

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Preserve Maine's Quality Places

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

PART A

Sec. A-1. 30-A MRSA c. 225, sub-c. 5 is enacted to read:

SUBCHAPTER 5

QUALITY PLACES BONDS

§ 6051. Legislative findings

The Legislature finds that:

1. People served. The people of this State are served by investments to preserve and protect the State's quality places, including revitalizing towns and cities, augmenting land and farm conservation, protecting traditional uses of and access to the State's forests, farms and lakes and promoting outdoor recreation and high-value tourism;

2. Sufficient investments essential. Ensuring sufficient investments in the preservation and protection of quality places is essential to the continued vitality of the economy of this State;

3. Funding increased investment. Funding increased investment in the preservation and protection of quality places with increased taxes or by cutting essential services to the most vulnerable citizens of this State is not in the best interests of the State and would undermine the economy in this State; and

4. Bonds. Bonds as authorized in this subchapter are tax-exempt or taxable bonds repaid as provided in this subchapter and therefore do not represent constitutional debt or a pledge of the full faith and credit of the State.

§ 6052. Bonds authorized

Notwithstanding any other provision of law, the bank may issue up to \$190,000,000 plus financing costs of bonds to be repaid solely from funds provided in this subchapter.

The bank may issue bonds pursuant to a resolution to be adopted by the bank in the amount and upon such terms as it considers appropriate. The terms of the bonds, their repayment schedule and other provisions to facilitate their creditworthiness must be determined by the bank.

The bonds must be in the form and bear interest at the rate or rates that, under the United States Internal Revenue Code of 1986, as amended, in the opinion of bond counsel to the bank may be included in or excludable from the gross income of the owners for federal income tax purposes and state income tax purposes and must mature at the time and have such other terms as are determined by the bank except that no pension cost reduction bond may mature more than 20 years from the date of its issue.

Bonds issued pursuant to this subchapter are not, and may not be deemed to constitute, a debt or liability of the State or of any political subdivision of the State, or a pledge of the full faith and credit of the State or of any political subdivision of the State, but are special obligations of the bank payable solely from the funds and revenues pledged for those obligations.

Proceeds from any sale of the bonds must be deposited in accordance with the following:

1. Land for Maine's Future. An amount equal to 45% of the bond proceeds must be deposited into the Land for Maine's Future Fund established in Title 5, section 6323 for the acquisition of land and interest in land;

2. Public Access to Traditional Uses Fund. An amount equal to 5% of the bond proceeds must be deposited into the Public Access to Traditional Uses Fund established in Title 5, section 6203-B;

3. Communities for Maine's Future Fund. An amount equal to 45% of the bond proceeds must be deposited into the Communities for Maine's Future Fund established in Title 5, section 5156; and

4. Office of Tourism. An amount equal to 5% of the bond proceeds must be distributed to the Department of Economic and Community Development, Office of Tourism.

§ 6053. Maine Municipal Bond Bank provisions

The bank has the powers and duties provided by this chapter, modified and supplemented as provided in this section for the purposes set forth in this section.

1. Definitions. As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Ancillary obligation" means the obligation of the bank under any credit enhancement or liquidity agreement, including any obligation in the form of bond insurance, a letter of credit, standby bond purchase agreement, reimbursement agreement, liquidity facility or other similar arrangement; under any remarketing agreement, auction agent agreement, broker-dealer agreement or other agreement relating to the marketing of the bonds, interest rate or other type of swap or hedging contract; or under any investment agreement, forward purchase agreement or similarly structured investment contract entered into by the bank in connection with any bonds issued under this subchapter.

B. "Bonds" means any bonds, notes or other evidence of indebtedness issued by the bank pursuant to this subchapter.

C. "Costs of issuance" means any item of expense directly or indirectly payable or reimbursable by the bank and related to the authorization, sale or issuance of bonds, including, but not limited to, underwriting fees and fees and expenses of professional consultants and fiduciaries.

D. "Debt service fund" means the Quality Places Bonds Debt Service Fund established by the bank pursuant to subsection 5.

E. "Financing costs" means all costs of issuance, capitalized interest, capitalized operating expenses and debt service reserves, fees and costs of any ancillary obligation and other fees, expenses and costs related to issuing, securing and marketing the bonds.

