

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

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Legislative Document

No. 1007

S.P. 324

March 6, 2007

### An Act To Promote County-based Economic Development Efforts

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Reference to the Committee on Business, Research and Economic Development 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 RAYE of Washington.  
Cosponsored by Representative MILLER of Somerville and  
Senators: DOW of Lincoln, GOOLEY of Franklin, MILLS of Somerset, SMITH of  
Piscataquis, Representatives: ANNIS of Dover-Foxcroft, PERRY of Calais, PINKHAM of  
Lexington Township, SAVIELLO of Wilton.

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

2 **Sec. 1. 30-A MRSA §125**, as enacted by PL 2003, c. 179, §1, is amended to read:

3 **§125. Economic development**

4 **1. Budget authority.** Subject to the provisions of chapter 3, subchapter 1, ~~article 6,~~  
5 ~~the county commissioners of Piscataquis County may in each county have the power to~~  
6 raise, appropriate, borrow and expend money for the purposes of county economic  
7 development, subject to the following provisions and limitations.

8 A. As used in this section, "county economic development" means assisting or  
9 encouraging the creation or preservation of new or existing employment  
10 opportunities for residents of ~~Piscataquis County~~ a county, or any of its municipalities  
11 ~~or unorganized territories~~, through one or more of the following activities:

12 (1) Development of new sites for the physical location, settlement or  
13 resettlement of new or expanded manufacturing, fishing, commercial or other  
14 business enterprises to be located within the county, including surveying,  
15 payment of related costs for surveying, land acquisition, land use and  
16 environmental permitting, engineering, legal services and infrastructure  
17 development;

18 (2) Constructing or financing the development of new community industrial  
19 buildings, as defined in Title 5, section 13120-B, to be located within ~~Piscataquis~~  
20 ~~County~~ the county;

21 (3) Redevelopment of existing structures located within the county for  
22 commercial, industrial or mixed use;

23 (4) Construction, financing or operating assistance to necessary publicly owned  
24 transportation facilities, including facilities for passenger and cargo  
25 transportation;

26 (5) Provision of local matching funds for any state or federal transportation  
27 project, community development grant or rural development grant to the county  
28 or any of its municipalities, intended to achieve purposes substantially similar to  
29 those listed in subparagraphs (1) to (4);

30 (6) Financial participation in any county economic development project  
31 organized or funded on a regional basis by 2 or more ~~political subdivisions or~~  
32 ~~state or federal agencies~~ participating counties. For this purpose, the county  
33 commissioners may provide assistance to a regional project to be located in  
34 whole or in part outside of ~~Piscataquis County~~ that county only upon a finding by  
35 the commissioners that the project will confer a substantial economic benefit on  
36 ~~Piscataquis County~~ the county providing the assistance;

37 (7) Funding the annual salary and operating expenses of a county economic  
38 development officer, development agency or development office; and

39 (8) Necessary contractual services for any of the purposes stated in this  
40 paragraph.

1 B. All borrowing by the county commissioners for the purposes of this section is  
2 subject to the following limitations.

3 (1) All bonds issued by the county commissioners for the purposes of this  
4 section must be approved prior to issuance by the voters of ~~Piscataquis County~~  
5 the county by referendum vote in accordance with section 938, except that a  
6 referendum for this purpose may be conducted at any regular or special county  
7 election at which the total number of votes cast for and against the proposed bond  
8 issue is equal to at least ~~50%~~ 40% of the total number of votes cast in ~~Piscataquis~~  
9 ~~County~~ the county for all gubernatorial candidates in the most recent  
10 gubernatorial election.

11 (2) The aggregate unpaid principal amount of all bonds issued under this section  
12 may not exceed 2% of the most recent taxable valuation of ~~Piscataquis County~~  
13 the county, as certified by the State Tax Assessor pursuant to Title 36, section  
14 381, adjusted to 100%.

15 (3) ~~Debt may not be incurred or bonds issued~~ A county may not incur debt or  
16 issue bonds under this section if such debt or bonds, in combination with other  
17 county debt then outstanding, would cause ~~Piscataquis County~~ the county to  
18 exceed limitations on total county debt otherwise provided by law.

19 (4) All bonds issued under this section must be for capital project costs only and  
20 may not be used to fund the annual operating or program expenses of any agency,  
21 facility, program or office. The commissioners shall deposit the proceeds of any  
22 bond issued under this section to a capital project account for the project  
23 concerned, established in accordance with section 921. Bond proceeds deposited  
24 to a capital project account may ~~only~~ be used only for purposes of financing or  
25 completing the project concerned and for no other purposes. Any funds  
26 remaining in the capital project account upon completion or termination of the  
27 project concerned must be used by the commissioners to prepay any debt  
28 incurred by the county for that project. If the terms of a particular bond issued  
29 under this section prohibit prepayment of the bond, any funds remaining in the  
30 capital project account upon completion or termination of the project concerned  
31 may be transferred to another capital project account or used to retire other  
32 county debt.

33 **2. Voter approval required.** The county commissioners may not take any action  
34 pursuant to subsection 1 unless the authority granted under this section is approved by a  
35 majority of the legal voters voting at a countywide referendum, as long as the total  
36 number of votes cast for and against the acceptance of this section equals or exceeds 40%  
37 of the total votes cast for all candidates for Governor in the last gubernatorial election in  
38 the county. The referendum may be conducted at a general or special county referendum  
39 election. The referendum must be called, advertised and conducted according to the law  
40 relating to municipal elections, except that the registrar of voters is not required to  
41 prepare or the clerk to post a new list of voters. The county commissioners shall cause  
42 the preparation of the required ballots, on which they shall state the subject matter of this  
43 section in the following question:

1 "Do you favor adoption of the statute granting the [county name] county  
2 commissioners the authority to raise, appropriate and borrow money for  
3 the purposes of county economic development, subject to certain  
4 limitations contained in the statute?"

5 The voters shall indicate by a cross or a check mark placed against the word "Yes" or  
6 "No" their opinion on the question. The results must be declared by the county  
7 commissioners and due certificate filed by the clerk with the Secretary of State.

8 **Sec. 2. Appropriations and allocations.** The following appropriations and  
9 allocations are made.

10 **ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF**  
11 **Administration - Economic and Community Development 0069**

12 Initiative: Provides one-time funds for the Department of Economic and Community  
13 Development to provide support to Maine's 16 counties of up to \$100,000 in state  
14 funding per county subject to a 1:1 match.

15

16 <b>GENERAL FUND</b>	<b>2007-08</b>	<b>2008-09</b>
17 All Other	\$1,600,000	\$0
18		
19 GENERAL FUND TOTAL	<u>\$1,600,000</u>	<u>\$0</u>

20 **SUMMARY**

21 This bill allows counties in the State to adopt a statute conferring countywide  
22 economic powers to raise, appropriate, borrow and expend money for the purposes of  
23 county economic development through a countywide referendum. It also makes one-time  
24 General Fund appropriations of \$1,600,000 in fiscal year 2007-08 for the Department of  
25 Economic and Community Development to provide support to Maine's 16 counties of up  
26 to \$100,000 in state funding per county subject to a 1:1 match.