

MAINE STATE LEGISLATURE

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1 (EMERGENCY)
2 (After Deadline)
3 FIRST REGULAR SESSION
4

5 ONE HUNDRED AND TWELFTH LEGISLATURE
6

7 Legislative Document

No. 1624

9 H.P. 1114

House of Representatives, May 28, 1985

10 Approved for introduction by a majority of the Legislative Council
11 pursuant to Joint Rule 27.

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

EDWIN H. PERT, Clerk

13 Presented by Representative Davis of Monmouth.

14 STATE OF MAINE
15

16 IN THE YEAR OF OUR LORD
17 NINETEEN HUNDRED AND EIGHTY-FIVE
18

19 AN ACT to Amend the Charter of the Winthrop
20 Water District.
21

22 **Emergency preamble.** Whereas, Acts of the Legis-
23 lature do not become effective until 90 days after
24 adjournment unless enacted as emergencies; and

25 Whereas, the district is committed to repairs and
26 construction of its water system during the summer of
27 1985; and

28 Whereas, the district will require bond financing
29 to pay the ultimate costs of the repairs and con-
30 struction; and

31 Whereas, the district has received a firm commit-
32 ment from the Farmers Home Administration to fund the
33 project up to \$482,000; and

34 Whereas, the commitment includes an interest
35 charge of 9.50% per annum; and

1 Whereas, the Maine Municipal Bond Bank has sold
2 its spring issue for the same category of bonding as
3 the district at an average rate of interest of 8.28%
4 per annum; and

5 Whereas, the next issue of the Maine Municipal
6 Bond Bank is expected to be October 1985; and

7 Whereas, the approval of applications for the is-
8 sue will be made in September 1985; and

9 Whereas, section 13 of the charter of the dis-
10 trict requires that all bonds shall be callable; and

11 Whereas, callable bonds are not eligible for par-
12 ticipation in Maine Municipal Bond Bank bond issues;
13 and

14 Whereas, the bond financing requires the approval
15 of the Public Utilities Commission; and

16 Whereas, the approval must be received by the
17 district before September 1, 1985, to be eligible for
18 the fall Maine Municipal Bond Bank issue; and

19 Whereas, the limitation contained in the dis-
20 trict's charter restricts the economic alternatives
21 to the district which will ultimately cause an in-
22 crease in the rate structure of the district; and

23 Whereas, in the judgment of the Legislature,
24 these facts create an emergency within the meaning of
25 the Constitution of Maine and require the following
26 legislation as immediately necessary for the preser-
27 vation of the public peace, health and safety; now,
28 therefore,

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

31 P&SL 1923, c. 98, §13, last 2 sentences, as
32 amended by P&SL 1925, c. 65, are repealed.

33 Emergency clause. In view of the emergency cited
34 in the preamble, this Act shall take effect when ap-
35 proved.

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STATEMENT OF FACT

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The purpose of this bill is to amend the charter of the Winthrop Water District to remove the restriction that bonds of the district must be callable.

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