2. Declaration of purpose. It is declared to be in the public interest and to be the policy of the State to authorize the bank to issue bonds under this subchapter.

3. Declaration of necessity. It is declared that credit and municipal bond market conditions may require the exercise of state powers by authorizing, but not requiring, a state instrumentality to issue its bonds to finance all or a portion of the costs of preserving and protecting the State's quality places under this subchapter.

4. Lending and borrowing powers. The bank may assist the State by borrowing money to finance or refinance from time to time all or a portion of the costs of preserving and protecting the State's quality places and make the proceeds of such borrowing available to the State as set out in this subchapter. The principal of and interest on any bonds issued by the bank and any ancillary obligation must be secured by the debt service fund and capital reserve fund established pursuant to subsection 6 in accordance with and as may be determined by resolution of the bank. Bonds, ancillary obligations or other forms of debt or liability entered into or issued by the bank under this section are not in any way a debt or liability of the State and do not constitute a loan of the credit of the State or create any debt or debts or liability or liabilities on behalf of the State or constitute a pledge of the faith and credit of the State. Each bond, ancillary obligation or other evidence of debt or liability entered into by the bank must contain a statement to the effect that the bank is obligated to pay the principal, interest, redemption premium, if any, and other amounts payable solely from the sources pledged for that purpose by the bank, and that neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal, interest, premium, charge, fee or other amount on the bond, ancillary obligation or other form of indebtedness, as the case may be.

5. Debt service fund. The bank shall establish and maintain a debt service fund as a trust fund called "the Quality Places Bonds Debt Service Fund" into which there must be deposited directly money received from the Quality Places Reserve Fund established by Title 5, section 1522, all proceeds of bonds required to be deposited in the debt service fund by the terms of any contract between the bank and its bondholders or any resolution of the bank with respect to the proceeds of bonds, any other money or funds of the bank that it determines to deposit in the debt service fund and any other money or funds transferred and made available to the bank only for the purposes of the debt service fund from any other source or sources. Money in the debt service fund must be held and applied solely to the payment of the interest on and principal of bonds secured by the debt service fund as they become due and payable and for the retirement of bonds, including the payment of any redemption premium required to be paid when

any bonds are redeemed or retired before maturity or, in accordance with the resolution authorizing the issuance of the bonds, for the payment of ancillary obligations, except that, in each month, to the extent there is money or funds in the debt service fund not needed in accordance with the resolution, and subject in all respects to the provisions of the resolution, the bank shall withdraw any excess money or funds and transfer it to accounts identified by the State Controller.

6. Capital reserve fund. Pursuant to this chapter, a capital reserve fund, upon the adoption of a resolution authorizing the issuance of pension cost reduction bonds, must be created pursuant to section 6006, subsection 1-A with the same effect as provided in section 6006 as if set forth fully in this subsection, including the provisions respecting the restoration of the capital reserve fund, except that, in lieu of investments prescribed in section 6006, subsection 3, the bank may provide for a surety on such terms and conditions as prescribed by the resolution establishing the capital reserve fund.

7. Transfer of funds. So long as there are any bonds issued by the bank under this subchapter outstanding, as defined by and under its resolution, and subject to appropriation, if any, required by law, for payment and transfer to the debt service fund established pursuant to subsection 5, the State Controller shall transfer immediately all sums authorized by Title 5, section 1522.

8. Corporate powers. In addition to all other powers granted to the bank for carrying out the purposes of this subchapter the bank may:

A. Make, enter into and enforce all contracts or agreements necessary, convenient or desirable for the purposes of financing or refinancing the costs of preserving and protecting the State's quality places;

B. Invest any funds or money of the bank not then required for funding the costs of preserving and protecting the State's quality places in the same manner as permitted for the investment of funds belonging to the State or held in the State Treasury, except as otherwise permitted or provided by this subchapter; and

C. Fix and prescribe any form of application or procedure to be required of the State or of any agency, political subdivision, instrumentality or department of the State with respect to the costs of preserving and protecting the State's quality places and fix the terms and conditions of the costs of preserving and protecting the State's quality places and enter into agreements with the State or any agency, political subdivision, instrumentality or department of the State or of any political subdivision of the State in connection with the costs of preserving and protecting the State's quality places.

