MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

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Legislative Document

No. 315

S.P. 97

January 19, 2007

An Act Authorizing a General Fund Bond Issue To Improve the Quality and Safety of Science and Teaching Laboratories, General Classrooms and Libraries at Maine's Public Universities

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

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator SCHNEIDER of Penobscot.

Cosponsored by Representative CAIN of Orono and

Senators: COURTNEY of York, DAMON of Hancock, MARTIN of Aroostook, MITCHELL

of Kennebec, TURNER of Cumberland, Representatives: FISCHER of Presque Isle, MILLS of
Farmington, VALENTINO of Saco.

1 **Preamble.** Two thirds of both Houses of the Legislature deeming it necessary in 2 accordance with the Constitution of Maine, Article IX, Section 14 to authorize the 3 issuance of bonds on behalf of the State of Maine to provide funds as described in this 4 Act.

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

- 6 Sec. 1. Authorization of bonds. The Treasurer of State is authorized, under the 7 direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$62,000,000 for the purposes described in section 6 of this Act. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for 10 a period longer than 10 years from the date of the original issue of the bonds. At the 11 discretion of the Treasurer of State, with the approval of the Governor, any issuance of 12 bonds may contain a call feature.
 - Sec. 2. Records of bonds issued kept by 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.
- 17 Sec. 3. Sale; how negotiated; proceeds appropriated. The Treasurer of State 18 may negotiate the sale of the bonds by direction of the Governor, but no bond may be 19 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the 20 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State 21 upon warrants drawn by the State Controller, are appropriated solely for the purposes set 22 forth in this Act. Any unencumbered balances remaining at the completion of the project 23 in this Act lapse to the debt service account established for the retirement of these bonds.
 - 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.
- 27 Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds must be 28 expended as set out in this Act under the direction and supervision of the University of 29 Maine System.
- 30 Sec. 6. Allocations from General Fund bond issue. The proceeds of the sale 31 of the bonds authorized under this Act must be expended as designated in the following 32 schedule.

UNIVERSITY OF MAINE SYSTEM

35 Provides funds to renovate science 36 laboratories and classroom facilities at the

37 University of Maine at Farmington.

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\$3,000,000

| 1 2 3 4 | Provides funds to upgrade the library and classrooms at the University of Maine at Augusta. | \$3,000,000 |
|----------------------|--|--------------|
| 5 6 7 8 | Provides funds for additional modernized classroom space at the University of Maine at Fort Kent. | \$3,000,000 |
| 9 10 11 12 | Provides funds to renovate science laboratories and classroom facilities at the University of Maine at Machias. | \$3,000,000 |
| 13 14 15 16 | Provides funds to renovate science laboratories and classroom facilities at the University of Maine at Presque Isle. | \$3,000,000 |
| 17 18 19 | Provides funds to renovate chemistry laboratories at the University of Maine. | \$12,000,000 |
| 20 21 22 23 | Provides funds to renovate other laboratories and classroom upgrades and modernization at the University of Maine. | \$18,000,000 |
| 24 25 26 27 | Provides funds to renovate the library and classroom space at the University of Southern Maine. | \$15,000,000 |
| 28 29 30 31 | Provides funds for information technology infrastructure in the University of Maine System. | \$2,000,000 |

- 32 Sec. 7. Contingent upon ratification of bond issue. Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set 33 34 forth in this Act.
- 35 Sec. 8. Appropriation balances at year-end. At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond 36 proceeds that have not been expended within 10 years after the date of the sale of the 37 38 bonds lapse to General Fund debt service.
- 39 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 40 Act, are deauthorized and may not be issued, except that the Legislature may, within 2 41 years after the expiration of that 5-year period, extend the period for issuing any 42

remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. 10. Referendum for ratification; submission at election; form of question; effective date. This Act must be submitted to the legal voters of the State at a statewide election held in the month of November following the 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:

"Do you favor a \$62,000,000 bond issue to modernize and improve the teaching laboratories, libraries and general classrooms in the University of Maine System?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. 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 the proclamation.

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

24 SUMMARY

The funds provided by this bond issue, in the amount of \$62,000,000, will be used to modernize and improve the teaching laboratories, libraries and general classrooms in the University of Maine System.