

MAINE STATE LEGISLATURE

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L.D. 1001

(Filing No. H- 367)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
113TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 738, L.D. 1001, Bill, "AN ACT to Increase the Appropriation to Municipal School Districts for the Purchase of School Buses."

Amend the bill by striking out all of the title and inserting in its place the following:

'AN ACT to Authorize a General Fund Bond Issue in the Amount of \$5,000,000 for Acquisition of School Buses for Maine Public School Units.'

Further amend the bill by inserting after the title and before the enacting clause the following:

'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 for acquisition of school buses for Maine public schools.'

Further amend the bill by striking out everything after the enacting clause and inserting in its place the following:

'Sec. 1. Authorization of bonds to provide for acquisition of school buses for Maine public schools. The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time registered bonds in the name and behalf of the State to an amount not exceeding \$5,000,000 for the purpose of raising funds for acquisition of school buses for Maine public schools as authorized by section 7. The bonds shall be deemed a pledge of the full faith and credit of the State. The bonds shall not run for a longer period than 5 years from the date of the orig-

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1 inal issue of the bonds. Any issuance of bonds may
2 contain a call feature at the discretion of the Treas-
3 urer of State with the approval of the Governor.

4 **Sec. 2. Records of bonds issued to be kept by**
5 **the State Auditor and Treasurer of State.** The State
6 Auditor shall keep an account of the bonds, showing
7 the number and amount of each, the date when payable
8 and the date of delivery of the bonds to the Treasur-
9 er of State who shall keep an account of each bond
10 showing the number of the bond, the name of the suc-
11 cessful bidder to whom sold, the amount received for
12 the same, the date of sale and the date when payable.

13 **Sec. 3. Sale; how negotiated; proceeds appropri-**
14 **ated.** The Treasurer of State may negotiate the sale
15 of the bonds by direction of the Governor, but no
16 such bond may be loaned, pledged or hypothecated in
17 behalf of the State. The proceeds of the sale of the
18 bonds, which shall be held by the Treasurer of State
19 and paid by him upon warrants drawn by the State Con-
20 troller, are appropriated to be used solely for the
21 purposes set forth in this Act. Any unencumbered
22 balances remaining at the completion of the project
23 in section 7 shall lapse to the debt service account
24 established for the retirement of these bonds.

25 **Sec. 4. Interest and debt retirement.** Interest
26 due or accruing upon any bonds issued under this Act
27 and all sums coming due for payment of bonds at matu-
28 rity shall be paid by the Treasurer of State.

29 **Sec. 5. Disbursement of bond proceeds.** The pro-
30 ceeds of the bonds set out in section 7 shall be ex-
31 pended under the direction and supervision of the
32 Commissioner of Educational and Cultural Services as
33 grants to local school administrative units for the
34 purpose of funding a portion of those school adminis-
35 trative units' costs in purchasing school buses. The
36 disbursement of bond proceeds authorized by this Act
37 shall be separate and apart from any obligations
38 which the State may have to school administrative

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1 units under the School Finance Act of 1985, as
2 amended. The Commissioner of Educational and Cultur-
3 al Services shall determine which school
4 administrative units shall receive grants from bond
5 proceeds authorized by this Act and the amount of
6 those grants. These grants shall be made on the same
7 matching basis as the division of state and local
8 shares in the units' state and local allocation in
9 the year prior to the year in which the grants are
10 distributed.

11 **Sec. 6. Study.** The Commissioner of Educational
12 and Cultural Services shall conduct a study to deter-
13 mine the most cost effective means of purchasing
14 school buses. This study shall consider, but not be
15 limited to, the potential savings resulting from bulk
16 purchases by the State and meeting the varied needs
17 of local school units. The commissioner shall report
18 with necessary legislation to the joint standing com-
19 mittee having jurisdiction over appropriations and
20 financial affairs by January 15, 1988.

21 **Sec. 7. Allocations from General Fund bond is-**
22 **sue; acquisition of school buses for Maine public**
23 **schools.** The proceeds of the sale of bonds shall be
24 expended as necessary for the acquisition of school
25 buses. No money may be expended until the proceeds
26 of the sale of bonds are allocated by the 113th Leg-
27 islature pursuant to the study in section 6.

28 **Sec. 8. Contingent upon ratification of bond is-**
29 **sue.** Sections 1 to 7 shall not become effective un-
30 less and until the people of the State have ratified
31 the issuance of bonds as set forth in this Act.

32 **Sec. 9. Appropriation balances at year end.** At
33 the end of each fiscal year, all unencumbered appro-
34 priation balances representing state money shall car-
35 ry forward from year to year. Bond proceeds which
36 have not been expended within 10 years after the date
37 of the sale of the bonds shall lapse to General Fund
38 debt service.

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1 **Sec. 10. Bonds authorized, but not issued.** Any
2 bonds authorized, but not issued or for which bond
3 anticipation notes have not been issued within 5
4 years of ratification of this Act, shall be
5 deauthorized and may not be issued, provided that the
6 Legislature may, within 2 years after the expiration
7 of that 5-year period, extend the period for issuing
8 any remaining unissued bonds or bond anticipation
9 notes for an additional amount of time not to exceed
10 5 years.

11 **Sec. 11. Statutory referendum procedure; submis-**
12 **sion at statewide election; form of question; effec-**
13 **tive date.** This Act shall be submitted to the legal
14 voters of the State of Maine at a statewide election
15 to be held on the Tuesday following the first Monday
16 of November following passage of this Act. The city
17 aldermen, town selectmen and plantation assessors of
18 this State shall notify the inhabitants of their re-
19 spective cities, towns and plantations to meet, in
20 the manner prescribed by law for holding a statewide
21 election, to vote on the acceptance or rejection of
22 this Act by voting on the following question:

23 "Do you favor a \$5,000,000 bond issue for acqui-
24 sition of school buses for Maine public schools?"

25 The legal voters of each city, town and planta-
26 tion shall vote by ballot on this question and shall
27 designate their choice by a cross or check mark
28 placed within a corresponding square below the word
29 "Yes" or "No". The ballots shall be received,
30 sorted, counted and declared in open ward, town and
31 plantation meetings and returns made to the Secretary
32 of State in the same manner as votes for members of
33 the Legislature. The Governor shall review the re-
34 turns and, if it appears that a majority of the legal
35 voters are in favor of the Act, the Governor shall
36 proclaim that fact without delay, and the Act shall
37 become effective 30 days after the date of the proc-
38 lamation.

