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House of Representatives, March 7, 2013

An Act To Authorize a General Fund Bond Issue for Riverfront Community Development

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

Millicent M. Macfarland MILLICENT M. MacFARLAND

Clerk

Presented by Representative LIBBY of Lewiston.

Cosponsored by Senator CLEVELAND of Androscoggin and

Representatives: BEAR of the Houlton Band of Maliseet Indians, BEAUDOIN of Biddeford, BEAULIEU of Auburn, BEAVERS of South Berwick, BECK of Waterville, BERRY of Bowdoinham, BOLAND of Sanford, BOLDUC of Auburn, BRIGGS of Mexico, BROOKS of Winterport, CAMPBELL of Newfield, CAREY of Lewiston, CHENETTE of Saco, COTTA of China, CROCKETT of Bethel, DAUGHTRY of Brunswick, DeCHANT of Bath, DILL of Old Town, DORNEY of Norridgewock, Speaker EVES of North Berwick, FOWLE of Vassalboro, FREY of Bangor, GIDEON of Freeport, GILBERT of Jay, GOODE of Bangor, GRANT of Gardiner, HAYES of Buckfield, HOBBINS of Saco, JONES of Freedom, KAENRATH of South Portland, KNIGHT of Livermore Falls, KORNFIELD of Bangor, KUSIAK of Fairfield, LAJOIE of Lewiston, LONGSTAFF of Waterville, MacDONALD of Boothbay, McCABE of Skowhegan, McELWEE of Caribou, MITCHELL of the Penobscot Nation, MONAGHAN-DERRIG of Cape Elizabeth, NADEAU of Winslow, NOON of Sanford, PLANTE of Berwick, POULIOT of Augusta, ROCHELO of Biddeford, ROTUNDO of Lewiston, RUSSELL of Portland, RYKERSON of Kittery, SAUCIER of Presque Isle, SCHNECK of Bangor, SOCTOMAH of the Passamaquoddy Tribe, STANLEY of Medway, THERIAULT of Madawaska, TIPPING-SPITZ of Orono, TREAT of Hallowell, VEROW of Brewer, WERTS of Auburn, WILSON of Augusta, Senators: President ALFOND of Cumberland, CAIN of Penobscot, DUTREMBLE of York, GERZOFSKY of Cumberland, GOODALL of Sagadahoc, GRATWICK of Penobscot, HILL of York, JACKSON of Aroostook, JOHNSON of Lincoln, KATZ of Kennebec, LACHOWICZ of Kennebec, PATRICK of Oxford, SAVIELLO of Franklin, TUTTLE of York, VALENTINO of York, YOUNGBLOOD of Penobscot.

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 \$25,000,000 for the purposes described in section 7 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.
- **Sec. 6. Use of bonds.** Bond proceeds may be used for grants for investment in economic revitalization, environmental enhancement and community betterment projects along the clean and healthy rivers of the State in a fashion that preserves and enhances economic activity, environmental protection and the quality of life for the people of the State, except that use of the proceeds is subject to the following conditions and requirements.
- 1. Any municipality abutting a river and any not-for-profit corporation organized in whole or in part for the purpose of waterfront economic development, environmental enhancement and community development in the State may apply to the Department of Economic and Community Development for funding from this grant program.

1 2. For a municipality-sponsored or not-for-profit corporation-sponsored project to be eligible to receive grant funding, the project must have as its purpose: 2 3 A. The development or restoration of public parks, walkways and other public spaces along river corridors situated either in downtown, developed riverfront locations or 4 between and connecting 2 or more such locations; 5 6 Rehabilitation of degraded or dilapidated shorelines in downtown riverfront locations in a manner designed to encourage subsequent private development on or 7 near those shorelines; or 8 9 C. The restoration of native fisheries and riverine ecosystems. 10 3. Proposed projects must demonstrate support from a broad range of public and private entities and the local community. 11 4. Eligible applications must include a commitment of \$2 in matching funds from 12 other public or private sources for every one dollar in bond funds. 13 14 5. Bond funds may not be used to subsidize or support activities that are otherwise required of a party under applicable municipal, state or federal laws, including 15 environmental and other health and safety laws, any license or permit condition or 16 requirement or any mandated mitigation or remediation activity. 17 Sec. 7. Disbursement of bond proceeds from General Fund bond issue. 18 The proceeds of the sale of the bonds authorized under this Act must be expended as 19 20 designated in the following schedule under the direction and supervision of the agencies and entities set forth in this section. 21 22 DEPARTMENT OF ECONOMIC AND 23 COMMUNITY DEVELOPMENT 24 Provides funds to invest in economic revitalization, environmental enhancement and 25 community betterment projects along the clean and healthy rivers of the State in a 26 fashion that preserves and enhances economic activity, environmental protection and 27 the quality of life for the people of the State. 28 29 Total \$25,000,000 30 **Sec. 8. Contingent upon ratification of bond issue.** Sections 1 to 7 do not 31 become effective unless the people of the State ratify the issuance of the bonds as set 32 forth in this Act. 33 Sec. 9. Appropriation balances at year-end. At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond 34 proceeds that have not been expended within 10 years after the date of the sale of the 35 36 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general 37 obligation bonds.

Sec. 10. 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. 11. 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 \$25,000,000 bond issue to fund a grant program administered by the Department of Economic and Community Development to invest in economic, environmental and community development projects along rivers in Maine, to be matched by at least \$50,000,000 in private and public funds?"

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.

28 SUMMARY

The funds provided by this bond issue, in the amount of \$25,000,000, will be used to fund a grant program to invest in projects that contribute to economic, environmental and community development and revitalization along the State's rivers, promote economic activity, protect the environment and enhance the quality of life for Maine people.