

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 800

S.P. 267

In Senate, February 15, 2005

An Act To Authorize a General Fund Bond Issue for the Land for Maine's Future Program

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator ANDREWS of York.

Under suspension of the rules, cosponsored by Representative WHEELER of Kittery and Senators: BARTLETT of Cumberland, BRYANT of Oxford, COWGER of Kennebec, DAMON of Hancock, DIAMOND of Cumberland, DOW of Lincoln, President EDMONDS of Cumberland, GAGNON of Kennebec, HOBBS of York, MARTIN of Aroostook, MAYO of Sagadahoc, MILLS of Somerset, MITCHELL of Kennebec, NUTTING of Androscoggin, PERRY of Penobscot, RAYE of Washington, ROSEN of Hancock, ROTUNDO of Androscoggin, SAVAGE of Knox, SCHNEIDER of Penobscot, STRIMLING of Cumberland, SULLIVAN of York, TURNER of Cumberland, Representatives: ADAMS of Portland, ASH of Belfast, BABBIDGE of Kennebunk, BARSTOW of Gorham, BLISS of South Portland, BRANNIGAN of Portland, BRAUTIGAM of Falmouth, BRYANT of Windham, BURNS of Berwick, CAIN of Orono, CANAVAN of Waterville, CEBRA of Naples, CRAVEN of Lewiston, DAIGLE of Arundel, DAVIS of Falmouth, DUCHESNE of Hudson, DUGAY of Cherryfield, EBERLE of South Portland, EDER of Portland, FAIRCLOTH of Bangor, FINCH of Fairfield, FISCHER of Presque Isle, FITTS of Pittsfield, FLETCHER of Winslow, GERZOFKY of Brunswick, GROSE of Woolwich, HARLOW of Portland, HUTTON of Bowdoinham, JENNINGS of Leeds, KOFFMAN of Bar Harbor, LERMAN of Augusta, LUNDEEN of Mars Hill, MAKAS of Lewiston, MARLEY of Portland, MAZUREK of Rockland, MILLER of Somerville, MILLS of Farmington, MOODY of Manchester, NASS of Acton, O'BRIEN of Lewiston, PATRICK of Rumford, PELLETIER-SIMPSON of Auburn, PINEAU of Jay, PINGREE of North Haven, PIOTTI of Unity, RECTOR of Thomaston, RINES of Wiscasset, SAMPSON of Auburn, SAVIELLO of Wilton, SEAVEY of Kennebunkport, SMITH of Monmouth, THOMPSON of China, TRAHAN of Waldoboro, TWOMEY of Biddeford, WALCOTT of Lewiston, WATSON of Bath.

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

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

10 **Sec. 1. Authorization of bonds.** The Treasurer of State is
authorized, under the direction of the Governor, to issue bonds
12 in the name and on behalf of the State in an amount not exceeding
\$75,000,000 for the purposes described in section 5 of this Act
14 and to access \$37,500,000 in matching contributions from public
and private sources. No more than \$25,000,000 may be issued in
16 the first year. The remaining \$50,000,000 must be issued over a
3-year period, except that any unused balance may be added to the
18 specified amount in subsequent years. The bonds are a pledge of
the full faith and credit of the State. The bonds may not run
20 for a period longer than 10 years from the date of the original
issue of the bonds. At the discretion of the Treasurer of State,
22 with the approval of the Governor, any issuance of bonds may
contain a call feature.

24 **Sec. 2. Records of bonds issued kept by Treasurer of State.** The
Treasurer of State shall keep an account of each bond showing the
26 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
28 date when payable.

30 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
Treasurer of State may negotiate the sale of the bonds by
32 direction of the Governor, but no bond may be loaned, pledged or
hypothecated on behalf of the State. The proceeds of the sale of
34 the bonds, which must be held by the Treasurer of State and paid
by the Treasurer of State upon warrants drawn by the State
36 Controller, are appropriated solely for the purposes set forth in
this Act. Any unencumbered balances remaining at the completion
38 of the project in this Act lapse to the debt service account
established for the retirement of these bonds.

40 **Sec. 4. Interest and debt retirement.** The Treasurer of State
42 shall pay interest due or accruing on any bonds issued under this
Act and all sums coming due for payment of bonds at maturity.

44 **Sec. 5. Disbursement of bond proceeds allocated to Land for Maine's
46 Future Board.** The proceeds of the bonds allocated to the Land
for Maine's Future Board must be expended for acquisition of land
48 and interest in land for conservation, water access, outdoor
recreation, wildlife and fish habitat and farmland preservation

2 in accordance with the provisions for such acquisitions under the
Maine Revised Statutes, Title 5, chapter 353, including all costs
4 associated with such acquisitions, except that use of the
proceeds of these bonds is subject to the following conditions
and requirements.

