

# MAINE STATE LEGISLATURE

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# 127th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2015

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Legislative Document

No. 1053

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H.P. 722

House of Representatives, March 24, 2015

**An Act To Authorize a General Fund Bond Issue To Stimulate  
Investment in Innovation by Maine Businesses To Produce  
Nationally and Globally Competitive Products and Services**

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative LUCHINI of Ellsworth.  
Cosponsored by Senator LANGLEY of Hancock and  
Representatives: Speaker EVES of North Berwick, GIDEON of Freeport, HUBBELL of Bar  
Harbor, JORGENSEN of Portland, MARTIN of Eagle Lake, ROTUNDO of Lewiston,  
Senator: 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 \$50,000,000 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. Disbursement of bond proceeds from General Fund bond issue.**  
27 The proceeds of the sale of the bonds authorized under this Act must be expended as  
28 designated in the following schedule under the direction and supervision of the agencies  
29 and entities set forth in this section.

30           **ECONOMIC AND COMMUNITY**  
31           **DEVELOPMENT, DEPARTMENT OF**

32           **Maine Technology Institute**

34           Provides funds for investment in research, development and commercialization in the  
35 State's 7 targeted technology sectors to be used for infrastructure, equipment and  
36 technology upgrades that enable organizations to gain and hold market share and to  
37 expand employment or preserve jobs.

38  
39           Total \$50,000,000

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

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

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

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

20 "Do you favor a \$50,000,000 bond issue to provide funds for investment  
21 in research, development and commercialization in the State to be used  
22 for infrastructure, equipment and technology upgrades that enable  
23 organizations to gain and hold market share, to increase revenues and to  
24 expand employment or preserve jobs for Maine people, to be awarded  
25 through a competitive process to Maine-based public and private entities,  
26 leveraging other funds in a one-to-one ratio?"

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.

38 **SUMMARY**

39 The funds provided by this bond issue, in the amount of \$50,000,000, will be used to  
40 provide funds for investment in research, development and commercialization in the

1 State's 7 targeted technology areas to be used for infrastructure, equipment and  
2 technology upgrades that enable organizations to gain and hold market share and to  
3 expand employment or preserve jobs, to be awarded through a competitive process to  
4 Maine-based public and private entities, leveraging other funds in a one-to-one ratio.