

MAINE STATE LEGISLATURE

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ELECTIONS - 2007
(NOV.)

MAINE CITIZEN'S GUIDE TO THE REFERENDUM ELECTION

Tuesday, November 6, 2007



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**In Accordance with
the June 27, 2007
Proclamation of the Governor and with the
Acts Passed by the 123rd Legislature
at the First Regular Session**

**Matthew Dunlap
Secretary of State**

Appropriation 010-29A-4213-012

NOV 02 2007

**State of Maine
Office of the Secretary of State
Augusta, Maine 04333**

Dear Fellow Citizen,

The information in this booklet is intended to help voters learn about the questions that will appear on the November 6, 2007 Referendum Election ballot. Referendum elections are an important part of the heritage of public participation in Maine. I hope you will help keep our democracy strong by reviewing this information and then casting your ballot.

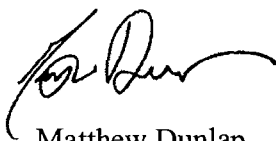
For information about how or where to vote, please contact your local municipal clerk or call Maine's Division of Elections at 624-7650. Information is also available online at www.maine.gov/sos.

Inside this booklet, you will find:

- ♦ each of the five referendum questions;
- ♦ the legislation each question represents;
- ♦ a summary of the intent and content of the legislation;
- ♦ an explanation of the significance of a "yes" or "no" vote;
- ♦ an analysis of the debt service on each bond issue;
- ♦ an estimate of the fiscal impact of each referendum question on state revenues, appropriations and allocations; and
- ♦ public comments filed in support or in opposition to each ballot measure.

The Department of the Secretary of State, the Attorney General, the State Treasurer and the Office of Fiscal and Program Review have worked together to prepare this booklet. We hope you find it helpful and we encourage you to exercise your right to vote.

Sincerely,



Matthew Dunlap
Secretary of State

Features in this Guide

Chapter 316 of the Public Laws of 2005, passed by the First Special Session of the 122nd Legislature, added several features to the Guide.

In addition to the Intent and Content summaries prepared by the Office of the Attorney General, and the Treasurer's Statement and analysis of the debt service on each bond issue, this Guide also includes an estimate of the fiscal impact of each statewide referendum on state revenues, appropriations and allocations. The fiscal impact estimate must summarize the aggregate impact that the ballot measure will have on the General Fund, the Highway Fund, Other Special Revenue Funds and the amounts distributed by the state to local units of government.

In addition the Guide may also include public comments in support for or in opposition to each ballot measure. As required by this law, a person filing a public comment for publication must pay a fee of \$500 to the Secretary of State. Fees filed with public comments will be deposited in the Public Comment Publication Fund. The money in this fund must be used for the purpose of publishing the Secretary of State's Guide to the Referendum Election.

Pursuant to Chapter 316 of the Public Laws of 2005, the Secretary of State adopted rules regarding the publication of public comment by proponents and opponents of ballot measures. Chapter 520, Rules Regarding Publication of Public Comments on Statewide Referenda, are available on the Secretary of State's web site at:
<http://www.maine.gov/sos/cec/elec/upcoming.html>.

STATE OF MAINE
Referendum Election, November 6, 2007
LISTING OF REFERENDUM QUESTIONS

Question 1: Citizen Initiative

Do you want to allow a Maine tribe to run a harness racing track with slot machines and high-stakes beano games in Washington County?

Question 2: Bond Issue

Do you favor a bond issue to stimulate economic development and job creation that would provide \$5,000,000 in loans and grant funds and would provide \$50,000,000 in research, development and commercialization funds for targeted technology sectors, awarded after a competitive process administered by the Maine Technology Institute, and will leverage at least \$50,000,000 in other funds?

Question 3: Bond Issue

Do you favor a \$43,500,000 bond issue for interior and exterior building renovations, improvements and additions at all campuses of the Maine Community College System, the Maine Maritime Academy and the University of Maine System; to replenish the School Revolving Renovation Fund for school repairs and renovations; and to support capital improvements for cultural and educational assets such as museums, historical facilities and libraries?

Question 4: Bond Issue

Do you favor a \$35,500,000 bond issue to invest in land conservation, water access, wildlife habitat, outdoor recreation opportunities, including hunting and fishing, farmland and working waterfront and to invest in state parks, historic sites and riverfront, community and farm infrastructure to be matched by at least \$21,875,000 in private and public contributions?

Question 5: Referendum

Do you favor extending term limits for Legislators from 4 to 6 terms?

Treasurer's Statement

The State of Maine borrows money by issuing bonds. Bonding is a multi-step process which can generally be described as follows:

1. The Legislature decides what it believes should be funded from bond proceeds (money acquired from the sale of bonds) and puts the bonds out for voter approval as required by the State Constitution.
2. The voters, at a statewide election, approve or reject each bond proposal.
3. The State Treasurer issues bonds to pay for those projects approved by the voters or otherwise authorized by the Constitution. A person or institution purchasing the bonds is, in effect, loaning the State of Maine money in return for interest payments during the term of the bond.
4. The Treasurer distributes the money acquired from the sale of bonds in accordance with the legislation authorizing bonds for approved projects.
5. The Treasurer pays interest twice yearly to bond purchasers until the maturity date when the Treasurer pays them principal as well.

The following is a summary of the general obligation bond debt of the State of Maine as of **September 1, 2007**.

Bonds Outstanding (Issued and Maturing through 2017):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Highway Fund	\$ 49,740,000	\$ 8,312,825	\$ 58,052,825
General Fund	<u>\$376,460,000</u>	<u>\$58,736,113</u>	<u>\$435,196,113</u>
Total	\$426,200,000	\$67,048,938	\$493,248,938

Unissued Bonds Authorized by Voters: **\$ 166,265,571**

Unissued Bonds Authorized by the Constitution and Laws: **\$ 99,000,000**

Total Unissued Bonds: **\$265,265,571**

Less Bond Anticipation Notes Issued this Fiscal Year: **\$(44,508,571)**

Total Available from Authorized but Unissued: **\$220,757,000**

**Total Amount that must be paid in the present fiscal year for
Debt already Outstanding (for FY2008):** **\$95,109,173.47**

If the bonds submitted here are approved by voters and issued for the full statutory period authorized, an estimate of the total interest and principal that may reasonably be expected to be paid is **\$174,535,000.00**, representing **\$134,000,000.00** in principal and **\$40,535,000.00** in interest.



David Lemoine, Treasurer of State

Question 1: Citizen Initiative

Do you want to allow a Maine tribe to run a harness racing track with slot machines and high-stakes beano games in Washington County?

STATE OF MAINE

“An Act to Authorize a Tribal Commercial Track and Slot Machines in Washington County”

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

Sec. 1. 8 MRSA §271, sub-§9, as reallocated by RR 1997, c. 1, §7, is amended to read:

9. Previous year's dates. Beginning with licenses issued for calendar year 1996, notwithstanding any other provision of this chapter, every commercial track or tribal commercial track that is licensed for a specific calendar year must be assigned all of the race dates that it requests for that year if it conducted live racing on those dates during the immediately preceding calendar year. For the purposes of this section, a race date is the same from year to year if it is the closest calendar date that falls on the same day of the week.

Sec. 2. 8 MRSA §275-A, sub-§12 is enacted to read:

12. Tribal commercial track. "Tribal commercial track" means a harness racing track, operated by a tribe federally recognized as a tribe in Maine as of January 1, 2005, that:

A. Is located more than 90 miles from an existing commercial track that operates slot machines but within 45 miles of the operating tribe's Indian reservation as described in Title 30, chapter 601; and

B. Conducts racing on more than 25 days each calendar year after being granted a license to conduct harness racing.

For purposes of this subsection, distance in miles is determined by measuring the distance from the center of the tribal commercial track along the most commonly used roadway as determined by the Department of Transportation.

