



120th MAINE LEGISLATURE

SECOND REGULAR SESSION-2002

Legislative Document

No. 2128

H.P. 1628

House of Representatives, February 20, 2002

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.

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

Millicent M. Mac Jailand

MILLICENT M. MacFARLAND, Clerk

Presented by Speaker SAXL of Portland. (GOVERNOR'S BILL) Cosponsored by President Pro Tem MICHAUD of Penobscot and Representatives: DESMOND of Mapleton, ESTES of Kittery, LEDWIN of Holden, RICHARD of Madison, Senators: MILLS of Somerset, MITCHELL of Penobscot. Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14 to authorize the issuance of bonds on behalf of the State of Maine to provide funds to further capitalize the School Revolving Renovation Fund for repair and improvements to school facilities to address serious health, safety and compliance deficiencies and to provide assistance for general renovations and learning space upgrades in Maine's public school facilities.

10

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

12

Sec. 1. Authorization of bonds to make capital repairs and 14 improvements in public school facilities. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding 16 \$15,000,000 to raise funds to capitalize the School Revolving 18 Renovation Fund for repairs and improvements to school facilities to address serious health, safety and compliance deficiencies 20 including those related to indoor air guality, roof system integrity, asbestos and accessibility; support other repairs and 22 improvements related to the building's structural integrity, heating system, doors and windows; and provide for other learning space upgrades such as improvements to science labs, vocational 24 space and increased classroom flexibility as authorized by section 6. The bonds are a pledge of the full faith and credit 26 of the State. The bonds may not run for a period longer than 10 28 years from the date of the original issue of the bonds. At the discretion of the Treasurer of State, with the approval of the 30 Governor, any issuance of bonds may contain a call feature.

32

34

36

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 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.

Sale; how negotiated; proceeds appropriated. 38 Sec. 3. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or 40 hypothecated on behalf of the State. The proceeds of the sale of 42 the bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State 44 Controller, are appropriated solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion 46 of the project in section 6 lapse to the debt service account established for the retirement of these bonds.

48

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

6

4

8

10

16

18

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

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

2002-03

\$15,000,000

EDUCATION, DEPARTMENT OF

20
Provides funds for renovation of
22 and capital repairs and improvements to public school facilities to address
24 health, safety and compliance deficiencies; general renovation
26 needs; and learning space upgrades

28 Sec. 7. Contingent upon ratification of bond issue. Sections 1 to

a bec. 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.

48 Sec. 10. Referendum for ratification; submission at general election; 48 form of question; effective date. This Act must be submitted to the legal voters of the State of Maine at the next general election
in the month 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 general election, to vote
on the acceptance or rejection of this Act by voting on the following question:

"Do you favor a \$15,000,000 bond issue to capitalize the
State's 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?"

8

14

26

30

32

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a 16 cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, 18 counted and declared in open ward, town and plantation meetings 20 and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review 22 the returns and, if a majority of the legal votes are cast in favor of this Act, the Governor shall proclaim the result without delay, and this Act becomes effective 30 days after the date of 24 the proclamation.

The Secretary of State shall prepare and furnish to each 28 city, town and plantation all ballots, returns and copies of this Act necessary to carry out the purpose of this referendum.

SUMMARY

This bill authorizes 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.