

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**

**ONE HUNDRED AND EIGHTEENTH LEGISLATURE**

**SECOND REGULAR SESSION**  
**January 7, 1998 to March 31, 1998**

**SECOND SPECIAL SESSION**  
**April 1, 1998 to April 9, 1998**

**THE GENERAL EFFECTIVE DATE FOR**  
**SECOND REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JUNE 30, 1998**

**SECOND SPECIAL SESSION**  
**NON-EMERGENCY LAWS IS**  
**JULY 9, 1998**

**PUBLISHED BY THE REVISOR OF STATUTES**  
**IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,**  
**TITLE 3, SECTION 163-A, SUBSECTION 4.**

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**1997**

**Sec. 13. Allocation.** The following funds are allocated from the Highway Fund to carry out the purposes of this Act.

	1998-99
<b>ENVIRONMENTAL PROTECTION, DEPARTMENT OF</b>	
<b>Air Quality</b>	
All Other	\$33,500
Allocates funds for the establishment of a one-year pilot diesel testing program, for the establishment of an education program and for certain operational costs of automobile inspection and maintenance testing.	
<b>DEPARTMENT OF ENVIRONMENTAL PROTECTION TOTAL</b>	<hr/> \$33,500
<b>PUBLIC SAFETY, DEPARTMENT OF</b>	
<b>Motor Vehicle Inspection</b>	
Positions - Legislative Count	(2,000)
Personal Services	\$72,235
All Other	61,165
Capital Expenditures	52,000
Allocates funds for a State Police Sergeant and one State Police Trooper, operational support and equipment to implement the motor vehicle inspection program.	
<b>DEPARTMENT OF PUBLIC SAFETY TOTAL</b>	<hr/> \$185,400
<b>TOTAL ALLOCATIONS</b>	<hr/> \$218,900

**Sec. 14. Effective date.** That section of this Act that amends the Maine Revised Statutes, Title

29-A, section 1766, subsection 3 takes effect on January 1, 1999.

See title page for effective date, unless otherwise indicated.

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## CHAPTER 787

### H.P. 1622 - L.D. 2252

#### An Act to Implement the Recommendations of the Governor's Commission on School Facilities

**Mandate preamble.** This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, two thirds of all of the members elected to each House have determined it necessary to enact this measure.

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** Members of the Joint Standing Committee on Education and Cultural Affairs during both the 117th Legislature and the 118th Legislature have forged partnerships with the Department of Education, the State Board of Education and other interested parties to address the growing needs of many communities across the State that continue to struggle with unmet school construction needs due to growing student populations, overcrowded schools and the significant increase in the use of portable leased classrooms to meet urgent space needs, inadequate facilities to meet the demands of modern educational programs, strained local budgets that have deferred the maintenance of existing school facilities and limited state contributions to support school construction costs; and

**Whereas,** conditions existing in certain public schools resulting in a serious inability to provide appropriate educational programs and services consistently throughout the State constitute an immediate threat to the health, safety and general welfare of the citizens of the State; and

**Whereas,** the Governor's Commission on School Facilities has conducted a comprehensive review to determine the true scope of local school construction needs throughout the State and has prepared a sensible and feasible plan for public financing to meet current and future school construction needs; and

**Whereas**, these problems require immediate and decisive action in implementing this comprehensive statewide strategy so that the most efficient investment of public resources in both new construction and renovation of existing school facilities will result in the design of effective learning environments for student achievement; and

**Whereas**, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. 20-A MRSA §1, sub-§19-A** is enacted to read:

**19-A. Newly incurred capital outlay and debt service.** "Newly incurred capital outlay and debt service" means capital outlay and debt service costs for a school construction project approved for funding by the voters on or after June 1, 1998.

**Sec. 2. 20-A MRSA §4001, sub-§3, ¶A**, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

A. The term of a lease ~~shall~~ **must** be at least equal to the period during which similar property of the unit is used. A lease may not exceed a term of ~~40~~ **5** years.

