

132nd MAINE LEGISLATURE

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Legislative Document

No. 1014

S.P. 431

In Senate, March 13, 2025

An Act to Authorize a General Fund Bond Issue to Develop Maine Talent and Innovation by Improving the Infrastructure of the University of Maine System

Received by the Secretary of the Senate on March 12, 2025. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator PIERCE of Cumberland.
Cosponsored by Representative DUCHARME of Madison and
Senators: BENNETT of Oxford, DUSON of Cumberland, LIBBY of Cumberland,
Representatives: BRENNAN of Portland, DODGE of Belfast, MITCHELL of Cumberland,
MURPHY of Scarborough, SARGENT of York.

Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14 to authorize the issuance of bonds on behalf of the State of Maine to provide funds as described in this Act,

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

- **Sec. 1.** Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$100,000,000 for the purposes described in section 5 of this Act. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds.
- **Sec. 2. Records of bonds issued; Treasurer of State.** The Treasurer of State shall ensure that an account of each bond is kept showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.
- **Sec. 3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the project in this Act lapse to the Office of the Treasurer of State to be used for the retirement of general obligation bonds.
- **Sec. 4. Interest and debt retirement.** The Treasurer of State shall pay interest due or accruing on any bonds issued under this Act and all sums coming due for payment of bonds at maturity.
- Sec. 5. Disbursement of bond proceeds from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Act 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, to be matched by private and other funds, to improve critical infrastructure at all campuses of the University of Maine System to enhance public education, research and economic development activities; improve student recruitment and success; strengthen the universities' fiscal positions through reductions in underutilized space, ongoing operation and maintenance costs and energy usage; and benefit local communities. Projects must be aligned with the universities' respective capital plans and the University of Maine System's and the State's strategic plans and approved consistent with the policies of the Board of Trustees of the University of Maine System and may include renovation, replacement and removal of classrooms, residence halls, University of Maine research and development laboratories and other essential infrastructure.

41 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 \$100,000,000 bond issue, to be matched by private and other funds, to improve infrastructure at all University of Maine System campuses across the State in order to enhance education and economic development activities and meet the needs of Maine employers for more skilled workers and research-driven innovation?"

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.

36 SUMMARY

 The funds provided by this bond issue, in the amount of \$100,000,000, will be used to improve infrastructure at all University of Maine System campuses to enhance education and economic development activities and meet the needs of Maine employers for more skilled workers and research-driven innovation.