

MAINE STATE LEGISLATURE

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L.D. 1940

DATE: 3/30/94

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 718, L.D. 1940, Bill, "An Act to Authorize a General Fund Bond Issue in the Amount of \$10,299,667 to Improve the Academic Facilities of the University of Maine System"

Amend the amendment by striking out the substitute title and replacing it with the following:

'An Act to Authorize a General Fund Bond Issue in the Amount of \$5,000,000 for Academic Improvements at the University of Maine System, Including the Enhancement of Instructional Technology and Distance Learning'

Further amend the amendment by striking out everything after the substitute title and before the statement of fact and inserting in its place the following:

'Further amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds for academic improvements at the University of Maine System, including the enhancement of instructional technology and distance learning.

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

Sec. 1. Authorization of bonds to provide for funds for academic improvements at the University of Maine System. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$5,000,000 for academic improvements

HOUSE AMENDMENT

R.O.S.

2 as authorized by section 6. The bonds are a pledge of the full
3 faith and credit of the State. The bonds may not run for a
4 period longer than 5 years from the date of the original issue of
5 the bonds. At the discretion of the Treasurer of State, with the
6 approval of the Governor, any issuance of bonds may contain a
7 call feature.

8 **Sec. 2. Records of bonds issued to be kept by the Treasurer of State.**
9 The Treasurer of State shall keep an account of each bond showing
10 the number of the bond, the name of the successful bidder to whom
11 sold, the amount received for the bond, the date of sale and the
12 date when payable.

14 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
15 Treasurer of State may negotiate the sale of the bonds by
16 direction of the Governor, but no bond may be loaned, pledged or
17 hypothecated on behalf of the State. The proceeds of the sale of
18 the bonds, which must be held by the Treasurer of State and paid
19 by the Treasurer of State upon warrants drawn by the State
20 Controller, are appropriated solely for the purposes set forth in
21 this Act. Any unencumbered balances remaining at the completion
22 of the project in section 6 lapse to the debt service account
23 established for the retirement of these bonds.

24 **Sec. 4. Interest and debt retirement.** The Treasurer of State
25 shall pay interest due or accruing on any bonds issued under this
26 Act and all sums coming due for payment of bonds at maturity.

28 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
29 bonds must be expended as set out in section 6 under the
30 direction and supervision of the University of Maine System.

32 **Sec. 6. Allocations from General Fund bond issue.** The proceeds
33 of the sale of bonds must be expended as designated in the
34 following schedule.

| | |
|---|--------------------|
| | 1994-95 |
| UNIVERSITY OF MAINE SYSTEM | |
| Academic Improvements, including the enhancement of instructional technology and distance learning | \$5,000,000 |

2 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
3 do not become effective unless the people of the State have
4 ratified the issuance of bonds as set forth in this Act.

6 **Sec. 8. Appropriation balances at year end.** At the end of each
7 fiscal year, all unencumbered appropriation balances representing
8 state money carry forward. Bond proceeds that have not been
9 expended within 10 years after the date of the sale of the bonds
10 lapse to General Fund debt service.

12 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
13 but not issued, or for which bond anticipation notes are not
14 issued within 5 years of ratification of this Act, are
15 deauthorized and may not be issued; except that the Legislature
16 may, within 2 years after the expiration of that 5-year period,
17 extend the period for issuing any remaining unissued bonds or
18 bond anticipation notes for an additional amount of time not to
19 exceed 5 years.

20 **Sec. 10. Referendum for ratification; submission at primary election;**
21 **form of question; effective date.** This Act must be submitted to the
22 legal voters of the State of Maine at the June 1994 primary
23 election following passage of this Act. The municipal officers
24 of this State shall notify the inhabitants of their respective
25 cities, towns and plantations to meet, in the manner prescribed
26 by law for holding a general election, to vote on the acceptance
27 or rejection of this Act by voting on the following question:

28 "Do you favor a \$5,000,000 bond issue for academic
29 improvements at the University of Maine System, including
30 the enhancement of instructional technology and distance
31 learning?"

34 The legal voters of each city, town and plantation shall
35 vote by ballot on this question and designate their choice by a
36 cross or check mark placed within a corresponding square below
37 the word "Yes" or "No." The ballots must be received, sorted,
38 counted and declared in open ward, town and plantation meetings
39 and returns made to the Secretary of State in the same manner as
40 votes for members of the Legislature. The Governor shall review
41 the returns and, if a majority of the legal votes are cast in
42 favor of the Act, the Governor shall proclaim the result without
43 delay, and the Act becomes effective 30 days after the date of
44 the proclamation.

46 The Secretary of State shall prepare and furnish to each
47 city, town and plantation all ballots, returns and copies of this
48 Act necessary to carry out the purpose of this referendum.'

2 Further amend the bill by inserting at the end before the
statement of fact the following:

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FISCAL NOTE

8 The estimated cost of sending this bond issue out to
referendum will vary according to the total number of referenda
10 enacted during the Second Regular Session of the 116th
Legislature. The estimated cost to the Secretary of State if one
to 6 referenda are enacted is \$95,000. Each additional
12 referendum costs an additional \$7,000.

14 If approved by the voters, the total cost of this bond issue
is estimated to be \$5,500,000 with principal payments of
16 \$5,000,000 and interest payments of approximately \$500,000.' '

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20
STATEMENT OF FACT

22 This amendment incorporates the bill, Committee Amendment
"A" and language from the Joint Standing Committee on
24 Appropriations and Financial Affairs to conform the legislation
to the committee's intent.

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30 SPONSORED BY: *Louise A. Chonko*
(Representative CHONKO)

32 TOWN: Topsham
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