**Sec. 3. 20-A MRSA §4001, sub-§7** is enacted to read:

**7. Maintenance and capital improvement program.** A school administrative unit, including the unorganized territories, shall maintain a maintenance and capital improvement program for all school facilities, utilizing a maintenance template and software provided by the department and shall annually allocate a minimum percentage of the replacement value of its real estate to facility maintenance, capital improvement or capital reserve accounts. The department and the Department of Administrative and Financial Services, Bureau of General Services shall establish the minimum percentage in consultation with the education community. The Department of Education and the Bureau of General Services shall adopt rules necessary to implement this subsection. Rules adopted by the Department of Education and the Bureau of General Services to implement this subsection are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 4. 20-A MRSA §5804, sub-§3** is enacted to read:

**3. Debt service factor.** Notwithstanding subsection 1, beginning with the 1999-2000 school year, a school administrative unit may charge a debt service factor for newly incurred capital outlay and debt service, as defined in section 1, subsection 19-A. The debt service factor must be an amount agreed upon by both the sending and receiving units, with the approval of the commissioner, and may not exceed 10% of a school's legal tuition rate per student in any one year. The debt service factor adjustment must be limited to a period of time not to exceed the receiving unit's repayment period for newly incurred capital outlay and debt service. The percentage of the debt service factor must be proportional to the cost of the project and the number of tuition students.

**Sec. 5. 20-A MRSA §5805, sub-§4** is enacted to read:

**4. Debt service factor.** Notwithstanding subsections 1 and 2, beginning with the 1999-2000 school year, a school administrative unit may charge a debt service factor for newly incurred capital outlay and debt service, as defined in section 1, subsection 19-A. The debt service factor must be an amount agreed upon by both the sending and receiving units, with the approval of the commissioner, and may not exceed 10% of a school's legal tuition rate per student in any one year. The debt service factor adjustment must be limited to a period of time not to exceed the receiving unit's repayment period for newly incurred capital outlay and debt service. The percentage of the debt service factor must be proportional to the cost of the project and the number of tuition students.

**Sec. 6. 20-A MRSA §15603, sub-§8, ¶B**, as amended by PL 1989, c. 466, §1, is further amended to read:

B. Lease costs for school buildings when the leases, including leases under which the school administrative unit may apply the lease payments to the purchase of portable, temporary classroom space beginning January 1, 1988, have been approved by the commissioner for the year prior to the year of allocation. Beginning July 1, 1998 lease cost includes:

(1) Administrative space. A school administrative unit may lease administrative space with state support until July 1, 2003. A school administrative unit engaged in a lease-purchase agreement for administrative space is eligible for state support until July 1, 2008;

(2) Temporary interim nonadministrative space.

(a) A school administrative unit with state-approved need for nonadministrative space may lease temporary interim space, with state support, for a maximum of 5 years. A school administrative unit may appeal to the board if this division presents an undue burden. The board's decision is final.

(b) A school administrative unit engaged in a lease-purchase agreement for temporary interim nonadministrative space is eligible for state support for a maximum of 10 years; and

(3) Permanent small nonadministrative space that replaces or is converted from existing approved leased portable space. The existing leased portable space will be eligible for state support until July 1, 2003. Once an existing leased portable space has been converted into a permanent nonadministrative space through an approved lease-purchase agreement, such space is eligible for state support for a maximum of 10 years.

The Department of Education shall adopt rules necessary to implement this paragraph. Rules adopted by the Department of Education to implement this paragraph are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A;

**Sec. 7. 20-A MRSA §15603, sub-§8, ¶C,** as amended by PL 1993, c. 410, Pt. F, §10, is further amended to read:

C. The portion of the tuition costs applicable to the insured value factor computed under section 5806, for the base year; ~~and~~

**Sec. 8. 20-A MRSA §15603, sub-§8, ¶E,** as amended by PL 1991, c. 268, §2, is further amended to read:

E. Purchase or cost of construction of portable, temporary classroom space as approved by the commissioner beginning January 1, 1988. For the purposes of this section, "portable, temporary classroom space" means a project consisting of one or more mobile or modular buildings that are at least partially constructed off site and are designed to be moved to other sites with a minimum of disassembly and reassembly. "Portable, temporary classroom space" includes, but is not limited to, space for regular classrooms, small group instruction, libraries, clinics and guidance and administrative office space, including principal and superintendent offices. ~~The amount~~

