

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 457

S.P. 135

In Senate, January 29, 2019

**An Act To Authorize a General Fund Bond Issue for Riverfront
Community Development**

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

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator DESCHAMBAULT of York.
Cosponsored by Representative WARREN of Hallowell and
Senators: LIBBY of Androscoggin, LUCHINI of Hancock, VITELLI of Sagadahoc.

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 \$25,000,000 for the purposes described in section 6 of this Act.
9 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
10 a period longer than 10 years from the date of the original issue of the bonds.

11 **Sec. 2. Records of bonds issued; Treasurer of State.** The Treasurer of State
12 shall ensure that an account of each bond is kept showing the number of the bond, the
13 name of the successful bidder to whom sold, the amount received for the bond, the date of
14 sale and the date when payable.

15 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The Treasurer of State
16 may negotiate the sale of the bonds by direction of the Governor, but no bond may be
17 loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the
18 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State
19 upon warrants drawn by the State Controller, are appropriated solely for the purposes set
20 forth in this Act. Any unencumbered balances remaining at the completion of the project
21 in this Act lapse to the Office of the Treasurer of State to be used for the retirement of
22 general obligation bonds.

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

26 **Sec. 5. Use of bonds.** Bond proceeds may be used for grants for investment in
27 economic revitalization, environmental enhancement and community betterment projects
28 along the clean and healthy rivers of the State in a fashion that preserves and enhances
29 economic activity, environmental protection and quality of life for the people of the State,
30 except that use of the proceeds is subject to the following conditions and requirements.

31 1. Any municipality abutting a river and any nonprofit corporation organized in
32 whole or in part for the purpose of waterfront economic development, environmental
33 enhancement and community development in the State may apply to the Department of
34 Economic and Community Development for funding from this grant program.

35 2. For a municipality-sponsored or nonprofit corporation-sponsored project to be
36 eligible to receive grant funding, the project must have as its purpose:

37 A. The development or restoration of public parks, walkways and other public spaces
38 along river corridors situated either in downtown, developed riverfront locations or
39 between and connecting 2 or more such locations;

1 B. The rehabilitation of degraded or dilapidated shorelines in downtown riverfront
2 locations in a manner designed to encourage subsequent private development on or
3 near those shorelines; or

4 C. The restoration of native fisheries and riverine ecosystems.

5 3. Proposed projects must demonstrate support from a broad range of public and
6 private entities and the local community.

7 4. Eligible applications must include a commitment of \$2 in matching funds from
8 other public or private sources for every one dollar in grant funding.

9 5. Grant funding may not be used to subsidize or support activities that are otherwise
10 required of a party under applicable municipal, state or federal laws, including
11 environmental and other health and safety laws, any license or permit condition or
12 requirement or any mandated mitigation or remediation activity.

13 **Sec. 6. Disbursement of bond proceeds from General Fund bond issue.**
14 The proceeds of the sale of the bonds authorized under this Act must be expended as
15 designated in the following schedule under the direction and supervision of the agencies
16 and entities set forth in this section.

17 **ECONOMIC AND COMMUNITY**
18 **DEVELOPMENT, DEPARTMENT OF**

19 Provides funds to invest in economic revitalization, environmental enhancement and
20 community betterment projects along the clean and healthy rivers of the State in a
21 fashion that preserves and enhances economic activity, environmental protection and
22 quality of life for the people of the State.

23
24 Total \$25,000,000

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

28 **Sec. 8. Appropriation balances at year-end.** At the end of each fiscal year, all
29 unencumbered appropriation balances representing state money carry forward. Bond
30 proceeds that have not been expended within 10 years after the date of the sale of the
31 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
32 obligation bonds.

33 **Sec. 9. Bonds authorized but not issued.** Any bonds authorized but not issued
34 within 5 years of ratification of this Act are deauthorized and may not be issued, except
35 that the Legislature may, within 2 years after the expiration of that 5-year period, extend
36 the period for issuing any remaining unissued bonds for an additional amount of time not
37 to exceed 5 years.

