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H.P. 511

House of Representatives, February 8, 2001

An Act to Restore the Maine Court Facilities Authority.

Reference to the Committee on State and Local Government suggested and ordered printed.

Millicent M. Mac Jailand

MILLICENT M. MacFARLAND, Clerk

Presented by Representative McKENNEY of Cumberland. Cosponsored by President Pro Tem BENNETT of Oxford and Representatives: BUCK of Yarmouth, COLLINS of Wells, GOOLEY of Farmington, STEDMAN of Hartland, WATERHOUSE of Bridgton.

Be it enacted by the People of the State of Maine as follows: 2 Sec. 1. 4 MRSA c. 33 is amended by repealing the chapter headnote and enacting the following in its place: 4 6 CHAPTER 33 MAINE COURT FACILITIES AUTHORITY 8 Sec. 2. 4 MRSA §1601, as amended by PL 1997, c. 523, §2, is 10 further amended to read: 12 §1601. Short title 14 This chapter is known and may be cited as the "Maine Governmental Court Facilities Authority Act." 16 Sec. 3. 4 MRSA §1602, as amended by PL 1997, c. 523, §2, is 18 further amended by repealing and replacing the headnote to read: 20 §1602. Maine Court Facilities Authority; members; compensation 22 Sec. 4. 4 MRSA §1602, sub-§1, as amended by PL 1997, c. 523, 24 §2, is further amended to read: 26 1. Establishment; membership. The Maine Gevernmental Court Facilities Authority is created as a body corporate and politic and a public instrumentality of the State. The exercise by the 28 authority of powers conferred by this chapter is considered to be performance of essential governmental functions. 30 the The authority consists of 5 members, one of whom is the Treasurer of 32 State, serving as an ex officio, voting member, one of whom is the Commissioner of Administrative and Financial Services, serving as an ex officio, voting member, and 3 other members who 34 shall each serve for a term of 5 years and are appointed by the Governor, subject to review by the joint standing committee of 36 the Legislature having jurisdiction over state and local government and confirmation by the Legislature. Any member of 38 the authority may be removed by the Governor for cause. In the event of vacancy occurring in the membership, the Governor shall 40 appoint a replacement member for the remainder of that term. Each member of the authority shall serve until that member's 42 successor is appointed and qualified. Any member of the authority is eligible for reappointment. 44 46 The initial appointed members of the authority are Α. appointed in a manner to stagger the terms of the members. Of the initial 3 appointed members, one is appointed to a 48 term of 3 years; one is appointed to a term of 4 years and one is appointed to a term of 5 years. 50

Sec. 5. 4 MRSA §1603, sub-§§1 to 3, as amended by PL 1997, c. 2 523, $\S3$, are further amended to read: 4 "Act" Act. 1. means the Maine Governmental Court Facilities Authority Act. 6 "Authority" means the Maine Governmental 8 Authority. 2. Court Facilities Authority as established by this Act. 10 2 Bonds. "Bonds" means any bonds or securities of the 12 Maine Governmental Court Facilities Authority issued pursuant to this Act. 14 Sec. 6. 4 MRSA §1603, sub-§§5 and 6, as amended by PL 1997, c. 16 523, $\S5$, are further amended to read: 18 5. Holder of securities or holder. "Holder of securities" or "holder" or any similar term, when used with reference to securities of the Maine Governmental Court Facilities Authority, 20 means any person who is the bearer of any outstanding securities 22 of the authority registered to bearer or not registered, or the registered owner of any outstanding securities of the authority 24 that, at the time, are registered other than to bearer. 26 б. Notes. "Notes" means any notes of the Maine Governmental Court Facilities Authority issued pursuant to this 28 Act. Sec. 7. 4 MRSA §1603, sub-§7, as amended by PL 1997, c. 788, 30 §1, is further amended to read: 32 7. Project, projects or part of any project. "Project, projects or part of any project" means the acquisition, 34 construction, improvement, reconstruction or equipping of, or 36 construction of an addition or additions to, any structure designed for use as a court facility --state-office-or--state 38 activity - space - and - intended - to - be - used - primarily - by - the - State, any-agency-instrumentality-or-department-of-the-State-or-by-any branch-of-State-Government. The structure may include facilities 40 for the use of related court-related agencies of state, county or 42 local government such as, but not limited to, public prosecutors' offices and probation and parole offices. "Project, projects or part of any project" includes all real and personal property, 44 lands, improvements, driveways, roads, approaches, pedestrian 46 access roads, parking lots, parking facilities, rights-of-way, utilities, easements and other interests in land, machinery and equipment and all fixtures, appurtenances and facilities either 48 on, above or under the ground that are used or usable in 50 connection with the structure, and

