

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
106TH LEGISLATURE
FIRST SPECIAL SESSION

SENATE AMENDMENT "D" to S. P. 953, L. D. 2606, Bill,
"AN ACT to Correct Errors and Inconsistencies in the Public Laws."

Amend said Bill by inserting at the end the following:

SECTION A

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the previously created Caribou Hospital District has ceased to function by operation of law; and

Whereas, the present hospital of the City of Caribou is overcrowded and inadequate for present day needs and many patients are not able to receive medical attention when needed, due to the present facilities being overcrowded and inadequate to supply the medical needs of the City; and

Whereas, it is imperative that action be taken at the earliest possible moment to relieve these conditions; and

Whereas, to remedy these conditions, construction must be commenced immediately; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. P. & S.L., 1953, c. 12, repealed and replaced.

Chapter 12 of the private and special laws of 1953, as amended, is repealed and the following enacted in place thereof:

Sec. 1. Incorporation; name; purposes. Subject to section 8 and the emergency clause, the inhabitants of and the territory

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← within the City of Caribou are hereby created a body politic and corporate under the name of the "Caribou Hospital District" for the benefit and welfare of the inhabitants of the district and those persons outside the district who may require medical care, and for the following purposes: To acquire real property within the said district for hospital and related medical and surgical purposes; for the purpose of erecting, enlarging, repairing, equipping and maintaining on said property a hospital building or hospital buildings and related hospital, medical and surgical equipment; for the purpose of completing, grading, furnishing, rebuilding, adding onto, renovating and otherwise bettering the conditions of any and all buildings within said district used for hospital purposes, or which may hereafter be used for hospital purposes; for the purpose of leasing or letting any property of said district to said City; for the purpose of receiving, accepting and holding gifts, grants or devises of property, real, personal or mixed to be used for hospital and related hospital, medical and surgical equipment; all for the benefit of the inhabitants of said district.

Sec. 2. Trustees; powers and duties; limitations. All the affairs of said district, except the hiring of personnel who shall work in said hospital and the fixing of their salaries and all other matters pertaining to the maintenance and operation of said hospital, which matters shall be controlled by the hospital board of directors of the City of Caribou, shall be managed by a board of 3 trustees, who shall be appointed as is hereinafter provided. The board of trustees, acting for said district, shall have and exercise all the powers and authority necessary to carry out the purposes of this act and the powers and authority granted herein.

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Sec. 3. Trustees; how appointed; tenure of office; organization of board; vacancies; compensation; reports. As soon as may be after the acceptance of this act as hereinafter provided, the city council of the City of Caribou shall appoint 3 trustees of said district to hold office as follows, respectively; (1 for a term of 1 year; 1 for a term of 2 years and 1 for a term of 3 years. Thereafter, as the respective terms expire, all trustees shall be appointed for terms of three years each by said Caribou City Council. When any trustee ceases to be a resident of said district he vacates the office of trustee. Any vacancy upon the board of trustees occurring because of change of residence of trustee, resignation, death or any cause except normal expiration of term of office shall be filled by said Caribou City Council in the same manner as heretofore provided for the unexpired portion of the term of the vacant office. All trustees shall be eligible for reappointment.

The first meeting of the board of trustees shall be held as soon as convenient after they have been appointed as above provided. At this original meeting, they shall elect from their membership a president, a clerk and a treasurer, shall adopt a corporate seal, may ordain and establish such by-laws consistent with the laws of the state as are necessary for their own convenience and the proper management of the affairs of said district, and may do all other acts, matters and things necessary to perfect their organization. Thereafter, the trustees shall meet annually for the purpose of electing a president, clerk and treasurer for the ensuing year and until successors are appointed and qualified. The trustees shall have the right and authority to employ and fix compensation of such officers and agents as they may deem necessary for the proper conduct and management of the affairs of the district.

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The trustees shall serve without compensation, except that the treasurer may receive for his services an amount to be fixed by the board of trustees not in excess of \$1,000 ↔ per year, and that the president and clerk may receive for their services an amount to be fixed by the board of trustees not in excess of \$100 ↔ per year.

The treasurer shall give bonds or notes to the district in such sum and with such sureties as the trustees may determine, which bonds or notes shall remain in the custody of the president. The cost of such bonds or notes shall be paid by the district.

At the close of each fiscal year of said district, which shall coincide with the fiscal year of the City of Caribou, the trustees shall make a detailed report of their doings, of the financial condition of said district, of the physical condition of its property and also of such other matters and things pertaining to said district as shall show the inhabitants thereof how said trustees are fulfilling the duties and obligations of their trust. Such report shall be made and filed with municipal officers of the City of Caribou on or before February 15th of each year.