9. Bonds of bank. Notwithstanding the provisions of section 6003, the bank may issue its bonds, including bonds to refund bonds, from time to time in any principal amounts pursuant to and as prescribed by this subchapter.

10. Agreements with financial institutions. Notwithstanding the provisions of section 6019, the bank may enter into any ancillary obligation or other agreements or contracts with any commercial banks, trust companies or banking or other financial institutions within or outside the State that are necessary, desirable or convenient in the opinion of the bank to provide any other services to

the bank to assist the bank in effectuating the purposes of this subchapter. The bank may enter into, amend or terminate any ancillary obligation as it determines to be necessary or appropriate to place the obligations or investments of the bank, as represented by the bonds or the investment of their proceeds, in whole or in part, on the interest rate, cash flow or other basis approved by the bank. The obligation may include without limitation contracts commonly known as interest rate swap agreements, forward purchase contracts or guaranteed investment contracts and futures or contracts providing for payments based on levels of, or changes in, interest rates. These contracts or arrangements may be entered into by the bank in connection with or incidental to entering into or maintaining any agreement that secures bonds of the bank or any investment or contract providing for investment of reserves or similar facility guaranteeing an investment rate for a period of years not to exceed the underlying terms of the bonds. The determination by the bank that an ancillary obligation or the amendment or termination of an ancillary obligation is necessary or appropriate as provided in this subsection is conclusive. Any ancillary obligation may contain such payment, security, default, remedy, termination provisions and payments and other terms and conditions as determined by the bank, after giving due consideration to the creditworthiness of the counterparty or other obligated party, including any rating by any nationally recognized rating agency, and to any other criteria as may be appropriate.

Bonds or any ancillary obligation may contain a recital that they are issued or executed, respectively, pursuant to this subchapter. The recital is conclusive evidence of their validity and of the regularity of the proceedings relating to them.

11. Remedies of holders of bonds. In addition to all other rights or remedies set forth in section 6023, subsection 2, the trustee appointed pursuant to section 6023, subsection 1 may, and upon written request of the holders of 25% in principal amount of all outstanding bonds or holders of ancillary obligations in the percentage set forth in the bank's authorizing resolution shall, in the trustee's or the bank's own name, by mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the bondholders or holders of the ancillary obligations and require the bank to carry out any other agreements with the bondholders or holders of such ancillary obligations and to perform its duties under this subchapter, provided the bonds are limited revenue obligations of the bank. The bank's obligations to make debt service payments do not constitute a debt or liability of the State or any political subdivision of the State other than the bank within the meaning of any constitutional or statutory limitation, or a loan of the credit of the State, or a pledge of the faith and credit of the State or any political subdivision of the State other than the bank, or a contractual obligation in excess of the amounts deposited therein, and the State has no continuing legal or moral obligation to appropriate money for said payments or other obligations of the bank. Payments of the principal of, redemption premium, if any, and interest on the bonds must be made solely from amounts derived from the debt service fund established pursuant to subsection 5. Neither the faith and credit nor the taxing power of the State or of any political subdivision of the State is pledged to the payment of the principal of, redemption premium, if any, or interest on the bonds. The bank has no taxing power.

§ 6054. Construction

This subchapter and all powers granted by this subchapter must be liberally construed to effectuate its intent and purposes without implied limitations. This subchapter constitutes full and complete authority for all things contemplated to be done in this subchapter. All rights and powers granted in this subchapter are cumulative with those derived from other sources and may not, except as expressly stated in this subchapter, be construed in limitation thereof. Insofar as the provisions of this subchapter are inconsistent with any other provision of law or the provisions of any other Act, general or special, the provisions of this subchapter are controlling.

Sec. A-2. Statutory referendum procedure; 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 the 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 directing the Maine Municipal Bond Bank to issue revenue bonds in the amount of \$190,000,000 to preserve and protect the State's quality places, including revitalizing towns and cities, augmenting land and farm conservation, protecting traditional uses and access to Maine forests, farms and lakes and promoting outdoor recreation and high-value tourism?"

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. 5 MRSA §12004-I, sub-§6-G is enacted to read:

6-G.

