MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 770

S.P. 297

In Senate, February 26, 2009

An Act To Authorize a General Fund Bond Issue for Research and Development

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

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator BARTLETT of Cumberland.
Cosponsored by Representative SMITH of Monmouth and
Senator: SCHNEIDER of Penobscot, Representatives: HUNT of Buxton, WRIGHT of
Berwick.

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 Be it enacted by the People of the State of Maine as follows: 5 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 8 amount not exceeding \$75,000,000 for the purposes described in section 6 of this Act. 9 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 discretion of the Treasurer of State, with the approval of the Governor, any issuance of 11 12 bonds may contain a call feature. Sec. 2. Records of bonds issued kept by Treasurer of State. The Treasurer 13 14 of State shall keep an account of each bond showing the number of the bond, the name of 15 the successful bidder to whom sold, the amount received for the bond, the date of sale and 16 the date when payable. Sec. 3. Sale; how negotiated; proceeds appropriated. The Treasurer of State 17 18 may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the 19 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. 24 Sec. 4. Interest and debt retirement. The Treasurer of State shall pay interest 25 due or accruing on any bonds issued under this Act and all sums coming due for payment 26 of bonds at maturity. 27 Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Act under the direction and supervision of the Department of 28 29 Economic and Community Development. 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. 33 DEPARTMENT OF ECONOMIC AND 34 COMMUNITY DEVELOPMENT 35 36 Office of Innovation 37 38 Provides funds for research and \$75,000,000

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development.

2 3	become effective unless the people of the State ratify the issuance of the bonds as set forth in this Act.
4 5 6 7	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.
8 9 10 11 12 13	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.
14 15 16 17 18 19	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 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:
20 21	"Do you favor a \$75,000,000 bond issue to provide funds for research and development?"
22 23 24 25 26 27 28 29	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.
30 31 32	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.
33	SUMMARY
34 35	The funds provided by this bond issue, in the amount of \$75,000,000, will be used to provide funds for research and development.