

# MAINE STATE LEGISLATURE

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MAJORITY

APPROPRIATIONS AND FINANCIAL AFFAIRS

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

128TH LEGISLATURE

SECOND SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 585, L.D. 836, Bill, "An Act To Authorize a General Fund Bond Issue To Build Maine's Workforce Development Capacity by Modernizing and Improving the Facilities and Infrastructure of Maine's Public Universities"

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

'An Act To Authorize a General Fund Bond Issue To Build Maine's Workforce Development Capacity by Modernizing and Improving the Facilities and Infrastructure of Maine's Public Universities and Community Colleges'

Amend the bill in Part A in section 1 in the 3rd line (page 1, line 9 in L.D.) by striking out the following: "\$75,000,000" and inserting the following: '\$49,000,000'

Amend the bill in Part A by striking out all of section 5 and inserting the following:

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

UNIVERSITY OF MAINE SYSTEM

Provides funds for the construction, reconstruction and remodeling of existing or new facilities and other infrastructure within the University of Maine System as approved by the Board of Trustees in order to expand workforce development capacity and attract and retain students. Bond funds must be matched by other public and private funds.

Total \$49,000,000

Amend the bill in Part A in section 9 in the 3rd line (page 3, line 5 in L.D.) by striking out the following: "Part." and inserting the following: 'Act.'

COMMITTEE AMENDMENT

8/15/18 ROY/S

2095

1 Amend the bill in Part A in section 9 by striking out all of the question (page 3, lines  
2 9 to 11 in L.D.) inserting the following:

3 ' "Do you favor a \$49,000,000 bond issue to be matched by at least  
4 \$49,000,000 in private and public funds to modernize and improve the  
5 facilities and infrastructure of Maine's public universities in order to  
6 expand workforce development capacity and to attract and retain students  
7 to strengthen Maine's economy and future workforce?" '

8 Amend the bill in Part B by striking out all of section 1 and inserting the following:

9 '**Sec. B-1. Authorization of bonds.** The Treasurer of State is authorized, under  
10 the direction of the Governor, to issue bonds in the name and on behalf of the State in an  
11 amount not exceeding \$15,000,000 for the purposes described in section 5 of this Part.  
12 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for  
13 a period longer than 10 years from the date of the original issue of the bonds.

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

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

26 **Sec. B-4. Interest and debt retirement.** The Treasurer of State shall pay  
27 interest due or accruing on any bonds issued under this Part and all sums coming due for  
28 payment of bonds at maturity.

29 **Sec. B-5. Disbursement of bond proceeds from General Fund bond issue.**  
30 The proceeds of the sale of the bonds authorized under this Part must be expended as  
31 designated in the following schedule under the direction and supervision of the agencies  
32 and entities set forth in this section.

33 **MAINE COMMUNITY COLLEGE**  
34 **SYSTEM**

35 Provides funds to renovate and expand instructional laboratories and to upgrade  
36 information technology infrastructure and heating and ventilating systems for  
37 improved energy efficiency and long-term savings at Central Maine Community  
38 College.

39 Total \$2,503,755

ROPS

COMMITTEE AMENDMENT "A" to H.P. 585, L.D. 836

1 Provides funds for information technology system upgrades, to convert heating  
2 systems to natural gas and for additional campus-wide energy efficiencies at Eastern  
3 Maine Community College.

4 Total \$2,233,082

5 Provides funds for capital equipment to support a new program in millwrighting and  
6 industrial mechanics, for upgrades to information technology infrastructure and  
7 instructional and library technologies and to replace and insulate aging windows and  
8 facades at Kennebec Valley Community College.

9 Total \$2,190,731

10 Provides funds to expand the diesel hydraulics program laboratory, upgrade  
11 information technology infrastructure and heating and ventilation systems, invest in  
12 energy efficiencies and renovate classrooms at Northern Maine Community College.

13 Total \$1,165,119

14 Provides funds for facility repairs and improvements, energy efficiencies, renovations  
15 to expand space for student support and remediation, information technology system  
16 upgrades and instructional and library services at Southern Maine Community  
17 College.

18 Total \$4,275,100

19 Provides funds to renovate and expand instructional laboratories, for information  
20 technology system upgrades and for investments in instructional technologies at  
21 Washington County Community College.

22 Total \$885,853

23 Provides funds for information technology system upgrades to and the development  
24 of York County Community College's Industrial Trades Center in Sanford.

25 Total \$1,746,360

26 **Sec. B-6. Contingent upon ratification of bond issue.** Sections 1 to 5 do not  
27 become effective unless the people of the State ratify the issuance of the bonds as set  
28 forth in this Part.

**COMMITTEE AMENDMENT**

**Sec. B-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. B-8. Bonds authorized but not issued.** Any bonds authorized but not issued within 5 years of ratification of this Part 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. B-9. Referendum for ratification; submission at election; form of question; effective date.** This Part 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 Part by voting on the following question:

"Do you favor a \$15,000,000 bond issue to improve educational programs by upgrading facilities at all 7 of Maine's community colleges in order to provide Maine people with access to high-skill, low-cost technical and career education?"

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 Part, the Governor shall proclaim the result without delay and this Part 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 Part necessary to carry out the purposes of this referendum.

**PART C**

**Sec. C-1. Report on University of Maine System facility conditions and infrastructure investments.** By January 7, 2019 and every 2 years thereafter, the University of Maine System shall submit a report to the joint standing committee of the Legislature having jurisdiction over education and cultural affairs, to the joint standing committee of the Legislature having jurisdiction over state and local government matters and to the Governor on the system's capital expenditure plan. The report must include the status of facility conditions and related system-wide needs and priorities and a detailed budget of funding sources for infrastructure investment, including general obligation and other bond funding and other private and public sources of funding.'

**SUMMARY**

This amendment changes the title, reduces from \$75,000,000 to \$49,000,000 the funds provided to build Maine's workforce development capacity by the construction, reconstruction and remodeling of existing or new facilities and other infrastructure within the University of Maine System and adds a bond issue to provide funds in the amount of \$15,000,000, to be used to improve educational programs by upgrading facilities at all 7 community colleges to provide Maine people with access to high-skill, low-cost technical and career education. The amendment also removes the appropriation to the University of Maine System, and it requires the University of Maine System to submit a report to the Legislature and Governor on the system's capital expenditure plan every 2 years.

**FISCAL NOTE REQUIRED**

(See attached)



# 128th MAINE LEGISLATURE

LD 836

LR 1505(02)

**An Act To Authorize a General Fund Bond Issue To Build Maine's Workforce Development Capacity  
by Modernizing and Improving the Facilities and Infrastructure of Maine's Public Universities**

**Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-802)  
Committee: Appropriations and Financial Affairs  
Fiscal Note Required: Yes**

## Fiscal Note

Bond Issues	Term (years)	Principal	Rate (%)	Interest	Total Cost
General Fund - Non-Taxable	10	\$49,000,000	4.25%	\$11,453,750	\$60,453,750
General Fund - Non-Taxable	10	\$15,000,000	4.25%	\$3,506,250	\$18,506,250

Referendum Costs	Month/Year	Election Type	Question	Length
	Nov-18	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.

### Fiscal Detail and Notes

Additional costs to the University of Maine System to submit the required report on the System's capital expenditure plan can be absorbed within existing budgeted resources.