

MAINE STATE LEGISLATURE

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**Maine Citizen's Guide to the
Referendum Election**

Tuesday, November 6, 2012



**In Accordance with
the June 11, 2012 Proclamation of the Governor and with
the Acts Passed by the 125th Legislature
at the Second Regular Session**

**Charles E. Summers, Jr.
Secretary of State**

Appropriation 010-29A-4213-012

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, 2012 Referendum Election ballot. Referendum elections are an important part of the heritage of public participation in Maine.


Inside this booklet, you will find:

- ◆ the 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 the bond issues;
- ◆ an estimate of the fiscal impact of each referendum question on state revenues, appropriations and allocations; and
- ◆ public comments filed in support of or in opposition to each ballot measure.

For information about how and 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.

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 of information and we hope you find it helpful.

Sincerely,

A handwritten signature in blue ink that reads "Charles E. Summers, Jr." The signature is written in a cursive, flowing style.

Charles E. Summers, Jr.
Secretary of State

Features in this 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 the bond issues, 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 each 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 of 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/rules/29/250/250c520.doc>

State of Maine
Referendum Election, November 6, 2012
Listing of Referendum Questions

Question 1: Citizen Initiative

Do you want to allow the State of Maine to issue marriage licenses to same-sex couples?

Question 2: Bond Issue

Do you favor an \$11,300,000 bond issue to provide funds for capital to build a diagnostic facility for the University of Maine System; for capital improvements and equipment, including machine tool technology, for the Maine Community College System; and for capital improvements and equipment at the Maine Maritime Academy?

Question 3: Bond Issue

Do you favor a \$5,000,000 bond issue to purchase land and conservation easements statewide from willing sellers for public land and water access, conservation, wildlife or fish habitat and outdoor recreation, including hunting and fishing and deer wintering areas, and to preserve working farmland and working waterfronts to be matched by at least \$5,000,000 in private and public contributions?

Question 4: Bond Issue

Do you favor a \$51,500,000 bond issue for improvements to highways and bridges, local roads, airports and port facilities, as well as for funds for rail access, transit buses and the LifeFlight Foundation, which will make the State eligible for at least \$105,600,000 in federal and other matching funds?

Question 5: Bond Issue

Do you favor a \$7,925,000 bond issue to be expended over 2 years for revolving loan funds for drinking water systems and for wastewater treatment facilities, which will make the State eligible to secure \$39,625,000 in federal grants?

**Statement of Maine State Treasurer
Bruce L. Poliquin**

The Maine State Legislature has authorized the borrowing of \$75,725,000 to fund various projects. This borrowing must be approved by the Maine voters.

If approved, the State Treasurer may borrow up to \$75,725,000 by selling General Obligation bonds to investors. These bonds are loans backed by the full faith and credit of the State of Maine. The annual interest and principal ("debt service") payments to the bondholders will be funded primarily by personal and corporate income and sales taxes paid by Maine citizens, businesses, and visitors. These debt service payments will pay off the bonds over the ensuing 10 years.

If this \$75,725,000 of borrowing is approved by the Maine voters, the total estimated cost based on 4.5% annual interest over the 10-year life of the bonds will be:

\$75,725,000 (principal) + \$18,741,938 (interest) = \$94,466,938 (total).

In addition to the above, as of June 30, 2012, below are the annual debt service payments needed to pay off the State General Obligation bonds which have already been sold and obligated to be repaid by Maine taxpayers:

FISCAL YEAR	PRINCIPAL	+	INTEREST	=	TOTAL
2013	\$102,330,000		\$18,076,400		\$120,406,400
2014	83,480,000		14,703,857		98,183,857
2015	69,650,000		11,886,492		81,536,492
2016	54,340,000		9,411,404		63,751,404
2017	49,105,000		7,101,545		56,206,545
2018	42,995,000		4,878,797		47,873,797
2019	32,590,000		2,985,310		35,575,310
2020	19,260,000		1,594,000		20,854,000
2021	13,570,000		915,250		14,485,250
2022	4,735,000		236,750		4,971,750

Furthermore, as of June 30, 2012, below are the State General Obligation bonds that have already been authorized by the Maine State Legislature and approved by the voters, and have also been authorized by the Maine Constitution and laws, but not yet borrowed (by selling bonds) by the State Treasurer:

\$40,752,809 (authorized by Legislature and approved by voters) + \$99,000,000 (authorized by Maine Constitution and laws) = \$139,752,809 (total authorized but not yet borrowed).