site landscaping, preparation, furniture. also includes similar items 2 machinery, equipment and other necessary or convenient for the operation of a particular facility or 4 structure in the manner for which its use is intended. "Project, projects-or-part-of-any-project"-also-includes-the-acquisition, eonstruction, --- improvement, --- reconstruction -- or -- repair --- of -- any 6 equipment, --- device, --- technology, --- software -- or -- other--- personal 8 property-intended-to-be-used-primarily-by-the-State, -any-agency, instrumentality-or--department-of--the-State-or--by-any-branch-of 10 State-Government-or-any-related-agency-of-state,-county-or-local government. -- The-exact-scope-of-each-project-projects-or-part-of 12 any-project,--other-than-these-for-the-Judicial-Branch-and-the Legislative-Branch, - must-be-set-forth-in-a-written-designation-by 14 the-Commissioner-of-Administrative-and-Financial-Services-to-the authority-and-the-exact-scope-of-each-project,-projects-or-part 16 of-any-project-for-the-Judicial-Branch-must-be-set-forth-in-a written--designation--by--the--State--Court--Administrator--to--the 18 authority -- The-scope of -each-project-for-the -Legislative -Branch must-receive--a-majority--vote-of-the--Legislative-Council--and-be 20 set-forth-in-a-written-designation-by-the-Executive-Director-of the-Legislative-Council-to-the-authority. "Project, projects or 22 part of any project" does not include such items as fuel, supplies or other items that are customarily considered as a 24 current operating charge. Sec. 8. 4 MRSA §1604, first¶, as amended by PL 1997, c. 523, 26 §7, is further amended to read: 28 In order to carry out the purposes of this Act, the Maine 30 Gevernmental Court Facilities Authority has the following powers with respect to project, projects or part of any project together 32 with all powers incidental to those powers or necessary for the performance of the following: 34 Sec. 9. 4 MRSA §1604, sub-§1, as amended by PL 1997, c. 523, \S 8, is further amended to read: 36

38 1. Perpetual succession. To have perpetual succession as a body politic and corporate and an instrumentality or agency of
 40 the State;

42 Sec. 10. 4 MRSA §1604, sub-§18, as amended by PL 1997, c. 523, §9, is further amended to read:

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§9, is further amended to read:
18. Lease or rent any land, buildings, structure

structures, To lease or rent any land, buildings, 46 facilities or equipment. structures, facilities or equipment comprising all or a portion 48 of a project, projects or part of any project for such amounts as the authority determines the to State or any agency, instrumentality or department of the State er-by-any-branch-ef 50

State-Government-or-any-related-agency-of-state,-county-or-lecal government, to further the purposes of the Act, provided-that as long as the obligation of the State or of any such agency, instrumentality, or department er-braneh to make any rental or other payments is considered executory only to the extent of money made available by the Legislature, and that as long as no liability on account of the state agency, instrumentality, or department er-braneh may be incurred by the State or any such agency, instrumentality, or department er-braneh beyond the money available for that purpose;

Sec. 11. 4 MRSA §1605, as amended by PL 1997, c. 523, §13, is further amended to read:

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§1605. Leasing or renting property of the authority

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For the purposes of this chapter, the authority may lease, rent, assign or otherwise dispose of a-project, projects or part of any project court facilities only to the State, any agency, instrumentality or department of the State or judicial branch of State Government or any related agency of state, county or local government to be used for court facilities, and the revenues derived by the authority from any lease or rental agreement must be used, as necessary, to pay the principal interest and other associated costs on or with respect to any securities issued pursuant to this chapter.