Sec. 4. How financed. To procure funds for the purposes of ^{Section A of} this act and for such other expenses as may be necessary to carry out said purposes, the said district, by its trustees, is hereby authorized from time to time to borrow money and to issue its bonds and notes therefor, but shall not incur a total indebtedness exceeding the sum of \$8,000,000. Each bond and note shall have inscribed upon its face the words "Caribou Hospital District , " shall bear interest at such rates as the trustees shall determine, payable annually or semiannually, and shall be subject to such other provisions as

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the trustees shall determine. Said bonds and notes may be issued to mature serially or made to run for such periods as said trustees may determine. All bonds shall be made callable. All bonds and notes issued by said district shall be signed by the treasurer and countersigned by the president of said district, and if coupon bonds be issued, each coupon shall be attested by the facsimile signatures of the president and treasurer printed thereon. Said bonds and notes shall be legal obligations of said district, which is hereby declared to be a quasi-municipal corporation within the meaning of the Revised Statutes, Title 30, Section 5053, and all the provisions of said section shall be applicable thereto. The said bonds and notes shall be legal investments for savings banks. Notwithstanding any other provisions of this chapter, the district, by its trustees, is not empowered to issue any bonds or notes for the purpose of financing the erecting, enlarging, repairing, equipping or maintaining of a hospital building or hospital buildings and related hospital, medical and surgical equipment until the project which is the subject matter of the issuance of bonds or notes has been reviewed and approved by the appropriate regional and state health planning agencies as organized pursuant to the Revised Statutes, Title 22, section 253.

Sec. 5. Sinking fund; refunding bonds. In case any bonds or notes at any time issued are made to run for a period of years, as distinguished from serial maturity, the Trustees shall establish a sinking fund for such bonds or notes for the purpose of redeeming the same when they become due. The amount to be paid annually into such sinking fund shall not be less than 4% of the total principal amount of such bonds or notes originally issued. In addition to such annual sinking fund payment, the trustees shall have

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authority from time to time to add to any such sinking fund any funds of the district not required for other purposes. Funds in any sinking fund may be deposited in any national bank, savings bank or trust company within the State or may be invested in whole or in part in any bonds of the United States, of the State of Maine or of any political subdivision thereof, as the trustees may determine. Interest received on any funds so invested shall be added to the sinking fund. When and if the amount accumulated in any sinking fund, together with interest received or to be received thereon, shall be sufficient to pay at maturity or, at the option of the trustees, to redeem the bonds or notes for the benefit of which such sinking fund was established, all further payments to such sinking fund shall cease.

Whenever any bonds or notes issued by said district may become due or can be purchased or called for redemption by said district on favorable terms, said trustees, if sufficient funds have accumulated in the sinking fund provided therefor, may pay, purchase or redeem said bonds or notes from the sinking fund and cancel them. In no case shall bonds or notes so paid, purchased or redeemed and cancelled, be reissued.

In case the amount in any sinking fund shall not be sufficient to pay the total amount, when due, of the bonds and notes for which such sinking fund was provided, or in case it shall become desirable in the opinion of the trustees to call for redemption any outstanding bonds or notes and to issue new bonds or notes in their stead, authority is granted to refund so many of said original bonds or notes as cannot be paid or redeemed from the sinking fund provided therefor, if any, but in no case shall such new bonds or notes mature more than 40 years from the original date of issue of the original bonds or notes so refunded.

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Sec. 5-A. Referendum on bond issues. When the trustees shall have authorized the issue of any bonds, an attested copy of the vote of the trustees shall be forthwith filed with the municipal officers of the City of Caribou and published in a newspaper having a circulation in the district, not later than 10 days following the day on which the vote was adopted by the trustees, together with a statement indicating that such vote will become effective, unless, before the expiration of 7 days from the date on which a copy of the vote was first published, the president or the clerk of the board of trustees shall have received a petition signed by at least 10% of the residents in the district eligible to vote on the date of the trustees vote was adopted, requesting that the question of whether bonds be issued by the district be submitted to the voters of the district. Said statement shall also state the name and address of the president and clerk of the board of trustees. A vote of the trustees authorizing an issue of bonds under this Act shall not become effective before the expiration of 7 days from the date upon which the vote and statement are published. If, within said period, a petition, signed by at least 10% of the residents in the district eligible to vote on the date that the issuance of bonds by the trustees was adopted as shown by the district's voting list, shall be filed with the president or the clerk of the board of trustees, asking that the question of whether such bonds to be issued be submitted to the voters of the district, such vote of the trustees shall be further suspended from becoming effective and the trustees shall immediately reconsider such vote. If such vote is not rescinded by the trustees, the question of whether such bonds shall be issued shall be submitted by the trustees to the voters of the district at a special meeting of the qualified

