

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 1709

S.P. 551

In Senate, March 20, 2001

**An Act to Authorize a General Fund Bond Issue in the Amount of \$26,500,000 for Capital Infrastructure at the University of Maine System and the Maine Maritime Academy, and Research and Development Equipment and Infrastructure.**

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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 GOLDTHWAIT of Hancock. (GOVERNOR'S BILL).  
Cosponsored by Senators: CATHCART of Penobscot, President MICHAUD of Penobscot,  
Representatives: BELANGER of Caribou, BRUNO of Raymond, HONEY of Boothbay,  
KOFFMAN of Bar Harbor, ROSEN of Bucksport, TESSIER of Fairfield.

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 capital  
6           infrastructure at the University of Maine System and the Maine  
Maritime Academy, and research and development equipment and  
infrastructure.

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

12           **Sec. 1. Authorization of bonds to provide for capital infrastructure at**  
**the University of Maine System and the Maine Maritime Academy, and**  
14           **research and development equipment and infrastructure.** The Treasurer  
of State is authorized, under the direction of the Governor, to  
16           issue bonds in the name and on behalf of the State in an amount  
not exceeding \$26,500,000 to raise funds for capital  
18           infrastructure at the University of Maine System and the Maine  
Maritime Academy, and research and development equipment and  
20           infrastructure as authorized by section 6. The bonds are a  
pledge of the full faith and credit of the State. The bonds may  
22           not run for a period longer than 10 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  
24           bonds may contain a call feature.

26           **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  
28           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  
30           date when payable.

32           **Sec. 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  
this Act. Any unencumbered balances remaining at the completion  
40           of the project in section 6 lapse to the debt service account  
established for the retirement of these bonds.

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

46           **Sec. 5. Disbursement of bond proceeds.** The proceeds of the  
48           bonds must be expended as set out in section 6 under the  
direction and supervision of the University of Maine System, the

2 Maine Maritime Academy and the Department of Economic and  
Community Development.

4 **Sec. 6. Allocations from General Fund bond issue; capital**  
6 **infrastructure at University of Maine System and Maine Maritime**  
8 **Academy, and research and development equipment and infrastructure.**  
The proceeds of the sale of the bonds must be expended as  
designated in the following schedule.

10 **PART ONE - HIGHER EDUCATION**

12 **UNIVERSITY OF MAINE SYSTEM**

14 Major improvements on the capital \$12,500,000  
16 infrastructure of the University  
of Maine System to include libraries  
laboratories and classrooms

18 **MAINE MARITIME ACADEMY**

20 Reconstruction and renovation of \$4,000,000  
22 dormitories, classrooms and laboratories

24 **PART 2 - RESEARCH & DEVELOPMENT**

26 **UNIVERSITY OF MAINE SYSTEM**

28 Capital infrastructure and equipment \$4,000,000  
30 for research and development

32 **ECONOMIC AND COMMUNITY DEVELOPMENT,**  
34 **DEPARTMENT OF - MAINE TECHNOLOGY**  
36 **INSTITUTE**

38 Maine Biomedical Research Fund - to \$4,000,000  
40 support capital infrastructure and  
equipment. Eligible institutions are  
those delineated in the Maine Revised  
Statutes, Title 5, section 13103.

42 Maine Marine Research Fund- to \$2,000,000  
44 support capital infrastructures and  
equipment that fosters marine  
research capacity and productivity  
through competitive research. Eligible  
46 institutions include Maine's private  
nonprofit institutions, state governmental  
48 and quasi-governmental agencies and  
academic institutions, excluding the  
50 University of Maine System, engaged

in marine research

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**TOTAL ALLOCATIONS**

\$26,500,000

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

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**Sec. 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.

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**Sec. 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 Act, 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.

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**Sec. 10. Referendum for ratification; submission at statewide election; form of question; effective date.** This Act 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 Act. 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 Act by voting on the following question:

34 "Do you favor a \$26,500,00 bond issue for the following purposes:

36 1. \$16,500,000 for major improvements on the capital infrastructure of the University of Maine System to include library, laboratory, classroom and research and development improvements;

42 2. \$4,000,000 for the reconstruction and renovation of dormitories, classrooms and laboratories at the Maine Maritime Academy; and

46 3. \$6,000,000 for biomedical and marine research and development by Maine-based nonprofit and state research institutions?"  
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2           The legal voters of each city, town and plantation shall  
3 vote by ballot on this question and designate their choice by a  
4 cross or check mark placed within a corresponding square below  
5 the word "Yes" or "No." The ballots must be received, sorted,  
6 counted and declared in open ward, town and plantation meetings  
7 and returns made to the Secretary of State in the same manner as  
8 votes for members of the Legislature. The Governor shall review  
9 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  
11 delay, and this Act becomes effective 30 days after the date of  
12 the proclamation.

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

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### SUMMARY

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21           The funds provided by this bond issue, in the amount of  
22 \$26,500,000, will be used for the following purposes:

24           1.   \$16,500,000 for major improvements on the capital  
25 infrastructure of the University of Maine System to include  
26 library, laboratory, classroom and research and development  
27 improvements;

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29           2.   \$4,000,000 for the reconstruction and renovation of  
30 dormitories, classrooms and laboratories at the Maine Maritime  
31 Academy; and

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33           3.   \$6,000,000 for biomedical and marine research and  
34 development by Maine-based nonprofit and state research  
institutions.