~~includable for determining the subsidy for a school administrative unit for the purchase or construction of portable temporary classroom space may not exceed the amount that would have been paid for lease of a comparable classroom.~~ The department shall adopt rules for approving the purchase, construction or lease-purchase of portable temporary classroom space, and for determining the amount includable for subsidy purposes. Lease-purchase agreements may not exceed a term of 10 years. Approved costs are those for the year prior to the year of allocation. The department shall adopt rules necessary to implement this paragraph. Rules adopted by the department to implement this paragraph are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A; and

**Sec. 9. 20-A MRSA §15603, sub-§8, ¶F** is enacted to read:

F. Beginning in school year 2002-03, 1/5 of the aggregate amount of the approved leases defined in paragraphs B and E and an additional 1/5 for each year thereafter may not be used to determine the debt service millage limit calculated under section 15611, subsection 1, paragraph A. The local share for the 1/5 of the aggregate amount of the approved leases defined in paragraphs B and E and an additional 1/5 for each year thereafter must be calculated as the same percentage determined under section 15609, subsection 1, paragraph A. The department shall adopt rules necessary to implement this paragraph. Rules adopted by the department to implement this paragraph are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 10. 20-A MRSA §15907, sub-§1,** as amended by PL 1983, c. 426, §4, is further amended to read:

**1. Payment of State's share.** The state allocation for debt service costs ~~shall~~ must be paid by the commissioner to each unit according to that unit's debt retirement schedule and rules adopted pursuant to this chapter.

A. For all current and future debt service costs payable by a school administrative unit to the Maine Municipal Bond Bank, the state allocation for debt service costs must be paid by the commissioner to the bond bank or its designated trustee one business day prior to the date of the unit's next debt service cost payment as outlined in the unit's debt retirement schedule and in accordance with rules adopted pursuant to this chapter. If the payment date falls on a Monday,

payment must be made to the bond bank on the preceding Friday.

B. At least 60 days prior to the date of the school administrative unit's next debt service cost as outlined in the unit's debt retirement schedule, the commissioner shall inform the bond bank as to the unit's state share of debt service for its next debt service payment.

**Sec. 11. 20-A MRSA §15918** is enacted to read:

**§15918. Maintenance and capital improvement plan assistance**

The department and the Department of Administrative and Financial Services, Bureau of General Services shall provide assistance to school administrative units, including the unorganized territories, in establishing maintenance and capital improvement programs under section 4001, subsection 7. The department, with assistance from the Department of Administrative and Financial Services, Bureau of General Services, shall provide a maintenance template, software and assistance with initial inventory inputs to ensure consistent comprehensive local maintenance and capital improvement plans and to provide for electronic reporting of maintenance and capital improvement progress by school administrative units to the department. The Department of Education and the Bureau of General Services shall adopt rules necessary to implement this section. Rules adopted by the Department of Education and the Bureau of General Services to implement this section are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 12. 30-A MRSA §5953-E** is enacted to read:

**§5953-E. Maine School Facilities Finance Program**

There is established the Maine School Facilities Finance Program to promote efficient capital financing activities for the construction, renovation and maintenance of school facilities and the leasing and lease-purchase of school facilities.

**1. Loan application.** In addition to the other forms of financial assistance available under this chapter, a public school, school administrative district, municipality, community school district or other school administrative unit may apply for a loan from the School Revolving Renovation Fund under section 6006-F, in this section called the "fund," the proceeds of which must be used to finance the cost of school repair and renovation under section 6006-F, subsection 3, as designated by the Department of Education.

A. The bank may prescribe an application form or procedure for a school administrative unit to apply for a loan under this section. The application must include any information that the bank determines necessary for the purpose of implementing this section and section 6006-F.

**2. Loan; loan agreements.** Loans from the fund are subject to this subsection.

A. The bank may make loans from the fund to a school administrative unit for one or more of the purposes set forth in subsection 1. The loans may be made in conjunction with, at the same time as or as part of a project that obtains any other form of assistance or loan under this chapter. Each loan is subject to the following conditions.

(1) The total amount of loans outstanding at any one time from the fund may not exceed the balance of the fund, provided that the proceeds of bonds or notes of the bank deposited in the fund, revenues from other sources deposited in the fund, repayments from outstanding loans due and payable and binding financial commitments of the United States or any other 3rd party to deposit money in the fund are included in determining the fund balance.

