portland.

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 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 \$55,000,000 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. 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 12 name of the successful bidder to whom sold, the amount received for the bond, the date of 13 sale and the date when payable. 14 15 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 16 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the 17 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State 18 19 upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the project 20 21 in this Act lapse to the Office of the Treasurer of State to be used for the retirement of 22 general obligation bonds. 23 **Sec. 4.** Interest and debt retirement. The Treasurer of State shall pay interest 24 due or accruing on any bonds issued under this Act and all sums coming due for payment 25 of bonds at maturity. 26 Sec. 5. Disbursement of bond proceeds; allocations from General Fund 27 bond issue. The proceeds of the sale of the bonds authorized under this Act must be 28 expended as designated in the following schedule under the direction and supervision of 29 the agencies and entities set forth in this section. MAINE STATE HOUSING 30

31 **AUTHORITY**

> Provides funds to implement existing plans for weatherizing low-income Maine housing.

35 **Total** \$15,000,000

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1	PUBLIC UTILITIES COMMISSION
2 3	Efficiency Maine Trust
4 5 6 7 8	Provides funds to a grant or loan program to increase electrical and thermal energy efficiencies in the public and private sectors including industry, businesses, hospitals jails, schools and other large power consumers to minimum efficiency gains of 20% through upgrades in waste heat recovery, district heating, cogeneration, installation of variable speed drives and demand control ventilation systems.
9	
10	Total \$15,000,000
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12	Efficiency Maine Trust
13 14 15 16 17	Provides funds to create a revolving weatherization fund to be made available as below-market loans through local financial institutions, agencies, community development corporations and counties or municipalities for homeowners, owners of rental properties and small business owners for required energy audits and weatherization or other major energy efficiency improvements.
18 19	Total \$10,000,000
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21	LABOR, DEPARTMENT OF
22 23 24 25 26 27 28 29 30	Provides funds for appropriate entities to conduct labor market research on the current market and projected job growth in the green economy, emerging greer industries and technologies, recruitment and skill requirements and wage and benefits ranges and the education and training requirements of workers in those industries funds to train workers for weatherization services and for the distribution of grants or a competitive basis for basic and remedial education and transitional jobs strategies for dislocated workers; and funds for the training of new workers for occupations in high-demand green industries, based on current and projected job creation and the workers' strategic importance to the development of the State's future economy.
31 32	Total \$10,000,000
34	10(a) \$10,000,000
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34	ECONOMIC AND COMMUNITY
35	DEVELOPMENT DEPARTMENT OF

Provides community development funds for energy efficiency for a combination of low-interest and no-interest loans and grants for weatherization and other energy efficiency projects for homes, businesses and community meeting places, such as grange halls, community houses and other traditional public areas for gathering in a community.

Total \$5,000,000

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.
- **Sec. 8. Bonds authorized but not issued.** Any bonds authorized but not issued within 5 years of ratification of this Act 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. 9. Referendum for ratification; submission at election; form of question; effective date. This Act 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 Act by voting on the following question:

"Do you favor a \$55,000,000 bond issue to implement existing plans for weatherization of low-income housing, to provide funds for increasing energy efficiencies in public and private sector structures and to provide funds for education for the training of a future workforce?"

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 Act, the Governor shall proclaim the result without delay and this Act 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 Act necessary to carry out the purposes of this referendum.

1 SUMMARY

The funds provided by this bond issue, in the amount of \$55,000,000, will be used to support weatherization and other energy efficiency improvements for Maine homes, businesses and public buildings to save money, reduce dependence on increasingly scarce heating fuels, support health and comfort and protect the environment. Funds are also provided to expand the workforce for weatherization and energy efficiency services and other parts of a new green economy.