# Maine Citizen's Guide to the

# **Referendum Election**

Tuesday, November 5, 2024



In Accordance with the May 20, 2024 Proclamation of the Governor and with the Acts Passed by the 131st Legislature at the Second Regular Session

> **Shenna Bellows Secretary of State**

Appropriation 014 29A 069202

# State of Maine Office of the Secretary of State Augusta, Maine 04333

Dear Fellow Citizen,

The information in this booklet is intended to help voters learn about the questions that will appear on the November 5, 2024 Referendum Election ballot. Referendum elections are an important part of the heritage of public participation in Maine.

Inside this booklet, you will find:

- the referendum questions;
- the legislation each question represents;

henna Bellows

- a summary of the intent and content of the legislation;
- an explanation of the significance of a "yes" or "no" vote; and
- an estimate of the fiscal impact of each referendum question on state revenues, appropriations and allocations.

For information about the voting process and where to vote, please contact your local Municipal Clerk or call Maine's Division of Elections at 207-624-7650. Information is also available online at <a href="https://www.maine.gov/sos/">www.maine.gov/sos/</a>.

The Department of the Secretary of State, the Attorney General, the State Treasurer and the Office of Fiscal and Program Review have worked together to prepare this booklet of information, and we hope you find it helpful.

Sincerely,

Shenna Bellows

Secretary of State

# State of Maine Referendum Election, November 5, 2024 List of Referendum Questions

## **Question 1: Citizen's Initiative**

Do you want to set a \$5,000 limit for giving to political action committees that spend money independently to support or defeat candidates for office?

# **Question 2: Bond Question**

Do you favor a bond issue of \$25,000,000 to provide funds, to be awarded through a competitive process and to leverage matching private and federal funds on at least a one-to-one basis, for research and development and commercialization for Maine-based public and private institutions in support of technological innovation in the targeted sectors of life sciences and biomedical technology, environmental and renewable energy technology, information technology, advanced technologies for forestry and agriculture, aquaculture and marine technology, composites and advanced materials and precision manufacturing?

# **Question 3: Bond Question**

Do you favor a \$10,000,000 bond issue to restore historic buildings owned by governmental and nonprofit organizations, with funds being issued contingent on a 25% local match requirement from either private or nonprofit sources?

# **Question 4: Bond Question**

Do you favor a \$30,000,000 bond issue to invest in the design, development and maintenance for nonmotorized, motorized and multi-use trails statewide, to be matched by at least \$3,000,000 in private and public contributions?

## **Question 5: State Referendum**

Do you favor making the former state flag, replaced as the official flag of the State in 1909 and commonly known as the Pine Tree Flag, the official flag of the State?

# **Treasurer's Statement**

The State of Maine borrows money by issuing bonds. General Obligation bonds are backed by the full faith and credit of the State and must be submitted statewide to the voters for approval.

Once approved, the Treasurer issues bonds as needed to fund the approved bond projects and uses a rapid 10-year repayment of principal strategy to retire the debt.

If the bond proposals on the ballot in November 2024 are approved by the voters, general obligation debt service as a percentage of the State's General Fund, Highway Fund and Revenue Sharing appropriations is expected to be 2.00% in FY25 and 1.81% in FY26.

The following is a summary of general obligation bond debt of the State of Maine as of October 31, 2024.

# **Bonds Outstanding (Issued and Maturing through 2033):**

	<u>Principal</u>		<u>Interest</u>		<u>Total</u>	
Highway Fund	\$	0	\$	0	\$	0
General Fund	\$	454,295,000	\$	78,478,450	\$	532,773,450
Total	\$	454,295,000	\$	78,478,450	\$	532,773,450

Unissued Bonds Authorized by Voters:	\$ 0
<b>Unissued Bonds Authorized by the Constitution:</b>	\$ 99,000,000
<b>Total Authorized but Unissued Bonds:</b>	\$ 99,000,000
The total amount that must be paid in the present fiscal year for	\$ 115,778,088

bonded debt already outstanding (for FY25):

If the bonds submitted here are approved by voters and issued for the full statutory period authorized, an estimate of the total interest and principal that may reasonably be expected to be paid is \$82,875,000, representing \$65,000,000 in principal and \$17,875,000 in interest.