(2) The loan must be evidenced by a municipal bond, loan agreement or other debt instrument, payable by the school administrative unit over a term not to exceed 15 years with annual principal or interest payments commencing not later than one year after the project being financed is completed.

(3) The rate of interest charged for the loans may not exceed 0%. The bank, pursuant to a determination by the Department of Education under section 6006-F, may provide loans to a school administrative unit with forgiveness of principal or an effective interest rate of less than 0%. A school unit must pay back by the end of the term of the loan an amount no less than 30% of the original principal amount of the loan nor more than 70% of the original principal amount of the loan.

B. Loans made to a school administrative unit by the bank under this section must be evidenced by and made in accordance with the terms and conditions specified in a loan agreement to be executed by the bank and the school administrative unit. The loan agreement must specify the terms and conditions of disbursement of loan proceeds. The loan agreement must state the

term, rate of interest, any amount of principal forgiveness, scheduling of loan repayments and any other terms and conditions determined necessary or desirable by the bank. Loans made to a school administrative unit by the bank under this section may include provisions for forgiveness of principal payments or loan repayment computation that results in an effective negative interest rate.

**3. Loan management.** Proceeds from any indebtedness from the fund incurred by a school administrative unit for the purposes of new construction, renovation or capital acquisition must be deposited in the bank. Proceeds from any other indebtedness incurred by a school administrative unit for the purposes of new construction, renovation or capital acquisition may be deposited in the bank. Any proceeds held must be invested by the bank for the benefit of the school administrative unit. The bank shall pay to a school administrative unit those amounts necessary for incurred costs or for reimbursement for incurred costs associated with the project for which the indebtedness was incurred. Funds from any indebtedness from the fund remaining after payment of all eligible project and financing costs must be deposited in the fund.

**4. Eligibility certification.** A loan to a school administrative unit may not be made under this section until:

A. The applicant certifies to the bank that it has secured all permits, licenses and approvals necessary to undertake the renovations and construct the improvements to be financed by the loan;

B. The applicant has been designated by the Department of Education as eligible to receive the loan; and

C. The applicant demonstrates to the satisfaction of the bank that it has the ability to repay the loan made to the school administrative unit by the bank.

The Department of Education and the bank shall adopt rules necessary to implement this section. Rules adopted by the Department of Education and the bank to implement this section are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 13. 30-A MRSA §§6006-E and 6006-F** are enacted to read:

**§6006-E. Maine School Facilities Finance Program master lease**

In addition to and in furtherance of any other assistance available to a school administrative unit in this chapter, the bank, in cooperation with the

Department of Education, shall establish a lease program for buildings to be used by all school administrative units whose school facility lease payments receive reimbursement, subsidy or other payment from the State. For the purposes of this section, a lease program is a system for awarding leases for a school administrative unit pursuant to a competitive bidding process. All proceeds from leases administered by the bank must be held and invested by the bank and paid to the school administrative unit to reimburse incurred costs associated with capital acquisitions, leases or improvements approved by the Department of Education.

**§6006-F. School Revolving Renovation Fund**

**1. Fund established.** The School Revolving Renovation Fund, referred to in this section as the "fund," is established in the custody of the bank.

**2. Administration.** The bank shall administer and invest the fund. The fund must be established and held separate and apart from any other funds or money of the State or the bank and must be used and administered exclusively for the purposes authorized in this section. The fund consists of:

A. Sums that may be appropriated by the Legislature or transferred to the fund by the Treasurer of State;

B. Principal and interest received from the repayment of loans made from the fund;

C. Capitalization grants and awards made to the State or an instrumentality of the State by the United States for any of the purposes for which the fund has been established. These amounts may be paid directly into the fund without appropriation by the State and the bank is designated as the recipient for the State of any such funds;

D. Interest earned from the investment of fund balances;

E. The proceeds of any bonds or notes issued by the State or the bank sold for the purpose of deposit in the fund;

F. Funds from school construction audit recoveries; and

G. Other funds and gifts in kind or cash from any public or private source received for use for any of the purposes for which the fund has been established and that the bank and the Department of Education may solicit from any 3rd parties such as foundations or corporations, including the use of tax credits as available to support activities authorized for the fund.