Sec. 3. 8 MRSA §275-C, sub-§2, as enacted by PL 1997, c. 390, §1, is amended to read:

2. Payments to agricultural fairs conducting live racing. A commercial track or tribal commercial track located within a 35-mile radius of an agricultural fair track may not present a simulcast on a day when the commercial track or tribal commercial track is not conducting live racing and the agricultural fair track is conducting live racing unless the commercial track or tribal commercial track pays the agricultural fair track 2% of the wagers made at the commercial track or tribal commercial track at the time live racing is being conducted at the agricultural fair

track and 1% of the wagers on the other races conducted on a day when live racing is being conducted at the agricultural fair track.

Sec. 4. 8 MRSA §275-D, sub-§3, as amended by PL 2003, c. 401, §12, is further amended to read:

3. Notice to commercial racetracks or tribal commercial tracks; objections. An applicant shall send written notice of its application for an off-track betting license to any commercial racetrack or tribal commercial track in whose market area the facility will be located and shall present proof to the commission that it has provided the notice. The notice must include all information contained in the application except information described in subsection 2, paragraph Q. A commercial racetrack or tribal commercial track shall notify the commission within 30 days of receiving notice if the racetrack objects to the location of the facility based on adverse impact to the commercial track or tribal commercial track. The commission shall suspend consideration of the application for the 30-day objection period. If the commission receives an objection from a racetrack in whose market area the facility would be located within the 30-day period, the commission shall reject the application. If the commission does not receive an objection within that period, the commission may proceed to consider the application. For purposes of this subsection, the market area is determined by measuring a distance of 50 miles from the center of the racetrack along the most commonly used roadway adjacent to the racetrack, as determined by the Department of Transportation, drawing a circle around the center of the racetrack using that 50-mile measurement.

Sec. 5. 8 MRSA §275-D, sub-§6, ¶D, as enacted by PL 1993, c. 388, §8, is amended to read:

D. No commercial racetrack, tribal commercial track or off-track betting facility in whose market area the facility would be located has filed a written objection to the facility within the time period prescribed in subsections 3 and 4.

Sec. 6. 8 MRSA §275-N, as amended by PL 2003, c. 401, §14, is further amended to read:

§275-N. Limitations on off-track betting facilities

The commission may not allow interstate simulcasting or license any off-track betting facility for any calendar year unless during the preceding 2 calendar years there were at least 150 race dates on which live racing actually was conducted at the commercial tracks or tribal commercial track. Interstate simulcasting always must be allowed at any commercial track or tribal commercial track that conducted at least 136 race dates during the immediately preceding 2 calendar years or at an existing commercial track as defined in section 275-A, subsection 1, paragraph B or tribal commercial track as defined in section 275-A, subsection 12 at which at least 35 race dates were conducted during the preceding 2 years if the interstate simulcasting at the commercial track or tribal commercial track is conducted during the regular meeting. For the purposes of this section, any race date that the commission determines was canceled due to a natural or other disaster must be counted as a race date. For the purposes of this section and for the purpose of meeting the requirements of section 275-A, subsection 1, any race date that is canceled at a commercial race track due to the inability to meet the requirements of section 275-A, subsection 9-A because of a horse shortage, as verified by the state steward, is counted as a race date.

Sec. 7. 8 MRSA §286, sub-§2, ¶¶A and B, as enacted by PL 1997, c. 528, §46, are amended to read:

A. On exotic wagers:

- (1) The state share is 2.248% for an off-track betting facility located in the same municipality as a commercial track or tribal commercial track and 2.578% for all other facilities;
- (2) The Sire Stakes Fund share is 1.551%;
- (3) The Stipend Fund share is 1.169%;
- (4) The Harness Racing Promotional Fund share is 0.25%;
- (5) The horsemen's purse share is 7.871%;
- (6) The track share is 7.922%; and
- (7) The off-track betting facility share is 4.659%.

B. On regular wagers:

- (1) The state share is 0.493% for an off-track betting facility located in the same municipality as a commercial track or tribal commercial track and 0.823% for all other facilities;
- (2) The Sire Stakes Fund share is 0.072%;
- (3) The Stipend Fund share is 1.186%;
- (4) The Harness Racing Promotional Fund share is 0.25%;
- (5) The horsemen's purse share is 5.062%;
- (6) The track share is 7.899%; and
- (7) The off-track betting facility share is 2.718%.

Sec. 8. 8 MRSA §287, sub-§5, as amended by PL 1999, c. 622, §1, is further amended to read:

5. Definition. For the purposes of this section, "improvements" means the amount paid out for new buildings or for permanent improvements made to improve the facilities utilized by the licensee for conducting its racing meetings; or the amount expended in restoring property or in improving the facility or any part of the facility that results in the addition, replacement or substantial enhancement or restoration of a fixed asset or of a movable asset that is important to efficient operation of the racing meetings. In general, the amounts referred to as improvements include amounts paid that add to the value, improve or substantially prolong the useful life of the

racetrack and moveable assets utilized by the licensee for conducting its racing meetings. Amounts paid or incurred for routine repairs and maintenance of property, interest expense or lease payments in connection with the capital improvements are not improvements within the meaning of this section. In order to qualify as an improvement, a substantial enhancement or restoration of an asset must cost at least \$2,000 and must be an expenditure that would qualify for depreciation under the United States Internal Revenue Code. A moveable asset may be considered important to the efficient operation of a race meeting if the asset will remain at the commercial track or tribal commercial track or at the offices of the licensee throughout its use and if that asset is directly associated with running races, accommodating patrons of the race meet, conducting pari-mutuel wagering or paying purses.

Sec. 9. 8 MRSA §287, sub-§7, as enacted by PL 1999, c. 622, §2, is amended to read:

7. Interim payments to commercial tracks or tribal commercial track. If during the course of any calendar year the commission finds that wagers placed at facilities licensed under this chapter for the year are likely to exceed \$35,000,000, it may, if reasonably necessary for improvements to be effected expeditiously, direct the Treasurer of State to make interim payments to a commercial track or tribal commercial track in amounts as the commission finds the commercial track or tribal commercial track is likely to be entitled to receive under this section. If a commercial track or tribal commercial track receives interim payments under this subsection that exceed the total amount the commercial track or tribal commercial track is entitled to receive for the calendar year, the Treasurer of State shall reimburse the General Fund for this excess by retaining money otherwise due to that commercial track or tribal commercial track pursuant to section 295.

Sec. 10. 8 MRSA §299, sub-§2, as enacted by PL 2003, c. 687, Pt. A, §4 and affected by Pt. B, §11, is amended to read:

2. Distribution. On May 30th, September 30th and January 30th, all amounts credited to the fund established by this section as of the last day of the preceding month and not distributed before that day must be distributed to each commercial track licensed, including tribal commercial tracks, under section 271, with each track receiving that amount of the money available for distribution determined by multiplying that amount times a fraction, the numerator of which is the total number of live race days conducted by the commercial track during the preceding time period and the denominator of which is the total number of race days conducted by all commercial tracks licensed under section 271 during that time period. The payment in January must be adjusted so that for the prior 3 time periods each commercial track receives that fraction of the total money distributed over the full year from the fund established by this section, the amount determined by multiplying the total amount of money times a fraction, the numerator of which is the number of live race days conducted by the commercial track during the calendar year and the denominator of which is the total number of race days conducted by all commercial tracks licensed under section 271 during that calendar year.

Sec. 11. 8 MRSA §300, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §4 and affected by Pt. B, §11, is amended to read:

1. Fund created. The Fund to Stabilize Off-track Betting Facilities is established to provide revenues to those off-track betting facilities licensed and in operation as of December 31, 2003. The fund must also provide revenues to an off-track betting facility licensed and

operating after December 31, 2003 within the market area of a tribal commercial track as long as the tribal commercial track is licensed to operate and operates slot machines.