Bruce L. Poliquin, Treasurer of State

Question 1: Citizen Initiative

Do you want to allow the State of Maine to issue marriage licenses to same-sex couples?

STATE OF MAINE

“An Act To Allow Marriage Licenses for Same-sex Couples and Protect Religious Freedom”

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

Sec. 1. 19-A MRSA §650-A is enacted to read:

§650-A. Codification of marriage

Marriage is the legally recognized union of 2 people. Gender-specific terms relating to the marital relationship or familial relationships must be construed to be gender-neutral for all purposes throughout the law, whether in the context of statute, administrative or court rule, policy, common law or any other source of civil law.

Sec. 2. 19-A MRSA §650-B is enacted to read:

§650-B. Recognition of marriage licensed and certified in another jurisdiction

A marriage of a same-sex couple that is validly licensed and certified in another jurisdiction is recognized for all purposes under the laws of this State.

Sec. 3. 19-A MRSA §651, sub-§2, as amended by PL 1997, c. 537, §12 and affected by §62, is further amended to read:

2. Application. The parties wishing to record notice of their intentions of marriage shall submit an application for recording notice of their intentions of marriage. The application may be issued to any 2 persons otherwise qualified under this chapter regardless of the sex of each person. The application must include a signed certification that the information recorded on the application is correct and that the applicant is free to marry according to the laws of this State. The applicant's signature must be acknowledged before an official authorized to take oaths. Applications recording notice of intentions to marry must be open for public inspection in the office of the clerk. When the application is submitted, the applicant shall provide the clerk with the social security numbers of the parties. The application must include a statement that the social security numbers of the parties have been provided to the clerk. The clerk shall record the social security numbers provided by each applicant. The record of the social security numbers is confidential and is not open for public inspection.

Sec. 4. 19-A MRSA §655, sub-§3 is enacted to read:

3. Religious exemption. This chapter does not require any member of the clergy to perform or any church, religious denomination or other religious institution to host any marriage in violation of the religious beliefs of that member of the clergy, church, religious denomination or other religious institution. The refusal to perform or host a marriage under this subsection cannot be the basis for a lawsuit or liability and does not affect the tax-exempt status of the church, religious denomination or other religious institution.

Sec. 5. 19-A MRSA §701, as amended by PL 2007, c. 695, Pt. C, §4, is further amended to read:

§701. Prohibited marriages; exceptions

1. Marriage out of State to evade law. When residents of this State, with intent to evade this section and to return and reside here, go into another state or country to have their marriage solemnized there and afterwards return and reside here, that marriage is void in this State.

1-A. Certain marriages performed in another state not recognized in this State. Any marriage performed in another state that would violate any provisions of subsections 2 to ~~5~~ 4 if performed in this State is not recognized in this State and is considered void if the parties take up residence in this State.

2. Prohibitions based on degrees of consanguinity; exceptions. This subsection governs marriage between relatives.

A. A man may not marry his mother, grandmother, daughter, granddaughter, sister, brother's daughter, sister's daughter, father's sister, mother's sister, the daughter of his father's brother or sister or the daughter of his mother's brother or sister. A woman may not marry her father, grandfather, son, grandson, brother, brother's son, sister's son, father's brother, mother's brother, the son of her father's brother or sister or the son of her mother's brother or sister. A person may not marry that person's parent, grandparent, child, grandchild, sibling, nephew, niece, aunt or uncle.

B. Notwithstanding paragraph A, a man may marry the daughter of his father's brother or sister or the daughter of his mother's brother or sister, and a woman may marry the son of her father's brother or sister or the son of her mother's brother or sister as long as, pursuant to sections 651 and 652, the man or woman provides the physician's certificate of genetic counseling.

