

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 1707

S.P. 549

In Senate, March 20, 2001

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**An Act to Authorize a General Fund Bond Issue in the Amount of \$15,000,000 to Capitalize the School Revolving Renovation Fund for Repairs and Improvements in Public School Facilities to Address Health, Safety and Compliance Deficiencies, General Renovation Needs and Learning Space Upgrades.**

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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 Senator MITCHELL of Penobscot. (GOVERNOR'S BILL).  
Cosponsored by Representative RICHARD of Madison and  
President MICHAUD of Penobscot, Senators: ROTUNDO of Androscoggin, SMALL of  
Sagadahoc, Representatives: BELANGER of Caribou, DESMOND of Mapleton, STEDMAN  
of Hartland, TESSIER of Fairfield, WATSON of Farmingdale.

2           **Preamble.** Two thirds of both Houses of the Legislature  
3           deeming it necessary in accordance with the Constitution of  
4           Maine, Article IX, Section 14 to authorize the issuance of bonds  
5           on behalf of the State of Maine to provide funds to further  
6           capitalize the School Revolving Renovation Fund for repair and  
7           improvements to school facilities that will address serious  
8           health, safety and compliance deficiencies and provide assistance  
9           for general renovations and learning space upgrades in the  
10          State's public school facilities.

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

12           **Sec. 1. Authorization of bonds to make capital repairs and**  
13           **improvements in public school facilities.** The Treasurer of State is  
14           authorized, under the direction of the Governor, to issue bonds  
15           in the name and on behalf of the State in an amount not exceeding  
16           \$15,000,000 for the purpose of raising funds to capitalize the  
17           School Revolving Renovation Fund for repairs and improvements to  
18           public schools to address serious health, safety and compliance  
19           deficiencies including those related to indoor air quality, roof  
20           system integrity, asbestos and accessibility; to support other  
21           repairs and improvements related to the school's structural  
22           integrity, heating system, doors and windows; and to provide for  
23           other learning space upgrades such as improvements to science  
24           laboratories, vocational space and increased classroom  
25           flexibility as authorized by section 6. For the purposes of this  
26           Act, the term "public school" includes private schools approved  
27           for tuition purposes that have enrollments of at least 60%  
28           publicly funded students. The bonds are a pledge of the full  
29           faith and credit of the State. The bonds may not run for a  
30           period longer than 10 years from the date of the original issue  
31           of the bonds. At the discretion of the Treasurer of State, with  
32           the approval of the Governor, any issuance of bonds may contain a  
33           call feature.

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

39           **Sec. 3. Sale; how negotiated; proceeds appropriated.** The  
40           Treasurer of State may negotiate the sale of the bonds by  
41           direction of the Governor, but no bond may be loaned, pledged or  
42           hypothecated on behalf of the State. The proceeds of the sale of  
43           the bonds, which must be held by the Treasurer of State and paid  
44           by the Treasurer of State upon warrants drawn by the State  
45           Controller, are appropriated solely for the purposes set forth in  
46           this Act. Any unencumbered balances remaining at the completion  
47           of the sale of the bonds shall be deposited in the State Treasury  
48           and shall be available for the purposes set forth in this Act.

2 of the project in section 6 lapse to the debt service account  
established for the retirement of these bonds.

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

8 **Sec. 5. Disbursement of bond proceeds.** The proceeds of the  
bonds must be expended as set out in section 6 under the  
10 direction and supervision of the Maine Municipal Bond Bank as  
designated by the Commissioner of Education in accordance with  
12 the Maine Revised Statutes, Title 30-A, section 6006-F.

14 **Sec. 6. Allocations from General Fund bond issue; repairs and  
improvements in public school facilities.** The proceeds of the sale of  
16 the bonds must be expended as designated in the following  
schedule.

18 EDUCATION, DEPARTMENT OF  
20

22	Provides funds for renovation and capital	\$15,000,000
24	repairs and improvements of public school	
26	facilities to address health, safety and	
	compliance deficiencies, general renovation	
	needs and learning space upgrades.	

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

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

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

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