Sec. 12. 8 MRSA §1001, sub-§43-A is enacted to read:

43-A. Tribal commercial track. "Tribal commercial track" has the same meaning as in section 275-A, subsection 12.

Sec. 13. 8 MRSA §1011, sub-§§2 and 3, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, are amended to read:

2. Eligible persons. The board may accept applications for a license to operate slot machines from a person licensed to operate a tribal commercial track if, by December 31, 2007, the operation of slot machines is approved by an affirmative vote at a regular meeting of the governing body or by referendum by the voters of the municipality where the tribal commercial track is located. The board may also accept applications for a license to operate slot machines from any person who is licensed to operate a commercial track that satisfies the following criteria:

A. The commercial track is located at or within a 5-mile radius of the center of a commercial track that conducted harness racing with pari-mutuel wagering on more than 25 days during calendar year 2002; and

B. The operation of slot machines at the commercial track is approved by the voters of the municipality in which the commercial track to be licensed is located by referendum election held at any time after December 31, 2002 and before December 31, 2003.

3. Requirements for license; continued commercial track or tribal commercial track licensure. The board may not issue a license to operate slot machines to any person unless that person demonstrates compliance with the qualifications set forth in sections 1016 and 1019. A person who is granted a license to operate slot machines must maintain a license to operate a commercial track or a tribal commercial track, without lapse, suspension or revocation for the duration of the slot machine operator's license.

Sec. 14. 8 MRSA §1012, first ¶, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

An application for renewal of a slot machine operator license must first be approved under this section by the municipal officers of the municipality in which the commercial track or tribal commercial track with slot machines is located or, if the commercial track or tribal commercial track is in an unincorporated place, the application must be approved by the county commissioners of the county in which the commercial track or tribal commercial track with slot machines is located.

Sec. 15. 8 MRSA §1012, sub-§1, ¶B, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

B. Municipal officers or county commissioners, as the case may be, shall provide public notice of any hearing held under this section by causing, at the applicant's prepaid expense, a notice stating the name and place of the hearing to appear on at least 3

consecutive days before the date of the hearing in a daily newspaper having general circulation in the municipality where the premises of the commercial track or tribal commercial track with slot machines are located or one week before the date of the hearing in a weekly newspaper having general circulation in the municipality where the premises are located.

Sec. 16. 8 MRSA §1012, sub-§2, ¶¶A and C, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, are amended to read:

A. Noncompliance of the commercial track or tribal commercial track licensed to operate slot machines with any local zoning ordinance or other land use ordinance not directly related to slot machine operations;

C. Repeated incidents of record of breaches of the peace, disorderly conduct, vandalism or other violations of law on or in the vicinity of the premises of the commercial track or tribal commercial track with slot machines and caused by persons patronizing or employed by the commercial track or tribal commercial track licensed to operate slot machines; and

Sec. 17. 8 MRSA §1012, sub-§3, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

3. Appeal to board. Any applicant aggrieved by the decision of the municipal officers or county commissioners under this section may appeal to the board within 15 days of the receipt of the written decision of the municipal officers or county commissioners. The board shall hold a public hearing in the city, town or unincorporated place where the premises of the commercial track or tribal commercial track with slot machines are situated. In acting on such an appeal, the board may consider all licensure requirements and findings referred to in subsection 2. If the decision appealed is an application denial, the board may issue the license only if it finds by clear and convincing evidence that the decision was without justifiable cause.

Sec. 18. 8 MRSA §1016, sub-§1, ¶B, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

B. The person has sufficient financial assets and responsibility to meet any financial obligations imposed by this chapter and, if applying for a slot machine operator license or slot machine operator license renewal, has sufficient financial assets and responsibility to continue operation of a commercial track or tribal commercial track;

Sec. 19. 8 MRSA §1020, sub-§3, ¶¶A and B, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, are amended to read:

A. The total number of slot machines registered in the State may not exceed ~~1,500~~ 3,000; and

B. A slot machine operator may not operate more than 1,500 slot machines at any one commercial track or tribal commercial track.

Sec. 20. 8 MRSA §1035, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1035. Location of slot machines

Slot machines may be located only on the premises of a commercial track or tribal commercial track.

Sec. 21. 8 MRSA §1036, sub-§2, as amended by PL 2005, c. 109, §1 is further amended to read:

2. Distribution from commercial track or tribal commercial track. A slot machine operator shall collect and distribute ~~39%~~ percentages of the total gross slot machine income from slot machines operated by the slot machine operator to the board for distribution by the board as follows:

A. Three percent of the total gross slot machine income must be deposited to the General Fund for administrative expenses of the board, including gambling addiction counseling services, in accordance with rules adopted by the board;

B. Ten percent of the total gross slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the fund established in section 298 to supplement harness racing purses;

C. Three percent of the total gross slot machine income must be credited by the board to the Sire Stakes Fund created in section 281;

D. Three percent of the total gross slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 77;

E. Ten percent of the total gross slot machine income must be forwarded by the board to the State Controller to be credited to the Fund for a Healthy Maine established by Title 22, section 1511 and segregated into a separate account under Title 22, section 1511, subsection 11, with the use of funds in the account restricted to the purposes described in Title 22, section 1511, subsection 6, paragraph E;

F. Two percent of the total gross slot machine income must be forwarded by the board to the University of Maine System Scholarship Fund created in Title 20-A, section 10909. The amount from a tribal commercial track allocated in accordance with this paragraph must fund scholarships at the University of Maine campuses in Washington County;

G. One percent of the total gross slot machine income must be forwarded by the board to the board of trustees of the Maine Community College System to be applied by the board of trustees to fund its scholarships program under Title 20-A, section 12716, subsection 1. The amount from a tribal commercial track allocated in accordance with this paragraph must fund scholarships at the community college in Washington County;

H. Four percent of the total gross slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Encourage Racing at Maine's Commercial Tracks, established in section 299; however, the payment required

by this paragraph is terminated when all commercial tracks have obtained a license to operate slot machines in accordance with this chapter;

I. Two percent of the total gross slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Stabilize Off-track Betting Facilities established by section 300, as long as a facility has conducted off-track wagering operations for a minimum of 250 days during the preceding 12-month period in which the first payment to the fund is required. After 48 months of receiving an allocation of the total gross slot machine income from a licensed operator, the percent of total slot machine income forwarded to the Fund to Stabilize Off-track Betting Facilities is reduced to 1% with the remaining 1% to be forwarded to the State in accordance with subsection 1; ~~and~~

J. One percent of the total gross slot machine income must be forwarded directly to the municipality in which the slot machines are located-;

K. One percent of the total gross slot machine income from a tribal commercial track must be forwarded directly to the Washington County Development Authority; and

L. One percent of the total gross slot machine income from a tribal commercial track must be forwarded directly to the career and technical education centers located in Washington County.

Sec. 22. 17 MRSA §314-A, sub-§5-A is enacted to read:

5-A. Games on nontribal land. Notwithstanding subsection 5, upon proper application, the Chief of the State Police may issue a high-stakes beano license to a federally recognized Indian tribe to operate games on nontribal land in Washington County. The Chief of the State Police may issue a high-stakes beano license in accordance with this section to all federally recognized Indian tribes in the State jointly.

SUMMARY

This initiated bill authorizes the operation of slot machines at a tribal commercial track. The operation of slot machines at a tribal commercial track is subject to regulation by the Gambling Control Board. The operation of slot machines must be approved by the municipality in which the tribal commercial track is located before the Gambling Control Board may grant a license to operate slot machines to a person licensed to operate that tribal commercial track. This initiated bill also authorizes the issuance of a high-stakes beano license to a federally recognized Indian tribe to operate games on nontribal land in Washington County.