**3. Purposes.** The fund may be used:A. To make loans to school administrative units for school repair and renovation.(1) The following repair and renovation needs receive first priority status:(a) Repair or replacement of a roof on a school building;(b) Bringing a school building into compliance with the federal Americans with Disabilities Act, 42 United States Code, Section 12101 et seq.;(c) Improving air quality in a school building;(d) Removing asbestos from or abating asbestos in a school building;(e) Removing underground oil storage tanks on the grounds of a school building; and(f) Undertaking other health, safety and compliance repairs.(2) Repairs and improvements not related to health, safety and compliance repairs receive 2nd priority status. Those repairs and improvements are limited to a school building structure, windows and doors and to a school building water or septic system.(3) Upgrade of learning spaces in school buildings and small-scale capital improvements receive 3rd priority status.(4) The Commissioner of Education may approve other necessary repairs;B. To make loans to refund bonds or notes of a school administrative unit issued for the purpose of financing any repair authorized under paragraph A and certified under subsection 5, if sold after June 1, 1998;C. To guarantee or insure, directly or indirectly, the payment of notes or bonds issued or to be issued by a school administrative unit for the purpose of financing any repair authorized under paragraph A and certified under subsection 5;D. To guarantee or insure, directly or indirectly, funds established by a school administrative unit for the purpose of financing any repair authorized under paragraph A;E. To deposit with a lending institution or with a trustee bank, available fund balances to offsetloan balances for school administrative districts undertaking projects authorized by paragraph A and certified under subsection 5;F. To invest available fund balances and credit the net interest income on those balances to the fund;G. To invest as a source of revenue or security for the payment of principal and interest on general or special obligations of the bank if the proceeds of the sale of the obligations have been deposited in the fund, or if the proceeds of the sale of the obligations are used for the purposes authorized in paragraph A and certified under subsection 5, or as a source of revenue to subsidize the school administrative unit loan payment obligations;H. To pay the costs of the bank and the Department of Education associated with the administration of the fund and projects financed by the fund, except that no more than the lesser of 2% of the aggregate of the highest fund balances in any fiscal year and 4% of the combined value of any capitalization grants provided by the United States for deposit in the fund may be used for these purposes. The Commissioner of Education is authorized to receive revenue from the fund administered by the bank. Funds provided to the Department of Education from the fund must be deposited in a nonlapsing dedicated account to be used to carry out the purposes of this section; andI. To pay the reasonable costs of services provided to school administrative units by the Department of Administrative Services, Bureau of General Services, for oversight of school construction and renovation projects. Notwithstanding Title 5, section 1742, subsection 7, .4% of the total amount initially allocated to the fund must be transferred to the Bureau of General Services upon the effective date of this section.

**4. Priorities.** Periodically, and at least annually, the Department of Education shall prepare and certify to the bank a project priority list of those school administrative units whose projects are eligible for loans under this section. In establishing the priority list, the department shall grant special consideration to projects that include urgent health and safety needs. The department shall submit with the list the factors considered when determining the priorities.

**5. Eligibility terms.** The bank and the Department of Education shall develop by rule the terms of repayment of loans. A loan made pursuant to this section may not carry an interest rate higher than 0%. A loan may be made only if a project is certified by the Department of Education as eligible for financing



under this section and is on the priority list prepared under subsection 4. The repayment period may vary depending upon the financial condition of a school administrative unit as identified by the Department of Education.

**6. Forgiveness of principal payments.** The fund must provide direct grants by forgiving the principal payments of a loan for an eligible school administrative unit. The amount of the forgiveness of principal payments must be determined by the school administrative unit's state share percentage of debt service costs as determined in Title 20-A, section 15611, not to exceed:

A. Seventy percent and no less than 30% for health, safety and compliance;

B. Seventy percent and no less than 30% for repairs and improvements; and

C. Fifty percent and no less than 20% for learning space upgrades.

**7. Establishment of accounts.** The bank may establish accounts and subaccounts within the fund as it determines desirable to effectuate the purposes of this section, including, but not limited to, accounts to segregate a portion or portions of the fund as security for bonds issued by the bank for deposit in the fund and to be invested for the benefit of specified projects receiving financial assistance from the fund.