Henry E.M. Beck, Esq. Treasurer of State

Henry E.M. Beck

### **Question 1: Citizen's Initiative**

Do you want to set a \$5,000 limit for giving to political action committees that spend money independently to support or defeat candidates for office?

#### STATE OF MAINE

"An Act to Limit Contributions to Political Action Committees That Make Independent Expenditures"

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

Sec. 1. 21-A MRSA §1015, sub-§2-C is enacted to read:

2-C. Contributions by individuals to political action committees making independent expenditures. An individual may not make contributions aggregating more than \$5,000 in any calendar year to a political action committee for the purpose of making independent expenditures under section 1019-B, subsection 1. Beginning December 1, 2024, contribution limits in accordance with this subsection are adjusted every 2 years based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$25. The commission shall post the current contribution limit and the amount of the next adjustment and the date that it will become effective on its publicly accessible website and include this information with any publication to be used as a guide for candidates.

**Sec. 2. 21-A MRSA §1015, sub-§2-D** is enacted to read:

2-D. Contributions by political action committees and business entities to political action committees making independent expenditures. A leadership political action committee, a separate segregated fund committee, a caucus political action committee, any other political action committee or any business entity may not make contributions aggregating more than \$5,000 in any calendar year to a political action committee for the purpose of making independent expenditures under section 1019-B, subsection 1. Beginning December 1, 2024, contribution limits in accordance with this subsection are adjusted every 2 years based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$25. The commission shall post the current contribution limit and the amount of the next adjustment and the date that it will become effective on its publicly accessible website and include this information with any publication to be used as a guide for candidates. For purposes of this subsection, "business entity" includes a firm, partnership, corporation, incorporated association, labor organization or other organization, whether organized as a for-profit or a nonprofit entity.

- **Sec. 3. 21-A MRSA §1019-B, sub-§4, ¶B,** as amended by PL 2023, c. 324, §12, is further amended to read:
  - B. A report required by this subsection must contain an itemized account of the total contributions from each contributor, each expenditure in excess of \$250 in any one candidate's election, the date and purpose of each expenditure and the name of each payee or creditor. The report must state whether the expenditure is in support of or in opposition to the candidate and must include, under penalty of unsworn falsification, as provided in Title 17-A, section 453, a statement whether the expenditure is made in cooperation, consultation or concert with, or at the request or suggestion of, the candidate or an authorized committee or agent of the candidate.

## **Sec. 4. 21-A MRSA §1019-B, sub-§6** is enacted to read:

6. Segregated contributions required. A political action committee may use only funds received in compliance with section 1015, subsection 2-C or 2-D when making independent expenditures. A political action committee that makes independent expenditures shall keep an account of any contributions received for the purpose of making those expenditures.

## **SUMMARY**

This initiated bill limits the amount of contributions that may be made by individuals and by political action committees and business entities to political action committees that make independent expenditures. In both cases, the aggregate limit is \$5,000 in any calendar year.

# **Intent and Content Prepared by the Office of the Attorney General**

This citizen-initiated bill is intended to prohibit any individual or organization from contributing more than \$5,000 in a calendar year to a political action committee for the purpose of making independent expenditures. Political action committees that accept contributions to make independent expenditures are commonly known as "superPACs."

**Political action committee defined.** The bill limits the funds that a "political action committee" can receive from any single contributor. Maine law defines a political action committee at 21-A M.R.S. § 1052(5). Most entities that receive contributions or make expenditures aggregating more than \$2,500 in a calendar year for the purpose of influencing the nomination or election of any candidate to state, county, or municipal office are considered to be political action committees under Maine law.

**Independent expenditures defined.** The bill limits contributions "for the purpose of making independent expenditures." Maine law defines an independent expenditure at 21-A M.R.S. § 1019-B. Generally, it is an expenditure made without any participation by a candidate or their campaign to pay for a communication that advocates for the election or defeat of a candidate for state, county, or municipal office.

Contributors covered by the bill. The \$5,000 contribution limit applies to individuals, business entities, and political action committees. "Business entity" is broadly defined in the bill to include for-profit and nonprofit organizations as well as labor organizations.

**Segregation of funds required.** The bill requires political action committees that make independent expenditures to keep an account of any contributions received for the purpose of making those expenditures.

**Inflation adjustment.** The bill provides that the \$5,000 contribution limit will be adjusted for inflation every two years.