6
1. Hunting, fishing, trapping and public access may not be
8 prohibited on land acquired with bond proceeds, except to the
extent of applicable state, local or federal laws and regulations.

10
2. Payment from bond proceeds for acquisitions of local or
12 regional significance, as determined by the Land for Maine's
Future Board, may be made directly to cooperating entities as
14 defined in Title 5, section 6201, subsection 2 for acquisition of
land and interest in land by cooperating entities, subject to
16 terms and conditions enforceable by the State to ensure their use
for the purposes of this Act.

18
3. The bond funds must be matched with at least \$37,500,000
20 in public and private contributions. Seventy percent of that
amount must be in the form of cash or other tangible assets,
22 including the value of land and real property interest acquired
by or contributed to cooperating entities when property interests
24 have a direct relationship to the property proposed for
protection, as determined by the Land for Maine's Future Board.
26 The remaining 30% may be matching contributions and may include
the value of project-related, in-kind contributions of goods and
28 services to and by cooperating entities.

30
4. Ten percent of the bond proceeds allocated to the Land
for Maine's Future Board must be made available to acquire public
32 access to water in accordance with the provisions of Title 5,
section 6203-A.

34
5. Ten percent of the bond proceeds allocated to the Land
36 for Maine's Future Board must be made available to protect
farmland in accordance with Title 5, section 6207.

38
6. To the extent the purposes are consistent with the
40 disbursement provisions in this Act, 100% of the bond proceeds
may be considered as state match for any federal funding to be
42 made available to the State.

44 **Sec. 6. Allocations from General Fund bond issue.** The proceeds
of the sale of the bonds authorized under this Act must be
46 expended as designated in the following schedule.

48 **EXECUTIVE DEPARTMENT**

50 **State Planning Office**

2 **Land for Maine's Future Board**

4 Provides for the use of bond proceeds to \$75,000,000
6 be used for the acquisition of land and
8 interest in land for public land and water
 access, conservation, wildlife and fish
 habitat, outdoor recreation including
 hunting and fishing and farmland preservation

10 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to
12 6 do not become effective unless the people of the State ratify
 the issuance of the bonds as set forth in this Act.

14 **Sec. 8. Appropriation balances at year-end.** At the end of each
16 fiscal year, all unencumbered appropriation balances representing
 state money carry forward. Bond proceeds that have not been
18 expended within 10 years after the date of the sale of the bonds
 lapse to General Fund debt service.

20 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized
22 but not issued, or for which bond anticipation notes are not
 issued within 5 years of ratification of this Act, are
24 deauthorized and may not be issued, except that the Legislature
 may, within 2 years after the expiration of that 5-year period,
26 extend the period for issuing any remaining unissued bonds or
 bond anticipation notes for an additional amount of time not to
28 exceed 5 years.

30 **Sec. 10. Referendum for ratification; form of question; effective**
32 **date.** This Act must be submitted to the legal voters of the
 State at a statewide election following passage of this Act. The
34 municipal officers of this State shall notify the inhabitants of
 their respective cities, towns and plantations to meet, in the
36 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:

38 "Do you favor a \$75,000,000 bond issue to purchase land and
40 conservation easements statewide from willing sellers for
42 public land and water access, conservation, wildlife and
 fish habitat, outdoor recreation including hunting and
44 fishing and farmland preservation, to be matched by at least
 \$37,500,000 in private and public contributions?"

46 The legal voters of each city, town and plantation shall
48 vote by ballot on this question and designate their choice by a
 cross or check mark placed within a corresponding square below

2 the word "Yes" or "No." The ballots must be received, sorted,
counted and declared in open ward, town and plantation meetings
4 and returns made to the Secretary of State in the same manner as
votes for members of the Legislature. The Governor shall review
6 the returns and, if a majority of the legal votes are cast in
favor of this Act, the Governor shall proclaim the result without
8 delay, and this Act becomes effective 30 days after the date of
the proclamation.

10 The Secretary of State shall prepare and furnish to each
city, town and plantation all ballots, returns and copies of this
12 Act necessary to carry out the purposes of this referendum.

14 SUMMARY

16 The funds provided by this bond issue are to recapitalize
18 the Land for Maine's Future program with \$75,000,000 over 4 years
to continue the State's land conservation efforts, leveraging a
20 minimum of \$37,500,000 in required matching funds.