Economic
Development

Communities
for Maine's Future
Advisory Board

Legislative per
diem

30-A MRSA
§5154

Sec. B-2. 30-A MRSA c. 204 is enacted to read:

CHAPTER 204

COMMUNITIES FOR MAINE'S FUTURE

§ 5151. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Advisory board. "Advisory board" means the Communities for Maine's Future Advisory Board under section 5154.

2. Community infrastructure. "Community infrastructure" means infrastructure that promotes revitalization, redevelopment or preservation of sustainable communities, including but not limited to:

A. Building rehabilitation;

B. Creation or improvement of green space;

C. Sidewalk improvements;

D. Maintenance of recreational trails;

E. Signs;

F. Public facilities such as libraries, post offices, town offices, fire stations and public restrooms located in a downtown or in a designated growth area;

G. Streetscape improvements, including but not limited to lighting, benches and trash receptacles;

H. Parking;

I. Downtown housing;

J. Adaptive uses to ensure compliance with requirements of the federal Americans with Disabilities Act; and

K. Downtown access improvements and waterfront access points.

3. Department. "Department" means the Department of Economic and Community Development.

4. Fund. "Fund" means the Communities for Maine's Future Fund established in section 5156.

5. Program. "Program" means the Communities for Maine's Future program established in section 5152.

§ 5152. Communities for Maine's Future

The Communities for Maine's Future program is created within the department to provide grants and loans to municipalities or groups of municipalities for community infrastructure projects.

§ 5153. Eligibility for grants or loans

1. Distribution of funds. The department, in conjunction with the advisory board, shall develop criteria and conditions for the award of grants and loans from the fund consistent with this section. The criteria and conditions must include, but may not be limited to, the furtherance of the following goals:

- A. Revitalization, redevelopment, enhancement or historic preservation in downtowns, designated growth areas or villages;
- B. Creation or improvement of open and green spaces and parks;
- C. Improvement of tourism services and attractions;
- D. Creation or improvement of access to coastal waters and riverfronts; and
- E. Support for community infrastructure needs that achieve the goals of revitalization, redevelopment, enhancement, historic preservation and increasing tourism.

2. Eligibility for funding. An applicant for funding under this chapter must demonstrate:

- A. That the applicant has approved comprehensive plans and growth management plans and that the project to be funded is consistent with those plans; and
- B. That any project relating to a library, post office, town office, public restroom or public safety facility is located in a downtown or designated growth area of a municipality.

3. Priority. The department, with input from the advisory board, shall establish priorities for the award of grants and loans from the fund consistent with this subsection. The priorities established under this subsection must give preference to projects that:

- A. Promote the redevelopment or revitalization of a downtown, a designated growth area or a village;
- B. Leverage other private, federal or local funding;
- C. Will produce economic gain to the community;
- D. Have historic or cultural significance;
- E. Will help a community reach goals set forth in that community's comprehensive plan; or
- F. Affect more than one community and have regional significance.

§ 5154. Advisory board

1. Composition. The Communities for Maine's Future Advisory Board, as established in Title 5, section 12004-I, subsection 6-G, consists of 11 members, 6 of whom are private citizens and 5 of whom are permanent members. The permanent members are the Commissioner of Economic and Community Development, the Director of the Maine Arts Commission, the Director of the Office of Tourism, the Director of the State Planning Office within the Executive Department and the president of the Maine Development Foundation.

2. Appointments. The 6 private citizens are appointed by the Governor and are subject to review by the joint standing committee of the Legislature having jurisdiction over business and community development matters and to confirmation by the Legislature.

3. Qualifications. Members of the advisory board must be selected for their dedicated commitment to community preservation and revitalization. Appointments must provide broad geographic representation.

4. Terms; compensation. The private citizen members are appointed to 4-year terms. Private citizen members may not serve more than 2 consecutive 4-year terms. Private citizen members receive the legislative per diem pursuant to Title 5, chapter 379.

5. Board duties. The advisory board shall review applications for funding under this chapter and make recommendations to the department on approval of such applications for funding.

§ 5155. Department duties

1. Staffing assistance. The department shall provide staffing assistance to the advisory board.

2. Coordination. The department shall coordinate the program with other grant and loan programs with similar goals, including but not limited to the Municipal Investment Trust Fund established in section 6006-D and the Land for Maine's Future program established in Title 5, chapter 353.