3. Persons under disability. A person who is impaired by reason of mental illness or mental retardation to the extent that that person lacks sufficient understanding or capacity to make, communicate or implement responsible decisions concerning that person's property or person is not capable of contracting marriage. For the purposes of this section:

A. "Mental illness" means a psychiatric or other disease that substantially impairs a person's mental health; and

B. "Mental retardation" means a condition of significantly subaverage intellectual functioning resulting in or associated with concurrent impairments in adaptive behavior and manifested during the developmental period.

4. Polygamy. A marriage contracted while either party has a living wife or husband from whom the party is not divorced is void.

~~**5. Same sex marriage prohibited.** Persons of the same sex may not contract marriage.~~

Intent and Content
Prepared by the Office of the Attorney General

This citizen-initiated legislation would remove the existing prohibition on same-sex marriage in Maine law and allow the state to issue marriage licenses to same-sex couples. The legislation also provides that the marriage of a same-sex couple that is licensed and certified under the laws of another state would be recognized as valid for all purposes under the laws of this state.

No member of the clergy is required under this legislation to perform any marriage in violation of his or her religious beliefs, and no place of worship is required to host a marriage in violation of the beliefs of that religious organization. The legislation also expressly provides that the refusal to perform or to host a marriage shall not be the basis upon which to file a lawsuit against, or to find liable, a member of the clergy or place of worship for refusing to perform or to host a marriage.

If approved, this citizen initiated legislation would take effect 30 days after the Governor proclaims the official results of the election.

A “YES” vote is to enact the initiated legislation.

A “NO” vote opposes the initiated legislation.

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

This citizen initiative will reduce Real Estate Transfer Tax collections as a result of the change in filing status of same-sex couples choosing to marry. However, eligibility and net benefits under the Maine Resident Property Tax and Rent Refund Program will also be reduced, resulting in some offsetting increases to revenue. Due to the potentially significant margin of error in identifying the number of same sex couples, the percentage choosing to marry and the timing of those marriages, a dollar impact of these tax effects is not available at this time, but the net effect of all tax effects on General Fund and Other Special Revenue Funds revenue is expected to be negligible.

The bill will also increase local revenue from marriage license fees but decrease revenue to counties from the Real Estate Transfer Tax. Again, the timing and amount of these impacts cannot be estimated at this time.

Correctional and Judicial Impact Statements

An increase in the number of marriages is expected to increase the caseload in the judicial system attributable to additional divorce proceedings.

The collection of additional filing fees may increase General Fund revenue by minor amounts.

Public Comments

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

Question 2: Bond Issue

Do you favor an \$11,300,000 bond issue to provide funds for capital to build a diagnostic facility for the University of Maine System; for capital improvements and equipment, including machine tool technology, for the Maine Community College System; and for capital improvements and equipment at the Maine Maritime Academy?

STATE OF MAINE
Chapter 700
Public Laws of 2011
Approved May 29, 2012

“An Act To Authorize a General Fund Bond Issue for Higher Education”

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

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

Sec. 1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$11,300,000 for the purposes described in section 5 of this Act. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds.

Sec. 2. Records of bonds issued; Treasurer of State. The Treasurer of State shall ensure that an account of each bond is kept showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.

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

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

Sec. 5. Disbursement of bond proceeds from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Act must be expended as designated in the following schedule under the direction and supervision of the agencies and entities set forth in this section.

UNIVERSITY OF MAINE SYSTEM

University of Maine System

Provides funds for a freestanding biosafety level 3 laboratory, including an animal diagnostic laboratory and a plant diagnostic and insect identification laboratory.

Total \$7,800,000

MAINE COMMUNITY COLLEGE SYSTEM

Maine Community College System

Provides funds to expand necessary capital infrastructure improvements and equipment including at least \$1,000,000 to be used for machine tool technology.

