

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

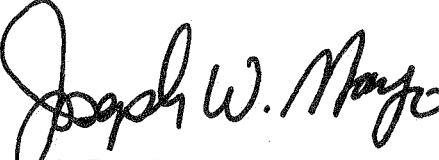
No. 558

H.P. 413

House of Representatives, January 28, 1997

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$8,500,000 to Fund Capital Expenses for Vocational High Schools.**

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative GOODWIN of Pembroke.
Cosponsored by Representative DRISCOLL of Calais.

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

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 capital expenses of vocational high schools.

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

Sec. 1. Authorization of bonds to provide for capital expenses of vocational high schools. 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 \$8,500,000 to raise funds for capital expenses of vocational high schools as authorized by section 6. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 20 years from the date of the original issue of the bonds. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.

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

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

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

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Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in section 6 under the direction and supervision of the Commissioner of Education.

2 **Sec. 6. Allocations from General Fund bond issue; capital expenses**
3 **for vocational high schools.** The proceeds of the sale of bonds must
4 be expended as designated in the following schedule.

6 **EDUCATION, DEPARTMENT OF** \$8,500,000

8 Funds must be used for capital expenses for
9 vocational high schools.

10 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
11 6 do not become effective unless the people of the State have
12 ratified the issuance of bonds as set forth in this Act.

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

20 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
21 but not issued, or for which bond anticipation notes are not
22 issued within 5 years of ratification of this Act, are
23 deauthorized and may not be issued; except that the Legislature
24 may, within 2 years after the expiration of that 5-year period,
25 extend the period for issuing any remaining unissued bonds or
26 bond anticipation notes for an additional amount of time not to
27 exceed 5 years.

28 **Sec. 10. Referendum for ratification; submission at statewide**
29 **election; form of question; effective date.** This Act must be submitted
30 to the legal voters of the State of Maine at a statewide election
31 held on the Tuesday following the first Monday of November
32 following passage of this Act. The municipal officers of this
33 State shall notify the inhabitants of their respective cities,
34 towns and plantations to meet, in the manner prescribed by law
35 for holding a statewide election, to vote on the acceptance or
36 rejection of this Act by voting on the following question:

38 "Do you favor a \$8,500,000 bond issue for capital expenses
39 for vocational high schools?"

42 The legal voters of each city, town and plantation shall
43 vote by ballot on this question and designate their choice by a
44 cross or check mark placed within a corresponding square below
45 the word "Yes" or "No." The ballots must be received, sorted,
46 counted and declared in open ward, town and plantation meetings
47 and returns made to the Secretary of State in the same manner as
48 votes for members of the Legislature. The Governor shall review

2 the returns and, if a majority of the legal votes are cast in
4 favor of the Act, the Governor shall proclaim the result without
4 delay, and the Act becomes effective 30 days after the date of
the proclamation.

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

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12 **SUMMARY**

14 The funds provided by this bond issue, in the amount of
\$8,500,000, will be used to fund capital expenses for vocational
high schools.