

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1319

S.P. 403

In Senate, March 5, 2001

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$28,000,000 to Provide Funds for Public School Renovations.**

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by President MICHAUD of Penobscot.
Cosponsored by Representative COLWELL of Gardiner and
Senators: CATHCART of Penobscot, DAGGETT of Kennebec, GOLDTHWAIT of Hancock,
TREAT of Kennebec, Representatives: COWGER of Hallowell, MAILHOT of Lewiston,
NASS of Acton.

2 **Preamble.** Two thirds of both Houses of the Legislature
deeming it necessary in accordance with the Constitution of
4 Maine, Article IX, Section 14 to authorize the issuance of bonds
on behalf of the State of Maine to provide funds for public
6 school renovations in the State.

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

10 **Sec. 1. Authorization of bonds to provide for public school**
renovations in the State. The Treasurer of State is authorized,
12 under the direction of the Governor, to issue bonds in the name
and on behalf of the State in an amount not exceeding \$28,000,000
14 to raise funds for public school renovations in the State as
authorized by section 6. The bonds are a pledge of the full
16 faith and credit of the State. The bonds may not run for a
period longer than 10 years from the date of the original issue
18 of the bonds. At the discretion of the Treasurer of State, with
the approval of the Governor, any issuance of bonds may contain a
20 call feature.

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
24 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
26 date when payable.

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

46 **Sec. 6. Allocations from General Fund bond issue; public school**
renovations in the State. The proceeds of the sale of the bonds must
48 be expended as designated in the following schedule.

50 **EDUCATION, DEPARTMENT OF**

2 To provide funds for public schools \$28,000,000
3 renovations in the State

4

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

8

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

14

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

24

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

34

 "Do you favor a \$28,000,000 bond issue for school
 renovations for Maine's public schools?"

36

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

48

