# MAINE STATE LEGISLATURE

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# 114th MAINE LEGISLATURE

## FIRST REGULAR SESSION - 1989

### Legislative Document

No. 318

H.P. 234

House of Representatives, February 22, 1989

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

> 2d Pest EDWIN H. PERT, Clerk

Presented by Representative WHITCOMB of Waldo.
Cosponsored by Representative LOOK of Jonesboro, Representative HIGGINS of Scarborough and Senator ANDREWS of Cumberland.

### STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-NINE

An Act to Assist Municipalities with Respect to Harbor Improvements.



1	Preamble. Two thirds of both Houses of the Legislature
3	deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds
5	on behalf of the State of Maine to provide funds for harbor improvements.
7	Be it enacted by the People of the State of Maine as follows:
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11	Sec. 1. 23 MRSA c. 412, sub-c. III is enacted to read:
	SUBCHAPTER III
13	HARBOR IMPROVEMENT
15	§4431. Definitions
17	As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.
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21	1. Department. "Department" means the Department of Transportation.
23	2. Fund. "Fund" means the Maine Harbor Improvements Fund.
25	3. Harbor improvements. "Harbor improvements" means the
	construction, rehabilitation and improvement of publicly owned
27	and operated piers and wharves and public landing facilities; dredging; and the construction, rehabilitation or improvement of
29	navigation structures, including but not limited to, breakwaters and similar facilities.
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33	§4432. Maine Harbor Improvements Fund
	1. Creation. The Maine Harbor Improvements Fund is
35	created and established under the jurisdiction and control of the Department of Transportation.
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	2. Sources of fund. The following shall be paid into the
39	fund:
41	A. All money appropriated from the General Fund for inclusion in the fund;
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•	B. Subject to any pledge, contract or other obligation
45	under this subchapter, all interest, dividends and pecuniary gains from fund investments;
47	C. Proceeds from the issuance of bonds pursuant to this
49	subchapter;
51	D. Federal money that is made available for uses pursuant to this subchapter: and

1 E. Any other money available for uses pursuant to this 3 subchapter. 5 §4433. Application of fund 7 Money in the fund shall be made available on a matching basis to municipalities for harbor improvements. The municipal 9 cost share of an eligible project shall not exceed 20% of the total nonfederal cost. The remaining cost may be financed from 11 the Maine Harbor Improvements Fund. Money in the fund shall be used in accordance with the provisions of this section. 13 1. Harbor improvements. Money in the fund shall be used for harbor improvements as defined in section 4431. Harbor 15 improvements may not include marinas and similar recreational facilities. 17 2. Nonrecreational use. If a harbor improvement has a 19 recreational use, the harbor improvement is eligible for 21 financing under this subchapter only if the recreational use constitutes less than 20% of total use of the facility or 23 structure. A dredging project is eligible only if the primary purpose is for nonrecreational use. 25 3. Public ownership. Money in the fund shall be used for the construction, rehabilitation and improvement of publicly 27 owned harbor facilities, structures and other improvements, including navigation. Money in the fund may be used to purchase 29 privately owned harbor facilities and structures for use by the 31 public. 33 §4434. Fund accounts 35 The department may divide the fund into separate accounts to accomplish the purposes of this subchapter. 37 §4435. Analysis and evaluation 39 The department shall inventory the publicly owned harbor facilities and structures and analyze their impact on the 41 municipality and the State. The department also shall analyze 43 proposed new publicly owned harbor facilities and structures to determine their impact for the purposes of this subchapter. 45 1. Priorities. The department shall establish priorities 47 for proposed construction, rehabilitation or improvement of harbor facilities, structures and other harbor improvements. In determining these priorities the department shall consult with 49 the Department of Economic and Community Development, the State 51 Planning Office and the Department of Marine Resources.

bonds set out in section 7 shall be expended under the direction

The proceeds of the

Sec. 6. Disbursement of bond proceeds.

and supervision of the Department of Transportation.

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Sec. 7. Allocations from General Fund bond issue; harbor improvements. The proceeds of the sale of bonds shall be expended as designated in the following schedule.

Harbor improvements

\$10,000,000

Sec. 8. Contingent upon ratification of bond issue. Sections 1 to 7 shall not become effective unless and until the people of the State have ratified the issuance of bonds as set forth in this Act.

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Sec. 9. Appropriation balances at year end. At the end of each fiscal year, all unencumbered appropriation balances representing state money shall carry forward from year to year. Bond proceeds which have not been expended within 10 years after the date of the sale of the bonds shall lapse to General Fund debt service.

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Sec. 10. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes have not been issued within 5 years of ratification of this Act, shall be deauthorized and may not be issued, provided 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.

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Sec. 11. Statutory referendum procedure; submission at statewide election; form of question; effective date. This Act shall be submitted to the legal voters of the State of Maine at a statewide election to be held on the Tuesday following the first Monday of November following passage of this Act. The city aldermen, town selectmen and plantation assessors 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:

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"Shall a \$10,000,000 bond issue be approved to provide for harbor improvements?"

41 The legal voters of each city, town and plantation shall vote by ballot on this question and shall designate their choice 43 by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots shall be received, 45 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. 47 The Governor shall review the returns and, if it appears that a majority of the legal voters are in favor of the Act, the Governor shall 49 proclaim that fact without delay, and the Act shall become effective 30 days after the date of the proclamation. 51

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 purpose of this referendum.

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#### STATEMENT OF FACT

7 This bill proposes to establish a harbor improvement fund and program to assist municipalities with harbor and navigation 9 The program will assist municipalities with improvements. publicly owned harbor facilities and structures including 11 navigation dredging structures and projects such as breakwaters. projects Eligible projects for are recreational use is less than 20% of total use. 13

Municipalities, in order to receive funding assistance from the Maine Harbor Improvements Fund, are required to match the state funds. The State will be responsible for 80% and the municipality will be responsible for 20% of the total nonfederal cost.

The Maine Harbor Improvements Fund which is initially established at \$10,000,000 is subject to approval by the electorate at the next statewide election.

The Department of Transportation will inventory current harbor facilities and structures and determine their impact on the locality and the State. The department will establish priorities for proposed projects which are required to be consistent with the State's economic development strategy, the coastal zone management programs of the State and with plans of the Bureau of Marine Resources.

Maine's coastal communities have a number of publicly owned harbor facilities and structures that are in disrepair. In addition, there are a considerable number of private facilities and structures which limit public access to Maine harbors. Since access to Maine harbors as well as the need for sound harbor structures and facilities are vital to the maritime industry and related enterprise in this State, it is necessary to provide the means to preserve and develop this industry.