

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1530

H.P. 1083

House of Representatives, February 25, 1999

**An Act to Authorize a General Fund Bond Issue in the Amount of
\$120,000,000 for Land Acquisition by the Land for Maine's Future Board.**

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

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative SHIAH of Bowdoinham.
Cosponsored by Senator RUHLIN of Penobscot and
Representatives: DUNLAP of Old Town, McKEE of Wayne, SAXL of Bangor, SKOGLUND
of St. George, TOWNSEND of Portland, Senators: RAND of Cumberland, TREAT of
Kennebec.

2 **Preamble.** Two thirds of both Houses of the Legislature
deeming it necessary in accordance with the Constitution of
4 Maine, Article IX, Section 14, to authorize the issuance of bonds
on behalf of the State of Maine to provide funds for the
6 acquisition of land and interest in land for conservation,
outdoor recreation and wildlife habitat protection and farmland
preservation.

8
10 **Be it enacted by the People of the State of Maine as follows:**

12 **Sec. 1. Authorization of bonds to provide for conservation, outdoor**
recreation, wildlife habitat protection and farmland preservation. The
14 Treasurer of State is authorized, under the direction of the
Governor, to issue bonds in the name and on behalf of the State
16 in an amount not exceeding \$120,000,000 to provide funds for the
acquisition of land and interest in land for conservation,
18 outdoor recreation and wildlife habitat protection and farmland
preservation, as authorized in section 7. No more than
20 \$40,000,000 may be issued in the first year and no more than
\$40,000,000 may be issued in the 2nd year and no more than
22 \$40,000,000 may be issued in the 3rd year, except that any unused
balance in the first or 2nd year may be added to the specified
24 amount in the 2nd and 3rd years. The bonds are a pledge of the
full faith and credit of the State. The bonds may not run for a
26 period longer than 20 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
28 call feature.

30 **Sec. 2. Records of bonds issued to be kept by the Treasurer of State.**
The Treasurer of State shall keep an account of each bond showing
32 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
34 date when payable.

36 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
Treasurer of State may negotiate the sale of the bonds by
38 direction of the Governor, but no bond may be loaned, pledged or
hypothecated on behalf of the State. The proceeds of the sale of
40 the bonds, which must be held by the Treasurer of State and paid
by the Treasurer of State upon warrants drawn by the State
42 Controller, are appropriated solely for the purposes set forth in
this Act. Any unencumbered balances remaining at the completion
44 of the project in section 7 lapse to the debt service account
established for the retirement of these bonds.

46
48 **Sec. 4. Taxable bond option.** The Treasurer of State, at the
direction of the Governor, shall covenant and consent that the
50 interest on the bonds is includable, under the United States
Internal Revenue Code, in the gross income of the holders of the

2 bonds to the same extent and in the same manner that the interest
3 on bills, bonds, notes or other obligations of the United States
4 is includable in the gross income of the holders under the United
5 States Internal Revenue Code or any subsequent law. The powers
6 conferred by this section are not subject to any limitations or
7 restrictions of any law that may limit the power to so covenant
8 and consent.

9
10 **Sec. 5. Interest and debt retirement.** The Treasurer of State
11 shall pay interest due or accruing on any bonds issued under this
12 Act and all sums coming due for payment of bonds at maturity.

13
14 **Sec. 6. Disbursement of bond proceeds.** The proceeds of the
15 bonds must be expended as set out in section 7 under the
16 direction and supervision of, and in accordance with the land
17 acquisition policies and criteria of, the Land for Maine's Future
18 Board, established by the Maine Revised Statutes, Title 5,
chapter 379.

19
20 **Sec. 7. Allocations from General Fund bond issue; acquisition of**
21 **land.** The proceeds of the sale of bonds must be expended as
22 designated in the following schedule.

23 **EXECUTIVE DEPARTMENT**

24 **State Planning Office**

25
26
27
28 Land for Maine's Future Board \$120,000,000

29
30 Acquisitions will be targeted
31 to sites with outstanding
32 recreational, scenic, natural
33 or wildlife values in
34 accordance with the policies
35 and criteria developed by the
36 Land for Maine's Future Board.

37
38 **Sec. 8. Contingent upon ratification of bond issue.** Sections 1 to
39 7 do not become effective unless the people of the State have
40 ratified the issuance of bonds as set forth in this Act.

41
42 **Sec. 9. Appropriation balances at year end.** At the end of each
43 fiscal year, all unencumbered appropriation balances representing
44 state money carry forward. Bond proceeds that have not been
45 expended within 10 years after the date of the sale of the bonds
46 lapse to General Fund debt service.

Sec. 10. 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 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 or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. 11. Referendum for ratification; submission at statewide election; form of question; effective date. This Act must be submitted to the legal voters of the State of Maine at the next statewide election held on the Tuesday following the first Monday 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 \$120,000,000 bond issue to be issued over a 3-year period to purchase public lands and easements from willing sellers for public outdoor access and recreation, farmland preservation and conservation and to protect wildlife habitat?"

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 and, if a majority of the legal votes are cast in favor of the Act, the Governor shall proclaim the result without delay, and the 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 purpose of this referendum.

SUMMARY

The funds provided by this bond issue, in the amount of \$120,000,000, will be used by the Land for Maine's Future Board to acquire lands and easements from willing sellers for public outdoor access and recreation, farmland preservation and conservation and to protect wildlife habitat. The bonds are to be issued over a 3-year period.