

Mills unveils \$189M bond package

Borrowing plan targets roads, bridges, conservation, jobs, broadband

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AUGUSTA — Gov. Janet Mills wants Maine lawmakers to send bond questions totaling \$189 million to voters in November in a package centered on road and bridge funding, conservation and workforce development while targeting \$30 million more for broadband.

The package unveiled by the Democratic governor on Tuesday is her bid to shape Maine's borrowing roadmap, balancing a transportation department plan that assumes annual borrowing with more than \$1.5 billion in borrowing proposals floated by the Democratic-led Legislature. A top Republican lawmaker took a dim view of the package of items that may not be palatable alone.

Mills wants to ask voters in 2019 to approve \$105 million in transportation borrowing that would be matched by \$137 million in federal funds alongside \$65 million for conservation, wastewater and renewable energy projects. She seeks another \$19 million for workforce development and renovations to the state's three National Guard facilities.

"My administration is tackling the challenges we have head-on through targeted, reasonable investments that will strengthen the economy, develop a strong, skilled workforce, support a clean energy environment and help replace our aging infrastructure," Mills said.

The Legislature must approve the package of bonds by two-thirds majorities in both chambers before adjournment later this month to put them on the November 2019 ballot. They will appear on the ballot separately, though Mills wants lawmakers to consider them together.

Mills also wants to place \$50 million in future bonding on the ballot in 2020. Of that, \$30 million would go to broadband with the rest going to research and development and fishing and farming infrastructure. Overall, the package is a mix of familiar and novel borrowing approaches that would go before voters in either June or November 2020.

It would be the fifth straight year Maine would ask voters to approve transportation bonds. Another \$30 million slated for the Land for Maine's Future program comes after former Gov. Paul LePage held up \$11.5 million in bonds before striking a 2016 deal to issue them.

The borrowing proposal focused on high-speed internet access is the first of its kind in Maine, where nearly 90 percent of people have broadband coverage but operate at speeds that are second-slowest in the nation, according to a 2018 report from Broadband Now.

It would allow the ConnectME Authority, the quasi-state agency charged with expanding rural broadband service, to focus on larger expansion projects rather than smaller ones in places with next to no broadband access that they're limited to under their current budget and scope.

Maine State Treasurer Henry Beck, a Democrat, has said the state has the capacity to issue \$300 million in borrowing over the next two years, a mark that has been initially approved by the legislative committee negotiating the state's two-year budget due by June 30.

However, Sen. Jim Hamper of Oxford, a leading Republican negotiator on the Legislature's budget panel, said the widely popular transportation bond was being married with other proposals to ensure their success and he wants the Legislature to be able to consider them individually.

"I would like to break it up into maybe even the four packages that the voters will see and let us go on that way," Hamper said. "But there are still games to be played."

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- Last year's transportation bond will cost Mainer's \$29 million in interest charges over the ten year maturity of the bond. At some point we will have to bond just to pay the interest...