3. Report. The department shall implement the program and shall report on the program's activities annually by January 1st to the joint standing committees of the Legislature having jurisdiction over state and local government matters, land use planning matters and appropriations and financial affairs.

§ 5156. Fund created

The Communities for Maine's Future Fund is created within the department. The fund consists of the proceeds from the sale of any bonds authorized for the purposes set forth in section 5152 and any funds received as contributions from private and public sources for those purposes. The fund must be held separate and apart from all other money, funds and accounts. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund. Any balance remaining in the fund at the end of any fiscal year must be carried forward to the next fiscal year.

Sec. B-3. Staggered terms. Notwithstanding the Maine Revised Statutes, Title 30-A, section 5154, subsection 4, of the original appointments of private citizen members to the Communities for Maine's Future Advisory Board, 2 members serve for 2-year terms, 2 members serve for 3-year terms and 2 members serve for 4-year terms.

PART C

Sec. C-1. 5 MRSA §6201, sub-§3, as amended by PL 1993, c. 728, §3, is further amended to read:

3. Matching funds. "Matching funds" means any combination of public and private funds used in conjunction with the Land for Maine's Future Fund ~~or~~, the Public Access to Maine Waters Fund or the Public Access for Traditional Uses Fund for the purpose of this chapter, including, but not limited to: private contributions of cash or securities; money from municipal or other public agencies; money from a federal matching program, subject to the limitations of applicable federal and state laws, in an amount authorized by the federal program; contributions of real property, or interest in real property, that serves the acquisition needs of the State as determined by the Land for Maine's Future Board; in-kind contributions; or any combination of those funds. Contributions of land or interest in land must be valued, for purposes of this section, in the amount of their appraised value.

Sec. C-2. 5 MRSA §6203-B is enacted to read:

§ 6203-B. Public Access for Traditional Uses Fund

1. Fund established. The Public Access for Traditional Uses Fund, referred to in this section as "the fund," is created and is administered by the board. The fund consists of the proceeds from the sale of bonds authorized for the purposes set forth in subsection 3 and funds received as contributions from private and public sources for those purposes. The fund must be held separate and apart from all other money, funds and accounts. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund. Any balance remaining in the fund at the end of a fiscal year must be carried forward to the next fiscal year.

2. Fund available. The fund is available to state agencies and designated cooperating entities upon authorization of the board for the purposes identified in subsection 3.

3. Fund proceeds. The proceeds of the fund may be applied and expended to:

A. Acquire property or interests in property that allow access to land for hunting, fishing and other traditional recreation purposes; and

B. Provide minor capital improvements on lands acquired by proceeds from the fund to provide public access or improve accessibility, as long as these improvements do not exceed 5% of the appraised value of the acquired property.

Sec. C-3. 5 MRSA §6204, sub-§6, as amended by PL 1993, c. 728, §6, is further amended to read:

6. Assistance. The Department of Conservation; the Department of Inland Fisheries and Wildlife; the Department of Transportation; the Department of Agriculture, Food and Rural Resources; the State Planning Office; and all other state agencies shall provide staff support and assistance considered necessary by the board to fulfill the objectives of this chapter. If agency assistance is not available, consultants may be hired from the proceeds of either the Land for Maine's Future Fund or the Public Access to Maine Waters Fund or the Public Access for Traditional Uses Fund to assist the board in carrying out its responsibilities.

Sec. C-4. 5 MRSA §6206, sub-§1, as amended by PL 2005, c. 215, §1, is further amended to read:

1. Responsibilities. The board shall:

A. Complete an assessment of the State's public land acquisition needs and develop a strategy and guidelines, based on that assessment, for use in allocating the proceeds of the Land for Maine's Future Fund and the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund. Both the assessment and the development of a strategy and guidelines must be conducted with opportunities for participation by interested state agencies and the public;

C. Receive and review funding requests from state agencies and cooperating entities for acquisition projects meeting state guidelines;

D. In accordance with the strategy and guidelines developed under paragraph A, authorize distribution of proceeds from the Land for Maine's Future Fund and the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund for acquisitions of property or interests in property; and