A "YES" vote is to enact the initiated legislation.

A "NO" vote opposes the initiated legislation.

# <u>Fiscal Impact Statement</u> Prepared by the Office of Fiscal and Program Review

This citizen initiative limits the amount of contributions that individuals, political action committees and business entities may make to political action committees that make independent expenditures. The aggregate limit for any entity is \$5,000 in any one calendar year. The limitations and the associated new requirements for additional annual reporting by the impacted entities to the Commission on Governmental Ethics and Election Practices will require updates to the database and filing system used by the Commission to gather and report campaign contribution information. These one-time programming costs are estimated to be approximately \$75,000.

As federal appeals courts have held that limits on contributions to political action committees that engage only in making independent expenditures violate free speech protections, it is possible that if this initiative becomes law the Commission could be a defendant in constitutional challenges by the parties impacted. No assumption can be made at this time on the probability that the State Attorney General would be compelled to defend the Commission in one or more lawsuit(s) and no estimate is made of the potential cost to the State if it were to be compelled to pay damages and/or legal fees to the plaintiffs if a legal challenge were to go against it.

### **Public Comments**

No public comments were filed in support of or opposition to Question 1.

## **Question 2: Bond Question**

Do you favor a bond issue of \$25,000,000 to provide funds, to be awarded through a competitive process and to leverage matching private and federal funds on at least a one-to-one basis, for research and development and commercialization for Maine-based public and private institutions in support of technological innovation in the targeted sectors of life sciences and biomedical technology, environmental and renewable energy technology, information technology, advanced technologies for forestry and agriculture, aquaculture and marine technology, composites and advanced materials and precision manufacturing?

#### STATE OF MAINE

Chapter 654 Public Laws of 2024 Approved April 22, 2024

"An Act to Authorize a General Fund Bond Issue for Research and Development and Commercialization"

## 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 \$25,000,000 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.

#### DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

#### Office of Innovation

Provides funds to the Maine Technology Institute for research and development and commercialization as prioritized by the Maine Innovation Economy Advisory Board's most recent innovation economy action plan and the Office of Innovation's most recent science and technology action plan. The funds must be allocated in support of technological innovation leading to commercialization in the targeted sectors of life sciences and biomedical technology, environmental and renewable energy technology, information technology, advanced technologies for forestry and agriculture, aquaculture and marine technology, composites and advanced materials and precision manufacturing. The funds must be awarded through a competitive process and to Maine-based public and private institutions to leverage matching private and federal funds on at least a one-to-one basis.

Total \$25,000,000

- **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 bond issue of \$25,000,000 to provide funds, to be awarded through a competitive process and to leverage matching private and federal funds on at least a one-to-one basis, for research and development and commercialization for Maine-based public and private institutions in support of technological innovation in the targeted sectors of life sciences and biomedical technology, environmental and renewable energy technology, information technology, advanced technologies for forestry and agriculture, aquaculture and marine technology, composites and advanced materials and precision manufacturing?"

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.

# <u>Intent and Content</u> Prepared by the Office of the Attorney General

This Act would authorize the State to issue general obligation bonds in an amount not to exceed \$25 million, to raise funds to promote technological innovation in certain targeted sectors of the economy. The bonds would run for a period of not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds from the sale of these bonds would be administered by the **Office of Innovation** within the **Department of Economic and Community Development.** 

**Purpose.** The purpose of the bond issue is to provide funds to the Maine Technology Institute for research and development and commercialization. Priorities for use of the funds are set forth in an innovation economy action plan by the Maine Innovation Economy Advisory Board and a science and technology action plan by the Office of Innovation.

**Targeted fields.** The funds must be allocated in support of technological innovation leading to commercialization in the following sectors of the economy:

- life sciences and biomedical technology,
- environmental and renewable energy technology,
- information technology,
- advanced technologies for forestry and agriculture,
- aquaculture and marine technology,
- composites and advanced materials, and
- precision manufacturing.

**Criteria for awarding funds.** The funds must be awarded through a competitive process and to Maine-based public and private institutions to leverage matching private and federal funds on at least a one-to-one basis.

**Effective date.** If approved, the authorization of these bonds would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote approves the issuance of up to \$25 million in general obligation bonds to support technological innovation.

