## MAINE STATE LEGISLATURE

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	( E	MERGENCY	)	
	SECOND R	EGULAR SI	ESSION	
ONE	HUNDRED AND	) ELEVENTI	H LEGISLATURE	
Legislative Doc	ument		No. 1	859
down for concurr	ence.		In Senate, January 5, tillities. Ordered printed and stive Council pursuant to Join	sent
		JOY J. O	'BRIEN, Secretary of the Se	nate
Presented by Sen Cosponsor:	ator Redmond o Representative R		thens.	····
	STAT	E OF MAIL	NE	
NJ		YEAR OF OU PRED AND I	UR LORD EIGHTY-FOUR	
Jackmar	Sewer Dist	rict to (	arter of the Clarify the Limit ify Certain Other harter.	
lature do	not become	effecti	s, Acts of the Legi ve until 90 days aft mergencies; and	s- cer
to receive of eral agenci	rant funds es, and t	from auth hose gra	District is eligith horized state and for nts have been approventrol project; and	ed-
borrow in in anticipat	excess of \$ ion of rece plete the	1,000,000 iving the design	, the district mu O on a temporary bas e grant funds, in c and undertake the co	sis or-

Whereas, the charter of the district is unclear as to whether temporary borrowing in anticipation of grants is subject to its limitation upon total permitted outstanding indebtedness; and

Whereas, unless the charter is amended to clarify that such temporary borrowing is not included in total permitted outstanding indebtedness, the pollution control project may be frustrated and will be delayed and made more expensive; and

Whereas, the punctuation and certain wording in the first 2 sentences of section 15 of the charter leaves unclear the purposes for which long-term indebtedness may be incurred by the district and the district contemplates the issuance of long-term indebtedness in May, 1984; 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.

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

Sec. 15. Authorized to issue notes and bonds; to borrow money. For accomplishing the purposes of this Act, said the district, by resolution of its board of trustees, is hereby authorized to may borrow money temporarily and to issue therefor its negotiable notes, in anticipation of bonds authorized by this section. and for For the purposes of renewing paying and refunding the indebtedness so created, of paying any necessary expenses and liabilities incurred under the provision of this Act, including organizational and other necessary expenses and liabilities, and in of acquiring properties, paying damages, laying sewers, drains and conduits, constructing, maintaining and operating a sewage plant or system, and making renewals, extensions, additions, ex-

tensions and improvements to the same, and to cover 2 making interest payments during the period of con-3 struction: and, for such period thereafter as the trustees may determine, Said Jackman Sewer District, 4 5 by resolution of its board of trustees, is may also 6 hereby authorized to issue, from time to time, bonds, notes or other evidences of indebtedness of the dis-7 8 one series, or in separate series, in an trict in 9 amount or amounts at such rates of interest and such terms and conditions as the trustees shall de-10 11 termine. provided, however, that the The total 12 standing indebtedness of said the district shall at 13 no time exceed \$1,000,000, provided that amounts tem-14 porarily borrowed by the district in anticipation of 15 the receipt of any approved grants from the State 16 Government or Federal Government, or from any agency 17 of either authorized to assist in the financing of water pollution control projects, shall not affect or 18 19 be included in the total indebtedness of the district 20 permitted to be outstanding. Said The bonds, notes and other evidences of indebtedness shall be legal 21 obligations of said the district and a direct obliga-22 23 tion on the taxable property within the district; 24 shall bear the seal of the district and shall be 25 signed by its treasurer and countersigned by the chairman of its Board of Trustees; any interest cou-26 27 pons attached thereto shall be the facisimile of the 28 signature of its treasurer. Said The district may refund and reissue, from time to time, in one or 29 separate series, its bonds and other evidences of in-30 debtedness, and each authorized issue shall consti-31 tute a separate loan. All bonds issued by said 32 33 district shall be legal investment for savings banks 34 in the State of Maine and shall be tax exempt.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

## 38 STATEMENT OF FACT

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The purpose of this bill is to clarify, first, that the \$1,000,000 limitation on total permitted outstanding indebtedness of the Jackman Sewer District applies only to permanent indebtedness. The district must borrow on a temporary basis in excess

of \$1,000,000 in anticipation of receiving federal grant funds to complete the design and undertake construction of a major water pollution control project. This clarification will ensure that the district is able to borrow in anticipation of those grants and to proceed with the project expediently without disruption of the federal funds already approved for the project. Secondly, the bill makes clear that the statement of purposes currently found in the first sentence relates not only to temporary borrowing, but also to permanent financing. In addition, the word "paying" has been substituted for "refunding" and other language added in order to conform the charter more closely to the Revised Statutes, Title 38, section 1201, subsection 1, governing the bonds, rates and assessments of sanitary districts.

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