

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 2144

H.P. 1500

House of Representatives, April 5, 1999

An Act to Authorize a General Fund Bond Issue in the Amount of \$50,000,000 to Finance the Acquisition of Lands and Interests in Lands for Conservation, Water Access, Outdoor Recreation, Fish and Wildlife Habitat and Farmland Protection and to Access \$25,000,000 in Matching Contributions from Public and Private Sources.

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 MURPHY of Kennebunk. (GOVERNOR'S BILL)
Cosponsored by Representatives: BUMPS of China, DUNLAP of Old Town, KNEELAND of Easton, MARTIN of Eagle Lake, PIEH of Bremen, Speaker ROWE of Portland, Senators: AMERO of Cumberland, President LAWRENCE of York.

2 **Preamble.** Two thirds of both Houses of the Legislature
3 deeming it necessary in accordance with the Constitution of
4 Maine, Article IX, Section 14, to authorize the issuance of bonds
5 on behalf of the State of Maine to provide funds for the
6 acquisition of lands and interests in lands for conservation,
7 water access, outdoor recreation, fish and wildlife habitat and
8 farmland protection and to access matching contributions from
9 public and private sources.

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

11 **Sec. 1. Authorization of bonds to provide for conservation, water**
12 **access, outdoor recreation, fish and wildlife habitat and farmland**
13 **protection.** The Treasurer of State is authorized, under the
14 direction of the Governor, to issue bonds in the name and on
15 behalf of the State in an amount not exceeding \$50,000,000 to
16 raise funds for the acquisition of lands and interests in lands
17 for conservation, water access, outdoor recreation, fish and
18 wildlife habitat and farmland protection and to access matching
19 contributions from public and private sources, as authorized in
20 section 7. No more than \$10,000,000 may be issued in the first
21 year and no more than \$10,000,000 may be issued in each of the 4
22 subsequent years, except that any unused balance may be added to
23 the specified amount in subsequent years. The bonds are a pledge
24 of the full faith and credit of the State. The bonds may not run
25 for a period longer than 20 years from the date of the original
26 issue of the bonds. At the discretion of the Treasurer of State,
27 with the approval of the Governor, any issuance of bonds may
28 contain a call feature.

29 **Sec. 2. Records of bonds issued to be kept by the Treasurer of State.**
30 The Treasurer of State shall keep an account of each bond showing
31 the number of the bond, the name of the successful bidder to whom
32 sold, the amount received for the bond, the date of sale and the
33 date when payable.

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

44 **Sec. 4. Taxable bond option.** The Treasurer of State, at the
45 direction of the Governor, shall covenant and consent that the
46 interest on the bonds is includable under the United States

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

Sec. 5. 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. 6. Disbursement of bond proceeds. The proceeds of the
bonds must be expended for acquisition of lands and interests in
lands for conservation, water access, outdoor recreation, fish
and wildlife habitat and farmland protection in accordance with
the provisions for such acquisitions under the Maine Revised
Statutes, Title 5, chapter 353, except that use of the proceeds
of this bond is subject to the following conditions and
requirements.

1. Hunting, fishing and trapping may not be prohibited on
land acquired with bond proceeds, except to the extent of
applicable state, local or federal laws and regulations.

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 lands and interests in lands by cooperating entities, subject
to terms and conditions enforceable by the State to ensure their
use for the purposes of this Act.

3. The bond funds must be matched with at least \$25,000,000
in public and private contributions. Matching contributions may
include the value of project-related in-kind contributions of
goods and services to and by cooperating entities and the value
of real property interests acquired by or contributed to
cooperating entities when property interests have a relationship
to the property proposed for protection, as determined by the
Land for Maine's Future Board.

4. Ten percent of the bond proceeds must be made available
to acquire public access to water, in accordance with the
provisions of Title 5, section 6203-A.

2 **Sec. 7. Allocations from General Fund bond issue; acquisition of**
4 **lands; interests in lands for conservation; water access; outdoor recreation;**
6 **fish and wildlife habitat; farmland protection.** The proceeds of the
 sale of bonds must be expended as designated in the following
 schedule.

8 **EXECUTIVE DEPARTMENT**

10 **State Planning Office**

12 Land for Maine's Future Board

14 All Other \$50,000,000

16 Provides for the use of bond
18 proceeds to be used for the
 acquisition of lands and
20 interests in lands for
 conservation, water access,
22 outdoor recreation, fish and
 wildlife habitat and farmland
 protection.

24 **Sec. 8. Contingent upon ratification of bond issue.** Sections 1 to
26 7 do not become effective unless the people of the State have
 ratified the issuance of bonds as set forth in this Act.

28 **Sec. 9. Appropriation balances at year end.** At the end of each
30 fiscal year, all unencumbered appropriation balances representing
 state money carry forward. Bond proceeds that have not been
32 expended within 25 years after the date of the sale of the bonds
 lapse to General Fund debt service.

34 **Sec. 10. Bonds authorized but not issued.** Any bonds authorized
36 but not issued, or for which bond anticipation notes are not
 issued within 10 years of ratification of this Act, are
38 deauthorized and may not be issued; except that the Legislature
 may, within 2 years after the expiration of that 10-year period,
40 extend the period for issuing any remaining unissued bonds or
 bond anticipation notes for an additional amount of time not to
42 exceed 5 years.

44 **Sec. 11. Referendum for ratification; submission at statewide**
46 **election; form of question; effective date.** This Act must be submitted
 to the legal voters of the State of Maine at a statewide election
 held on the Tuesday following the first Monday of November
48 following passage of this Act. The municipal officers of this
 State shall notify

2 the inhabitants of their respective cities, towns and plantations
to meet, in the manner prescribed by law for holding a statewide
4 election, to vote on the acceptance or rejection of this Act by
voting on the following question:

6 "Do you favor a \$50,000,000 bond issue to purchase public
lands and easements statewide from willing sellers for
8 conservation, water access, outdoor recreation, fish and
wildlife habitat and farmland protection, to be matched by
10 \$25,000,000 in private and public contributions?"

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

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

28
30 **SUMMARY**

The funds provided by this bond issue, in the amount of
32 \$50,000,000, will be used by the Land for Maine's Future Board to
acquire lands and interests in lands for conservation, water
34 access, outdoor recreation, fish and wildlife habitat and
farmland protection. To maximize the effectiveness of this
36 investment in Maine's future, the board will secure matching
contributions greater than or equal to half the total amount of
38 bond proceeds expended.