

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

SECOND REGULAR SESSION-1998

Legislative Document

No. 2205

S.P. 819

In Senate, February 10, 1998

An Act to Authorize a General Fund Bond Issue in the Amount of \$20 Million to Stimulate the Maine Economy through Research and Development.

Reported by Senator BENNETT of Oxford for the Joint Select Committee on Research and Development. Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed pursuant to Joint Order S. P. 669 under Joint Rule 401.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

2 **Sec. A-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.

4
6 **Sec. A-5. Disbursement of bond proceeds.** The proceeds of the
bonds must be expended as set out in section 6 under the
direction and supervision of the University of Maine System, the
8 Maine Science and Technology Foundation and the Department of
Economic and Community Development.

10
12 **Sec. A-6. Allocations from General Fund bond issue; to support
research and development to improve the State's economy.** The proceeds
of the sale of bonds must be expended as designated in the
14 following schedule.

16 **BOARD OF TRUSTEES OF THE UNIVERSITY OF MAINE SYSTEM**

18 For capital improvements and equipment \$13,500,000
purchases to support research and
20 development in marine biotechnology,
software engineering and development,
22 advanced technologies for forestry and
agriculture, biotechnology and advanced
24 materials engineering and development.

26 **MAINE SCIENCE AND TECHNOLOGY FOUNDATION**

28 For a Marine Technology Fund to provide \$3,000,000
funds to enhance internet connections
30 among public and private educational
institutions conducting marine research
32 and nonprofit marine research institutions
(\$1,000,000) and to provide funds to enhance
34 research and education capability in those
institutions (\$2,000,000).

36 For a Research Challenge Grants Program to \$1,500,000
38 provide funds for research institutions in
the for-profit, nonprofit and academic sectors
40 to enhance research and development capacity
and productivity.

42 **DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT**

44 To pay a portion of design and construction \$2,000,000
46 costs for the Gulf of Maine Aquarium
Research Facility.

2 **Sec. A-7. Contingent upon ratification of bond issue.** Sections 1
to 6 do not become effective unless the people of the State have
ratified the issuance of bonds as set forth in this Act.

4
6 **Sec. A-8. 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
8 expended within 10 years after the date of the sale of the bonds
lapse to General Fund debt service.

10 **Sec. A-9. Bonds authorized but not issued.** Any bonds authorized
12 but not issued, or for which bond anticipation notes are not
issued within 5 years of ratification of this Act, are
14 deauthorized and may not be issued; except that the Legislature
may, within 2 years after the expiration of that 5-year period,
16 extend the period for issuing any remaining unissued bonds or
bond anticipation notes for an additional amount of time not to
18 exceed 5 years.

20 **Sec. A-10. Referendum for ratification; submission at general**
election; form of question; effective date. This Act must be submitted
22 to the legal voters of the State of Maine at the next general
election in the month of November following passage of this Act.
24 The municipal officers of this State shall notify the inhabitants
of their respective cities, towns and plantations to meet, in the
26 manner prescribed by law for holding a general election, to vote
on the acceptance or rejection of this Act by voting on the
28 following question:

30 "Do you favor a \$20,000,000 bond issue to improve the Maine
economy by supporting innovative research and development by
32 businesses and nonprofit and educational institutions in the
fields of biotechnology, computers and other information
34 technology, aquaculture and marine technology, forestry and
agriculture and advanced materials?"

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

48

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

6 PART B

8 Sec. B-1. 20-A MRSA §10904-A is enacted to read:

10 §10904-A. Maintenance fund

12 The treasurer of the university shall establish and maintain
14 a fund for maintenance of building space constructed with
16 proceeds of any bond issued pursuant to an Act of the Legislature
that requires such an account. The trustees shall acquire
sufficient private and other non-General Fund contributions to
maintain the space for the expected duration of its use.

18 Sec. B-2. Contingent effectiveness. This Part takes effect only
20 if Part A takes effect.

22 SUMMARY

24 The funds provided by this bond issue, in the amount of
26 \$20,000,000, will be used to fund a variety of programs designed
to improve the Maine economy through research and development
28 relevant to biotechnology, aquaculture and marine sciences,
information technologies, advanced materials engineering and
advanced technologies for forestry and agriculture. Thirteen and
30 one-half million dollars of the bond proceeds are allocated to
the Board of Trustees of the University of Maine System for
32 capital improvements and equipment. Three million dollars are
allocated to the Marine Technology Fund to provide matching
34 grants to educational and nonprofit marine research institutions;
\$1,500,000 is allocated to the Research Challenge Grants Program
36 to provide matching funds for all research institutions involved
in the 5 target technologies. The Maine Technology Fund and the
38 Research Challenge Grants programs will be administered by the
Maine Science and Technology Foundation. Two million dollars are
40 allocated to the Department of Economic and Community Development
to be used to pay a portion of the costs of designing and
42 building the Gulf of Maine Aquarium Research Facility to provide
space for collaborative research by academic, nonprofit and
44 private fisheries and marine biotechnology researchers. It
proposes to require the University of Maine System to establish,
46 fund and maintain an account for maintenance of building space
constructed with the proceeds of the bond. It also prohibits the
48 Treasurer of State from releasing bond proceeds to the University
of Maine System until it provides evidence of sufficient funds in
50 the account.