Total \$3,000,000

MAINE MARITIME ACADEMY

Maine Maritime Academy

Provides funds to expand necessary capital infrastructure improvements and equipment.

Total \$500,000

Sec. 6. Contingent upon ratification of bond issue. Sections 1 to 5 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Act.

Sec. 7. 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 the Office of the Treasurer of State to be used for the retirement of general obligation bonds.

Sec. 8. Bonds authorized but not issued. Any bonds authorized but not issued within 5 years of ratification of this Act are deauthorized and may not be issued, except that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds for an additional amount of time not to exceed 5 years.

Sec. 9. Referendum for ratification; submission at election; form of question; effective date. This Act must be submitted to the legal voters of the State at a statewide election held in the month of November following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

"Do you favor an \$11,300,000 bond issue to provide funds for capital to build a diagnostic facility for the University of Maine System; for capital improvements and equipment, including machine tool technology, for the Maine Community College System; and for capital improvements and equipment at the Maine Maritime Academy?"

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.

Intent and Content
Prepared by the Office of the Attorney General

This Act would authorize the State to issue general obligation bonds in an amount not to exceed 11.3 million dollars (\$11,300,000) for the projects at the University of Maine System, the Maine Community College System, and the Maine Maritime Academy, as described below. 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.

The **University of Maine System** would receive 7.8 million dollars (\$7,800,000) of the bond proceeds to develop a new, freestanding biosafety level 3 laboratory facility that would include a plant and animal diagnostic laboratory and an insect identification facility to support research in the identification, monitoring and treatment of plant and animal diseases, as well as identification of insect pests and invasive species. The facility would be designed for a level of biosecurity to prevent the spread of diseases and provide for secure disposal of infectious wastes.

The **Maine Community College System** would receive three million dollars (\$3,000,000) of the bond proceeds to expand necessary capital infrastructure improvements and for equipment, with at least one million dollars of that amount to be used for machine tool technology.

The remaining five hundred thousand dollars (\$500,000) in bond proceeds would be used by the **Maine Maritime Academy** for equipment and to expand necessary infrastructure capital improvements.

If approved, the authorization of these bonds would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote favors the issuance of up to 11.3 million dollars (\$11,300,000) in general obligation bonds for the purposes described above.

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

Debt Service
Prepared by the Office of the Treasurer

Total estimated life time cost of borrowing this amount of money is **\$14,096,750** representing **\$11,300,000** in principal and **\$2,796,750** in interest (assuming **4.50%** 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 of or in opposition to Question 2.

Question 3: Bond Issue

Do you favor a \$5,000,000 bond issue to purchase land and conservation easements statewide from willing sellers for public land and water access, conservation, wildlife or fish habitat and outdoor recreation, including hunting and fishing and deer wintering areas, and to preserve working farmland and working waterfronts to be matched by at least \$5,000,000 in private and public contributions?

STATE OF MAINE
Chapter 696
Public Laws of 2011
Approved May 29, 2012

“An Act To Authorize a General Fund Bond Issue To Support Maine’s Natural Resource-based Economy”

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

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

Sec. 1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$5,000,000 for the purposes described in section 5 of this Act. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds.

Sec. 2. Records of bonds issued; Treasurer of State. The Treasurer of State shall ensure that an account of each bond is kept showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.

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

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

Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Act under the direction and supervision of the Department of Conservation.

1. The proceeds of the bonds for the Land for Maine's Future Board as set out in section 6 must be expended by the Department of Conservation for acquisition of land and interest in land for conservation, water access, outdoor recreation, wildlife or 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 Public Law 2005, chapter 462, Part B, section 6, including all costs associated with such acquisitions, except that use of the proceeds of these bonds is subject to the following conditions and requirements.

A. 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, rules and regulations and except for working waterfront projects and farmland protection projects.

B. 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 Act. In addition to the considerations required under Title 5, chapter 353, the board shall give a preference to acquisitions under this paragraph that achieve benefits for multiple towns and that address regional conservation needs including public recreational access, wildlife, open space and farmland.