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voters in the district to be held in said district within 60 days of the receipt of the aforementioned petition. Said special meeting shall be called and held as provided in / the emergency clause hereof, except that the notice shall set forth the vote of the trustees authorizing said bonds, the approval or disapproval of the issue of which is to be submitted to the voters of the district, together with the proposed form of the ballot to be used at such special meeting. At such special meeting, a vote on the question of whether such bonds shall be issued shall be voted on by ballot, the form of which shall be substantially as follows:

OFFICIAL BALLOT

CARIBOU HOSPITAL DISTRICT

Shall bonds of the Caribou Hospital District be issued in the amount of \$ _____, bearing interest not to exceed _____ per cent for the purpose of procuring funds for the following purposes, viz:

(Insert brief description of purpose for which bonds are to be sold)?

If in favor of bond issue, make a cross (X) or check mark (✓) in this square YES

If opposed to the bond issue, make a cross (X) or check mark (✓) in this square NO

If a majority of the qualified voters voting at such meeting approve the issue of said bonds, the vote of the trustees authorizing said bonds shall become effective; if not so approved, said vote shall be null and void. The voters qualified to vote at said special meeting shall be determined by use of the district voting list.

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Sec. 6. Assessment of taxes authorized to meet indebtedness; how collected; procedure; authority to issue temporary notes in anticipation of taxes. The trustees of the "Caribou Hospital District" shall determine what sum is required each year for sinking fund payments, or if the bonds or notes authorized by this Act shall be issued to mature serially, what sum is required each year to meet the interest on said bonds or other obligations and what sum is required each year to meet other necessary expenses in the district, and shall each year, before the 1st day of April, issue their warrant in the same form as the warrant of the Treasurer of State for taxes, with proper changes, to the assessor of the City of Caribou, requiring that they assess the total sum so determined upon the taxable \longleftrightarrow estates within said district and to commit their assessment to the collector of said City of Caribou, who shall have all authority and powers to collect said taxes as is vested by law to collect state, county and municipal taxes. On or before the 31st day of December of the year in which said tax is so levied, the treasurer of said City shall pay the amount of the tax so assessed against said district to the treasurer of said district. In case of a failure on the part of the treasurer of the City to pay said sum, or in case of his failure to pay any part thereof on or before said 31st day of December of the year in which said tax is levied, the treasurer of said district may issue his warrant for the amount of said tax or so much thereof as shall then remain unpaid to the sheriff of Aroostook county, requiring him to levy by distress and sale on real and personal property of any of the inhabitants of said district, and the sheriff or any of his deputies shall execute said warrant except as is otherwise provided herein. The same authority as is vested in county officials for the collection of county taxes, under the provisions of the Revised Statutes, is hereby vested in the trustees of said district in relation to the collection of taxes within said district.

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In any fiscal year, in anticipation of taxes assessed or to be assessed for such year, the board of trustees of the district may, by a vote of a majority of its members, authorize the borrowing of money by the issuance and sale of temporary notes of the district. If taxes have not been levied in such year, the amount of borrowing shall not exceed 50% of the approved budget in the preceding year. If taxes have been levied in such year, the amount of such borrowing shall not exceed in the aggregate the total amount of the approved budget in the current fiscal year, less the amount thereof collected in the participating towns and plantations and paid to the treasurer of the board of trustees. Such temporary notes of the district may be issued for a period of not more than one year and any such temporary notes may be renewed from time to time by the issue of other temporary notes, provided the period from the date of issue of the original note to date of maturity or last renewal thereof shall not be more than one year. Notes in anticipation of taxes which are not paid at the end of the year shall be included in the following year's budget as an expenditure and an amount sufficient to pay said notes shall be assessed and collected as provided in section 6. Notwithstanding any provision in section 6 to the contrary, said amount shall not be reduced. The board of trustees of the district may, by vote of a majority of its members, authorize the borrowing of money by the issuance and sale of temporary notes of the district in anticipation of revenues. Such notes, issued during the first year of operation as the Caribou Hospital District, shall not exceed, in the aggregate, the sum of \$100,000. In any subsequent year, the board of trustees of the district may, by vote of a majority of its members, authorize the borrowing of money by the issuance and sale of temporary notes of the district in anticipation of revenues, but said notes shall not exceed, in the aggregate, the total amount of the accounts receivable of the district and shall not be issued to exceed a period of one year.

