

MAINE STATE LEGISLATURE

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1 (After Deadline)
2 SECOND REGULAR SESSION
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE
5

6 Legislative Document

No. 2328

7
8 H.P. 1650

House of Representatives, April 3, 1986

9 Approved for introduction by a majority of the Legislative Council
pursuant to Joint Rule 27.

10 Referred to the Committee on Appropriations and Financial Affairs. Sent
up for concurrence and ordered printed.

11 EDWIN H. PERT, Clerk

Presented by Representative Small of Bath.

Cosponsored by Representative Foss of Yarmouth, Representative
Lawrence of Parsonsfield and Representative Brown of Gorham.

12
13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-SIX
17

18 AN ACT to Authorize a General Fund Bond Issue
19 in the Amount of \$5,000,000 to Provide
20 Funds for School Construction Costs to
21 Meet the Requirements of the Education
22 Reform Law.
23

24 Preamble. Two thirds of both Houses of the Leg-
25 islature deeming it necessary in accordance with the
26 Constitution of Maine, Article IX, Section 14, to au-
27 thorize the issuance of bonds on behalf of the State
28 of Maine to provide additional school construction
29 funding.

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

32 Sec. 1. Authorization of bonds to provide for
33 school construction. The Treasurer of State is au-
34 thorized, under the direction of the Governor, to is-
35 sue from time to time registered bonds in the name
36 and behalf of the State to an amount not exceeding

1 \$5,000,000 for the purpose of raising funds for addi-
2 tional school construction projects necessitated as a
3 result of requirements established by Public Law
4 1983, chapter 859. The bonds shall be deemed a
5 pledge of the full faith and credit of the State.
6 The bonds shall not run for a longer period than 20
7 years from the date of the original issue of the
8 bonds. Any issuance of bonds may contain a call fea-
9 ture at the discretion of the Treasurer of State with
10 the approval of the Governor.

11 Sec. 2. Records of bonds issued to be kept by
12 the State Auditor and Treasurer of State. The State
13 Auditor shall keep an account of the bonds, showing
14 the number and amount of each, the date when payable
15 and the date of delivery of the bonds to the Treasur-
16 er of State who shall keep an account of each bond
17 showing the number of the bond, the name of the suc-
18 cessful bidder to whom sold, the amount received for
19 the same, the date of sale and the date when payable.

20 Sec. 3. Sale; how negotiated; proceeds appropri-
21 ated. The Treasurer of State may negotiate the sale
22 of the bonds by direction of the Governor, but no
23 such bond may be loaned, pledged or hypothecated in
24 behalf of the State. The proceeds of the sale of the
25 bonds, which shall be held by the Treasurer of State
26 and paid by him upon warrants drawn by the State Con-
27 troller, are appropriated to be used solely for the
28 purposes set forth in this Act. Any unencumbered
29 balances remaining at the completion of the project
30 in section 6 shall lapse to the debt service account
31 established for the retirement of these bonds.

32 Sec. 4. Interest and debt retirement. Interest
33 due or accruing upon any bonds issued under this Act
34 and all sums coming due for payment of bonds at matu-
35 rity shall be paid by the Treasurer of State.

36 Sec. 5. Disbursement of bonds proceeds. The
37 proceeds of the bonds set out in section 6 shall be
38 expended under the direction and supervision of the
39 State Board of Education.

40 Sec. 6. Allocations from General Fund bond is-
41 sue. The proceeds of the sale of bonds shall be al-
42 located to the account established under the Maine

1 Revised Statutes, Title 20-A, section 15914, subsection 2. Funds allocated pursuant to this Act shall
2 first be used to pay the state share of new school
3 construction projects which are found by the state
4 board to be required in order to comply with the minimum requirements established by Public Law 1983,
5 chapter 859. Remaining funds shall be used to meet
6 other priority school construction needs.
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9 Sec. 7. Contingent upon ratification of bond issue. Sections 1 to 6 shall not become effective unless and until the people of the State have ratified
10 the issuance of bonds as set forth in this Act.
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13 Sec. 8. Appropriation balances at year end. At the end of each fiscal year, all unencumbered appropriation balances representing state money shall carry forward from year to year. Bond proceeds which
14 have not been expended within 10 years after the date of the sale of the bonds shall lapse to General Fund debt service.
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20 Sec. 9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes have not been issued within 5
21 years of the ratification of this Act, shall be deauthorized and may not be issued, provided that the
22 Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing
23 any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed
24 5 years.
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30 Sec. 10. Statutory referendum procedure; submission at general election; form of question; effective
31 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
32 this Act. The city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and
33 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
34 following question:
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1 "Shall a \$5,000,000 bond issue be approved for
2 additional school construction projects required
3 to comply with the education reform law?"

4 The legal voters of each city, town and planta-
5 tion shall vote by ballot on this question, and shall
6 designate their choice by a cross or check mark
7 placed within a corresponding square below the word
8 "Yes" or "No." The ballots shall be received,
9 sorted, counted and declared in open ward, town and
10 plantation meetings and returns made to the Secretary
11 of State in the same manner as votes for members of
12 the Legislature. The Governor shall review the re-
13 turns and, if it appears that a majority of the legal
14 voters are in favor of the Act, the Governor shall
15 proclaim that fact without delay, and the Act shall
16 become effective 30 days after the date of the proc-
17 lamation.

18 The Secretary of State shall prepare and furnish
19 to each city, town and plantation all ballots, re-
20 turns and copies of this Act necessary to carry out
21 the purpose of this referendum.

22 STATEMENT OF FACT

23 The funds provided by this bond issue will be
24 used to fund school construction projects necessi-
25 tated by the requirements established by Public Law
26 1983, chapter 859.

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