

MAINE STATE LEGISLATURE

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(EMERGENCY)
(After Deadline)
SECOND REGULAR SESSION

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 2208

H. P. 2314

House of Representatives, March 22, 1978

Approved for introduction by a Majority of the Legislative Council Pursuant to Joint Rule 25. Referred to Committee on Education and sent up for Concurrence.

EDWIN H. PERT, Clerk

Presented by Mr. Peltier of Houlton.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-EIGHT

**AN ACT Authorizing the Issuance of Bonds by the Town of Houlton to Acquire
Certain Assets of Ricker College.**

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, Ricker College, a corporation created by the private and special laws of 1847, chapter 10, has suffered severe financial problems and is currently operating under the jurisdiction of the courts of the United States of America pursuant to the Federal Bankruptcy Act and may cease operations in whole or in part if the financial relief provided by this Act is not made immediately available; and

Whereas, Ricker College performs important higher educational services which cannot be conveniently and effectively replaced; and

Whereas, Ricker College is a major employer in the Town of Houlton whose termination would cause serious unemployment and other economic dislocations; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. P&SL 1847, c. 10, as last amended by P&SL 1967, c. 74, § 1, is further amended by adding at the end a new sentence to read:

Ricker College may agree with the Town of Houlton concerning the manner and method of selecting persons to fill vacancies in the number of incorporators and in any board of trustees, board of directors or other managing or controlling board, howsoever designated, and as a part of and in order to implement such an agreement the number of incorporators or any such board may be increased by such number as such agreement may require.

Sec. 2. Declaration of necessity. It is found and declared that, for the benefit of the people of the State, the provision and improvement of the higher education and the protection of the economy and the creation of employment, it is essential that Ricker College be provided with means to discharge its indebtedness, provide for its physical plant and continue its existence and operations as an institution of higher education; and that it is the purpose of this Act to provide a measure of assistance to Ricker College which is sorely needed to enable it to accomplish its purposes, all to the public benefit and good; and the exercise of the powers, to the extent and manner provided in this Act, is declared the exercise of an essential governmental function and the expenditure of public funds provided hereby is declared to be for a public purpose.

Sec. 3. Conveyance of property. Ricker College, a corporation created by the private and special laws of 1847, chapter 10, is hereby authorized and empowered to convey, transfer and assign to the Town of Houlton all property and assets of every nature and description owned or held by it, real and personal, tangible and intangible, or any part thereof, and the Town of Houlton is authorized and empowered to purchase or otherwise receive and hold any and all such property on such terms and conditions as it and Ricker College may determine; and the Town of Houlton may contract and agree with Ricker College in any way concerning the operation of Ricker College or using any and all such property.

Sec. 4. Borrowing authority. To raise the purchase price of the property referred to in section 3, the Town of Houlton may borrow money in an amount not to exceed \$1,250,000 and may issue bonds or notes of the town therefor. The authorization and issuance of these debts and the bonds or notes representative thereof shall in all respects be subject to the Revised Statutes, Title 30, section

5152, and to the charter of the town of Houlton, except that bonds may be issued to mature in not more than 40 years from the date of their issuance.

Effective date; acceptance. In view of the emergency cited in the preamble, this Act shall take effect when approved for the purpose of submitting it to Ricker College and the Town of Houlton for acceptance, and upon acceptance it shall take full effect. Acceptance by Ricker College shall be by majority vote of its governing board and acceptance by the Town of Houlton shall be by majority vote of the voters present and voting at a referendum election held in accordance with the provisions of the town charter.

STATEMENT OF FACT

The purpose of this bill is to authorize the issuance of bonds by the Town of Houlton to acquire certain assets of Ricker College.