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Sec. 7. Agreements for financial assistance authorized. Said district is authorized, by vote of at least a majority of all the trustees, to enter into an agreement with the State or Federal Government or any agency thereof or any corporation or board authorized by the Federal Government or the State of Maine to loan money to or to otherwise assist in the financing of such projects as the district is authorized to finance by the issue of bonds as may be necessary or desirable to accomplish such purposes. The right to enter into such agreement shall be subject to the right of referendum reserved to the voters in section 5-A, if the district incurs liability under any such agreement, and the provisions of section 5-A shall apply so far as apt to a special meeting called and held for the purpose of such referendum.

Sec. 8. Dissolution. The district may be dissolved by a legally constituted vote of the Caribou City Council; except, however, if the district has any outstanding indebtedness, it may not be dissolved.

In the event of dissolution, all of the duties, management, care and maintenance of the property of said district shall revert to the Cary Memorial Hospital board of directors of the City of Caribou or such other board as may at that time have jurisdiction over similar hospital property, and the then president and treasurer of said district shall cause to be executed, signed and delivered a good and sufficient deed of all the property of said district to the City of Caribou. All money, if any, remaining in the treasury of said district at the time said trustees cease to function, shall be given to the treasurer of the City of Caribou. This money shall be used only for hospital purposes and shall be kept separate from all other money until authorized by the Caribou City Council to be expended for one or more of the purposes stated in ^{Section A of} this act.

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Sec. 9. Authority to receive property from the City of Caribou. The "Caribou Hospital District" is hereby authorized to receive from the City of Caribou, and said City of Caribou is hereby authorized to transfer and convey to said district, any property, real, personal or mixed, now or hereafter owned or held by the City of Caribou for hospital purposes, and any sums of money or other assets which the said City of Caribou has raised or may raise, either by taxation, borrowing or otherwise, for hospital purposes.

Sec. 10. Other municipalities may join. Cities, towns and plantations not now belonging to, or not now a part of, said district as enumerated in Section 1, may be included within the district provided that the city, town or plantation seeking to join votes by a majority vote at a meeting legally called and held, to join said district and the voters of the district by majority vote at a district meeting called and held for that purpose shall vote to authorize the addition of the requesting ^{city,} town or plantation. Said city, town or plantation must assume a proportionate share of any outstanding indebtedness of the district then existing.

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Emergency clause; effective date; referendum. In view of the emergency cited in the preamble, ^{Section A of} this Act shall take effect when approved, only for the purpose of permitting its submission to the legal voters of the territory embraced within the limits of said district present and voting at a special meeting called and held for that purpose or at an annual city election of the City of Caribou, not later than 6 months after the approval of Section A of this Act. In the event a special meeting is called for the purpose, it shall be called, advertised and conducted according to the law relating to municipal elections; provided, however, that the board of registration in said City of Caribou shall not be required to prepare for posting nor the city

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clerk to post, a new list of voters, and for the purpose of registration of voters, said board shall be in session the 3 secular days next preceding such special meeting, the first and 2nd days thereof to be devoted to registration of voters and the 3rd day to enable the board to verify the corrections of such list and to complete and close up their records of said sessions. The city clerk shall prepare the required ballots on which he shall reduce the subject matter of ^{Section A of} this Act to the following question: "Shall the Act Recreating the Caribou Hospital District, passed by the first special session of the 106th Legislature, be accepted?" and the voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same. ^{Section A of} This Act shall take effect for all the purposes hereof immediately upon its acceptance by a majority vote of the legal voters voting at said meeting; provided that the total number of votes cast for and against the acceptance of ^{Section A of} this Act at said meeting equals or exceeds 20% of the total vote for all candidates for Governor in said ~~city~~ at the next preceding gubernatorial election. The result in said district shall be declared by the municipal officers of the City of Caribou and due certificate filed by the city clerk with the Secretary of State.'

Statement of Fact

The purpose of this amendment is to add a Section A to the bill relating to Caribou Hospital District.

(Tanous)

NAME:

COUNTY: Penobscot

Reproduced and distributed pursuant to Senate Rule 11-A.

March 25, 1974. (Filing No. S-431).