

MAINE STATE LEGISLATURE

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(EMERGENCY)
FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1127

H. P. 951

House of Representatives, March 5, 1981

Referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Murphy of Kennebunk.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Amend the Charter of the Kennebunk Light and Power District.

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

Whereas, the Kennebunk Light and Power District is engaged in the reconstruction of dams on the Mousam River and the installation of generating facilities at these dams; and

Whereas, the Farmers Home Administration of the United States Department of Agriculture has obligated \$1,145,000 for the purchase of bonds of Kennebunk Light and Power District in the amount of \$1,145,000 payable over a 40-year period with interest at the rate of 5% per annum to finance reconstruction and installation; and

Whereas, section 17 of the charter of Kennebunk Light and Power District provides, among other things, that no bonds issued by the district shall mature later than 25 years from the date thereof; and

Whereas, in the judgment of the Legislature, in view of the energy shortage, it is desirable that reconstruction of dams and installation of generating facilities be accomplished as soon as possible, and the proposed financing thereof is advantageous to Kennebunk Light and Power District and its customers; 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&SL 1951, c. 53, § 17, 6th sentence, as amended by PL 1953, c. 80, § 1, is further amended to read:

Said notes and bonds shall be legal obligations of said district, which is hereby declared to be a quasi-municipal corporation within the meaning ~~of section 132 of chapter 49~~ of the revised statutes ~~of 1944~~, **Title 30, section 5053**, and all the provisions of said section shall be applicable thereto.

Sec. 2. P&SL 1951, c. 53, § 17, 10th, 11th and 12th sentences, as amended by PL 1953, c. 80, § 1, is further amended to read:

Bonds may be issued to mature serially or after a term of years, provided that no bond shall mature later than ~~25~~ **40** years after its date. Serial bonds shall be made payable in annual installments which shall be so arranged that ~~the amount of the annual payment of principal and interest in any year on account of said bonds shall not be less than the amount of principal and interest payable in any subsequent year, by more than two per cent of the principal of the entire debt and the total amount of such payments shall be sufficient to extinguish the entire debt on account of which they are made at maturity. The first such annual installment shall be paid not later than 2 years and the last such installment not later than 25~~ **40** years after the date thereof.

STATEMENT OF FACT

The purpose of this bill is to encourage the reconstruction of dams on the Mousam River and the installation of generating facilities by Kennebunk Light and Power District and to facilitate the advantageous financing of the same by the Farmers Home Administration of the United States Department of Agriculture.