

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 481

H.P. 355

House of Representatives, February 16, 2021

**An Act To Propose a General Fund Bond Issue To Train Workers
in High-demand Sectors and Support the State's 10-year Economic
Plan Goal of Increasing Wages by 10 Percent**

Received by the Clerk of the House on February 11, 2021. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

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

ROBERT B. HUNT
Clerk

Presented by Representative MILLETT of Waterford.
Cosponsored by Senator DAVIS of Piscataquis and
Representative: COREY of Windham.

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 issuance
3 of bonds on behalf of the State of Maine to provide funds as described in this Act,

4 **Be it enacted by the People of the State of Maine as follows:**

5 **Sec. 1. Authorization of bonds.** The Treasurer of State is authorized, under the
6 direction of the Governor, to issue bonds in the name and on behalf of the State in an
7 amount not exceeding \$80,000,000 for the purposes described in section 5 of this Act. The
8 bonds are a pledge of the full faith and credit of the State. The bonds may not run for a
9 period longer than 10 years from the date of the original issue of the bonds.

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

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

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

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

29 **MAINE COMMUNITY COLLEGE SYSTEM**

30 Provides funding in 4 annual installments of \$20,000,000, to train workers in high-
31 demand sectors and support the State's 10-year goal of increasing average annual wages
32 in the State by 10%, as described in "Maine Economic Development Strategy 2020-
33 2029: A Focus on Talent and Innovation."

34 Total \$80,000,000

35 **Sec. 6. Programmatic and return-on-investment goals.** Bond funds under
36 section 5 must be released to the Maine Community College System in 4 annual
37 installments of \$20,000,000 each, except that funding in the 2nd, 3rd and 4th years may be
38 released only after the joint standing committee of the Legislature having jurisdiction over
39 labor and housing matters and the joint standing committee of the Legislature having
40 jurisdiction over appropriations and financial affairs have accepted the annual report
41 pursuant to this section that demonstrates the Maine Community College System has met
42 the following programmatic and return-on-investment goals.

1 1. In the first year, the Maine Community College System shall invest \$15,000,000 in
2 training, trainee stipends and training partners; \$4,000,000 in mobile training units that will
3 support construction, manufacturing and truck driving; and \$1,000,000 in course
4 developers and workforce partnership coordinators. In the 2nd, 3rd and 4th years, the
5 Maine Community College System shall fund additional equipment through training
6 investments that pass return-on-investment criteria that are reported annually.

7 2. Using the funds provided, the Maine Community College System shall train 4,000
8 people per year, provide to trainees credentials that may be used in predetermined pathways
9 toward degree attainment, produce an investment analysis of direct training investments
10 for every training commitment and require a minimum payback period of 3 years consistent
11 with the current measures required by existing programs of the Maine Quality Centers
12 under the Maine Revised Statutes, Title 20-A, section 12725. Participating employers must
13 pay trained employees, at a minimum, a \$2 premium over the State's minimum wage and
14 commit to providing the trained employees with health care benefits.

15 The Maine Community College System shall deliver a report of the training
16 investments described in this section annually to the joint standing committee of the
17 Legislature having jurisdiction over labor and housing matters and the joint standing
18 committee of the Legislature having jurisdiction over appropriations and financial affairs.

19 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to 5 do not
20 become effective unless the people of the State ratify the issuance of the bonds as set forth
21 in this Act.

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

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

32 **Sec. 10. Referendum for ratification; submission at election; form of**
33 **question; effective date.** This Act must be submitted to the legal voters of the State at
34 a statewide election held in the month of November following passage of this Act. The
35 municipal officers of this State shall notify the inhabitants of their respective cities, towns
36 and plantations to meet, in the manner prescribed by law for holding a statewide election,
37 to vote on the acceptance or rejection of this Act by voting on the following question:

38 "Do you favor an \$80,000,000 bond issue to provide funding to train
39 workers in high-demand sectors and support the State's goal of increasing
40 average annual wages in the State by 10%?"

41 The legal voters of each city, town and plantation shall vote by ballot on this question
42 and designate their choice by a cross or check mark placed within a corresponding square
43 below the word "Yes" or "No." The ballots must be received, sorted, counted and declared
44 in open ward, town and plantation meetings and returns made to the Secretary of State in

1 the same manner as votes for members of the Legislature. The Governor shall review the
2 returns. If a majority of the legal votes are cast in favor of this Act, the Governor shall
3 proclaim the result without delay and this Act becomes effective 30 days after the date of
4 the proclamation.

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

8 **SUMMARY**

9 The funds provided by this bond issue, in the amount of \$80,000,000, will be used to
10 provide funding to train workers in high-demand sectors and support the State's goal of
11 increasing average annual wages in the State by 10%. The funding would be provided in
12 \$20,000,000 increments over 4 years in accordance with programmatic and return-on-
13 investment goals that must be met by the Maine Community College System.