**8. Rules.** The Department of Education and the bank shall adopt rules necessary to implement this section. Rules adopted by the Department of Education and the bank to implement this section are major substantive rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 14. 30-A MRSA §6014**, as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:

**§6014. Governmental unit intercept**

The Treasurer of State may receive from the Federal Government any amount of money as appropriated, allocated, granted, turned over or in any way provided for the purposes of the bank or this chapter. Unless otherwise directed by federal authority, these amounts ~~shall~~ must be credited to and deposited in the General Fund and are available to the bank.

The Treasurer of State shall pay and deposit in the General Fund and make available to the bank, any funds or money in the treasurer's custody or control whether the funds or money is available because of any grant, allocation or appropriation by the Federal Government or the State or any state agency to assist

any governmental unit in paying its municipal securities or school construction loan liability under section 5953-E, referred to in this section as "loan liability," owned or held by the bank, or required by the terms of any other law to be paid to holders or owners of municipal securities or loan liability upon failure or default of a governmental unit to pay the principal of or interest on its municipal securities or loan liability when due and payable, to the extent that any such funds or money is applicable with respect to municipal securities or loan liability of a particular governmental unit ~~which that~~ are then owned or held by the bank and as to which that governmental unit has failed or defaulted to make payment of principal or interest as and when due and payable.

To the extent that the Treasurer of State is the custodian of any funds or money due or payable to a governmental unit at any time after written notice to the Treasurer of State from the bank to the effect that the governmental unit has not paid or is in default as to the payment of principal of or interest on any municipal securities or loan liability of that governmental unit then held or owned by the bank, the Treasurer of State shall withhold the payment of such funds or money from the governmental unit until the amount of the principal or interest then due and unpaid has been paid to the bank, or the Treasurer of State has been advised that arrangements, satisfactory to the bank, have been made for the payment of the principal and interest.

**Sec. 15. Major substantive rules; emergency rulemaking.** Notwithstanding any other provision of law, major substantive school construction and renovation rules authorized to be provisionally adopted by the Department of Education under this Act must be initially adopted as emergency rules under the provisions of the Maine Revised Statutes, Title 5, sections 8054 and 8073. In adopting emergency major substantive rules as provided in this section, the department must hold at least one public hearing on the rules, publish notice of the rulemaking at least 3 to 10 days prior to the public hearing under Title 5, section 8053, subsection 5, paragraph A and comply with Title 5, section 8056, subsection 1, paragraphs A and B. Emergency major substantive rules adopted by the department under this section must also be provisionally adopted and filed with the Legislature for review during the First Regular Session of the 119th Legislature.

**Sec. 16. Use of alternative delivery systems; stakeholder group.** The Department of Education, the State Board of Education and the Department of Administrative and Financial Services, Bureau of General Services shall establish a stakeholder group to review and discuss alternative delivery systems for school construction. The stakeholder

group review shall include, but may not be limited to the following:

1. Defining circumstances under which alternative delivery systems would be applicable to school construction projects with clear definitions of each circumstance;
2. Establishing clear rules for each of the circumstances described in subsection 1;
3. Ensuring adequate oversight of the alternative delivery system process from appropriate state agencies; and
4. Reviewing all issues surrounding appropriate errors and insurance levels.

The stakeholder group includes, but is not limited to, representatives of the following stakeholders: the Department of Education; the State Board of Education; the Department of Administrative and Financial Services, Bureau of General Services; school superintendents; school boards; the Maine Education Association; engineers; architects; and contractors. The stakeholder group shall report its findings and any recommended legislation to the joint standing committee of the Legislature having jurisdiction over education and cultural affairs in the 119th Legislature by January 30, 1999. The joint standing committee of the Legislature having jurisdiction over education and cultural affairs is authorized to report out a bill based on the stakeholder group's report and recommended legislation.

**Sec. 17. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Act.

**1998-99**

**EDUCATION,  
DEPARTMENT OF**

**School Renovation**

All Other (\$425,000)

Deappropriates funds as an offset to an appropriation provided in Public Law 1997, chapter 643, Part S, section 6.

**Sec. 18. Payment.** Any appropriations or allocations to the School Revolving Renovation Fund in the Department of Education in fiscal year 1998-99 must be paid to the Maine Municipal Bond Bank in accordance with the following schedule: \$9,575,000 on September 1, 1998; and \$10,000,000 on January 1, 1999.