Question One: Citizen Initiative

Intent and Content Prepared by the Office of the Attorney General

Under current Maine law, only one commercial harness racing track that is licensed by the Maine Harness Racing Commission to conduct harness horse races with pari-mutuel wagering, is eligible to be licensed to operate slot machines, and no more than 1,500 slot machines may be licensed in Maine. This Act would increase the statewide limit on the number of slot machines to 3,000 and would allow up to 1,500 slot machines to be licensed at a new type of facility known as a “tribal commercial track.”

To be eligible as a “tribal commercial track,” such a facility would have to be: a) a harness horse racing track, b) operated by a tribe in Maine that was a federally recognized tribe as of January 1, 2005, c) located more than 90 miles away from the existing commercial track that operates slot machines (the Bangor racino), and d) located within 45 miles of the operating tribe’s Indian reservation as defined in Title 30 M.R.S.A. chapter 601. Although there are four federally recognized tribes in Maine, only two (the Penobscot Nation and the Passamaquoddy Tribe) have reservations as defined in chapter 601. A tribal commercial track also would have to conduct racing on more than 25 days each calendar year after being licensed by the Maine Harness Racing Commission to conduct harness racing.

In order to obtain a license to operate slot machines at a “tribal commercial track,” the applicant would have to receive approval, on or before December 31, 2007, of either the governing body of the municipality in which the track is to be located (e.g., the town council, board of selectmen, or city council), or the voters of that municipality voting at a referendum election. The licensing and operation of slot machines at a tribal commercial track would be regulated by the State Gambling Control Board.

Revenues from the slot machines would be distributed according to the statutory formula currently applicable to commercial tracks, with the following variations:

- the allocations to fund scholarships at the University of Maine System and the Maine Community College System would be dedicated to the campuses in Washington County;
- an additional 1 % of the total gross slot machine income from the tribal commercial track would be distributed to the Washington County Development Authority; and
- an additional 1% would go to the career and technical education centers located in Washington County.

The Act would also authorize the Chief of the State Police to issue a high-stakes beano license to a federally recognized Indian tribe to operate games on non-tribal land in Washington County. The license could be issued jointly to all federally recognized Indian tribes in the State.

If approved, this Act would take effect 30 days after proclamation of the vote.

A “YES” vote is in favor of the initiative and approves the legislation.

A “NO” vote is in opposition to the initiative and disapproves the legislation.

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

Presented below is a detailed estimate and subsequent distribution of revenues that may be generated assuming the approval of the host municipal governance body and the successful licensure of one additional commercial racing track and one additional licensed slot machine operator with a total of 500 slot machines on-line in April 2009. This estimate factors in the net effect on the currently licensed facility. It also provides detail on the various General Fund appropriations and Other Special Revenue Funds allocations that will be necessary to implement the provisions of the initiative.

<u>Summary of Slot Machine Revenue</u>	2007-08	2008-09	2009-10	2010-11
Total Slot Machine Revenue	\$0	\$60,750,000	\$245,025,000	\$245,025,000
Payback	\$0	\$56,649,375	\$228,485,813	\$228,485,813
General Fund Administration @ 1%	\$0	\$607,500	\$2,450,250	\$2,450,250
Net Slot Machine Income @ 10%	\$0	\$3,493,125	\$14,088,938	\$14,088,938
41% of Net Slot Machine Income to State & Host Municipality	\$0	\$1,432,183	\$5,776,464	\$5,776,463
	2007-08	2008-09	2009-10	2010-11

Required Distribution of Net Slot Machine Income (41% State & Host Municipality Share)

General Fund (3%)	\$0	\$104,794	\$422,668	\$422,668
General Fund (After 48 months - November 2009) (1%)	\$0	\$0	\$93,150	\$140,889
Fund For Healthy Maine (10%)	\$0	\$349,313	\$1,408,894	\$1,408,894
Purse Supplements (10%)	\$0	\$349,313	\$1,408,894	\$1,408,894
Agricultural Fair Support Fund (3%)	\$0	\$104,794	\$422,668	\$422,668
FAME (2%)	\$0	\$69,863	\$281,779	\$281,779
Sire Stakes Fund (3%)	\$0	\$104,794	\$422,668	\$422,668
Fund to Encourage Racing at Commercial Tracks (4%)	\$0	\$139,725	\$563,558	\$563,558
Fund to Stabilize OTB Facilities (until Oct 2009) (2%)	\$0	\$69,863	\$95,479	\$0
Fund to Stabilize OTB Facilities (Nov 2009) (1%)	\$0	\$0	\$93,150	\$140,889
Washington Cty Development Authority (1%)	\$0	\$34,931	\$140,889	\$140,889
Washington Cty career & technical education (1%)	\$0	\$34,931	\$140,889	\$140,889
Maine Community College System (1%)	\$0	\$34,931	\$140,889	\$140,889
Host Municipalities (1%)	\$0	\$34,931	\$140,889	\$140,889

Other Revenue Impacts:

License fees to the General Fund	\$0	\$454,000	\$207,875	\$207,875
Reimbursements to the General Fund	\$0	\$130,983	\$12,000	\$12,000
Commercial racetrack handle to the General Fund	\$0	\$2,044	\$8,177	\$8,177
Commercial racetrack handle to Other Special Revenue	\$0	\$4,508	\$18,031	\$18,031

<u>Summary of Revenue Impacts</u>	2007-08	2008-09	2009-10	2010-11
General Fund:				
- 1% of Total Slot Income	\$0	\$607,500	\$2,450,250	\$2,450,250
- 3% of Net Slot Machine Income	\$0	\$104,794	\$422,668	\$422,668
- General Fund (After 48 months - November 2009)	\$0	\$0	\$93,150	\$140,889
- Reimbursements	\$0	\$130,983	\$12,000	\$12,000
- License fees to the General Fund	\$0	\$454,000	\$182,875	\$182,875
- Commercial racetrack handle to the General Fund	\$0	\$2,044	\$8,177	\$8,177
General Fund Total	\$0	\$1,299,321	\$3,169,120	\$3,216,859
Fund for Healthy Maine:				
- Proceeds From Slot Machines	\$0	\$349,313	\$1,408,894	\$1,408,894
Fund for Healthy Maine - Total	\$0	\$349,313	\$1,408,894	\$1,408,894
Other Special Revenue Funds:				
- Agriculture, Food and Rural Resources	\$0	\$842,546	\$3,304,976	\$3,257,236
- Harness Racing Promotional Board	\$0	\$313	\$1,250	\$1,250
- Public Safety (Host Municipalities)	\$0	\$34,931	\$165,889	\$165,889
- FAME	\$0	\$69,863	\$281,779	\$281,779
- Maine Community College System	\$0	\$34,931	\$140,889	\$140,889
- Washington County Development Authority	\$0	\$34,931	\$140,889	\$140,889
- Washington County career & technical education	\$0	\$34,931	\$140,889	\$140,889
Other Special Revenue Total	\$0	\$1,052,446	\$4,176,561	\$4,128,821
	2007-08	2008-09	2009-10	2010-11
<u>Summary of Expenditure Impacts</u>				
General Fund Appropriations:				
- Agriculture, Food & Rural Resources ¹	\$0	\$76,162	\$102,564	\$103,731
- Public Safety ²	\$0	\$288,879	\$310,345	\$323,864
General Fund Total	\$0	\$365,041	\$412,909	\$427,595
Other Special Revenue Funds Allocations: ³				
- Agriculture, Food and Rural Resources	\$0	\$842,546	\$3,304,976	\$3,257,236
- Harness Racing Promotional Board	\$0	\$313	\$1,250	\$1,250
Public Safety				
- Host Municipalities	\$0	\$34,931	\$165,889	\$165,889
- Washington County Development Authority	\$0	\$34,931	\$140,889	\$140,889
- Washington County career & technical education	\$0	\$34,931	\$140,889	\$140,889
Public Safety- Total	\$0	\$104,793	\$447,667	\$447,667
- FAME	\$0	\$69,863	\$281,779	\$281,779
- Maine Community College System	\$0	\$34,931	\$140,889	\$140,889
Other Special Revenue Total	\$0	\$1,052,446	\$4,176,561	\$4,128,821

Notes:

- ¹ The Harness Racing Commission within the Department of Agriculture, Food and Rural Resources will require additional General Fund appropriations of \$76,162 in fiscal year 2008-09 for the costs of 2 part-time positions and operational costs necessary to regulate the new commercial track.
- ² The Gambling Control Board within the Department of Public Safety will require additional General Fund appropriations of \$288,879 in fiscal year 2008-09 for the costs of one additional Detective position, two additional Public Safety Inspector positions and operational costs necessary to regulate the new slot machine facility.
- ³ Allocations are needed to allow the distribution of the additional dedicated revenue.