C. The bond funds expended for conservation, recreation, farmland and water access must be matched with at least \$5,000,000 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, as defined in Title 5, section 6201, subsection 2, 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

D. Because portions of the State have deer populations that are struggling and deer wintering habitat protection is vital to the survival and enhancement of these populations, projects that conserve and protect deer wintering areas are considered to have special value and must receive preferential consideration during scoring of new applications for support under Title 5, section 6200 et seq.

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

2. The Department of Conservation and the Department of Inland Fisheries and Wildlife shall take a proactive approach to pursuing land conservation projects that include significant wildlife habitat conservation, including conservation of priority deer wintering areas. Priority deer wintering areas are of at least 500 acres or contiguous with existing conservation land so that the combined acreage constitutes at least 500 acres, have been historically used by deer at some point since 1950 and are capable of providing shelter for deer on the effective date of this Act or within 20 years. The Department of Inland Fisheries and Wildlife shall include in conservation negotiations under this section provisions for the appropriate management of priority deer wintering areas. Land and interest in land purchased by the State that contains wildlife or fish habitat must be managed by the Department of Conservation using protocol provided by the Department of Inland Fisheries and Wildlife, and land and interest in land that is subject to a conservation easement and that contains wildlife or fish habitat must be managed using protocol provided by the Department of Inland Fisheries and Wildlife.

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

CONSERVATION, DEPARTMENT OF

Land for Maine's Future Board

Provides funds in order to leverage \$5,000,000 in other funds to be used for the acquisition of land and interest in land for conservation; water access, wildlife or fish habitat including deer wintering areas; outdoor recreation, including hunting and fishing; and working farmland preservation and working waterfront preservation.

Total \$5,000,000

Sec. 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 Act.

Sec. 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 the Office of the Treasurer of State to be used for the retirement of general obligation bonds.

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

Sec. 10. Referendum for ratification; submission at election; form of question; effective date. This Act must be submitted to the legal voters of the State at a statewide election held in the month of November following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

"Do you favor a \$5,000,000 bond issue to purchase land and conservation easements statewide from willing sellers for public land and water access, conservation, wildlife or fish habitat and outdoor recreation, including hunting and fishing and deer wintering areas, and to preserve working farmland and working waterfronts to be matched by at least \$5,000,000 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 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.

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 five million dollars (\$5,000,000) to raise funds for the acquisition of land and interests in land for conservation, water access, wildlife habitat (including deer wintering areas) or fish habitat, outdoor recreation (including hunting and fishing), and preservation of farmland and working waterfronts, subject to a number of conditions and requirements. 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 under the direction and supervision of the Department of Conservation, which has now been merged into the new Department of Agriculture, Conservation and Forestry. See Public Laws of 2011, chapter 657, section W-1 (effective Aug. 30, 2012). The funds would be expended in accordance with the provisions of the Land for Maine's Future statute, Title 5 chapter 353. The bond funds would be matched by five million dollars (\$5,000,000) of funds from other public or private sources.

The Act specifies that projects that conserve and protect deer wintering areas are to be given priority in the scoring of applications submitted to the Land for Maine's Future Board. It also directs the Department of Conservation and the Department of Inland Fisheries and Wildlife to be proactive in pursuing conservation of priority deer wintering areas – defined as areas containing at least 500 acres of land (including the acreage of any contiguous land that is already conserved) that have been used by deer at some point since 1950 and are capable of sheltering deer as of the effective date of this Act or within 20 years. Land and easements purchased by the State for wildlife or fish habitat protection must be managed using protocols provided by the Department of Inland Fisheries and Wildlife.

Payment of bond proceeds may be made directly to “cooperating entities” to acquire land or interests in land of local or regional significance. In awarding funds for such projects, the Land for Maine's Future Board is required to give preference to acquisitions that achieve benefits for multiple towns and address regional conservation needs including public recreational access, wildlife, open space and farmland. “Cooperating entities” are defined in statute (Title 5, section 6201, subsection 2) to include local governments, municipal conservation commissions, federal agencies, private nonprofit organizations, and other entities designated by the Land for Maine's Future Board as able to assist the State in the acquisition or management of conservation lands.

