

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Authorize a General Fund Bond Issue To Support Research and Sustainable Development of Maine's Natural Resources

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 \$50,000,000 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. The proceeds of the bonds must be expended as set out in this Act under the direction and supervision of the Department of Economic and Community Development, Maine Technology Institute.

1. Maine Technology Capacity Fund. A portion of the proceeds of the sale of bonds must be deposited in the existing Maine Technology Capacity Fund, established in the Maine Revised Statutes, Title 5, section 15303-A, and used to support research, development and commercialization of innovative advanced technology based on sustainable use of natural resources, including, but not limited to, forest products, agricultural products, tidal energy and wind energy. The funds must be competitively awarded for equipment and other capital expenditures. This fund may support only projects that:

A. Are consistent with the objectives of the State's science and technology action plan, established pursuant to the Maine Revised Statutes, Title 10, chapter 107-D, and fall within one of the State's targeted technology sectors;

- B. Strengthen cluster development among companies and supporting organizations within the relevant technology sector;
- C. Represent a collaborative effort between public, private and nonprofit entities;
- D. Leverage private sector investments, other state funding, federal research funding or other matching funds; and
- E. Demonstrate sustainability of benefits to the economy, community and environment.

2. Sustainable local economy fund. A portion of the proceeds of the sale of bonds must be deposited in a sustainable local economy fund to be established within the Department of Economic and Community Development and administered by the Maine Technology Institute to support economic development projects that benefit local food production or local recycling. The funds must be competitively awarded for equipment and other capital expenditures for projects in 2 areas:

- A. Infrastructure that supports the processing, storage and local distribution of food products grown or harvested in the State; and
- B. Infrastructure that supports the collection, storage and local distribution for reuse or recycling of consumer products.

In making awards from the sustainable local economy fund, the Maine Technology Institute shall consider any information that assesses needs, establishes priorities or makes recommendations as provided by the Department of Agriculture, Food and Rural Resources and the Department of Environmental Protection or other relevant state agency.

Sec. 6. Allocations 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.

**ECONOMIC AND COMMUNITY
DEVELOPMENT, DEPARTMENT OF
Maine Technology Institute**

Provides funds to support natural resource-based research, development and commercialization to be administered through the Maine Technology Capacity Fund by the Maine Technology Institute.

Total \$45,000,000

Provides funds for infrastructure to support processing, storage and local distribution of food products grown or harvested in Maine or for the collection, storage and local distribution for reuse or recycling of consumer products, through a sustainable local economy fund administered by the Maine Technology Institute.

Total

\$5,000,000

Sec. 7. Contingent upon ratification of bond issue. Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Act.

Sec. 8. 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. 9. 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. 10. 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 \$50,000,000 bond issue to provide funds to support natural resource-based research, development and commercialization and for infrastructure to support processing, storage and local distribution of food products grown or harvested in Maine or for the collection, storage and local distribution for reuse or recycling of consumer products?"

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 major portion of the funds provided by this bond issue, in the amount \$45,000,000, are to fund research, development and commercialization of innovative technology that relies on the sustainable use of Maine's natural resources such as forest and agricultural products and tidal and wind energy. The remaining \$5,000,000 support sustainable local economic development projects that enhance the

HP0639, LD 842, item 1, 125th Maine State Legislature
An Act To Authorize a General Fund Bond Issue To Support Research
and Sustainable Development of Maine's Natural Resources

economic benefits of increased reliance on local foods and recycling of consumer products. The funds must be administered by the Maine Technology Institute and competitively awarded.