E. On January 1st of every odd-numbered year, report to the joint standing committee of the Legislature having jurisdiction over matters pertaining to state parks and public lands on expenditures from the Land for Maine's Future Fund and the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund and revisions to the strategies and guidelines. This report must include a description of access to land and interest in land acquired during the report period. If an acquisition has been made that does not include guaranteed public vehicular access to the land acquired, the board must provide justification for that acquisition and a plan for continuing efforts to acquire guaranteed public access to the land. This report must include a summary of the board's experience during the reporting period with projects funded pursuant to section 6203 or 6203-A and in which the land or interest in land is acquired by a cooperating entity. This report must also include on a county-by-county basis a summary of the expenditures made by the board and acreage conserved through acquisition of fee or less-than-fee interest by the board during the report period. Each report must include cumulative totals by county of acreage conserved through acquisition of fee or less-than-fee interest through action by the board.

Sec. C-5. 5 MRSA §6207, as amended by PL 2001, c. 564, §1, is further amended to read:

§ 6207. Acquisition criteria

1. Distribution of funds. The board shall authorize the distribution of funds from the Land for Maine's Future Fund ~~and~~, the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund to state agencies and cooperating entities for the acquisition of natural lands that meet the criteria set forth in this chapter.

2. Determination of state significance. In determining whether a proposed acquisition must be funded, in full or in part, by the Land for Maine's Future Fund ~~or~~, the Public Access to Maine Waters Fund or the Public Access for Traditional Uses Fund, the board shall consider whether the site is of state significance and:

- A. Contains recreation lands, prime physical features of the Maine landscape, areas of special scenic beauty, farmland or open space, undeveloped shorelines, wetlands, fragile mountain areas or lands with other conservation, wilderness or recreation values;
- B. Is habitat for plant or animal species or natural communities considered rare, threatened or endangered in the State; or
- C. Provides nonmotorized or motorized public access to recreation opportunities or those natural resources identified in this section.

3. Priorities. Whenever possible, the Land for Maine's Future Fund ~~and~~, the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund must be used for land acquisition projects when matching funds are available from cooperating entities, provided that the proposed acquisition meets all other criteria set forth in this chapter. For acquisitions funded by the Land for Maine's Future Fund, the board shall give priority to projects that conserve lands with multiple outstanding resource or recreation values or a single exceptional value, provide geographic representation and build upon or connect existing holdings.

When acquiring land or interest in land, the board shall examine public vehicular access rights to the land and, whenever possible and appropriate, acquire guaranteed public vehicular access as part of the acquisition.

4. Nonqualifying expenditures. The board may not fund:

- A. Facilities for organized recreational activities, including, but not limited to, ballparks, tennis courts or playgrounds;
- B. Except as provided in section 6203, subsection 3, paragraph B and section 6203-A, subsection 3, paragraph B, capital improvements on any publicly owned facilities; and
- C. The acquisition of land of which the primary use value has been and will be as commercially harvested or harvestable forest land.

5. Estimation of monitoring and management costs. Prior to final approval of a project under this chapter, a person submitting a proposal to acquire property or an interest in property with funding from the Land for Maine's Future Fund ~~or~~, the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund shall provide:

- A. A description of the management envisioned for the property for the first 10 years following acquisition. When the application proposes acquiring an interest in property, the application must provide a description of the anticipated management responsibilities retained by the landowner and those to be assumed by the State or a cooperating entity;
- B. Preliminary estimates of the costs to the State or a cooperating entity of managing the land for the uses proposed in the application; and
- C. Preliminary estimates of the costs associated with monitoring compliance with an easement when an interest in land is acquired.

Sec. C-6. 5 MRSA §6209, sub-§1, as amended by PL 1993, c. 728, §13, is further amended to read:

1. Uses of funds. The board may use the Land for Maine's Future Fund ~~and~~, the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund to acquire real property in both fee and less-than-fee simple interest, including, but not limited to, conservation easements, access easements, scenic easements, other permanent interests in land and long-term leases of at least 99 years, ~~provided that~~ as long as those acquisitions are primarily natural lands meeting the criteria set forth in this chapter.

