



119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1928

S.P. 678

In Senate, March 17, 1999

An Act to Authorize a General Fund Bond Issue for Repairs, Renovations and Additions to Public Schools.

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

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JOY J. O'BRIEN Secretary of the Senate

Presented by Senator TREAT of Kennebec. Cosponsored by Representative WATSON of Farmingdale and Senators: DAGGETT of Kennebec, NUTTING of Androscoggin, PINGREE of Knox, Representatives: COWGER of Hallowell, FULLER of Manchester, McKEE of Wayne, SHIAH of Bowdoinham.

Two thirds of both Houses of the Legislature Preamble. deeming it necessary in accordance with the Constitution of 2 Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds for the repair 4 and renovation of public schools to correct health and safety 6 violations and violations of the federal Americans with Disabilities Act and for certain additions to schools.

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

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PART A

Sec. A-1. Authorization of bonds to provide for repairs, renovations 14 and additions to public schools. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds 16 in the name and on behalf of the State in an amount not exceeding \$50,000,000 to raise funds for the repair and renovation of 18 public schools and for certain additions to schools as authorized by section 6 of this Part. The bonds are a pledge of the full 20 faith and credit of the State. The bonds may not run for a 22 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 24 call feature.

Sec. A-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.

Sec. A-3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by 34 direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of 36 the bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State 38 Controller, are appropriated solely for the purposes set forth in 40 this Part. Any unencumbered balances remaining at the completion of the project in section 6 of this Part lapse to the debt service account established for the retirement of these bonds. 42

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

48 Sec. A-5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in section 6 of this Part under 50 the direction and supervision of the Maine Municipal Bond Bank. Sec. A-6. Allocations from General Fund bond issue; for repairs, renovations and additions to public schools. The proceeds of the sale
 of bonds must be expended as designated in the following schedule.

6 MAINE MUNICIPAL BOND BANK

8 School Revolving Renovation Fund

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10	For renovation and repair of	\$50,000,000
	public schools to correct health	
12	and safety violations and violations	
	of the federal Americans with	
14	Disabilities Act and to fund additions	
	to schools when made in combination	
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16 with correcting the violations.

18 Sec. A-7. Contingent upon ratification of bond issue. Sections 1 to 6 of this Part do not become effective unless the people of 20 the State have ratified the issuance of bonds as set forth in this Part.

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

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

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

"Do you favor a \$50,000,000 bond issue to renovate and repair public schools to correct health and safety violations and violations of the federal Americans with Disabilities Act and to make additions to schools?"

The legal voters of each city, town and plantation shall 6 vote by ballot on this guestion and designate their choice by a 8 cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings 10 and returns made to the Secretary of State in the same manner as 12 votes for members of the Legislature. The Governor shall review the returns and, if a majority of the legal votes are cast in favor of this Part, the Governor shall proclaim the result 14 without delay, and this Part becomes effective 30 days after the date of the proclamation. 16

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

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PART B

Sec. B-1. 30-A MRSA §6006-F, sub-§3, ¶A, as enacted by PL 1997, c. 787, §13, is amended to read:

- 28 A. To make loans to school administrative units for school repair and renovation and additions.
- (1) The following repair and , renovation <u>and addition</u>
 32 needs receive first priority status:
- 34 (a) Repair or replacement of a roof on a school building;
- (b) Bringing a school building into compliance
 38 with the federal Americans with Disabilities Act,
 42 United States Code, Section 12101 et seq.;
- (c) Improving air quality in a school building;
- (d) Removing asbestos from or abating asbestos in44 a school building;
- 46 (e) Removing underground oil storage tanks on the grounds of a school building; and

(f) Undertaking other health, safety and
 compliance repairs, <u>; and</u>

2	(g) Making an addition to a school building when done in combination with a project under
4	subparagraph (b) or (f).
6	(2) Repairs and improvements not related to health, safety and compliance repairs receive 2nd priority
8	status. Those repairs and improvements are limited to a school building structure, windows and doors and to a
10	school building water or septic system.
12	(3) Upgrade of learning spaces in school buildings and small-scale capital improvements receive 3rd priority
14	status.
16	(4) The Commissioner of Education may approve other necessary repairs;
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	Sec. B-2. Contingent upon ratification of bond issue. This Part
20	Sec. B-2. Contingent upon ratification of bond issue. This Part takes effect only if the people of the State have ratified the issuance of bonds as set forth in Part A.
20 22	takes effect only if the people of the State have ratified the
22 24	takes effect only if the people of the State have ratified the
22	takes effect only if the people of the State have ratified the issuance of bonds as set forth in Part A.
22 24	takes effect only if the people of the State have ratified the issuance of bonds as set forth in Part A. SUMMARY This bill proposes a \$50,000,000 bond issue to be presented to the voters in November 1999. The bond issue provides funds to
22 24 26	takes effect only if the people of the State have ratified the issuance of bonds as set forth in Part A. SUMMARY This bill proposes a \$50,000,000 bond issue to be presented to the voters in November 1999. The bond issue provides funds to
22 24 26 28	takes effect only if the people of the State have ratified the issuance of bonds as set forth in Part A. SUMMARY This bill proposes a \$50,000,000 bond issue to be presented to the voters in November 1999. The bond issue provides funds to be deposited into the School Revolving Renovation Fund established in the Maine Revised Statutes, Title 30-A, section
22 24 26 28 30	takes effect only if the people of the State have ratified the issuance of bonds as set forth in Part A. SUMMARY This bill proposes a \$50,000,000 bond issue to be presented to the voters in November 1999. The bond issue provides funds to be deposited into the School Revolving Renovation Fund established in the Maine Revised Statutes, Title 30-A, section 6006-F and must be used for the repair and renovation of public schools to correct health and safety violations and violations of

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Page 4-LR2867(1)