

MAINE STATE LEGISLATURE

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(Governor's Bill)
SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1913

S. P. 734

In Senate, February 4, 1980

Referred to the Committee on Energy and Natural Resources. Sent down for concurrence and ordered printed.

MAY M. ROSS, Secretary of the Senate

Presented by Senator Minkowsky of Androscoggin.

Cosponsors: Senator Clark of Cumberland, Senator Carpenter of Aroostook and Senator O'Leary of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

AN ACT to Authorize a Bond Issue in the Amount of \$4,500,000 for Energy Conservation Improvements for Public School Buildings and the University of Maine.

Preamble. Two-thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State to provide funds for energy conservation improvements for public school buildings and the University of Maine.

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

Sec. 1. Definitions. As used in this Act, unless the context indicates otherwise, the following words and terms have the following meanings.

1. Energy conservation improvements. "Energy conservation improvements" are improvements made to a building to increase energy efficiency. These improvements include, but are not limited to, installation of storm windows, insulation, updating of heating, ventilation, electrical and lighting systems and use of renewable resource equipment.

2. Energy efficiency surveys. "Energy efficiency surveys" are comprehensive studies undertaken to determine the type of improvements that

can be applied to a building in order to decrease the energy operating cost of that building. Such a survey includes a classification of no-cost, low-cost and major-cost items and also includes a determination of the cost effectiveness of each of the recommended improvements. Such a survey shall be consistent with requirements established by the Director of the Office of Energy Resources.

3. Public school buildings. "Public school buildings" are public elementary and secondary school buildings which are subject to the Maine Revised Statutes, Title 20, sections 3457 and 3460.

4. University of Maine buildings. "University of Maine buildings" are buildings owned by the University of Maine and operated under the direction of the Board of Trustees of the University of Maine.

Sec. 2. The issue of bonds to provide funds for energy conservation improvements to public school buildings and University of Maine buildings. The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time serial coupon bonds in the name and on behalf of the State to an amount not exceeding \$4,500,000 for the purpose of raising funds to provide for energy conservation improvements to public school buildings and University of Maine buildings, as authorized by section 7. These bonds shall be deemed a pledge of the faith and credit of the State. These bonds shall not run for a longer period than 10 years from the date of the original issue thereof. Any issuance of bonds may contain a call feature at the discretion of the Treasurer of State with the approval of the Governor.

Sec. 3. Records of bonds issued to be kept by the State Auditor and the Treasurer of State. The State Auditor shall keep an account of these bonds, showing the number and amount of each, the date of countersigning, the date when payable and the date of delivery thereof to the Treasurer of State, who shall keep an account of each bond, showing the number thereof, the name of the person to whom sold, the amount received from the same, the date of sale and the date when payable.

Sec. 4. Sale, how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of these bonds by direction of the Governor, but no such bond may be loaned, pledged or hypothecated in behalf of the State. The proceeds of sales of these bonds, which shall be held by the Treasurer of State and paid by him upon warrants drawn by the Governor, are appropriated to be used solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the projects listed in section 7 shall lapse to the debt service account established for the retirement of these bonds.

Sec. 5. Interest and debt retirement. Interest due or accruing upon any bonds issued under this Act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State.

Sec. 6. Disbursement of bond proceeds. The proceeds of these bonds shall be allocated to the Department of Educational and Cultural Services and expended under the direction and supervision of the Director of Public Improvements.

The Bureau of Public Improvements and the University of Maine shall keep records of the energy savings on all projects funded under this Act. This record shall be a public record.

Sec. 7. Allocations from bond issue.

EDUCATIONAL AND CULTURAL SERVICES, DEPARTMENT OF

Public elementary and secondary schools

Funds shall be disbursed in accordance with the results of the energy efficiency surveys and with approval of the Commissioner of Educational and Cultural Services. Cost: \$2.5 million

University of Maine

Funds shall be disbursed in accordance with the results of the energy efficiency surveys and with the approval of the Chancellor of the University of Maine. Cost: \$2 million

Sec. 8. Retroactive reimbursement. Energy conservation improvements to public school buildings undertaken since November 8, 1978, may be considered reimbursable under this Act as determined by the Director of Public Improvements, the Commissioner of Educational and Cultural Services or the Chancellor of the University of Maine, provided that the following criteria have been met:

1. **Purpose.** The improvements were undertaken specifically for energy conservation; and

2. **Priority.** The buildings to which the energy conservation improvements were made would be eligible for energy conservation improvements under this Act and the improvements were a high priority measure as determined by the Director of Public Improvements, the Commissioner of Educational and Cultural Services or the Chancellor of the University of Maine.

9. **Contingent upon ratification of bond issue.** Sections 1 to 8 shall not become effective unless and until the people of the State shall have ratified the issuance of bonds as set forth in this Act.

Sec. 10. Statutory referendum procedure; form of question; effective date. This Act shall be submitted to the legal voters of the State of Maine at the next general election in the month of November following passage of this Act. The city aldermen, town selectmen and plantation assessors 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:

“Shall a bond issue be ratified in the amount of \$4,500,000 for energy conservation improvements for public school buildings and the University of Maine?”

The legal voters of each city, town and plantation shall vote by ballot on this question, and shall designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots shall 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 and, if it appears that a majority of the legal votes are in favor of the Act, the Governor shall proclaim that fact without delay, and the Act shall become 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.

STATEMENT OF FACT

The purpose of this bill is to authorize a bond issue in the amount of \$4,500,000 for energy conservation improvements in Maine's public schools and public university. A bond issue of \$5,000,000 for energy conservation improvements in Maine's public schools was approved by the state's voters in 1977. The entire \$5,000,000 has been expended to date, saving the equivalent of approximately 3.8 million gallons of oil annually. An additional \$2.5 million is needed to complete projects that have been identified to be cost-effective, as well as to allow the benefits of the program to be available to Maine's remaining public schools. The \$2 million for the University of Maine will provide funding for energy conservation, improvements at each of the campuses of the University of Maine.

The passage of this bill and subsequent approval of the state's voters would result in the issuance of bonds in the amount of \$4,500,000.