A "NO" vote opposes the bond issue in its entirety.

# <u>Debt Service</u> Prepared by the Office of the Treasurer

Total estimated life time cost is \$31,875,000 representing \$25,000,000 in principal and \$6,875,000 in interest (assuming interest at 5% over 10 years).

# <u>Fiscal Impact Statement</u> Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

# **Public Comments**

No public comments were filed in support of or opposition to Question 2.

## **Question 3: Bond Question**

Do you favor a \$10,000,000 bond issue to restore historic buildings owned by governmental and nonprofit organizations, with funds being issued contingent on a 25% local match requirement from either private or nonprofit sources?

#### STATE OF MAINE

Chapter 653 Public Laws of 2024 Approved April 22, 2024

"An Act to Authorize a General Fund Bond Issue to Restore Historic Community Buildings"

## 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.

### MAINE HISTORIC PRESERVATION COMMISSION

Provides funds to restore historic buildings owned by governmental and nonprofit organizations, with funds being issued contingent on a 25% local match requirement from either private or nonprofit sources, the process to be administered by the Director of the Maine Historic Preservation Commission.

Total \$10,000,000

- **Sec. 6. Disbursement of bond proceeds.** The proceeds of the bonds for the program as set out in section 5 must be expended by the Maine Historic Preservation Commission to restore historic buildings owned by governmental and nonprofit organizations. Up to 1% of the funding may be used by the Maine Historic Preservation Commission to administer the program.
- **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Act.
- **Sec. 8. 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. 9. 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. 10.** 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 restore historic buildings owned by governmental and nonprofit organizations, with funds being issued contingent on a 25% local match requirement from either private or nonprofit sources?"

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.

# **Intent and Content Prepared by the Office of the Attorney General**

This Act would authorize the State to issue general obligation bonds in an amount not to exceed \$10 million, to restore historic buildings. The bonds would run for a period of not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds from the sale of these bonds would be administered by the **Maine Historic Preservation Commission.** 

**Purpose.** The purpose of the bond issue is to fund the restoration of historic buildings. The buildings may be owned by governmental or nonprofit organizations. Up to 1% of the funding may be used to administer the program.

**Match required.** The Commission may not issue funds unless private or nonprofit sources agree to match 25% of the funds to be disbursed.

**Effective date.** If approved, the authorization of these bonds would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote approves the issuance of up to \$10 million in general obligation bonds to restore historic buildings.

A "NO" vote opposes the bond issue in its entirety.

# **Debt Service**Prepared by the Office of the Treasurer

Total estimated life time cost is \$12,750,000 representing \$10,000,000 in principal and \$2,750,000 in interest (assuming interest at 5% over 10 years).

# <u>Fiscal Impact Statement</u> Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

# **Public Comments**

No public comments were filed in support of or opposition to Question 3.

# **Question 4: Bond Question**

Do you favor a \$30,000,000 bond issue to invest in the design, development and maintenance for nonmotorized, motorized and multi-use trails statewide, to be matched by at least \$3,000,000 in private and public contributions?

#### STATE OF MAINE

Chapter 652 Public Laws of 2024 Approved April 22, 2024

"An Act to Authorize a General Fund Bond Issue to Promote the Design, Development and Maintenance of Trails for Outdoor Recreation and Active Transportation"

# 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 \$30,000,000 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.

## DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY

#### **Bureau of Parks and Lands**

Provides funds for a program, to be known as the Maine Trails Program, in order to leverage at least \$3,000,000 in matching contributions from public and private sources to be used for the design, development and maintenance of nonmotorized, motorized and multi-use trails statewide. No more than \$7,500,000 may be expended in the first year by the Bureau of Parks and Lands and no more than \$7,500,000 may be expended by the Bureau of Parks and Lands in each of the 3 subsequent years, except that any unused balance may be added to the specified amount in subsequent years.

