

MAINE STATE LEGISLATURE

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1 (EMERGENCY)
2 SECOND REGULAR SESSION
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE
5

6 Legislative Document

No. 1745

7
8 H.P. 1236

House of Representatives, December 27, 1985

9 Approved for introduction by a majority of the Legislative Council
10 pursuant to Joint Rule 26.

11 Received by the Clerk of the House on December 27, 1985. Referred to
the Committee on Utilities and 1,600 ordered printed pursuant to Joint Rule
14.

EDWIN H. PERT, Clerk

Presented by Representative Murphy of Kennebunk.

12 Cosponsored by Representative Rolde of York, Senator Maybury of
Penobscot and Senator Clark of Cumberland.

13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-SIX
17

18 AN ACT to Fairly Apportion the Cost of New
19 Water Utility Services.
20

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

24 Whereas, several water department and quasi-mu-
25 nicipal water district water systems are currently
26 inadequate to serve the rapidly growing needs of the
27 public and certain capital improvements are immedi-
28 ately necessary to meet the demand; and

29 Whereas, in the judgment of the Legislature,
30 these facts create an emergency within the meaning of
31 the Constitution of Maine and require the following
32 legislation as immediately necessary for the preser-
33 vation of the public peace, health and safety; now,
34 therefore,

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

3 35 MRSA §73-A is enacted to read:

4 §73-A. System development charge

5 In addition to the provisions of section 73, the
6 governing body of a municipal water department or
7 quasi-municipal water district may establish and
8 file, pursuant to section 69 or section 72, a system
9 development charge which is just and reasonable to
10 provide funds to finance capital outlays for water
11 system expansion caused by an increase in demand for
12 service. The funds generated by the system develop-
13 ment charge shall be deposited into a special account
14 of the municipal water department or quasi-municipal
15 water district dedicated to finance capital outlays
16 for water system expansion caused by an increase in
17 demand for service. The funds from the special ac-
18 count shall be used only for the purpose of financing
19 the expansion of the system and shall not be used for
20 the repair or replacement of existing facilities un-
21 less the replacement is required as a result of in-
22 creased demand for service. The system development
23 charge shall not be treated as income of the municipi-
24 pal water department or quasi-municipal water dist-
25 rict nor shall it be considered part of the rates
26 established and filed pursuant to section 73. The
27 system development charge may be assessed upon all
28 customers of the municipal water department or quasi-
29 municipal water district that require new connections
30 to the water system, excluding fire service, as of or
31 after the effective date of this section and upon all
32 existing customers of the municipal water department
33 or quasi-municipal water district who expand their
34 demand for water service as of or after the effective
35 date of this section.

36 Emergency clause. In view of the emergency cited
37 in the preamble, this Act shall take effect when ap-
38 proved.

1

STATEMENT OF FACT

2 Recent increases in population in certain regions
3 of the State have placed substantial constraints on
4 the facilities of municipal water departments and
5 quasi-municipal water districts, requiring develop-
6 ment and expansion of these facilities. Current wa-
7 ter rates do not always adequately finance the cost
8 of capital improvements to these water systems. This
9 bill clarifies that the governing bodies of municipal
10 water departments or quasi-municipal water districts
11 may establish a system-wide charge to finance the
12 costs of expansion and development. Such a charge
13 will permit payment of development costs in an equi-
14 table manner and promote rate fairness among custom-
15 ers.

16 This bill shall be regarded as supplemental and
17 additional to powers conferred by other laws and
18 shall not be regarded as in derogation of any powers
19 now existing.

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