

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1585

H.P. 1142

House of Representatives, May 9, 1989

Reference to the Committee on Energy and Natural Resources suggested and ordered printed.

A handwritten signature in black ink that reads "Ed Pert".

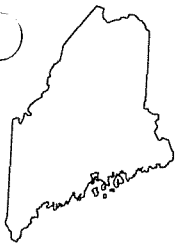
EDWIN H. PERT, Clerk

Presented by Representative MICHAUD of East Millinocket.
Cosponsored by Representative COLES of Harpswell.

STATE OF MAINE

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

**An Act to Establish a Municipal Growth Management and Capital
Investment Fund.**



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

3 Sec. 1. 5 MRSA §12004-G, sub-§7-A is enacted to read:

5	<u>7-A. Economic</u>	<u>Municipal</u>	<u>Expenses Only</u>	<u>5 MRSA</u>
7	<u>Development</u>	<u>Capital</u>		<u>§13114</u>
9		<u>Investment</u>		
		<u>Advisory</u>		
		<u>Commission</u>		

11 Sec. 2. 5 MRSA c. 383, sub-c. VI, article 1 is enacted to read:

13 ARTICLE I

15 MUNICIPAL GROWTH MANAGEMENT
17 AND CAPITAL INVESTMENT

19 §13112. Municipal Growth Management and Capital Investment Fund

21 1. Creation. The Municipal Growth Management and Capital
Investment Fund is created as a nonlapsing fund to be used by the
department only for the purposes of this article.

23 2. Deposited funds. Money in the fund not currently needed
to meet the obligations of the department under this article
shall be deposited with the Treasurer of State to the credit of
the fund with all interest earned by the deposit credited to the
fund.

29 §13113. Assistance to municipalities

31 The department may make grants to eligible municipalities in
support of capital investments in public service infrastructure
as provided in this article.

33 1. Definitions. As used in this article, unless the
context otherwise indicates, the following terms have the
following meanings.

35 A. "Public service infrastructure" means those facilities
that are essential for public health, welfare and safety.
These facilities include, but are not limited to, sewage
treatment facilities, municipal water facilities, solid
waste facilities, fire protection facilities, roads and
traffic control devices, parks and other open space or
recreational areas and any other public facility that
benefits the public.

41 2. Eligibility. Any municipality is eligible to apply for
grants under this article when it has adopted a comprehensive
plan pursuant to the requirements of Title 30-A, chapter 187,
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1 subchapter II. The comprehensive plan shall include a capital
2 investment plan comprised of the following elements:

3 A. An assessment of all public facilities and services,
4 including, but not limited to, roads, sewers, schools, parks
5 and open space, fire and police;

6 B. A 10-year plan for the replacement and expansion of
7 existing public facilities or the construction of such new
8 facilities as are required to meet expected growth and
9 economic development. The capital investment plan shall
10 include projections of when and where these facilities will
11 be required; and

12 C. An assessment of the anticipated costs for replacement,
13 expansion or construction of public facilities, an
14 identification of revenue sources available to meet these
15 costs and recommendations for meeting costs required to
16 implement the plan.

17 3. Eligibility for municipalities without comprehensive
18 plans. Any municipality is eligible to apply for grants under
19 this article without having adopted a comprehensive plan pursuant
20 to the requirements of Title 30-A, chapter 187, subchapter II as
21 follows:

22 A. If the municipality has experienced population growth of
23 10% or more between 1980 and 1987 and has a total population
24 in excess of 500 persons, based on population estimates
25 provided by the State Planning Office and that municipality
26 adopts a comprehensive plan by January 1, 1992;

27 B. If the municipality has experienced population growth of
28 5% or more between 1980 and 1987, based on population
29 estimates provided by the State Planning Office and that
30 municipality adopts a comprehensive plan by January 1, 1994;
31 or

32 C. If neither paragraph A or B applies and the municipality
33 adopts a comprehensive plan by January 1, 1997.

34 4. Grants criteria. The department shall develop criteria
35 and conditions for the award of grants to eligible municipalities
36 after consultation with the Municipal Capital Investment Advisory
37 Commission and subject to the requirements of this article.

38 A. The department shall give priority to those
39 municipalities which are experiencing rapid growth and which
40 possess a public service infrastructure inadequate to
41 accommodate that growth.

1 B. The department shall establish a preference for those
3 municipalities with higher local property tax burdens. The
5 comparative local property tax burden shall be determined
7 under the provisions of Title 30-A, section 5681.

9 C. The department shall condition any grants under this
11 article on consistency with the municipality's comprehensive
13 plan, including its capital investment plan.

15 D. The department shall establish a preference for capital
17 investment projects undertaken jointly by 2 or more
19 municipalities or which provide substantial regional
21 benefits.

23 E. The department shall adopt other criteria as it
25 determines necessary to ensure that grants made under this
27 article maximize the ability of municipalities to
29 accommodate planned growth and economic development.

31 5. Coordination. The department shall coordinate the
33 grants made under this article with all other community
35 assistance grants administered by the department and with other
37 state assistance programs designed to accomplish similar
39 objectives, including those administered by the Department of
41 Educational and Cultural Services, the Department of
43 Transportation and the Department of Environmental Protection.

45 §13114. Municipal Capital Investment Advisory Commission

47 There is established a Municipal Capital Investment Advisory
49 Commission to provide expert assistance and input to the
51 department on the development of grants criteria under this
53 article. The commission is composed of 5 members who shall serve
55 staggered 4-year terms except that the terms of the initial
57 members shall be as follows: one member for 2 years; 2 members
59 for 3 years; and 2 members for 4 years. The Governor shall
61 appoint the members who shall each have expertise and experience
63 in municipal government. The commission shall meet at least
65 twice annually and shall review the grants criteria annually.

67 §13115. Report to the Legislature

69 The department shall report to the joint standing committee
71 of the Legislature having jurisdiction over appropriation matters
73 and financial affairs no later than January 1, 1990, and
75 biennially thereafter, on the grants program. The department may
77 make any recommendations it finds necessary to achieve more
79 effectively the purpose of this article, including the
81 appropriation of any necessary additional funds.

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STATEMENT OF FACT

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This bill establishes a Municipal Growth Management and Capital Investment Fund to assist towns and cities to build the public facilities, including roads, water supply and other items, needed to accommodate growth and economic development. The intent is to support the fund initially with the proceeds of a \$10,000,000 general revenue bond issue if approved by the voters of the State.

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The fund would be administered by the Department of Economic and Community Development with the advice of a commission composed of persons with expertise and experience in local government. The department would coordinate this grants program with the other local and regional assistance programs it currently administers.

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All municipalities with comprehensive and capital investment plans would be eligible for grants. Those municipalities with higher than average property tax burdens or which are experiencing rapid growth would receive priority.