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H.P. 649

House of Representatives, March 7, 2013

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.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative LIBBY of Lewiston.

Cosponsored by Senator CLEVELAND of Androscoggin and

Representatives: BEAR of the Houlton Band of Maliseet Indians, BEAUDOIN of Biddeford, BEAULIEU of Auburn, BEAVERS of South Berwick, BECK of Waterville, BERRY of Bowdoinham, BOLAND of Sanford, BOLDUC of Auburn, BRIGGS of Mexico, BROOKS of Winterport, CAMPBELL of Newfield, CAREY of Lewiston, CHENETTE of Saco, COTTA of China, CROCKETT of Bethel, DAUGHTRY of Brunswick, DeCHANT of Bath, DILL of Old Town, DORNEY of Norridgewock, Speaker EVES of North Berwick, FOWLE of Vassalboro, FREY of Bangor, GIDEON of Freeport, GILBERT of Jay, GOODE of Bangor, GRANT of Gardiner, HAYES of Buckfield, HOBBS of Saco, JONES of Freedom, KAENRATH of South Portland, KNIGHT of Livermore Falls, KORNFIELD of Bangor, KUSIAK of Fairfield, LAJOIE of Lewiston, LONGSTAFF of Waterville, MacDONALD of Boothbay, McCABE of Skowhegan, McELWEE of Caribou, MITCHELL of the Penobscot Nation, MONAGHAN-DERRIG of Cape Elizabeth, NADEAU of Winslow, NOON of Sanford, PLANTE of Berwick, POULIOT of Augusta, ROCHELO of Biddeford, ROTUNDO of Lewiston, RUSSELL of Portland, RYKERSON of Kittery, SAUCIER of Presque Isle, SCHNECK of Bangor, SOCTOMAH of the Passamaquoddy Tribe, STANLEY of Medway, THERIAULT of Madawaska, TIPPING-SPITZ of Orono, TREAT of Hallowell, VEROW of Brewer, WERTS of Auburn, WILSON of Augusta, Senators: President ALFOND of Cumberland, CAIN of Penobscot, DUTREMBLE of York, GERZOFKY of Cumberland, GOODALL of Sagadahoc, GRATWICK of Penobscot, HILL of York, JACKSON of Aroostook, JOHNSON of Lincoln, KATZ of Kennebec, LACHOWICZ of Kennebec, PATRICK of Oxford, SAVIELLO of Franklin, TUTTLE of York, VALENTINO of York, YOUNGBLOOD of Penobscot.

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 7 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. Disbursement of bond proceeds.** The proceeds of the bonds must be
27 expended as set out in this Act under the direction and supervision of the Department of
28 Economic and Community Development.

29 **Sec. 6. Use of bonds.** Bond proceeds may be used for grants for investment in
30 economic revitalization, environmental enhancement and community betterment projects
31 along the clean and healthy rivers of the State in a fashion that preserves and enhances
32 economic activity, environmental protection and the quality of life for the people of the
33 State, except that use of the proceeds is subject to the following conditions and
34 requirements.

35 1. Any municipality abutting a river and any not-for-profit corporation organized in
36 whole or in part for the purpose of waterfront economic development, environmental
37 enhancement and community development in the State may apply to the Department of
38 Economic and Community Development for funding from this grant program.

1 2. For a municipality-sponsored or not-for-profit corporation-sponsored project to be
2 eligible to receive grant funding, the project must have as its purpose:

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

6 B. Rehabilitation of degraded or dilapidated shorelines in downtown riverfront
7 locations in a manner designed to encourage subsequent private development on or
8 near those shorelines; or

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

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

12 4. Eligible applications must include a commitment of \$2 in matching funds from
13 other public or private sources for every one dollar in bond funds.

14 5. Bond funds may not be used to subsidize or support activities that are otherwise
15 required of a party under applicable municipal, state or federal laws, including
16 environmental and other health and safety laws, any license or permit condition or
17 requirement or any mandated mitigation or remediation activity.

18 **Sec. 7. Disbursement of bond proceeds from General Fund bond issue.**

19 The proceeds of the sale of the bonds authorized under this Act must be expended as
20 designated in the following schedule under the direction and supervision of the agencies
21 and entities set forth in this section.

22 **DEPARTMENT OF ECONOMIC AND**
23 **COMMUNITY DEVELOPMENT**

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

28
29 Total \$25,000,000

30 **Sec. 8. Contingent upon ratification of bond issue.** Sections 1 to 7 do not
31 become effective unless the people of the State ratify the issuance of the bonds as set
32 forth in this Act.

33 **Sec. 9. Appropriation balances at year-end.** At the end of each fiscal year, all
34 unencumbered appropriation balances representing state money carry forward. Bond
35 proceeds that have not been expended within 10 years after the date of the sale of the
36 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
37 obligation bonds.