Public Comments

No public comments were filed in support or in opposition to Question 1.

The bond issues to be voted on at the November 6, 2007 Referendum Election are contained in a single legislative Act. Chapter 39 of the Public Laws of 2007, "An Act to Authorize Bond Issues for Ratification by the Voters for the June and November 2007 Elections and the June 2008 Election and To Transfer Certain Funds" was passed at the First Regular Session of the 123rd Legislature and signed by the Governor on April 10, 2007. Each bond issue will be listed on the ballot as an individual question to be accepted or rejected separately. **Question 2** relates to Part D of the legislation, **Question 3** relates to Part C of the legislation, and **Question 4** relates to Part E. Part F of the legislation is contingent upon approval of Question 4 by the voters.

Question 2: Bond Issue

Do you favor a bond issue to stimulate economic development and job creation that would provide \$5,000,000 in loans and grant funds and would provide \$50,000,000 in research, development and commercialization funds for targeted technology sectors, awarded after a competitive process administered by the Maine Technology Institute, and will leverage at least \$50,000,000 in other funds?

STATE OF MAINE

Chapter 39

Public Laws of 2007

Approved April 10, 2007

An Act To Authorize Bond Issues for Ratification by the Voters for the June and November 2007 Elections and the June 2008 Election and To Transfer Certain Funds

PART D

Sec. D-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 \$55,000,000 for the purposes described in section 6 of this Part. 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. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.

Sec. D-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond 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. D-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 Part. Any unencumbered

balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

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

Sec. D-5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Part under the direction and supervision of the Department of Economic and Community Development, the Finance Authority of Maine and the Maine Rural Development Authority.

Sec. D-6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Maine Technology Institute

Provides funds for research, development and commercialization as prioritized by the Office of Innovation's 2005 Science and Technology Action Plan for Maine. The funds must be allocated to biotechnology, aquaculture and marine technology, composite materials technology, environmental technology, advanced technologies for forestry and agriculture, information technology and precision manufacturing technology through a competitive process, and must be awarded to Maine-based public and private entities to leverage matching funds on at least a one-to-one basis.	\$50,000,000
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FINANCE AUTHORITY OF MAINE

Economic Recovery Loan Program	\$1,500,000
Regional Economic Development Revolving Loan Program	\$1,000,000

Agricultural Marketing Loan Fund

\$1,000,000

**MAINE RURAL DEVELOPMENT
AUTHORITY**

Maine Rural Development Authority

\$1,500,000

Sec. D-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 Part.

Sec. D-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 General Fund debt service.

Sec. D-9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Part, 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 or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. D-10. Referendum for ratification; submission at election; form of question; effective date. This Part must be submitted to the legal voters of the State at a statewide election held in the month of November following the 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 Part by voting on the following question:

“Do you favor a bond issue to stimulate economic development and job creation that would provide \$5,000,000 in loans and grant funds and would provide \$50,000,000 in research, development and commercialization funds for targeted technology sectors, awarded after a competitive process administered by the Maine Technology Institute, and will leverage at least \$50,000,000 in other 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 Part, the Governor shall proclaim the result without delay and this Part 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 Part necessary to carry out the purposes of this referendum.

Question Two: Bond Issue

Intent and Content Prepared by the Office of the Attorney General

This Act would authorize the State to issue bonds in an amount not to exceed \$55,000,000 to raise funds for purposes of economic development. The bonds would run for a period not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds of the sale of the bonds would be expended as follows:

- **\$50,000,000** would be distributed by the **Maine Technology Institute** through awards for capital expenditures for research, development and commercialization projects in Maine. The funds would be allocated to projects in the areas of biotechnology, aquaculture and marine technology, composite materials technology, environmental technology, advanced technologies for forestry and agriculture, information technology and precision manufacturing technology, in accordance with the priorities set forth in the Science and Technology Action Plan for Maine prepared by the Office of Innovation in 2005. Funds would be awarded to public and private entities in Maine through a competitive process, and recipients would be required to match these State dollars with an equivalent amount of federal or private funds.

- **\$1,500,000** would be distributed by the Finance Authority of Maine through the existing **Economic Recovery Loan Program**, which provides loans to Maine businesses that do not have sufficient access to credit but demonstrate the ability to survive, preserve and create jobs and repay the obligations. Projects that may be financed must pertain to manufacturing, industrial, recreational or natural resource enterprises in Maine that are determined by the Authority to provide significant public benefits in relation to the amount of the loan. The requirements for this program are more fully set forth in Title 10 M.R.S.A. section 1026-J and in rules developed by the Finance Authority of Maine.

- **\$1,000,000** would be distributed in the form of loans through the existing **Regional Economic Development Revolving Loan Program** administered by the Finance Authority of Maine through regional and local economic development agencies to provide assistance to businesses that need it in order to create or retain jobs. To be eligible for a loan, businesses must have sales of under \$5 million and fewer than 51 employees and must be conducting business in advanced manufacturing technologies, advanced information systems, advanced biological or natural resource technologies, a defense industry conversion, significant export of goods or services, significant research and development activities; be a micro-business with fewer than 5 employees; or be a qualifying childcare project. The requirements for this program are more fully set forth in Title 10 M.R.S.A. section 1026-M and in rules developed by the Finance Authority of Maine.

- **\$1,000,000** would be placed in the existing **Agricultural Marketing Loan Fund**, which is a program administered by the Maine Department of Agriculture, Food and Rural Resources and the Finance Authority of Maine, pursuant to Title 10 M.R.S.A. section 1023-J, Title 7 M.R.S.A. chapter 101, subchapter 1-D. The funds would be used to provide loans to Maine businesses engaged in commercial growing or harvesting of plants, raising animals, aquaculture, or processing, storing, packaging or marketing products produced by those businesses. Loans may be used for the design, construction or improvement of commodity and storage buildings and packing and marketing facilities, or for the construction, renovation or

acquisition of land, buildings, equipment, docks, wharves, piers, or vessels, located in the State of Maine and used in connection with an agricultural enterprise.

• **\$1,500,000** would be distributed in the form of low interest loans by the **Maine Rural Development Authority** for the development of new commercial facilities and the acquisition and redevelopment of commercial facilities not currently in productive use in order to create employment opportunities and other economic benefits. The eligibility criteria for these loans are set forth in Title 5 M.R.S.A., Chapter 385, Subchapter IX and the Authority's rules.

If approved, the bond authorization would take effect 30 days after the Governor's proclamation of the vote. A statement of the Treasurer describing the financial considerations of this bond issue is published together with this statement.

A "YES" vote approves the authorization of the \$55,000,000 bond issue to finance all of the above activities.

A "NO" voter disapproves the bond issue in its entirety.

Debt Service

Prepared by the Office of the Treasurer

Total estimated life time cost is \$71,637,500.00 representing \$55,000,000.00 in principal and \$16,637,500.00 in interest (assuming interest at 5.5% over 10 years).

Fiscal Impact Statement

Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

Public Comments

No public comments were filed in support or in opposition to Question 2.

