

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1356

S.P. 419

In Senate, March 30, 2011

An Act To Amend the Laws Concerning the School Revolving Renovation Fund

Submitted by the Department of Education pursuant to Joint Rule 204.
Reference to the Committee on Education and Cultural Affairs suggested and ordered
printed.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator LANGLEY of Hancock.
Cosponsored by Senator: ALFOND of Cumberland, Representatives: JOHNSON of
Greenville, LOVEJOY of Portland, RICHARDSON of Carmel.

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

2 **Sec. 1. 30-A MRSA §6006-F, sub-§3, ¶A**, as amended by PL 2001, c. 439, Pt.
3 OOOO, §2, is further amended to read:

4 A. To make loans to school administrative units for school repair and renovation.

5 (1) The following repair and renovation needs receive ~~first priority~~ Priority 1
6 status:

7 (a) Repair or replacement of a roof on a school building;

8 (b) Bringing a school building into compliance with the federal Americans
9 with Disabilities Act, 42 United States Code, Section 12101 et seq.;

10 (c) Improving air quality in a school building;

11 (d) Removing ~~asbestos from~~ or abating ~~asbestos~~ hazardous materials in a
12 school building; and

13 (f) Undertaking other health, safety and compliance repairs.

14 (2) Repairs and improvements ~~not related to health, safety and compliance~~
15 ~~repairs receive 2nd priority status. Those repairs and improvements are limited~~
16 ~~to a school building structure, windows and doors and to a school building water~~
17 ~~or septic system~~ systems receive Priority 2 status.

18 (3) ~~Upgrade of learning spaces in school buildings and small scale capital~~
19 ~~improvements receive 3rd priority status. Repairs and improvements related to~~
20 ~~energy and water conservation receive Priority 3 status.~~

21 (4) ~~The Commissioner of Education may approve other necessary repairs.~~
22 ~~Upgrades of learning spaces in school buildings receive Priority 4 status.~~

23 (5) ~~After the total amount appropriated, allocated and repaid to the fund exceeds~~
24 ~~\$75,000,000, loans may be provided for 2nd priority status, 3rd priority status or~~
25 ~~other necessary repairs, improvements and upgrades, with approval of the~~ The
26 Commissioner of Education, based on rules adopted under this section, as long as
27 the Commissioner of Education determines that substantial progress has been
28 made in addressing may approve other necessary repairs and renovations with
29 first priority status;

30 **Sec. 2. 30-A MRSA §6006-F, sub-§3, ¶B**, as amended by PL 1999, c. 81, §16,
31 is further amended to read:

32 B. To make loans to a school administrative unit to finance expenditures incurred
33 after June 1, 1998 for repairs or renovations authorized under paragraph A ~~and~~
34 ~~certified under subsection 5;~~

35 **Sec. 3. 30-A MRSA §6006-F, sub-§3, ¶C**, as enacted by PL 1997, c. 787, §13,
36 is amended to read:

1 C. To guarantee or insure, directly or indirectly, the payment of notes or bonds
2 issued or to be issued by a school administrative unit for the purpose of financing any
3 repair authorized under paragraph A ~~and certified under subsection 5;~~

4 **Sec. 4. 30-A MRSA §6006-F, sub-§3, ¶E**, as enacted by PL 1997, c. 787, §13,
5 is amended to read:

6 E. To deposit with a lending institution or with a trustee bank, available fund
7 balances to offset loan balances for school administrative districts undertaking
8 projects authorized by paragraph A ~~and certified under subsection 5;~~

9 **Sec. 5. 30-A MRSA §6006-F, sub-§3, ¶G**, as amended by PL 2005, c. 683, Pt.
10 A, §53, is further amended to read:

11 G. To invest as a source of revenue or security for the payment of principal and
12 interest on general or special obligations of the bank if the proceeds of the sale of the
13 obligations have been deposited in the fund, or if the proceeds of the sale of the
14 obligations are used for the purposes authorized in paragraph A ~~and certified under~~
15 ~~subsection 5~~, or as a source of revenue to subsidize the school administrative unit
16 loan payment obligations;

17 **Sec. 6. 30-A MRSA §6006-F, sub-§3, ¶J**, as enacted by PL 2005, c. 272, §2, is
18 amended to read:

19 J. To reimburse school administrative units for costs incurred for ~~first priority~~
20 Priority 1 status health and safety projects described in paragraph A, subparagraph (1)
21 and approved by the Commissioner of Education. The amount of the reimbursement
22 must be determined in accordance with the school administrative unit's state share
23 percentage as provided in subsection 6, ~~paragraph A~~.

24 **Sec. 7. 30-A MRSA §6006-F, sub-§6**, as amended by PL 2005, c. 2, Pt. D, §65
25 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is further amended to read:

26 **6. Forgiveness of principal payments.** The fund must provide direct grants by
27 forgiving the principal payments of a loan for an eligible school administrative unit. The
28 amount of the forgiveness of principal payments must be determined by the school
29 administrative unit's state share percentage as determined in Title 20-A, section 15672,
30 subsection 31, not to exceed: 70% and not less than 30%.

31 ~~A. Seventy percent and no less than 30% for health, safety and compliance;~~

32 ~~B. Seventy percent and no less than 30% for repairs and improvements; and~~

33 ~~C. Seventy percent and no less than 30% for learning space upgrades.~~

34 SUMMARY

35 This bill amends the Maine Municipal Bond Bank Act to allow for funding from the
36 School Revolving Renovation Fund for hazardous material removal in schools and for
37 repairs and improvements related to energy and water conservation. This bill also strikes
38 obsolete language.