

# MAINE STATE LEGISLATURE

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# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 1011

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H.P. 709

House of Representatives, March 14, 2013

**An Act To Authorize a General Fund Bond Issue To Upgrade  
Facilities and Purchase Classroom Equipment for Maine's Seven  
Community Colleges**

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

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative FREDETTE of Newport.  
Cosponsored by Senator LANGLEY of Hancock and  
Representatives: CHASE of Wells, KESCHL of Belgrade, McCABE of Skowhegan,  
POULIOT of Augusta, Senators: CAIN of Penobscot, CUSHING of Penobscot, KATZ of  
Kennebec.

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,

5           **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  
8 amount not exceeding \$15,000,000 for the purposes described in section 5 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.

11           **Sec. 2. Records of bonds issued; Treasurer of State.** The Treasurer of State  
12 shall ensure that an account of each bond is kept showing the number of the bond, the  
13 name of the successful bidder to whom sold, the amount received for the bond, the date of  
14 sale and the date when payable.

15           **Sec. 3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State  
16 may negotiate the sale of the bonds by direction of the Governor, but no bond may be  
17 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the  
18 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State  
19 upon warrants drawn by the State Controller, are appropriated solely for the purposes set  
20 forth in this Act. Any unencumbered balances remaining at the completion of the project  
21 in this Act lapse to the Office of the Treasurer of State to be used for the retirement of  
22 general obligation bonds.

23           **Sec. 4. Interest and debt retirement.** The Treasurer of State shall pay interest  
24 due or accruing on any bonds issued under this Act and all sums coming due for payment  
25 of bonds at maturity.

26           **Sec. 5. Use and disbursement of bond proceeds from General Fund bond**  
27 **issue.** The proceeds of the sale of the bonds authorized under this Act, of which  
28 \$13,800,000 is for renovations and new facilities and \$1,200,000 is for funding for a  
29 backlog of projects, must be expended as designated in the following schedule under the  
30 direction and supervision of the agencies and entities set forth in this section.

31           **MAINE COMMUNITY COLLEGE**  
32           **SYSTEM**

33           Provides funds to renovate and provide for new facilities and to fund a backlog of  
34 projects at Central Maine Community College.

35  
36           Total \$2,350,000

37           Provides funds to renovate and provide for new facilities and to fund a backlog of  
38 projects at Eastern Maine Community College.

1		
2	Total	\$2,450,000
3	Provides funds to renovate and provide for new facilities and to fund a backlog of	
4	projects at Kennebec Valley Community College.	
5		
6	Total	\$2,000,000
7	Provides funds to renovate and provide for new facilities and to fund a backlog of	
8	projects at Northern Maine Community College.	
9		
10	Total	\$900,000
11	Provides funds to renovate and provide for new facilities and to fund a backlog of	
12	projects at Southern Maine Community College.	
13		
14	Total	\$3,400,000
15	Provides funds to renovate and provide for new facilities and to fund a backlog of	
16	projects at Washington County Community College.	
17		
18	Total	\$500,000
19	Provides funds to renovate and provide for new facilities and to fund a backlog of	
20	projects at York County Community College.	
21		
22	Total	\$3,400,000

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

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

31       **Sec. 8. Bonds authorized but not issued.** Any bonds authorized but not issued  
32 within 5 years of ratification of this Act are deauthorized and may not be issued, except  
33 that the Legislature may, within 2 years after the expiration of that 5-year period, extend

1 the period for issuing any remaining unissued bonds for an additional amount of time not  
2 to exceed 5 years.

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

9 "Do you favor a \$15,000,000 bond issue to provide funds to renovate and  
10 provide for new facilities and to fund a backlog of projects at the 7 Maine  
11 community colleges, of which \$13,800,000 is for renovation and new  
12 facilities and \$1,200,000 is for funding a backlog of projects?"

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

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

24 **SUMMARY**

25 The funds provided by this bond issue, in the amount of \$15,000,000, will be used to  
26 provide funds to renovate and provide for new facilities and to fund a backlog of projects  
27 at the 7 Maine community colleges, of which \$13,800,000 is for renovation and new  
28 facilities and \$1,200,000 is for funding a backlog of projects.