Bond funds expended for conservation, recreation, farmland and public access to water must be matched with an equivalent amount of funding in public and private contributions. Seventy percent (70%) of the match for each project must be in the form of cash or other tangible assets, which may include the value of any land or other real property interests being acquired by or contributed to cooperating entities. The remaining 30% of the match may be in the form of in-kind contributions of goods or services related to the project, made by or to cooperating entities.

Any grants awarded by the Land for Maine's Future Board with these bond proceeds for working waterfront projects must be made in accordance with the terms of the Working Waterfront Access Pilot Program established by the Public Laws of 2005, chapter 462, part B.¹ This means each grant must be matched, dollar for dollar, by the organizations or local governments receiving the award and must be made subject to a condition that the property not be used, altered or developed in a manner that precludes its use by commercial fisheries businesses. The state must retain a permanent right of first refusal on any waterfront property that is acquired with bond proceeds, or is protected by an easement acquired with bond proceeds.

¹ This pilot program has since been established in statute as the Maine Working Waterfront Access Protection Program. See Public Laws of 2011, chapter 266, part B (effective Sept. 28, 2011), enacting new language in Title 5 chapter 353 (the Land for Maine's Future statute) and in Title 12 (the Department of Marine Resources statute).

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, except to the extent of applicable federal, state or local laws and regulations.

If approved, the bond authorization would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote favors the issuance of up to five million dollars (\$5,000,000) in general obligation bonds for the above activities.

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

Debt Service

Prepared by the Office of the Treasurer

Total estimated life time cost of borrowing this amount of money is **\$6,237,500** representing **\$5,000,000** in principal and **\$1,237,500** in interest (assuming **4.50%** 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 of or in opposition to Question 3.

Question 4: Bond Issue

Do you favor a \$51,500,000 bond issue for improvements to highways and bridges, local roads, airports and port facilities, as well as for funds for rail access, transit buses and the LifeFlight Foundation, which will make the State eligible for at least \$105,600,000 in federal and other matching funds?

STATE OF MAINE
Chapter 697
Public Laws of 2011
Approved May 29, 2012

“An Act To Authorize a General Fund Bond Issue to Invest in Transportation Infrastructure To Meet the Needs of the Business Sector and To Create Jobs”

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

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

Sec. 1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$51,500,000 for the purposes described in section 5 of this Act. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds.

Sec. 2. Records of bonds issued; Treasurer of State. The Treasurer of State shall ensure that an account of each bond is kept showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.

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

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

Sec. 5. Disbursement of bond proceeds from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Act must be expended as designated in the following schedule under the direction and supervision of the agencies and entities set forth in this section.

TRANSPORTATION, DEPARTMENT OF

Provides funds to repair and reconstruct highways and bridges that are considered to be vital to the expansion of business interests by the business and economic development sector and essential to public safety, which will make the State eligible for at least \$72,000,000 in federal matching funds.

Total \$41,000,000

Provides funds to the LifeFlight Foundation for weather observation stations and for helipads in rural communities with a history of high use or in remote locations to improve safety and access to emergency medical services to be matched by at least \$300,000 in funding from local government sources.

Total \$300,000

Provides funds for dredging the established commercial channel at Searsport, which serves the existing port operation at Mack Point, and potential port development on Sears Island, which will make the State eligible for at least \$10,000,000 in federal matching funds.

Total \$3,000,000

Provides funds for material handling equipment for the port at Mack Point to be matched by at least \$2,000,000 from private sources.

Total \$2,000,000

Provides funds for transit buses, which will make the State eligible for at least \$9,000,000 in federal matching funds.

Total \$1,000,000

Provides funds for the Industrial Rail Access Program to be matched by at least \$1,500,000 from private sources.

Total \$1,500,000

Provides funds for warehousing facilities at the port at Eastport.

Total \$1,500,000

Provides funds for aviation facilities, which will make the State eligible for at least \$10,800,000 in federal matching funds.