Total \$30,000,000

- **Sec. 6. Disbursement of bond proceeds.** The proceeds of the bonds for the program as set out in section 5 must be expended by the Department of Agriculture, Conservation and Forestry for design, development and maintenance of nonmotorized, motorized and multi-use trails, trailheads and trailside amenities statewide in accordance with the following requirements:
- 1. Funds must be awarded by a competitive grant process to municipalities; other qualified subdivisions of State Government, including executive branch departments and agencies; and nonprofit organizations.
- 2. Approximately 25% of the funds must be expended in support of nonmotorized trails, 25% in support of motorized trails and 50% in support of multi-use trails used for recreation or active transportation;
- 3. Priority must be given to projects that follow sustainable design standards and incorporate accessibility and inclusive design standards;
- 4. Projects must demonstrate access to at least 10% matching contributions, which may include the value of project-related, in-kind contributions of goods and services to and by cooperating entities:
- 5. Trails funded in whole or in part by this program must be publicized for public use. Trails on private property must have use agreements for the longest period practicable that are mutually agreed upon by the landowner and trail stewards; and
- 6. Projects must demonstrate support from entities such as state agencies, municipalities, nonprofit organizations, trail user groups, businesses and the public.

Proposed projects may include requests to fund road maintenance to ensure trail access, as well as funding to ensure public access through acquisition of easements or fee simple title, although these are not primary purposes of the bond funds.

Funding from this program may not be used to dismantle state-owned tracks and ties for nonrail use except as provided for in the Maine Revised Statutes, Title 23, section 7107.

Funding from this program may be used as match for federal grant programs related to outdoor recreation, including but not limited to the land and water conservation fund established pursuant to the federal Land and Water Conservation Fund Act of 1965 and the federal recreational trails program, administered in the State by the Department of Agriculture, Conservation and Forestry, Bureau of Parks and Lands. In such cases, the bond requirement for local match may be waived.

Up to 3% of funding per annum may be used by the Department of Agriculture, Conservation and Forestry to administer this program.

Up to 1% of funding per annum may be awarded as planning grants to aid local project partners in developing sustainable trail plans for future development and renovation projects.

The Department of Agriculture, Conservation and Forestry shall work with the Department of Transportation in evaluating and making grant decisions on proposals that would advance the Department of Transportation's statewide active transportation plan.

The Department of Agriculture, Conservation and Forestry shall work with the Department of Economic and Community Development, municipalities, nonprofit organizations and other entities to promote awareness, use and maintenance of publicly accessible trails funded pursuant to the competitive grant process to enhance their economic, public health and user benefits.

- **Sec. 7. Contingent upon ratification of bond issue.** Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Act.
- **Sec. 8. 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. 9. 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. 10.** 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 \$30,000,000 bond issue to invest in the design, development and maintenance for nonmotorized, motorized and multi-use trails statewide, to be matched by at least \$3,000,000 in private and public contributions?"

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.

# **Intent and Content Prepared by the Office of the Attorney General**

This Act would authorize the State to issue general obligation bonds in an amount not to exceed \$30 million to design, develop, and maintain trails statewide. The bonds would run for a period of not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds from the sale of these bonds would be administered by the **Bureau of Parks and Lands**, part of the **Department of Agriculture**, **Conservation and Forestry**.

**Purpose.** The purpose of the bond issue is to fund a program to be known as the Maine Trails Program, which would design, develop, and maintain nonmotorized, motorized, and multi-use trails throughout Maine.

**Use of funds.** Approximately half the funds must be used to support multi-use trails used for recreation or active transportation. The remaining funds must be divided approximately evenly between supporting motorized and nonmotorized trails. Up to 3% of the funds per year may be used for administration of the program and up to 1% of the funds per year may be awarded as planning grants to aid local project partners in developing sustainable trail plans for future development and renovation projects.

**Project criteria.** The Act lists several criteria for a project to receive funding, which must be awarded by a competitive grant process. Funds may only go to municipalities, executive branch departments and agencies, other qualified subdivisions of the state, and nonprofit organizations. Priority must be given to projects that follow sustainable design standards and incorporate accessibility and inclusive design standards. Projects must demonstrate access to at least 10% matching contributions, which may include projected-related in-kind contributions. Funded trails must be publicized for public use, and trails on private property must have use agreements for the longest practicable period. Finally, projects must demonstrate support from entities such as state agencies, municipalities, nonprofit organizations, trail user groups, business and the public.

**Funding timeline.** The Act provides that no more than \$7.5 million of bond proceeds may be spent in each of the first four years after issuance, except that any unused balance may be added to subsequent years.

**Effective date.** If approved, the authorization of these bonds would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote approves the issuance of up to \$30 million in general obligation bonds for trails.