Question 3: Bond Issue

Do you favor a \$43,500,000 bond issue for interior and exterior building renovations, improvements and additions at all campuses of the Maine Community College System, the Maine Maritime Academy and the University of Maine System; to replenish the School Revolving Renovation Fund for school repairs and renovations; and to support capital improvements for cultural and educational assets such as museums, historical facilities and libraries?

STATE OF MAINE

Chapter 39

Public Laws of 2007

Approved April 10, 2007

An Act To Authorize Bond Issues for Ratification by the Voters for the June and November 2007 Elections and the June 2008 Election and To Transfer Certain Funds

PART C

Sec. C-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 \$43,500,000 for the purposes described in section 6 of this Part. 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. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.

Sec. C-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond 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. C-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 Part. Any unencumbered balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

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

Sec. C-5. Disbursement of bond proceeds. The proceeds of the bonds must be expended

as set out in this Part under the direction and supervision of the University of Maine System, the Maine Maritime Academy, the Maine Community College System, the Department of Education and the Maine State Cultural Affairs Council.

Sec. C-6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

UNIVERSITY OF MAINE SYSTEM

Provides funds for interior and exterior building renovations, improvements and additions at all campuses of the University of Maine System.	\$23,000,000
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MAINE MARITIME ACADEMY

Provides funds for interior and exterior building renovations, improvements and additions at the Maine Maritime Academy campus.	\$1,500,000
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MAINE COMMUNITY COLLEGE SYSTEM

Provides funds for interior and exterior building renovations, improvements and additions at all campuses of the Maine Community College System.	\$15,500,000
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DEPARTMENT OF EDUCATION

School Revolving Renovation Fund

Provides funds for grants and loans to school administrative units for school repairs and renovations.	\$1,500,000
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MAINE STATE CULTURAL AFFAIRS COUNCIL

New Century Community Program

Provides funds to revitalize downtown areas, preserve and strengthen state and	\$2,000,000
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community historic and cultural assets
and expand access to digital and
educational resources.

Sec. C-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 Part.

Sec. C-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 General Fund debt service.

Sec. C-9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Part, 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 or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. C-10. Referendum for ratification; submission at election; form of question; effective date. This Part must be submitted to the legal voters of the State at a statewide election held in the month of November following the 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 Part by voting on the following question:

“Do you favor a \$43,500,000 bond issue for interior and exterior building renovations, improvements and additions at all campuses of the Maine Community College System, the Maine Maritime Academy and the University of Maine System; to replenish the School Revolving Renovation Fund for school repairs and renovations; and to support capital improvements for cultural and educational assets such as museums, historical facilities and libraries?”

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 Part, the Governor shall proclaim the result without delay and this Part 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 Part necessary to carry out the purposes of this referendum.

Question Three: Bond Issue

Intent and Content

Prepared by the Office of the Attorney General

This Act would authorize the State to issue bonds in an amount not to exceed \$43,500,000 for interior and exterior building renovation and construction projects at higher education facilities in Maine, repairs and renovations to public schools, and matching funds for capital improvements to cultural and educational assets such as museums, historic sites and libraries. The bonds would run for a period not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds of the sale of the bonds would be expended for interior and exterior renovations, improvements and additions at the campuses of the University of Maine System (\$23,000,000); all campuses of the Maine Community College System (\$15,500,000); and the Maine Maritime Academy campus (\$1,500,000).

Proceeds of the sale of the bonds in the amount of \$1,500,000 would be placed in the School Revolving Renovation Fund administered by the Maine Municipal Bond Bank and would be expended for the purposes authorized pursuant to Title 30-A of the Maine Revised Statutes, section 6006-F. These include making loans to school administrative units for: (1) repair and renovation of school buildings to address serious health, safety and compliance issues such as improving indoor air quality, ensuring accessibility in compliance with the federal Americans with Disabilities Act, repairing or replacing roofs, and removing or abating asbestos; (2) other repairs and improvements related to the structural integrity of school facilities, such as heating systems, doors and windows; and (3) upgrading learning spaces in school buildings such as science laboratories and vocational spaces and increasing classroom flexibility. The Department of Education would determine the eligibility and relative priority of projects for funding under this program, in accordance with section 6006-F.

The remaining \$2,000,000 in bond proceeds would be distributed as part of the New Century Community Program administered by Maine's cultural agencies (which include the State Library, Historic Preservation Commission, Arts Commission, Historical Society, Humanities Council, State Museum and State Archives) under the auspices of the Maine State Cultural Affairs Council. These funds would be used to provide matching grants to eligible nonprofit and community-based organizations for capital improvement projects designed to revitalize downtown areas, preserve and strengthen state and community historic and cultural assets and expand access to digital and educational resources.

If approved, the bond authorization would take effect 30 days after the Governor's proclamation of the vote. A statement of the Treasurer describing the financial considerations of this bond issue is published together with this statement.

A "YES" vote approves the authorization of the \$55,000,000 bond issue to finance all of the above activities.

A "NO" vote disapproves the bond issue in its entirety.

Debt Service
Prepared by the Office of the Treasurer

Total estimated life time cost is \$56,658,750.00 representing \$43,500,000.00 in principal and \$13,158,750.00 in interest (assuming interest at 5.5% over 10 years).

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

Public Comments

No public comments were filed in support or in opposition to Question 3.

Question 4: Bond Issue

Do you favor a \$35,500,000 bond issue to invest in land conservation, water access, wildlife habitat, outdoor recreation opportunities, including hunting and fishing, farmland and working waterfront and to invest in state parks, historic sites and riverfront, community and farm infrastructure to be matched by at least \$21,875,000 in private and public contributions?

STATE OF MAINE

Chapter 39

Public Laws of 2007

Approved April 10, 2007

An Act To Authorize Bond Issues for Ratification by the Voters for the June and November 2007 Elections and the June 2008 Election and To Transfer Certain Funds

PART E

Sec. E-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 \$35,500,000 for the purposes described in section 5 of this Part and to access at least \$21,875,000 in matching contributions from public and private sources. 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. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.

Sec. E-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond 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. E-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 Part. Any unencumbered balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

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

Sec. E-5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Part under the direction and supervision of the Executive Department, Land for Maine's Future Board, the Department of Agriculture, Food and Rural Resources, the Department of Conservation and the Department of Economic and Community Development. The proceeds of the bonds to be administered by the Land for Maine's Future Board must be expended for acquisition of land and interest in land for conservation, water access, outdoor recreation, wildlife and fish habitat, farmland preservation in accordance with the provisions for such acquisitions under the Maine Revised Statutes, Title 5, chapter 353 and working waterfront preservation in accordance with the terms of this Part, including all costs associated with such acquisitions, except that use of the proceeds of these bonds is subject to the following conditions and requirements.

1. Hunting, fishing, trapping and public access may not be prohibited on land acquired with bond proceeds, except to the extent of applicable state, local or federal laws and regulations and except for working waterfront projects and farmland protection projects.

2. Payment from bond proceeds for acquisitions of local or regional significance, as determined by the Land for Maine's Future Board, may be made directly to cooperating entities as defined in Title 5, section 6201, subsection 2 for acquisition of land and interest in land by cooperating entities, subject to terms and conditions enforceable by the State to ensure its use for the purposes of this Part. In addition to the considerations required under Title 5, chapter 353, the board shall give a preference to acquisitions under this subsection that achieve benefits for multiple towns and that address regional conservation needs including public recreational access, wildlife, open space and farmland.

3. The bond funds expended for conservation, recreation, farmland and water access must be matched with at least \$8,500,000 in public and private contributions. Seventy percent of that amount must be in the form of cash or other tangible assets, including the value of land and real property interest acquired by or contributed to cooperating entities when property interests have a direct relationship to the property proposed for protection, as determined by the Land for Maine's Future Board. The remaining 30% may be matching contributions and may include the value of project-related, in-kind contributions of goods and services to and by cooperating entities as defined in Title 5, section 6201, subsection 2.