Total \$1,200,000

Sec. 6. Consultation with business and economic development sector. The Department of Transportation shall consult with the business and economic development sector to determine projects of highest priority to the business and economic development sector and create a stakeholder group consisting of municipal officials, highway safety officials and members of the general public to develop a list of highway and bridge projects by level of priority relating to the safety of the general public.

Sec. 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 Act.

Sec. 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 the Office of the Treasurer of State to be used for the retirement of general obligation bonds.

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

Sec. 10. Referendum for ratification; submission at election; form of question; effective date. This Act must be submitted to the legal voters of the State at a statewide election held in the month of November following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

"Do you favor a \$51,500,000 bond issue for improvements to highways and bridges, local roads, airports and port facilities, as well as for funds for rail access, transit buses and the LifeFlight Foundation, which will make the State eligible for at least \$105,600,000 in federal and other matching funds?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If a majority of the legal votes are cast in favor of this Act, the Governor shall proclaim the result without delay and this Act becomes effective 30 days after the date of the proclamation.

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

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 fifty-one million five hundred thousand dollars (\$51,500,000), to raise funds for a variety of projects as described below. 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 from the sale of these bonds would be administered by the **Department of Transportation** for the following purposes:

Highways and bridges – Forty-one million dollars (\$41,000,000) would be expended to repair and reconstruct highways and bridges deemed vital to expansion of business interests and essential to public safety. It is anticipated that this would make the State eligible for at least seventy-two million dollars (\$72,000,000) in federal matching funds. The Act requires the Department of Transportation to consult with the business and economic development sector in order to determine projects of the highest priority to that sector. In addition, a stakeholder group of municipal officials, highway safety officials and members of the general public must be formed to develop a priority list of highway and bridge projects to address the safety of the general public. A recent amendment to existing law (Title 23, section 73, subsection 7, as enacted by Public Laws of 2011, chapter 610, section B-2, effective Aug. 30, 2012) also provides a system by which the Department is required to establish priorities, customer service levels and goals for capital improvements to the State's public highways.

Medical helicopter service – Three hundred thousand dollars (\$300,000) would be provided to the LifeFlight Foundation to install a network of automated weather observation stations as well as to construct helicopter landing pads located in remote areas and in rural communities with high levels of usage. These funds would be matched by three hundred thousand dollars (\$300,000) in funding from local governmental sources. LifeFlight provides a medical helicopter service that transports critically ill and injured patients to hospitals statewide.

Port facilities – Three million dollars (\$3,000,000) would be spent to dredge the commercial shipping channel in Searsport, which serves the existing port operation at Mack Point. It is expected that this funding would make the state eligible for ten million dollars (\$10,000,000) in federal funds through the Army Corps of Engineers.

An additional two million dollars (\$2,000,000) would support the purchase of material handling equipment for use at Mack Point. This funding would be matched by an equivalent amount of investment by private entities.

Another one and a half million dollars (\$1,500,000) in bond proceeds would be used for construction of warehouse facilities at the port of Eastport, which is owned and operated by the Eastport Port Authority.

Bus service – One million dollars (\$1,000,000) would be used to help purchase new transit buses operated by governmental entities located across the state. It is expected that these funds would secure approximately \$9,000,000 in federal funding through the Federal Transit Administration.

Industrial rail service – One and a half million dollars (\$1,500,000) would support the Industrial Rail Access Program, which is an existing program of the Department that provides 50% matching grants to private businesses for improvements necessary to increase freight transportation by rail. Because these are matching grants, this funding would trigger an additional one and a half million dollars (\$1,500,000) in private investment.

Aviation facilities – One million two hundred thousand dollars (\$1,200,000) would support projects at publicly-owned aviation facilities across the state. This funding is expected to be matched by ten million eight hundred thousand dollars (\$10,800,000) in federal funds administered by the Federal Aviation Administration.

If approved, the authorization of these bonds would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote favors the issuance of up to fifty-one million five hundred thousand dollars (\$51,500,000) in general obligation bonds to finance the projects described above.