**Sec. 19. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Act.

**1998-99**

**EDUCATION,  
DEPARTMENT OF**

**School Construction**

All Other \$425,000

Provides funds for computer hardware and software to inventory public school facilities and establish maintenance and capital improvement plans in all Maine schools.

**Sec. 20. Allocation.** The following funds are allocated from Other Special Revenue to carry out the purposes of this Act.

**1998-99**

**EDUCATION,  
DEPARTMENT OF**

**Support Systems**

Positions - Legislative Count (2,000)  
Personal Services \$100,523  
All Other 15,000

Provides for the allocation of funds for one Education Specialist III position and one Education Specialist II position to manage the Maine School Facilities Finance Program, the School Revolving Renovation Fund, lease and lease-purchase proposals, and to provide assistance to all Maine schools in developing facility maintenance plans.

**DEPARTMENT OF  
EDUCATION  
TOTAL**

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\$115,523

**Sec. 21. Allocation.** The following funds are allocated from Other Special Revenue to carry out the purposes of this Act.

1998-99

# ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

## Bureau of General Services Planning - Construction - Administration

All Other \$80,000

Provides for the allocation of funds to procure necessary architectural and engineering services for the bureau's oversight of school construction and renovation projects.

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect when approved.

Effective April 16, 1998.

## CHAPTER 788

H.P. 1631 - L.D. 2259

### An Act to Preserve the State House and to Renovate State Facilities

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

**Sec. 1. 4 MRSA §1603, sub-§7**, as amended by PL 1997, c. 523, §6, is further amended to read:

**7. Project, projects or part of any project.** "Project, projects or part of any project" means the acquisition, construction, improvement, reconstruction or equipping of, or construction of an addition or additions to, any structure designed for use as a court facility, state office or state activity space and intended to be used primarily by the State, any agency, instrumentality or department of the State or by any branch of State Government. The structure may include facilities for the use of related agencies of state, county or local government. "Project, projects or part of any project" includes all real and personal property, lands, improvements, driveways, roads, approaches, pedestrian access roads, parking lots, parking facilities, rights-of-way, utilities, easements and other interests in land, machinery and equipment and all fixtures, appurtenances and facilities either on, above or under the ground that are used or usable in connection with the structure, and also includes

landscaping, site preparation, furniture, machinery, equipment and other similar items necessary or convenient for the operation of a particular facility or structure in the manner for which its use is intended. "Project, projects or part of any project" also includes the acquisition, construction, improvement, reconstruction or repair of any equipment, device, technology, software or other personal property intended to be used primarily by the State, any agency, instrumentality or department of the State or by any branch of State Government or any related agency of state, county or local government. The exact scope of each project, projects or part of any project, other than those for the Judicial Branch and the Legislative Branch, must be set forth in a written designation by the Commissioner of Administrative and Financial Services to the authority and the exact scope of each project, projects or part of any project for the Judicial Branch must be set forth in a written designation by the State Court Administrator to the authority. The scope of each project for the Legislative Branch must receive a majority vote of the Legislative Council and be set forth in a written designation by the Executive Director of the Legislative Council to the authority. "Project, projects or part of any project" does not include such items as fuel, supplies or other items that are customarily considered as a current operating charge.

**Sec. 2. 4 MRSA §1606, sub-§2**, as amended by PL 1997, c. 523, §15, is further amended to read:

**2. Limitation on securities issued.** The authority may not issue securities in excess of ~~\$60,000,000~~ \$83,000,000 outstanding at any one time, of which no less than \$30,000,000 must be specifically allocated to projects relating to the Judicial Branch, except for the issuance of revenue refunding securities authorized by section 1610. The amount of securities that may be outstanding in the name of the authority may be increased by the Legislature upon a showing by the authority that its available revenues are sufficient to support additional issuance of securities and that the issuance of securities will not materially impair the credit standing of the authority, the investment status of securities issued by the authority or the ability of the authority to fulfill its commitments to holders of securities. Nothing in this chapter may be construed to authorize the authority to issue securities to fund the construction, reconstruction, purchase or acquisition of facilities without a 2/3 majority vote of approval in each House of the Legislature.

**Sec. 3. Legislative space in the State Office Building.** The Commissioner of Administrative and Financial Services shall provide the Maine State Legislature with not less than 33,000 gross square feet of space in the State Office Building, including common areas and private offices. Use and design of