Sec. C-7. 5 MRSA §6209, sub-§5, as amended by PL 1993, c. 728, §13, is further amended to read:

5. Land evaluated. All lands acquired with money from the Land for Maine's Future Fund ~~or~~, the Public Access to Maine Waters Fund and the Public Access for Traditional Uses Fund must be evaluated for rare, threatened or endangered species of plants and animals, exemplary natural communities, features of historic significance and other high priority natural features and ecologic functions as determined by the board, with reference to the best inventory data available to the State. Subsequent management by state agencies holding properties found to have such important features and functions must reflect the objective of maintaining and protecting those features and functions.

PART D

Sec. D-1. 36 MRSA §1811, first ¶, as amended by PL 2001, c. 439, Pt. TTTT, §2 and affected by §3, is further amended to read:

A tax is imposed on the value of all tangible personal property and taxable services sold at retail in this State. The rate of tax is 7% on the value of liquor sold in licensed establishments as defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A, chapter 43; 7% on the value of rental of living quarters in any hotel, rooming house or tourist or trailer camp; 10% on the value of rental for a period of less than one year of an automobile; 7% on the value of prepared food; and 5% on the value of

all other tangible personal property and taxable services. An additional tax at the rate of 3% is imposed on the value of rental of living quarters in any hotel, rooming house or tourist or trailer camp, the revenue from which must be deposited in the Quality Places Reserve Fund created in Title 5, section 1522. Value is measured by the sale price, except as otherwise provided.

PART E

Sec. E-1. 5 MRSA §1522 is enacted to read:

§ 1522. Quality Places Reserve Fund

1. Fund established. The Quality Places Reserve Fund is established and consists of all resources transferred to the fund pursuant to Title 36, section 1811 and any other resources made available to the fund.

2. Uses of fund. Funds in the Quality Places Reserve Fund must be held and applied solely:

A. To the payment of the interest and principal on bonds secured by the debt service fund in accordance with Title 30-A, chapter 225, subchapter 5; and

B. To the Department of Economic and Community Development, Office of Tourism as provided in subsection 3.

3. Office of Tourism. An amount equal to 5% of the funds deposited in the Quality Places Reserve Fund must be transferred monthly to the Department of Economic and Community Development, Office of Tourism.

PART F

Sec. F-1. Appropriations and allocations. The following appropriations and allocations are made.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Office of Tourism

Initiative: Allocates funds to promote outdoor recreation and high-value tourism through branding and marketing.

QUALITY PLACES RESERVE FUND	2007-08	2008-09
All Other	\$5,000,000	\$0
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QUALITY PLACES RESERVE FUND TOTAL	\$5,000,000	\$0

PART G

Sec. G-1. Contingent effective date. Parts B to F of this Act take effect only if Part A is approved by the voters at referendum in accordance with Part A, section 2. If Part A of this Act is approved at referendum, Parts B to F of this Act take effect 90 days after the Governor's proclamation regarding the voter approval of Part A.

SUMMARY

Part A of this bill directs the Maine Municipal Bond Bank to issue revenue bonds in the amount of \$190,000,000 to preserve and protect the State's quality places, including revitalizing towns and cities, augmenting land and farm conservation, protecting traditional uses and access to Maine forests, farms and lakes and promoting outdoor recreation and high-value tourism. The effect of Part A is contingent on voter approval of the issuance of the revenue bonds.

Part B of this bill establishes the Communities for Maine's Future program in the Department of Economic and Community Development to provide grants and loans from the sale of any bonds authorized pursuant to Part A to municipalities and groups of municipalities for community infrastructure projects.

Part C of this bill establishes the Public Access for Traditional Uses Fund within the Land for Maine's Future program.

Part D imposes an additional tax of 3% on the value of lodging and directs that the revenue from this additional tax be deposited in the Quality Places Reserve Fund.

Part E establishes the Quality Places Reserve Fund and specifies that an amount equal to 95% of the revenue in the fund be applied solely to the payment of interest and principal on the revenue bonds issued pursuant to Part A. An amount equal to 5% must be transferred to the Office of Tourism.

Part F allocates \$5,000,000 from the Quality Places Reserve Fund to the Department of Economic and Community Development, Office of Tourism to promote outdoor recreation and high-value tourism through branding and marketing.

Part G specifies that Parts B, C, D, E and F are contingent on voter approval of the issuance of the revenue bonds contained in Part A.