4. Of the bond proceeds allocated to the Land for Maine's Future Board, \$1,700,000 must be made available to acquire public access to water in accordance with Title 5, section 6203-A.

5. Of the bond proceeds allocated to the Land for Maine's Future Board, \$1,700,000 must be made available to protect farmland in accordance with Title 5, section 6207.

6. Of the bond proceeds allocated to the Land for Maine's Future Board, \$3,000,000 must be made available to protect working waterfront properties in accordance with Public Law 2005, chapter 462, Part B, section 6.

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

Sec. E-6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

DEPARTMENT OF AGRICULTURE, FOOD AND RURAL RESOURCES

Agricultural water source development grant program

Provides funds to assist farmers in the development of environmentally sound water sources to manage weather-related risk and to comply with in-stream flow rules that will leverage \$375,000 in other funds.	\$1,500,000
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DEPARTMENT OF CONSERVATION

Bureau of Parks and Lands

Provides funds to make necessary capital improvements in the State's parks and historic sites.	\$7,500,000
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DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Provides funds to make investments, under the Riverfront Community Development Program established in the Maine Revised Statutes, Title 5, section 13083-T, in competitive river-based community and economic revitalization projects, which must be matched with at least \$10,000,000.	\$5,000,000
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Provides funds so that an eligible municipality or group of municipalities may apply for a public service infrastructure grant or loan from the Municipal Investment Trust Fund.	\$1,500,000
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EXECUTIVE DEPARTMENT

State Planning Office

Land for Maine's Future Board

Provides funds in order to leverage \$8,500,000 in other funds to be used for the acquisition of land and interest in land for conservation; water access,	\$17,000,000
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which must receive \$1,700,000; outdoor recreation; wildlife and fish habitat; and farmland preservation, which must receive \$1,700,000.

Provides funds to be used for working waterfront preservation in order to leverage \$3,000,000 in other funds.	\$3,000,000
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Sec. E-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 Part.

Sec. E-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 General Fund debt service.

Sec. E-9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Part, 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 or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. E-10. Referendum for ratification; submission at election; form of question; effective date. This Part must be submitted to the legal voters of the State at a statewide election held in the month of November following the 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 Part by voting on the following question:

“Do you favor a \$35,500,000 bond issue to invest in land conservation, water access, wildlife habitat, outdoor recreation opportunities, including hunting and fishing, farmland and working waterfront and to invest in state parks, historic sites and riverfront, community and farm infrastructure to be matched by at least \$21,875,000 in private and public contributions?”

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 Part, the Governor shall proclaim the result without delay and this Part 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 Part necessary to carry out the purposes of this referendum.

PART F

Sec. F-1. 5 MRSA c. 383, sub-c. 3, art. 2-C is enacted to read:

ARTICLE 2-C RIVERFRONT COMMUNITY DEVELOPMENT PROGRAM

§ 13083-T. Riverfront Community Development Program

1. Program established; administration. The Riverfront Community Development Program, referred to in this section as “the program,” is established within the department to assist and encourage communities along the State’s rivers to revitalize their riverfronts in an environmentally sustainable manner and to promote river-oriented community development and enhancement projects. The department shall administer the program in conjunction with the Municipal Investment Trust Fund established under the Maine Municipal Bond Bank to provide funding for the rehabilitation, revitalization and enhancement of riverfront communities and river ecosystems in the State.

2. Review panel. The Riverfront Community Development Review Panel, referred to in this section as “the panel,” is established to evaluate proposals and determine funding under the program. The panel consists of:

- A. The Commissioner of Economic and Community Development;
- B. The Commissioner of Conservation;
- C. The Director of the State Planning Office within the Executive Department; and
- D. Four members of the public, one with expertise in economic and community development, one with expertise in environmental conservation, one with expertise in tourism and ecotourism development and promotion and one with expertise in park and trail design and development. Two of these members are appointed by the President of the Senate and 2 by the Speaker of the House.

3. Review process. The panel shall review proposals for funding under the program in accordance with this subsection.

- A. The panel shall establish the deadline by which proposals must be postmarked and received.
- B. Department staff shall undertake the initial review and preliminary scoring of proposals.
- C. A subcommittee appointed by the panel to score proposals shall review and determine the final score for the proposals.
- D. A subcommittee appointed by the panel to nominate finalists shall review all of the proposals, identify issues for full review and discussion by the panel and recommend project finalists to the full panel for detailed review and consideration.
- E. The panel shall review all the proposals submitted, select the finalists and allocate funding.

In reviewing proposals, the panel shall use the scoring system established in subsection 5.

4. Applicant requirements. An applicant for funding under this section must:

A. Have the sponsorship of a state agency. An applicant must contact the appropriate sponsoring state agency well in advance of submitting an application; and

B. Demonstrate the capacity to undertake the project with a reasonable prospect of bringing it to a successful conclusion. In assessing an applicant's ability to meet the requirements of this paragraph, the panel may consider all relevant factors, including but not limited to the applicant's level of debt; fund-raising ability; past economic and community development activities; grants from federal, state or local sources; previous environmental conservation, restoration or enhancement activity; organizational history; scope of economic or environmental vision; and evidence of success in previous efforts.

5. Scoring system. The department and the panel shall develop a scoring system for use by the panel in evaluating proposals under this section. The scoring system must be designed to identify those projects that are most aligned with the State's riverfront community development and river restoration and enhancement priorities. The scoring system must assign points according to the relative value or the following criteria associated with the proposal:

A. The economic significance of the proposed project to the immediate vicinity and to the State as a whole;

B. The level of compatibility with clean and healthy river ecosystems;

C. The value of the proposed project with respect to downtown revitalization;

D. The value of the proposed project with respect to environmental protection and ecological restoration;

E. The value of the proposed project with respect to recreational uses;

F. The degree of community support for the proposed investment; and

G. The extent to which the proposed project involves partnerships and meets multiple criteria for benefits.

6. Additional criteria. In addition to evaluating the proposals using the scoring system established in subsection 5, the panel shall consider the following criteria in reviewing a proposal:

A. The level to which a proposal supports the open space or recreation objectives, or both, of a local comprehensive plan;

B. The extent to which a project is consistent with an adopted comprehensive plan that meets the standards of the laws governing growth management pursuant to Title 30-A, chapter 187;

C. The current and anticipated demand for use and diversity of uses of the site;

D. The local and regional community planning and support for river protection, enhancement and restoration; and

E. Any additional benefits that contribute to scenic landscape values, including the character of the town or region in which the project is situated, the rehabilitation or

renovation of riverfront mill and other buildings and the ability to secure public access for conservation, recreation, wildlife and education uses.

7. Rules. The department may adopt rules to implement this section. Rules adopted to implement this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. F-2. Contingent effective date. This Part takes effect only if the General Fund bond issue proposed in Part E is approved by the voters of this State.

Question Four: Bond Issue

Intent and Content

Prepared by the Office of the Attorney General

This Act would authorize the State to issue bonds in an amount not to exceed \$35,500,000 to raise funds to invest in: the acquisition of land and interests in land for conservation, water access, outdoor recreation, fish and wildlife habitat, farmland protection and working waterfront preservation; capital improvements to state parks and historic sites; municipal public infrastructure projects; riverfront community development projects; and water sources for crop irrigation. The bonds would run for a period not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds of the sale of the bonds would be expended as follows:

- **\$20,000,000** would be expended under the direction and supervision of the **Land for Maine's Future Board**, as follows:

\$3,000,000 must be made available to protect working waterfront properties that support commercial fisheries businesses, in accordance with the Maine Working Waterfront Access Pilot Program enacted as Chapter 462, Part B, section 6 of the Public Laws of 2005. Grants for working waterfront projects would have to be matched, dollar for dollar, by the local governments or organizations receiving the grants and would be made subject to a condition that the property may not be used, altered or developed in a manner that precludes its use by commercial fisheries businesses. The Land for Maine's Future Board also would be required to retain a right of first refusal on any waterfront property acquisition.

