

MAINE STATE LEGISLATURE

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L.D. 1982

(Filing No. S- 507)

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STATE OF MAINE
SENATE
114TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT " A " to S.P. 757, L.D. 1982, Bill, "An Act to Preserve the Natural Values of Public Water Utility Lands"

Amend the bill by striking out all of the title and inserting in its place the following:

'An Act Concerning the Sale of Land Owned by Consumer-owned Water Utilities'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'35-A MRSA §6109 is enacted to read:

§6109. Sale of land by consumer-owned water utility

The following provisions govern the sale or transfer by a consumer-owned water utility of land or property owned by that water utility for the purposes of providing a source of supply, storing water or protecting sources of supply or water storage, including reservoirs, lakes, ponds, rivers and streams, land surrounding or adjoining reservoirs, lakes, ponds, rivers or streams, wetlands and watershed areas.

1. Notice of proposed sale. A consumer-owned water utility shall, at least 8 months prior to the sale of land under this section, give notice of that proposed sale to the commission. The utility shall provide additional notice as prescribed by rule by the commission as follows.

A. Notice must be given to the municipality or municipalities where the land is located.

2 B. One notice must be given to each of the customers
4 of the consumer-owned water utility in a manner
 prescribed by the commission.

6 C. Notice must be published in a newspaper of general
8 circulation in the area encompassed by the
 consumer-owned water utility.

10 2. Time of sale. Land subject to the provisions of this
12 section may not be sold within the first 8 months after notice of
14 the proposed sale has been given to the commission unless all or
 part of that time period is waived by the commission for good
 cause shown.

16 3. Sale at a price below market value. The trustees of a
18 consumer-owned water utility may sell land to the State, an
20 agency of the State, a municipality or other governmental body,
 or a private nonprofit organization at a price below market
 value. Land purchased under this subsection must be used for:

22 A. The purposes of retaining or protecting the natural
24 scenic or open-space values of the property;

26 B. Assuring the availability of the property for
 recreational or open-space use;

28 C. Protecting natural resources; or

30 D. Maintaining or enhancing air or water quality.

32 The sale of consumer-owned water utility land pursuant to this
34 subsection may not be considered unreasonable or imprudent solely
 by reason of its sale at a price below market value.

36 4. Rules. The commission may promulgate rules to implement
38 this section, including, but not limited to, rules governing the
40 authority of the ratepayers of the consumer-owned water utility
42 to endorse or prohibit the sale of land by a consumer-owned water
 utility under this section and to prohibit or endorse any
 condition of that sale.

44 5. Right of first refusal. The municipality in which the
46 land is located shall have the right of first refusal to purchase
48 any land that lies within that municipality's boundaries and is
 offered for sale under this section. That right is assignable by
 the municipality.

FISCAL NOTE

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The Public Utilities Commission will incur some minor additional administrative costs that can be absorbed within the commission's budgeted resources.'

STATEMENT OF FACT

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This amendment replaces the bill. It requires consumer-owned water utilities to provide notice of the sale of certain utility lands to the Public Utilities Commission, the municipality where the land is located and a local newspaper. The Public Utilities Commission will provide notice under its existing authority to parties who may be interested in the land for conservation or recreational purposes. Interested parties will have 8 months to procure financing to purchase the land unless that time period is waived by the Public Utilities Commission. The municipality in which the land is located has an assignable right of first refusal to purchase that land. Land sold by a utility under this section may not be considered an unreasonable or imprudent action by the water district trustees solely by reason of its sale at a price below market value.

Reported by Senator Bost for the Committee on Utilities.
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