

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 416

S.P. 197

In Senate, February 2, 2023

An Act to Authorize a General Fund Bond Issue for Research and Development and Commercialization

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

A handwritten signature in black ink, appearing to read "D M Grant".

DAREK M. GRANT
Secretary of the Senate

Presented by Senator PIERCE of Cumberland.
Cosponsored by Representative MILLETT of Waterford and
Senators: BLACK of Franklin, DAUGHTRY of Cumberland, STEWART of Aroostook,
Representatives: BRENNAN of Portland, CLOUTIER of Lewiston, PERRY of Calais, TERRY
of Gorham, ZAGER of Portland.

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 \$100,000,000 for the purposes described in section 5 of this Act.
8 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
9 a 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 **DEPARTMENT OF ECONOMIC AND COMMUNITY**
30 **DEVELOPMENT**

31 **Office of Innovation**

32 Provides funds to the Maine Technology Institute for research and development and
33 commercialization as prioritized by the Maine Innovation Economy Advisory Board's
34 most recent innovation economy action plan and the Office of Innovation's most recent
35 science and technology action plan. The funds must be allocated in support of
36 technological innovation leading to commercialization in the targeted sectors of life
37 sciences and biomedical technology, environmental and renewable energy technology,
38 information technology, advanced technologies for forestry and agriculture, aquaculture
39 and marine technology, composites and advanced materials and precision
40 manufacturing. The funds must be awarded through a competitive process and to Maine-
41 based public and private institutions to leverage matching private and federal funds on
42 at least a one-to-one basis.

43 Total \$100,000,000

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. 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:

"Do you favor a bond issue of \$100,000,000 to provide funds, to be awarded through a competitive process and to leverage matching private and federal funds on at least a one-to-one basis, for research and development and commercialization for Maine-based public and private institutions in support of technological innovation in the targeted sectors of life sciences and biomedical technology, environmental and renewable energy technology, information technology, advanced technologies for forestry and agriculture, aquaculture and marine technology, composites and advanced materials and precision manufacturing?"

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

The funds provided by this bond issue, in the amount of \$100,000,000, will be used to provide funds for research and development and commercialization as prioritized by the Maine Innovation Economy Advisory Board's most recent innovation economy action plan

1 and the Department of Economic and Community Development, Office of Innovation's
2 most recent science and technology action plan. The funds must be allocated in support of
3 technological innovation leading to commercialization in the targeted sectors of life
4 sciences and biomedical technology, environmental and renewable energy technology,
5 information technology, advanced technologies for forestry and agriculture, aquaculture
6 and marine technology, composites and advanced materials and precision manufacturing.
7 The funds must be awarded through a competitive process and to Maine-based public and
8 private institutions to leverage matching private and federal funds on at least a one-to-one
9 basis.