The remaining \$17,000,000 of these proceeds would be expended for conservation, recreation, farmland and water access, with at least \$1,700,000 being used to acquire public access to water in accordance with the statutory provisions of Title 5, section 6203-A, and at least \$1,700,000 to protect farmland in accordance with Title 5, section 6207. The bond funds would be matched with at least \$8,500,000 in public and private contributions, 70% of which would have to be in the form of cash or other tangible assets, while the remaining 30% could be in the form of in-kind contributions of goods or services.

With the exception of working waterfront projects and farmland protection projects, hunting, fishing, trapping and public access may not be prohibited on lands acquired with these bond proceeds, unless required by applicable federal, state or local laws. In acquiring land or interests in land of local or regional significance, the Land for Maine's Future Board would be required to give preference to acquisitions that achieve benefits for multiple towns and address regional conservation needs.

- **\$7,500,000** would be expended by the **Department of Conservation's Bureau of Parks and Lands** to make capital improvements to the State's parks and historic sites.

- **\$5,000,000** would be distributed by the Department of Economic and Community Development under the **Riverfront Community Development Program** authorized by legislation that will take effect if this bond issue is approved by the voters. The purpose of this program is to assist and encourage communities along the State's rivers to revitalize their

riverfronts in an environmentally sustainable manner and to promote river-oriented community development and enhancement projects. A review panel made up of the Commissioners of the Department of Economic and Community Development and the Department of Conservation, the Director of the State Planning Office and four members of the public would evaluate all proposals submitted and allocate the funds, using a scoring system outlined in the statute. Expenditure of these bond funds must be matched with at least \$10,000,000 in other funds.

- **\$1,500,000** would be placed in the existing **Municipal Investment Trust Fund**, administered by the Department of Economic and Community Development and the Maine Municipal Bond Bank, pursuant to Title 30-A M.R.S.A. section 5953-D and section 6006-D. These funds would be used to provide loans and grants to municipalities for public service infrastructure projects, which are defined by statute as facilities essential for public health, safety and welfare. They may include sewage treatment and solid waste facilities, water supply and treatment facilities, public safety equipment and facilities, roads, traffic control devices and other transportation facilities, sidewalks, trees, buried utility lines and other streetscape improvements, parks and other open space or recreational areas, public access to coastal and inland waters, geographic information systems and any other publicly owned facility that benefits the public.

- **\$1,500,000** would be distributed by the **Department of Agriculture, Food and Rural Resources** in the form of grants to farmers, awarded through a competitive process, to fund up to 75% of the cost of constructing or expanding environmentally sound water sources to irrigate crops and minimize drought damage. These bond funds would be matched by \$375,000 in other funds, representing 25% of the cost of these projects.

If approved, the bond authorization would take effect 30 days after the Governor's proclamation of the vote. A statement of the Treasurer describing the financial considerations of this bond issue is published together with this statement.

A "YES" vote approves the authorization of the \$35,500,000 bond issue to finance all of the above activities.

A "NO" vote disapproves the bond issue in its entirety.

Debt Service

Prepared by the Office of the Treasurer

Total estimated life time cost is \$46,238,750.00 representing \$35,500,000.00 in principal and \$10,738,750.00 in interest (assuming interest at 5.5% over 10 years).

Fiscal Impact Statement

Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

Public Comments

PUBLIC COMMENT IN SUPPORT

Comment submitted by:

Citizen's to Save Maine's Heritage, a project of The Conservation Campaign

377 Fore Street

Portland, ME 04101

So many of our family traditions, recreational activities and livelihoods are tied to Maine's landscape - our farmlands, coast, islands, lakes, mountains, forests and rivers. Our pride as Maine people relates to these connections, whether as farmers, guides, business people, hikers, hunters, snowmobilers, campers or fishermen.

When we vote for the \$35.5 million natural resources bond, we'll be investing in programs that protect what is special about our lands and waters. Nearly half the funds (\$17 million) will provide new funding for the Land for Maine's Future Program which has helped towns, citizens groups and state agencies conserve water access, outdoor recreation, wildlife habitat and productive forests and farms. For twenty years and in every county, this program has secured public access for today and tomorrow.

Our state parks and historic sites, many as familiar as our backyards, provide nearby access to the outdoors and a connection to our past. Funding provided in the bond (\$7.5 million) is critically needed for long deferred maintenance and improvements, so that we can continue to enjoy and be proud of these outstanding resources. The bond includes funds for the Working Waterfront program that helps Maine's commercial fishermen hold onto the coastal access land sales have been stripping away. Today working waterfronts cover a mere 25 miles along Maine's 5,300-mile coastline yet they supply the lifeblood of many coastal communities.

Funds are also included to revitalize our riverfront communities, creating an essential link between our town's economic life and the rivers on which their founders first settled. Like the Working Waterfront initiative and the Land for Maine's Future program, this too will be a national model for investing in our key strategic advantage, the exceptional quality of the place we live and the people who keep it that way.

- Leon A. Gorman, Chair of the Board, L.L.Bean, Inc
- Elaine Clark, President, Friends of Maine State Parks
- Kevin Slater, Master Maine Guide, Maine Wilderness Guides Organization
- Michael Tetreault, Executive Director, Nature Conservancy of Maine

The printing of this public comment does not constitute an endorsement by the State of Maine, nor does the State warrant the accuracy or truth of any statements made in the public comment.

No public comments were filed in opposition to Question 4.

Question 5: Referendum

Do you favor extending term limits for Legislators from 4 to 6 terms?

STATE OF MAINE

CHAPTER 465

Public Laws of 2007

Approved June 29, 2007

An Act To Extend from 4 to 6 Terms the Limits on Legislative Terms

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

Sec. 1. 21-A MRSA §553, sub-§1, as enacted by IB 1993, c. 1, §1 and affected by §2, is amended to read:

1. State Senate. A person may not serve more than ~~4~~6 consecutive terms as a state Senator.

Sec. 2. 21-A MRSA §553, sub-§2, as enacted by IB 1993, c. 1, §1 and affected by §2, is amended to read:

2. State Representative. A person may not serve more than ~~4~~6 consecutive terms as a member of the state House of Representatives.

Sec. 3. Application. Notwithstanding the Maine Revised Statutes, Title 21-A, section 553, subsections 1 and 2, a person elected to serve a 4th consecutive term as a state Senator in the 123rd Legislature is ineligible to serve as a state Senator in the 124th Legislature, and a person elected to serve a 4th consecutive term as a member of the state House of Representatives in the 123rd Legislature is ineligible to serve as a member of the state House of Representatives in the 124th Legislature.

Sec. 4. Statutory referendum procedure; 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 the 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 extending term limits for Legislators from 4 to 6 terms?"

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.

Question Five: Referendum

Intent and Content

Prepared by the Office of the Attorney General

State law currently limits members of the House and Senate to serving 4 consecutive 2-year terms. This legislation would extend that limit by two terms, so that legislators could serve a total of 6 consecutive 2-year terms in the same legislative body. In years, this means an extension of from 8 to 12 consecutive years in either the House or the Senate. No person elected to serve a fourth consecutive term as a member of the House or Senate in the current Legislature would be eligible to serve as a member of that same body in the next Legislature if this bill becomes effective. This proposal, which was adopted by the Legislature, will not take effect unless it is approved by the voters.

A “YES” vote is in favor of the extension of term limits and would approve the legislation extending the limit from 4 to 6 consecutive 2-year terms.

A “NO” vote is in opposition to the extension and would leave the current term limits at 4 consecutive 2-year terms.

Fiscal Impact Statement

Prepared by the Office of Fiscal and Program Review

Passage of this referendum question will not affect state and local expenditures.

Public Comments

No public comments were filed in support or in opposition to Question 5.