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

Debt Service

Prepared by the Office of the Treasurer

Total estimated life time cost of borrowing this amount of money is **\$64,246,250** representing **\$51,500,000** in principal and **\$12,746,250** in interest (assuming **4.50%** 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 of or in opposition to Question 4.

Question 5: Bond Issue

Do you favor a \$7,925,000 bond issue to be expended over 2 years for revolving loan funds for drinking water systems and for wastewater treatment facilities, which will make the State eligible to secure \$39,625,000 in federal grants?

STATE OF MAINE
Chapter 695
Public Laws of 2011
Approved May 29, 2012

“An Act To Authorize a General Fund Bond Issue for Wastewater and Drinking Water Revolving Loan Funds”

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

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

Sec. 1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$7,925,000 for the purposes described in section 5 of this Act. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds.

Sec. 2. Records of bonds issued; Treasurer of State. The Treasurer of State shall ensure that an account of each bond is kept showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.

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

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

Sec. 5. Disbursement of bond proceeds from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Act must be expended as designated in the following schedule under the direction and supervision of the agencies and entities set forth in this section.

**HEALTH AND HUMAN SERVICES,
DEPARTMENT OF**

Provides funds in the amount of \$3,590,000 over 2 years for the revolving loan fund for drinking water systems, which will make the State eligible to secure federal grants.

Total \$3,590,000

**ENVIRONMENTAL PROTECTION,
DEPARTMENT OF**

Provides funds in the amount of \$4,335,000 over 2 years for the revolving loan fund for wastewater treatment facilities, which will make the State eligible to secure federal grants.

Total \$4,335,000

Sec. 6. Contingent upon ratification of bond issue. Sections 1 to 5 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Act.

Sec. 7. 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 the Office of the Treasurer of State to be used for the retirement of general obligation bonds.

Sec. 8. Bonds authorized but not issued. Any bonds authorized but not issued within 5 years of ratification of this Act are deauthorized and may not be issued, except that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds for an additional amount of time not to exceed 5 years.

Sec. 9. Referendum for ratification; submission at election; form of question; effective date. This Act must be submitted to the legal voters of the State at a statewide election held in the month of November following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

"Do you favor a \$7,925,000 bond issue to be expended over 2 years for revolving loan funds for drinking water systems and for wastewater treatment facilities, which will make the State eligible to secure \$39,625,000 in federal grants?"

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.

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 seven million nine hundred and twenty-five thousand dollars (\$7,925,000) to raise funds for drinking water and wastewater treatment programs, as described below. 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 these bonds in the amount of three million five hundred and ninety thousand dollars (\$3,590,000) would go into the state's safe drinking water revolving loan fund, administered by the Maine Bond Bank and the Department of Health and Human Services. Loans from this fund may be issued to eligible public water systems to design, construct or improve drinking water supplies or treatment and distribution systems, or for any actions authorized or required under the federal Safe Drinking Water Act of 1996. This funding would make the State eligible to secure matching federal grants in the amount of seventeen million nine hundred and fifty thousand dollars (\$17,950,000) over two years (a 5:1 ratio of federal to state funds).

The remaining bond proceeds of four million three hundred and thirty-five thousand dollars (\$4,335,000) would go into an existing state revolving loan fund administered by the Maine Bond Bank and would be distributed by the Department of Environmental Protection in the form of loans to municipalities to construct and upgrade wastewater treatment facilities. This funding would make the State eligible to secure matching federal grants in the amount of twenty-one million six hundred and seventy-five thousand dollars (\$21,675,000) over two years (a 5:1 ratio of federal to state funds).

If approved, the authorization of these bonds would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote favors the issuance of up to seven million nine hundred and twenty-five thousand dollars (\$7,925,000) in general obligation bonds for the purposes described above.

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

Debt Service
Prepared by the Office of the Treasurer

Total estimated life time cost of borrowing this amount of money is **\$9,886,438** representing **\$7,925,000** in principal and **\$1,961,438** in interest (assuming **4.50%** 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 of or in opposition to Question 5.