

MAINE STATE LEGISLATURE

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SMMC
ROFS

L.D. 782

Date: 8/26/13

(Filing No. H-584)

APPROPRIATIONS AND FINANCIAL AFFAIRS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H.P. 533, L.D. 782, Bill, "An Act To Authorize a General Fund Bond Issue To Support Science, Technology, Engineering and Mathematics Education To Enhance Economic Development"

Amend the bill by striking out the title and substituting the following:

'An Act To Authorize a General Fund Bond Issue To Support Science, Technology, Engineering, Mathematics and Nursing Education To Enhance Economic Development'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$15,500,000 for the purposes described in section 5 of this Act. The bonds are a pledge of the full faith and 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.

Sec. 2. Records of bonds issued; Treasurer of State. The Treasurer of State shall ensure that an account of each bond is kept 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.

Sec. 3. Sale; how negotiated; proceeds appropriated. The Treasurer of State 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 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the project in this Act lapse to the Office of the Treasurer of State to be used for the retirement of general obligation bonds.

1 Provides funds to renovate laboratories on the University of Southern Maine
2 campuses.

3 Total \$4,000,000

4 **Sec. 6. Contingent upon ratification of bond issue.** Sections 1 to 5 do not
5 become effective unless the people of the State ratify the issuance of the bonds as set
6 forth in this Act.

7 **Sec. 7. Appropriation balances at year-end.** At the end of each fiscal year, all
8 unencumbered appropriation balances representing state money carry forward. Bond
9 proceeds that have not been expended within 10 years after the date of the sale of the
10 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
11 obligation bonds.

12 **Sec. 8. Bonds authorized but not issued.** Any bonds authorized but not issued
13 within 5 years of ratification of this Act are deauthorized and may not be issued, except
14 that the Legislature may, within 2 years after the expiration of that 5-year period, extend
15 the period for issuing any remaining unissued bonds for an additional amount of time not
16 to exceed 5 years.

17 **Sec. 9. Referendum for ratification; submission at election; form of**
18 **question; effective date.** This Act must be submitted to the legal voters of the State at
19 a statewide election held in the month of November following passage of this Act. The
20 municipal officers of this State shall notify the inhabitants of their respective cities, towns
21 and plantations to meet, in the manner prescribed by law for holding a statewide election,
22 to vote on the acceptance or rejection of this Act by voting on the following question:

23 "Do you favor a \$15,500,000 bond issue to enhance educational and
24 employment opportunities for Maine citizens and students by updating
25 and improving existing laboratory and classroom facilities of the
26 University of Maine System statewide?"

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

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

ROFS

COMMITTEE AMENDMENT "A" to H.P. 533, L.D. 782

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SUMMARY

This amendment reduces the amount of the bond issue provided in the bill and provides for a bond issue in the amount of \$15,500,000 to be used for the renovation and upgrade of laboratories and other facilities related to science, technology, engineering, mathematics and nursing and to support geographic information system technology applications in forestry on the campuses of the University of Maine System.

FISCAL NOTE REQUIRED
(See attached)



126th MAINE LEGISLATURE

LD 782

LR 1618(02)

An Act To Authorize a General Fund Bond Issue To Support Science, Technology, Engineering, Mathematics and Nursing Education To Enhance Economic Development

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-584)

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Fiscal Note

Current biennium cost increase - General Fund

Bond Issues	Term (years)	Principal	Rate (%)	Interest	Total Cost
General Fund - Non-Taxable	10	\$9,300,000	3.5%	\$1,790,250	\$11,090,250
General Fund - Non-Taxable	10	\$6,200,000	4.0%	\$1,364,000	\$7,564,000

Referendum Costs

Month/Year	Election Type	Question	Length
Nov-13	General	Bond Issue	Standard

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions requires production and delivery of a second ballot, an additional appropriation of \$107,250 may be required.