

(Filing No. S-505)

STATE OF MAINE SENATE 109TH LEGISLATURE SECOND REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 1731, L.D. 1892, Bill, "AN ACT to Empower the Board of Trustees of the Maine Veterans Home to Borrow Funds and to Issue Bonds, Notes and Other Evidences of Indebtedness."

Amend the Amendment by inserting after the first paragraph the following:

'Sec. 1. 37-A MRSA §1404, as enacted by PL 1977, c. 562, §1, is repealed and the following enacted in its place:

## <u>§1404.</u> Administrator

The administrator shall be an honorably discharged war veteran and shall administer the home in accordance with the rules, regulations, guidelines and general policy as may be established by the board. He shall serve an indefinite term, but may be removed for cause by the board. His salary shall be set by the board. The administrator shall hire the necessary employees to operate the home and, whenever possible, shall give preference in hiring to war veterans. These employees shall not be deemed employees of the State.'

'The Maine Veterans Home is a body corporate. In addition to any other powers granted by this chapter, the Maine Veterans Home shall have the power:' SENATE AMENDMENT " A" to COMMITTEE AMENDMENT "A" to H.P. 1781, L.D. 1892 -2-

Further amend the Amendment in section 2 by striking out all of subsection 6 of that part designated "<u>§1407-A</u>." and inserting in its place the following:

'6. Borrow funds. To borrow funds, not in excess of \$1,000,000 in the aggregate, to make and issue bonds, negotiate notes and other evidences of indebtedness or obligations of the veterans home for purposes related to the operation and maintenance of the home. The home may secure payments of the obligations, or any part thereof, by pledge of any part of the revenues or assets of the home available for the pledge and which may be lawfully so pledged, or by mortgage of any part, or all, of any property owned by the home. The home may do all lawful things necessary and incidental to those powers. The home may borrow money from the Federal Government and agencies thereof and from state agencies and from any other source. The home may borrow money from the State subject to approval by the Treasurer of State and the Governor. Bonds, notes and other evidences of indebtedness issued under this subsection shall not be deemed to constitute debts of the State, nor a pledge of the credit of the State, but shall be payable solely from the funds of the home; and'

Further amend the Amendment by renumbering sections 1 to 3 to be sections 2 to 4.

## Statement of Fact

The purpose of this amendment is to provide that employees of the veterans home are not employees of the State and to remove the provision that the home provide housing for the administrator. It also limits the purposes for which the home may borrow funds and

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limits the power of the home to borrow directly from the State.

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Reproduced and distributed pursuant to Senate Rule 11-A. March 21, 1980 (Filing No. S-505)