Sec. 12. 4 MRSA 1606, sub-2, as amended by PL 1999, c. 787, 1, is further amended to read:

2. Limitation on securities issued. The authority may not issue securities in excess of \$93,000,000 \$25,000,000 outstanding 32 at any one time, of--which-no--less--than-\$40,000,000-must-be 34 specifically--allocated--to--projects--relating--to--the--Judicial Branch, except for the issuance of revenue refunding securities 36 authorized by section 1610 and securities issued under section 1610-A. The amount of securities that may be outstanding in the 38 name of the authority may be increased by the Legislature upon a showing by the authority that its available revenues are sufficient to support additional issuance of securities and that 40 the issuance of securities will not materially impair the credit 42 standing of the authority, the investment status of securities issued by the authority or the ability of the authority to fulfill its commitments to holders of securities. 44 Nothing--in this This chapter may not be construed to authorize the authority to issue securities to fund the construction, reconstruction, 46 purchase or acquisition of facilities for the use of the Supreme Judicial Court without a majority 2/3 vote of approval in each 48 House of the Legislature.

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Sec. 13. 4 MRSA §1619, first ¶, as amended by PL 1997, c. 523, $\S20$, is further amended to read:

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4 The authority may accept gifts and contributions as provided in section 1604, subsection 25, for the purpose of designing, constructing, reconstructing, renovating or acquiring a-project, 6 projects -- or -- part -- or -- any -- project court facilities, including facilities for the Supreme Judicial Court, in accordance with 8 section 1606, subsection 2. The authority may accept gifts for 10 the purpose of furnishing a-project,-projects-of-part-of--any project court facilities, including the facilities of the Supreme Furnishings include, but are not limited to, 12 Judicial Court. paintings, artifacts, furniture and similar articles. 14

Sec. 14. Succession of authority. The Maine Court Facilities Authority is the successor to the Maine Governmental Facilities 16 Authority and as such assumes all rights, liabilities, indebtedness and duties entered into by the Maine Governmental 18 Facilities Authority, upon the effective date of this Act. A11 20 properties, rights in land, buildings and equipment and any funds, money, revenues and receipts or assets of the Maine 22 Governmental Facilities Authority due the Maine or to Governmental Facilities Authority belong to the Maine Court 24 Facilities Authority as successor. Upon succession, the Maine Governmental Facilities Authority ceases to exist.

Sec. 15. Report. The Commissioner of Administrative and Financial Services shall submit a plan to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on State and Local Government by January 15, 2002 that describes a method by which the debt service payments together with any related costs and expenses of the Maine Court Facilities Authority will be financed.

Sec. 16. Outstanding securities limitation. The limitation placed on the issuance of securities by the Maine Court Facilities Authority pursuant to the Maine Revised Statutes, Title 4, section 1606, subsection 2 does not affect any securities issued by the Maine Governmental Facilities Authority prior to the effective date of this Act, except that the Maine Court Facilities Authority may not issue any new securities until the amount of outstanding securities is less than the limit imposed under Title 4, section 1606, subsection 2.

SUMMARY

48 This bill replaces the Maine Governmental Facilities Authority with the Maine Court Facilities Authority and limits 50 the projects for which the authority may issue securities to the acquisition, construction, improvement, reconstruction or
equipping of court facilities. The bill places a limit on the amount of securities that may be issued by the authority of
\$25,000,000; the amount may be changed only by a 2/3 vote of each House of the Legislature; current law requires a simple
majority. This bill does not affect any securities outstanding; however, the authority may not issue new securities until the
amount of outstanding securities is below \$25,000,000.