

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 857

H.P. 588

House of Representatives, March 5, 2009

**An Act To Validate Certain Proceedings Authorizing the Issuance of
Bonds and Notes by School Administrative District No. 32**

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SUTHERLAND of Chapman.
Cosponsored by Senator JACKSON of Aroostook and
Representatives: MARTIN of Eagle Lake, THERIAULT of Madawaska, WILLETTE of
Presque Isle, Senator: SHERMAN of Aroostook.

1 **Emergency preamble.** Whereas, acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** on December 12, 2007 the State Board of Education granted concept
4 approval to School Administrative District No. 32 for a school construction project to
5 construct and equip a new prekindergarten to grade 12 school in the Town of Ashland
6 and approved \$22,057,929 as the total cost for that project with \$20,217,001 in
7 indebtedness approved for a state and local debt service subsidy and \$1,720,928 in
8 indebtedness approved as local-only debt and the remainder of the project to be financed
9 through a Maine High Performance Schools energy grant not to exceed \$120,000; and

10 **Whereas,** on January 31, 2008 at a district referendum the voters of School
11 Administrative District No. 32 approved the school construction project by a vote of 789
12 in favor and 38 opposed; and

13 **Whereas,** on June 11, 2008 the State Board of Education granted site preparation
14 design and funding approval for phase I of the school construction project with a total
15 approved project bonded indebtedness not to exceed \$21,937,929; and

16 **Whereas,** on August 12, 2008 the State Board of Education granted design and
17 funding approval for that school construction project with total approved project bonded
18 indebtedness not to exceed \$21,937,929; and

19 **Whereas,** pursuant to the Maine Revised Statutes, Title 20-A, section 1311,
20 subsection 6, the aggregate principal amount of outstanding bonds or notes issued by a
21 school administrative district for school construction purposes may not exceed, at any one
22 time, 10% of the total of the last preceding state valuation of all the municipalities within
23 the district, plus an amount not to exceed 4% of that total district valuation set by the
24 State Board of Education at the time of the initial approval of a school construction
25 project; and

26 **Whereas,** at the time that the State Board of Education approved the School
27 Administrative District No. 32 school construction project, the total indebtedness
28 authorized for the school construction project exceeded the limits on indebtedness
29 established by the Maine Revised Statutes, Title 20-A, section 1311, subsection 6; and

30 **Whereas,** the 2009 state valuation of all municipalities in School Administrative
31 District No. 32 is \$176,750,000; and

32 **Whereas,** the total indebtedness authorized by the State Board of Education for the
33 School Administrative District No. 32 school construction project in the amount of
34 \$21,937,929 is within 10% plus 4% of the 2009 state valuation of all municipalities in
35 School Administrative District No. 32; and

36 **Whereas,** School Administrative District No. 32 has signed a construction contract
37 and borrowed funds in anticipation of the issuance of permanent bonds to finance the
38 school construction project; and

1 **Whereas**, legislative validation of the proceedings of the State Board of Education
2 and the referendum on the school construction project conducted by School
3 Administrative District No. 32 and legislative authorization for School Administrative
4 District No. 32 to issue permanent bonds for the school construction project is required in
5 order for School Administrative District No. 32 to issue bonds in the amount necessary to
6 complete the school construction project; and

7 **Whereas**, in the judgment of the Legislature, these facts create an emergency within
8 the meaning of the Constitution of Maine and require the following legislation as
9 immediately necessary for the preservation of the public peace, health and safety; now,
10 therefore,

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

12 **Sec. 1. Validation and authorization.** Notwithstanding the Maine Revised
13 Statutes, Title 20-A, section 1311, subsection 6 and any other provision of law, the
14 concept approval and the design and funding approvals granted by the State Board of
15 Education to School Administrative District No. 32 for a school construction project to
16 construct and equip a prekindergarten to grade 12 school in the Town of Ashland and the
17 school construction referendum on that project conducted on January 31, 2008 and all
18 subsequent bond anticipation borrowings by the district for that school construction
19 project are validated and the district is authorized to issue bonds or notes in the name of
20 the district for school construction purposes in an amount not to exceed \$21,937,929 to
21 construct and equip that school construction project.

22 **Sec. 2. Retroactivity.** This Act applies retroactively to December 12, 2007.

23 **Emergency clause.** In view of the emergency cited in the preamble, this
24 legislation takes effect when approved.

25 **SUMMARY**

26 This bill corrects a defect in a bond for school construction approved on December
27 12, 2007 by the State Board of Education for School Administrative District No. 32 by
28 authorizing the district to issue bonds for the construction retroactive to December 12,
29 2007.