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Date: (Filing No. H-)

EDUCATION AND CULTURAL AFFAIRS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
SECOND SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 1391, L.D. 1947, Bill, “An Act To Fund Capital Improvements to Career and Technical Education Centers”

Amend the bill by striking out the title and substituting the following:

'An Act To Fund Capital Improvements to Career and Technical Education Centers and Regions'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 4 MRSA §1603, sub-§3-A is enacted to read:

3-A. Career and technical education center. "Career and technical education center" has the same meaning as "center" in Title 20-A, section 8301-A, subsection 3.

Sec. 2. 4 MRSA §1603, sub-§3-B is enacted to read:

3-B. Career and technical education region. "Career and technical education region" has the same meaning as "region" in Title 20-A, section 8301-A, subsection 6.

Sec. 3. 4 MRSA §1603, sub-§7, as amended by PL 1997, c. 788, §1, 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

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1 and other similar items necessary or convenient for the operation of a particular facility or
2 structure in the manner for which its use is intended. "Project, projects or part of any
3 project" also includes the acquisition, construction, improvement, reconstruction or repair
4 of any equipment, device, technology, software or other personal property intended to be
5 used primarily by the State, any agency, instrumentality or department of the State or by
6 any branch of State Government or any related agency of state, county or local
7 government. For the purpose of implementing section 1610-M, "project, projects or part
8 of any project" also includes capital improvements and equipment purchases for career
9 and technical education centers and career and technical education regions. The exact
10 scope of each project, projects or part of any project, other than those for the Judicial
11 Branch and the Legislative Branch, must be set forth in a written designation by the
12 Commissioner of Administrative and Financial Services to the authority and the exact
13 scope of each project, projects or part of any project for the Judicial Branch must be set
14 forth in a written designation by the State Court Administrator to the authority. The
15 scope of each project for the Legislative Branch must receive a majority vote of the
16 Legislative Council and be set forth in a written designation by the Executive Director of
17 the Legislative Council to the authority. "Project, projects or part of any project" does not
18 include such items as fuel, supplies or other items that are customarily considered as a
19 current operating charge.

20 **Sec. 4. 4 MRSA §1604, sub-§18**, as amended by PL 1997, c. 523, §9, is further
21 amended to read:

22 **18. Lease or rent any land, buildings, structures, facilities or equipment.** To
23 lease or rent any land, buildings, structures, facilities or equipment comprising all or a
24 portion of a project, projects or part of any project for such amounts as the authority
25 determines to the State or any agency, instrumentality or department of the State or a
26 career and technical education center or career and technical education region or by any
27 branch of State Government or any related agency of state, county or local government or
28 a career and technical education center or career and technical education region, to further
29 the purposes of the Act, provided that the obligation of the State or of any such agency,
30 instrumentality, department or branch or of a career and technical education center or
31 career and technical education region to make any rental or other payments is considered
32 executory only to the extent of money made available by the Legislature, and that no
33 liability on account of the state agency, instrumentality, department or branch or career
34 and technical education center or career and technical education region may be incurred
35 by the State or any such agency, instrumentality, department or branch or career and
36 technical education center or career and technical education region beyond the money
37 available for that purpose;

38 **Sec. 5. 4 MRSA §1610-M** is enacted to read:

39 **§1610-M. Additional securities; career and technical education centers and regions**

40 **1. Additional securities.** Notwithstanding any limitation on the amount of securities
41 that may be issued pursuant to section 1606, subsection 2, the authority may issue
42 additional securities in an aggregate amount not to exceed \$20,000,000 for capital
43 improvements and equipment purchases to career and technical education centers and
44 career and technical education regions in accordance with this section, and the additional
45 securities must be used for those purposes.

1 **2. Delegation.** The authority may delegate those powers that may be delegated to
2 the Department of Administrative and Financial Services, Bureau of General Services
3 pursuant to section 1604, subsection 26 to the career and technical education region
4 cooperative board, as defined in Title 20-A, section 1, subsection 6, or the school
5 administrative unit that governs a career and technical education center subject to the
6 same terms and conditions.

7 **3. Issuance.** The authority may not issue any additional securities pursuant to this
8 section after June 30, 2022.

