

MAINE STATE LEGISLATURE

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Date: 4/17/14

L.D. 1756
(Filing No. H-850)

APPROPRIATIONS AND FINANCIAL AFFAIRS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1260, L.D. 1756, Bill, "An Act To Authorize a General Fund Bond Issue To Support the Growth of and To Build Infrastructure for the Marine and Biotechnology Sectors of the State's Economy"

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

'An Act To Authorize a General Fund Bond Issue To Support Biomedical Research in Maine'

Amend the bill by striking out everything after the enacting clause 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 \$10,000,000 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.

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

COMMITTEE AMENDMENT

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Sec. 5. Disbursement of bond proceeds from General Fund bond issue.
The proceeds of the sale of the bonds authorized under this Act must be expended as designated in the following schedule under the direction and supervision of the agencies and entities set forth in this section.

**ECONOMIC AND COMMUNITY
DEVELOPMENT, DEPARTMENT OF**

Maine Technology Institute

Provides funds, to be awarded through a competitive process and to be matched by \$11,000,000 in private and other funds, to expand the State's research capabilities in the areas of mammalian genetics and murine biometric analytics, make the State a global resource for precision medicine, improve the State's capacity to attract and retain young professionals and bring additional grant funding, private sector investment, job growth and economic activity to the State.

Total \$10,000,000

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

Sec. 7. 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 the Office of the Treasurer of State to be used for the retirement of general obligation bonds.

Sec. 8. Bonds authorized but not issued. Any bonds authorized but 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 for an additional amount of time not to exceed 5 years.

Sec. 9. Report. The Department of Economic and Community Development shall report by January 15th annually, until the bond proceeds authorized by this Act have been fully expended, to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over research and economic development matters.

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:

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"Do you favor a \$10,000,000 bond issue, to be awarded through a competitive process and to be matched by \$11,000,000 in private and other funds, to build a research center and to discover genetic solutions for cancer and the diseases of aging, to promote job growth and private sector investment in this State, to attract and retain young professionals and make the State a global leader in genomic medicine?"

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.

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.'

SUMMARY

This amendment replaces the bill. It authorizes the issuance of bonds in the amount of \$10,000,000, to be awarded through a competitive process and to be matched by \$11,000,000 in private and other funds, to expand the State's research capabilities in the areas of mammalian genetics and murine biometric analytics, make the State a global resource for precision medicine, improve the State's capacity to attract and retain young professionals and bring additional grant funding, private sector investment, job growth and economic activity to the State.



126th MAINE LEGISLATURE

LD 1756

LR 2564(02)

An Act To Authorize a General Fund Bond Issue To Support the Growth of and To Build Infrastructure for the Marine and Biotechnology Sectors of the State's Economy

Fiscal Note for Bill as Amended by Committee Amendment

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

A(H-850)

Fiscal Note

Current biennium cost increase - General Fund

Bond Issues	Term (years)	Principal	Rate (%)	Interest	Total Cost
General Fund - Taxable	10	\$10,000,000	4.5%	\$2,475,000	\$12,475,000

Referendum Costs	Month/Year	Election Type	Question	Length
	Nov-14	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.