A "NO" vote opposes the bond issue in its entirety.

# <u>Debt Service</u> Prepared by the Office of the Treasurer

Total estimated life time cost is \$38,250,000 representing \$30,000,000 in principal and \$8,250,000 in interest (assuming interest at 5% over 10 years).

# <u>Fiscal Impact Statement</u> Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

# **Public Comments**

No public comments were filed in support of or opposition to Question 4.

# **Question 5: State Referendum**

Do you favor making the former state flag, replaced as the official flag of the State in 1909 and commonly known as the Pine Tree Flag, the official flag of the State?

#### STATE OF MAINE

Chapter 487
Public Laws of 2024
Law Without Governor's Signature January 7, 2024

"An Act to Restore the Former State of Maine Flag"

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

Sec. 1. 1 MRSA §206 is amended to read:

### §206. State flag

The flag to be known as the official flag of the State shall be of blue, of the same color as the blue field in the flag of the United States, and of the following dimensions and designs; to wit, the length or height of the staff to be 9 feet, including brass spearhead and ferrule; the fly of said flag to be 5 feet 6 inches, and to be 4 feet 4 inches on the staff; in the center of the flag there shall be embroidered in silk on both sides of the flag the coat of arms of the State, in proportionate size; the edges to be trimmed with knotted fringe of yellow silk, 2 1/2 inches wide; a cord, with tassels, to be attached to the staff at the spearhead, to be 8 feet 6 inches long and composed of white and blue silk strands must be buff, charged with the emblem of the State, a pine tree proper, in the center, and the North Star, a mullet of 5 points, in blue in the upper corner; the star to be equidistant from the hoist and the upper border of the flag, the distance from the 2 borders to the center of the star being equal to about 1/4 of the hoist, this distance and the size of the star being proportionate to the size of the flag. A flag made in accordance with the description given in this section shall must be kept in the office of the Adjutant General as a model once approved by the Secretary of State.

**Sec. 2. 37-B MRSA §384,** as enacted by PL 1983, c. 460, §3, is amended to read:

## §384. Flag to be carried

The flag of the State to be carried by the National Guard shall <u>must</u> be the same as the flag described in Title 1, section 206, with addition of a scroll in red below the <u>coat of arms</u> <u>emblem</u> of the State bearing the inscription, "Maine National Guard."

Sec. 3. Statutory referendum procedure; 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 making the former state flag, replaced as the official flag of the State in 1909 and commonly known as the Pine Tree Flag, the official flag of the State?"

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.

# **Intent and Content Prepared by the Office of the Attorney General**

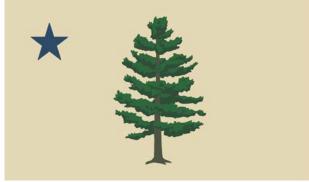
The Maine Legislature has asked voters to decide whether to change Maine's official state flag.

Current law describes Maine's official flag as blue, with Maine's coat of arms embroidered in the center. The proposed law would repeal this description and replace it with a description of the state flag almost identical to the description in effect between 1901 and 1909.

Under the proposed law, the coat of arms would be replaced with a pine tree and a five-pointed blue mullet (a star with straight sides). The pine tree must be in the center of the flag and the star must be in the corner nearest to the top of the staff. The background of the flag must be buff (a yellowish-beige color).

Under the proposed law, the Secretary of State is responsible for approving a specific design for the new flag that follows the proposed law's requirements. The Secretary of State held a design contest in the summer of 2024 and has indicated that the winning design will become the new state flag if the proposed law is approved. The current state flag and the winning design that would become the new state flag if the law is approved are reproduced below:





current flag

proposed new flag

The proposed law would also repeal requirements that the flag and staff be of certain dimensions and include a fringe and tasseled cord.

A "YES" vote is to change the state flag to the Pine Tree Flag.

A "NO" vote opposes changing the state flag.

# <u>Fiscal Impact Statement</u> Prepared by the Office of Fiscal and Program Review

Additional costs to state agencies to replace the current flag with a different one can be absorbed within existing budgeted resources. This assumes that the changeover will occur gradually and the costs will be similar to those that would occur from the normal replacement of existing flags as they become worn and frayed.

# **Public Comments**

No public comments were filed in support of or opposition to Question 5.