9 **4. Report.** The authority shall report to the joint standing committee of the
10 Legislature having jurisdiction over education and cultural affairs upon the allocation of
11 all bond proceeds pursuant to this section. The joint standing committee of the
12 Legislature having jurisdiction over education and cultural affairs may report out a bill to
13 repeal this section and any related provisions of law upon receipt of that report.

14 **5. Department of Education national industry standards evaluation.** A career
15 and technical education center or career and technical education region may submit an
16 application for a project, projects, or part of any project to the Department of Education.
17 The Department of Education shall review each application and shall evaluate each
18 application pursuant to Title 20-A, section 15688-A, subsection 6. The Department of
19 Education shall notify the authority of any approved project, projects or part of any
20 project under this subsection.

21 **6. Debt service.** Debt service costs for bonds issued by the authority to career and
22 technical education centers and career and technical education regions for capital
23 improvements and equipment purchases pursuant to this section must be paid by the
24 State. On or before September 1st of each year, the authority shall prepare and submit to
25 the Department of Education estimates of the appropriation requirements necessary to
26 pay the debt service for each fiscal year of the ensuing biennium for bonds issued by the
27 authority to career and technical education centers and career and technical education
28 regions for capital improvements and equipment purchases.

29 Debt service costs must be paid by the commissioner to the authority according to each
30 career and technical education center's or career and technical education region's debt
31 retirement schedule developed by the authority.

32 All debt service costs must be paid by the commissioner to the authority one business day
33 prior to the date of the center's or region's next debt service cost payment as outlined in
34 the career and technical education center's or career and technical education region's debt
35 retirement schedule. If the payment date falls on a Monday, payment must be made to
36 the authority on the preceding Friday.

37 **Sec. 6. Maine Governmental Facilities Authority report.** The executive
38 director of the Maine Governmental Facilities Authority shall report to the joint standing
39 committee of the Legislature having jurisdiction over education and cultural affairs no
40 later than January 15, 2021 if the Maine Governmental Facilities Authority determines
41 that additional legislation is necessary to carry out the purposes of this Act, including but
42 not limited to any legislation necessary to ensure that securities issued pursuant to this
43 Act are tax-exempt. The joint standing committee of the Legislature having jurisdiction

1 over education and cultural affairs may report out legislation on the subject matter of the
2 report to the First Regular Session of the 130th Legislature.'

3 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
4 section number to read consecutively.

5 **SUMMARY**

6 This amendment, which is the majority report of the committee, adds capital
7 improvements and equipment purchases of career and technical education centers and
8 regions to the definition of "project, projects or part of any project" in the Maine
9 Governmental Facilities Authority Act and to the authority to lease or rent any land,
10 buildings, structures, facilities or equipment. The amendment also adds equipment
11 purchases as a purpose for issuing additional securities, allows the Maine Governmental
12 Facilities Authority to delegate certain powers to the cooperative board or school
13 administrative unit that governs a career and technical education region or center,
14 respectively, and provides that the Maine Governmental Facilities Authority may not
15 issue any additional securities pursuant to this provision after June 30, 2022. The
16 amendment also authorizes the Department of Education to allocate the funds pursuant to
17 the national industry standards for career and technical education. The amendment
18 requires the Maine Governmental Facilities Authority to report to the joint standing
19 committee of the Legislature having jurisdiction over education and cultural affairs upon
20 the allocation of all bond proceeds. The joint standing committee of the Legislature
21 having jurisdiction over education and cultural affairs may report out a bill to repeal the
22 provision regarding the issuance of additional securities and any other provision of law
23 relating to that provision. The amendment also provides that the executive director of the
24 Maine Governmental Facilities Authority must report to the joint standing committee of
25 the Legislature having jurisdiction over education and cultural affairs no later than
26 January 15, 2021 if the authority determines that additional legislation is necessary to
27 carry out the purposes of this legislation, including but not limited to any legislation
28 necessary to ensure that securities issued pursuant to this legislation are tax-exempt.

29 Career and technical education centers and regions are without sufficient funds to
30 provide for capital improvements and equipment purchases and as such require additional
31 mechanisms to raise funds for this purpose. It is the intent of this legislation to provide a
32 limited alternative mechanism for career and technical education centers and regions to
33 fund capital improvements and equipment purchases at career and technical education
34 centers and regions to better serve the State's students.

35 **FISCAL NOTE REQUIRED**

36 **(See attached)**