

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

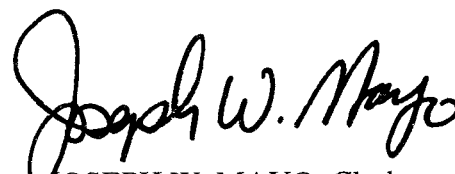
No. 565

H.P. 423

House of Representatives, January 19, 1999

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$30,000,000 for Infrastructure Improvements for the Maine Technical
College System.**

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


JOSEPH W. MAYO, Clerk

Presented by Representative CAMPBELL of Holden.
Cosponsored by Senator MURRAY of Penobscot and
Representatives: CIANCHETTE of South Portland, DUNCAN of Presque Isle,
MacDOUGALL of North Berwick, SHIELDS of Auburn, TESSIER of Fairfield, Senators:
AMERO of Cumberland, MacKINNON of York.

2 **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
4 on behalf of the State of Maine to provide funds for the Maine
Technical College System for infrastructure improvements.
6

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

10 **Sec. 1. Authorization of bonds to provide infrastructure**
improvements for the Maine Technical College System. The Treasurer
of State is authorized, under the direction of the Governor, to
12 issue bonds in the name and on behalf of the State in an amount
not exceeding \$30,000,000 to raise funds for the Maine Technical
14 College System for infrastructure improvements as authorized by
section 6. The bonds are a pledge of the full faith and credit
16 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
18 discretion of the Treasurer of State, with the approval of the
Governor, any issuance of bonds may contain a call feature.
20

22 **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
24 sold, the amount received for the bond, the date of sale and the
date when payable.
26

28 **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
30 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
32 by the Treasurer of State upon warrants drawn by the State
Controller, are appropriated solely for the purposes set forth in
34 this Act. Any unencumbered balances remaining at the completion
of the project in section 6 lapse to the debt service account
36 established for the retirement of these bonds.

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

42 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the
bonds must be expended as set out in section 6 under the
44 direction and supervision of the Board of Trustees of the Maine
Technical College System.
46

48 **Sec. 6. Allocations from General Fund bond issue; infrastructure**
improvements. The proceeds of the sale of bonds must be expended
as designated in the following schedule.

2 **BOARD OF TRUSTEES OF THE**
4 **MAINE TECHNICAL COLLEGE SYSTEM**

6 Funds must be used for infrastructure \$30,000,000
8 improvements at the 7 colleges. The
 \$30,000,000 will be matched by \$15,000,000
 in private or in-kind donations and will be
 allotted as such donations become available.

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

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

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

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

40 "Do you favor a \$30,000,000 bond issue for infrastructure
42 improvements at Maine's 7 technical colleges that must be
 matched by \$15,000,000 of private or in-kind donations?"

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

12

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

18

SUMMARY

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22 The funds provided by this bond issue, in the amount of
\$30,000,000, will be used for infrastructure improvements at
Maine's 7 technical colleges. The \$30,000,000 must be matched by
24 \$15,000,000 of private or in-kind donations.