MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

Legislative Document

No. 1647

S.P. 532

In Senate, May 5, 2021

An Act To Authorize a General Fund Bond Issue To Provide Funds for Infrastructure Projects across the State and To Direct the Department of Environmental Protection To Establish a State Infrastructure Adaptation Fund and Predevelopment Assistance Program

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Received by the Secretary of the Senate on May 3, 2021. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator BREEN of Cumberland.
Cosponsored by Representative PIERCE of Falmouth and
Senators: BRENNER of Cumberland, CARNEY of Cumberland, President JACKSON of
Aroostook, Representatives: BLUME of York, DOUDERA of Camden.

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 issuance of bonds on behalf of the State of Maine to provide funds as described in this Act, 3 4 Be it enacted by the People of the State of Maine as follows: 5 PART A Sec. A-1. Authorization of bonds. The Treasurer of State is authorized, under the 6 7 direction of the Governor, to issue bonds in the name and on behalf of the State in an 8 amount not exceeding \$100,000,000 for the purposes described in section 5 of this Part. 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. A-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 12 of the successful bidder to whom sold, the amount received for the bond, the date of sale 13 14 and the date when payable. 15 Sec. A-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 16 be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the 17 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 forth in this Part. Any unencumbered balances remaining at the completion of the project 20 21 in this Part lapse to the Office of the Treasurer of State to be used for the retirement of 22 general obligation bonds. 23 Sec. A-4. Interest and debt retirement. The Treasurer of State shall pay interest 24

- due or accruing on any bonds issued under this Part and all sums coming due for payment of bonds at maturity.
- Sec. A-5. Disbursement of bond proceeds from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule under the direction and supervision of the agencies and entities set forth in this section.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

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Provides funding to establish a state infrastructure adaptation fund and predevelopment assistance program, designed to leverage federal recovery support in the short term and to address significant and ongoing infrastructure adaptation needs in the long term.

Total

- Sec. A-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 Part.
- Sec. A-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. A-8. Bonds authorized but not issued. Any bonds authorized but not issued within 5 years of ratification of this Part 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. A-9. Referendum for ratification; submission at election; form of question; effective date. This Part 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 Part by voting on the following question:

"Do you favor a \$100,000,000 bond issue to establish a state infrastructure adaptation fund and predevelopment assistance program to provide funding and support for infrastructure projects across the State and to leverage federal recovery support?"

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 Part, the Governor shall proclaim the result without delay and this Part 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 Part necessary to carry out the purposes of this referendum.

PART B

Sec. B-1. Department of Environmental Protection state infrastructure adaptation fund and predevelopment assistance program. The Department of Environmental Protection shall establish a state infrastructure adaptation fund and predevelopment assistance program in 2022, designed to leverage federal recovery support in the short term and to address the significant and ongoing infrastructure adaptation needs of the State in the long term. The fund must provide financial and other assistance to local, regional, tribal and state agencies that meet cost-share requirements to obtain federal funding for infrastructure projects. A predevelopment assistance program may include resilient design, engineering and permitting assistance; grant writing and grant management assistance; community outreach assistance; and assistance in developing public-private partnerships. In both funding and predevelopment assistance, the department shall work with communities with high social and climate vulnerability and low capacity to raise funds or limited access to funding. The department shall ensure any efforts made pursuant to this section have working waterfront protection as an area of focus.

Sec. B-2. Contingent effective date. This Part takes effect only if the voters of the State approve the bond issue in Part A.

The funds provided by this bond issue, in the amount of \$100,000,000, will be used to
provide funding to establish a state infrastructure adaptation fund and predevelopment
assistance program, designed to leverage federal recovery support in the short term and to
address significant and ongoing infrastructure adaptation needs in the long term. The bill
also directs the Department of Environmental Protection to establish a state infrastructure
adaptation fund and predevelopment assistance program in 2022.