MAINE STATE LEGISLATURE

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H.P. 677

House of Representatives, March 9, 2017

An Act To Authorize a General Fund Bond Issue To Upgrade Municipal Culverts at Stream Crossings

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

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative FREDETTE of Newport. Cosponsored by Senator DAVIS of Piscataquis and

Representatives: BLACK of Wilton, Speaker GIDEON of Freeport, HERBIG of Belfast,

Senators: CARPENTER of Aroostook, JACKSON of Aroostook.

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

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

- **Sec. 1. Authorization of bonds.** The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$10,000,000 for the purposes described in section 5 of this Act. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds.
- **Sec. 2. Records of bonds issued; Treasurer of State.** The Treasurer of State shall ensure that an account of each bond is kept showing 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 date when payable.
- **Sec. 3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Act. Any unencumbered balances remaining at the completion of the project in this Act lapse to the Office of the Treasurer of State to be used for the retirement of general obligation bonds.
- **Sec. 4. 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. 5. Disbursement of bond proceeds from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Act must be expended as designated in the following schedule under the direction and supervision of the agencies and entities set forth in this section.

ENVIRONMENTAL PROTECTION, DEPARTMENT OF

Provides funds for a competitive grant program that matches local funding for the upgrade of municipal culverts at stream crossings in order to improve fish and wildlife habitats and increase community safety. Eligible project sponsors include local governments, municipal conservation commissions, soil and water conservation districts and private nonprofit organizations. A proposal for funding from an eligible project sponsor must include a map and summary of the proposed project, describing how it meets the following criteria:

1. Contribution to competitive grant program goals. The extent to which the proposed project allows communities to more effectively prepare for storm and flood

events and advances the goals of restoring habitat for fish, including sea-run fish and native brook trout, and wildlife, including:

- A. The priority status of the culvert to be upgraded or replaced for native brook trout and sea-run fish restoration, based on available stream survey data, statewide prioritization for aquatic connectivity and presence in priority watersheds of salmon, alewives and other diadromous fishes;
- B. Confirmation that the culvert proposed for upgrade or replacement is on a municipal road, not a state road or private road;
- C. The extent to which the proposed project meets the Department of Environmental Protection's design standard of at least 1.2 times the stream's bankfull width, with a natural stream bottom or embedded structure, and meets or exceeds the Department of Transportation's 50-year flood standard;
- D. The degree of urgency of the proposed project, including whether a culvert is at high risk of failure due to age, location within a watershed or reach with high flood risk or severe flood history; and
- E. The expected contribution to reducing the frequency or severity of flooding to upstream and downstream communities and improving storm water management within the proposed project area; and
- 2. Cost effectiveness. The extent to which the proposed project represents an efficient and cost-effective investment, including the proportion of total project funding that will be provided from other sources and the potential avoided costs associated with the proposed project. Funds may not be used to cover all of the costs associated with a proposed project.

Total \$10,000,000

- **Sec. 6.** Contingent upon ratification of bond issue. Sections 1 to 5 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Act.
- **Sec. 7. Appropriation balances at year-end.** At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond proceeds that have not been expended within 10 years after the date of the sale of the bonds lapse to the Office of the Treasurer of State to be used for the retirement of general obligation bonds.
- **Sec. 8. Bonds authorized but not issued.** Any bonds authorized but 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 for an additional amount of time not to exceed 5 years.

Sec. 9. Referendum for ratification; submission at election; form of question; effective date. This Act must be submitted to the legal voters of the State at a statewide election held in the month 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 \$10,000,000 bond issue to match local funding for the upgrade of municipal culverts at stream crossings in order to enhance and restore rivers, streams and fish and wildlife habitats and to allow communities to better prepare for extreme storms and floods?"

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

22 SUMMARY

 The funds provided by this bond issue, in the amount of \$10,000,000, will be used for a competitive grant program that matches local funding for the upgrade of municipal culverts at stream crossings in order to enhance and restore rivers, streams and fish and wildlife habitats and to allow communities to better prepare for extreme storms and floods