

MAINE STATE LEGISLATURE

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MARCH 28, 1988

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SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 2576

H.P. 1884 House of Representatives, March 28, 1988
Reference to the Committee on Appropriations and
Financial Affairs suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Speaker MARTIN of Eagle Lake.

Cosponsored by Representative FOSTER of Ellsworth,
Senators COLLINS of Aroostook and CLARK of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-EIGHT

1 AN ACT to Authorize a General Fund Bond Issue in
2 the Amount of \$31,800,000 to Finance
3 Construction and Capital Improvements on the
4 Campuses of the University of Maine System.
5

6 Preamble. Two thirds of both Houses of the
7 Legislature deeming it necessary in accordance with
8 the Constitution of Maine, Article IX, Section 14, to
9 authorize the issuance of bonds on behalf of the State

1 of Maine to provide funds to support a construction
2 and capital improvements program at the University of
3 Maine System.

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

6 **Sec. 1. Authorization of bonds to provide for a**
7 **capital improvements and construction program.** The
8 Treasurer of State is authorized, under the direction
9 of the Governor, to issue from time to time registered
10 bonds in the name and behalf of the State to an amount
11 not exceeding \$31,800,000 for the purpose of raising
12 funds to finance a multi-year program of construction
13 and capital improvements at the campuses of the
14 University of Maine System as authorized by section
15 6. The bonds shall be deemed a pledge of the full
16 faith and credit of the State. The bonds shall not
17 run for a longer period than 15 years from the date of
18 the original issue of the bonds. Any issuance of
19 bonds may contain a call feature at the discretion of
20 the Treasurer of State with the approval of the
21 Governor.

22 **Sec. 2. Records of bonds issued to be kept by**
23 **the State Auditor and Treasurer of State.** The State
24 Auditor shall keep an account of the bonds, showing
25 the number and amount of each, the date when payable
26 and the date of delivery of the bonds to the Treasurer
27 of State who shall keep an account of each bond
28 showing the number of the bond, the name of the
29 successful bidder to whom sold, the amount received
30 for the same, the date of sale and the date when
31 payable.

32 **Sec. 3. Sale; how negotiated; proceeds**
33 **appropriated.** The Treasurer of State may negotiate
34 the sale of the bonds by direction of the Governor,
35 but no such bond may be loaned, pledged or
36 hypothecated in behalf of the State. The proceeds of
37 the sale of the bonds, which shall be held by the
38 Treasurer of State and paid by him upon warrants drawn
39 by the State Controller, are appropriated to be used
40 solely for the purposes set forth in this Act. Any
41 unencumbered balances remaining at the completion of
42 the projects in section 6 shall lapse to the debt
43 service account established for the retirement of

1 these bonds.

2 **Sec. 4. Interest and debt retirement.** Interest
3 due or accruing upon any bonds issued under this Act
4 and all sums coming due for payment of bonds at
5 maturity shall be paid by the Treasurer of State.

6 **Sec. 5. Disbursement of bond proceeds.** The
7 proceeds of the bonds set out in section 6 shall be
8 expended under the direction and supervision of the
9 Trustees of the University of Maine System.

10 **Sec. 6. Allocations from General Fund bond**
11 **issue; projects at the University of Maine System.**
12 The proceeds of the sale of bonds shall be expended as
13 follows.

14 University of Maine System \$31,800,000

15 Construction and capital
16 improvement projects

17 **Sec. 7. Contingent upon ratification of bond**
18 **issue.** Sections 1 to 6 shall not become effective
19 unless and until the people of the State have ratified
20 the issuance of bonds as set forth in this Act.

21 **Sec. 8. Appropriation balances at year end.** At
22 the end of each fiscal year, all unencumbered
23 appropriation balances representing state money shall
24 carry forward from year to year. Bond proceeds which
25 have not been expended within 10 years after the date
26 of the sale of the bonds shall lapse to General Fund
27 debt service.

28 **Sec. 9. Bonds authorized but not issued.** Any
29 bonds authorized but not issued, or for which bond
30 anticipation notes have not been issued within 5 years
31 of ratification of this Act, shall be deauthorized and
32 may not be issued, provided that the Legislature may,
33 within 2 years after the expiration of that 5-year
34 period, extend the period for issuing any remaining
35 unissued bonds or bond anticipation notes for an
36 additional amount of time not to exceed 5 years.

1 In 1986, the Visiting Committee to the University
2 of Maine urged more systematic planning at the
3 University of Maine System and called on the Trustees
4 of the University of Maine System, in cooperation with
5 the campuses, to develop a formal, long-term plan to
6 improve the institution as a whole. A capital plan to
7 meet the most urgent physical facilities' needs of the
8 University of Maine System was developed over the past
9 year by campus Presidents, the Chancellor and the
10 Trustees from a much longer list of potential projects.

11 This bill includes the highest priority items in
12 that capital plan and will provide: New classroom and
13 science buildings at the University of Maine (Orono),
14 plus expansion of communications and cultural
15 facilities; a major addition to the library at the
16 University of Southern Maine; an expanded science
17 laboratory at the University of Maine at Fort Kent; a
18 student-campus center at the University of Maine at
19 Presque Isle; renovation to major academic buildings
20 at the University of Maine at Machias; expansion of
21 health, fitness and physical education facilities at
22 the University of Maine at Farmington; major expansion
23 of the Learning Resources Center at the University of
24 Maine at Augusta; and renovation to academic and
25 support buildings throughout the University of Maine
26 System.

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