

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

SECOND REGULAR SESSION-2002

Legislative Document

No. 2194

H.P. 1696

House of Representatives, March 20, 2002

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$15,000,000 for Biomedical Research and Development Equipment and
Infrastructure.**

Reported by Representative RICHARDSON for the Joint Standing Committee on Business
and Economic Development pursuant to Joint Order 2001, H.P. 1610.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

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 biomedical
6 research and development equipment and infrastructure.

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

10 **Sec. 1. Authorization of bonds to provide for biomedical research and
development equipment and infrastructure.** The Treasurer of State is
authorized, under the direction of the Governor, to issue bonds
12 in the name and on behalf of the State in an amount not exceeding
\$15,000,000, as authorized by section 6, to raise funds for
14 biomedical research and development equipment and
infrastructure. The bonds are a pledge of the full faith and
16 credit of the State. The bonds may not run for a period longer
than 10 years from the date of the original issue of the bonds.
18 At the discretion of the Treasurer of State, with the approval of
the Governor, any issuance of bonds may contain a call feature.

20 **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
22 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
24 date when payable.

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

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 Economic and
Community Development.
46

2 **Sec. 6. Allocations from General Fund bond issue; biomedical**
3 **research and development equipment and infrastructure.** The proceeds
4 of the sale of the bonds must be expended as designated in the
5 following schedule.

6 **ECONOMIC AND COMMUNITY DEVELOPMENT,**
7 **DEPARTMENT OF - MAINE TECHNOLOGY INSTITUTE**

8 Maine Biomedical Research \$15,000,000
9 Fund, to Support capital
10 infrastructure and
11 equipment. Eligible
12 institutions are those
13 delineated in the Maine
14 Revised Statutes, Title 5,
15 section 13103.

16
17 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
18 6 do not become effective unless the people of the State have
19 ratified the issuance of the bonds as set forth in this Act.

20
21 **Sec. 8. Appropriation balances at year-end.** At the end of each
22 fiscal year, all unencumbered appropriation balances representing
23 state money carry forward. Bond proceeds that have not been
24 expended within 10 years after the date of the sale of the bonds
25 lapse to General Fund debt service.

26
27 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
28 but not issued, or for which bond anticipation notes are not
29 issued within 5 years of ratification of this Act, are
30 deauthorized and may not be issued; except that the Legislature
31 may, within 2 years after the expiration of that 5-year period,
32 extend the period for issuing any remaining unissued bonds or
33 bond anticipation notes for an additional amount of time not to
34 exceed 5 years.

35
36 **Sec. 10. Referendum for ratification; submission at general election;**
37 **form of question; effective date.** This Act must be submitted to the
38 legal voters of the State of Maine at the next general election
39 in the month of November following passage of this Act. The
40 municipal officers of this State shall notify the inhabitants of
41 their respective cities, towns and plantations to meet, in the
42 manner prescribed by law for holding a general election, to vote
43 on the acceptance or rejection of this Act by voting on the
44 following question:
45
46

2 "Do you favor a \$15,000,000 bond issue for medical research
and development by Maine-based biomedical research
4 institutions in order to obtain matching federal funds for
health research to cure disease and to retain Maine
6 graduates by providing quality Maine jobs?"

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

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

22

24 **SUMMARY**

26 The funds provided by this bond issue, in the amount of
\$15,000,000, will be used for biomedical research and development
by Maine-based nonprofit and state research institutions.