

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 684

S.P. 259

In Senate, February 24, 2009

An Act To Authorize a General Fund Bond Issue To Finance the Acquisition of Land and Interest in Land for Public Land and Water Access, Conservation, Wildlife and Fish Habitats, Outdoor Recreation Including Hunting and Fishing and Farmland Preservation and To Access Matching Contributions from Public and Private Sources

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

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DIAMOND of Cumberland.

Cosponsored by Speaker PINGREE of North Haven and

Senators: BARTLETT of Cumberland, BOWMAN of York, BRYANT of Oxford, CRAVEN of Androscoggin, DAMON of Hancock, DAVIS of Cumberland, GERZOFISKY of Cumberland, GOODALL of Sagadahoc, GOOLEY of Franklin, HOBBS of York, JACKSON of Aroostook, McCORMICK of Kennebec, President MITCHELL of Kennebec, NUTTING of Androscoggin, SCHNEIDER of Penobscot, SIMPSON of Androscoggin, SULLIVAN of York, TRAHAN of Lincoln, Representatives: BEAUDOIN of Biddeford, BEAULIEU of Auburn, BERRY of Bowdoinham, BLANCHARD of Old Town, BLODGETT of Augusta, BOLAND of Sanford, BRIGGS of Mexico, BRYANT of Windham, CAIN of Orono, CASAVANT of Biddeford, COHEN of Portland, CONNOR of Kennebunk, CORNELL du HOUX of Brunswick, CRAY of Palmyra, CROCKETT of Augusta, DILL of Cape Elizabeth, DRISCOLL of Westbrook, DUCHESNE of Hudson, EATON of Sullivan, EBERLE of South Portland, EVES of North Berwick, FLAHERTY of Scarborough, FLEMINGS of Bar Harbor, FOSSEL of Alna, GILBERT of Jay, GOODE of Bangor, HARLOW of Portland, HASKELL of Portland, HINCK of Portland, HOGAN of Old Orchard Beach, HUNT of Buxton, JONES of Mount Vernon, KNIGHT of Livermore Falls, KRUGER of Thomaston, LEGG of Kennebunk, LOVEJOY of Portland, MARTIN of Eagle Lake, MAZUREK of Rockland, McCABE of Skowhegan, MILLER of Somerville, NELSON of Falmouth, O'BRIEN of Lincolnville, PEOPLES of Westbrook, PERCY of Phippsburg, PERRY of Calais, PIEH of Bremen, PRATT of Eddington, ROTUNDO of Lewiston, RUSSELL of Portland, SCHATZ of Blue Hill, SHAW of Standish, STRANG BURGESS of Cumberland, STUCKEY of Portland, SUTHERLAND of Chapman, TREAT of Hallowell, TUTTLE of Sanford, VAN WIE of New Gloucester, WAGNER of Lyman, WAGNER of Lewiston, WATSON of Bath, WEBSTER of Freeport, WELSH of Rockport, WHEELER of Kittery, WRIGHT of Berwick.

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

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

6 **Sec. 1. Authorization of bonds.** The Treasurer of State is authorized, under the
7 direction of the Governor, to issue bonds in the name and on behalf of the State in an
8 amount not exceeding \$87,500,000 for the purposes described in section 6 of this Act and
9 to access \$43,750,000 in matching contributions from public and private sources. No
10 more than \$25,000,000 in bonds may be issued within the first year after ratification of
11 the issuance of bonds as set forth in this Act and no more than \$22,500,000 may be issued
12 in the 2nd year, and no more than \$20,000,000 in each of the subsequent 2 years, except
13 that any unused balance may be added to the specified amount in subsequent years. The
14 bonds are a pledge of the full faith and credit of the State. The bonds may not run for a
15 period longer than 10 years from the date of the original issue of the bonds. At the
16 discretion of the Treasurer of State, with the approval of the Governor, any issuance of
17 bonds may contain a call feature.

18 **Sec. 2. Records of bonds issued kept by Treasurer of State.** The Treasurer
19 of State shall keep an account of each bond showing the number of the bond, the name of
20 the successful bidder to whom sold, the amount received for the bond, the date of sale and
21 the date when payable.

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

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

32 **Sec. 5. Disbursement of bond proceeds allocated to Land for Maine's**
33 **Future Board.** The proceeds of the bonds must be expended as set out in this Act
34 under the direction and supervision of the Land for Maine's Future Board for acquisition
35 of land and interest in land for conservation, public land and water access, outdoor
36 recreation, wildlife and fish habitats and farmland preservation in accordance with the
37 provisions for such acquisitions under the Maine Revised Statutes, Title 5, chapter 353,
38 including all costs associated with such acquisitions, except that use of the proceeds of
39 these bonds is subject to the following conditions and requirements.

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

4 2. Payments from bond proceeds for acquisitions of local or regional significance, as
5 determined by the Land for Maine's Future Board, may be made directly to cooperating
6 entities as defined in Title 5, section 6201, subsection 2 for acquisition of land and
7 interest in land by cooperating entities, subject to terms and conditions enforceable by the
8 State to ensure their use for the purposes of this Act.

9 3. The bond funds must be matched with at least \$43,750,000 in public and private
10 contributions. Seventy percent of that amount must be in the form of cash or other
11 tangible assets, including the value of land and real property interest acquired by or
12 contributed to cooperating entities when property interests have a direct relationship to
13 the property proposed for protection, as determined by the Land for Maine's Future
14 Board. The remaining 30% may be matching contributions and may include the value of
15 project-related, in-kind contributions of goods and services to and by cooperating entities.

16 4. Ten percent of the bond proceeds allocated to the Land for Maine's Future Board
17 must be made available to acquire public access to water in accordance with the
18 provisions of Title 5, section 6203-A.

19 5. Ten percent of the bond proceeds allocated to the Land for Maine's Future Board
20 must be made available to protect farmland in accordance with Title 5, section 6207.

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

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

27 **LAND FOR MAINE'S FUTURE**
28 **BOARD**

29		
30	Provides funds to be used for the	\$87,500,000
31	acquisition of land and interest in land for	
32	public land and water access, conservation,	
33	wildlife and fish habitats, outdoor	
34	recreation including hunting and fishing	
35	and farmland preservation.	

36 **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to 6 do not
37 become effective unless the people of the State ratify the issuance of the bonds as set
38 forth in this Act.

39 **Sec. 8. Appropriation balances at year-end.** At the end of each fiscal year, all
40 unencumbered appropriation balances representing state money carry forward. Bond

1 proceeds that have not been expended within 10 years after the date of the sale of the
2 bonds lapse to General Fund debt service.

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

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

15 "Do you favor an \$87,500,000 bond issue to purchase land and
16 conservation easements statewide for public land and water access,
17 conservation, wildlife and fish habitats, outdoor recreation including
18 hunting and fishing and farmland preservation, to be matched by at least
19 \$43,750,000 in private and public contributions?"

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

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

31 SUMMARY

32 The funds provided by this bond issue, in the amount of \$87,500,000, will be used to
33 recapitalize the Land for Maine's Future program over 4 years to continue the State's land
34 conservation efforts, leveraging a minimum of \$43,750,000 in required matching funds.