

MAINE STATE LEGISLATURE

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12/18

L.D. 1631

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UTILITIES AND ENERGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1631, Bill, "An Act to Increase the Borrowing Capacity of the Ashland Water and Sewer District"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

Sec. 1. P&SL 1947, c. 78, §8, as amended by P&SL 1973, c. 178, §1, is further amended to read:

Sec. 8. Authorized to negotiate temporary loans and to issue notes and bonds; declared a quasi-municipal corporation; notes and bonds legal investments for savings banks. For accomplishing the purposes of this Act, said the water district, through its trustees, is authorized to borrow money temporarily, and to issue therefor the ~~interest--bearing~~ interest-bearing negotiable notes of the district, and for the purpose of refunding the indebtedness so created, of paying any necessary expenses and liabilities incurred under the provisions of this Act, including the expenses incurred in the creation of the district, of securing sources of supply, taking water and land, paying damages, laying pipes, constructing, maintaining and operating a water plant and sewerage and drainage system and making extensions, additions and improvements to the same, and the refunding of its obligations, the said district, through its trustees, may from time to time issue bonds of the district ~~to an amount not exceeding \$1,000,000 principal amount issued and outstanding at any one time.~~ 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, and all the provisions of said section shall be applicable thereto. The said notes and bonds shall be exempt

COMMITTEE AMENDMENT

R. d. S.

COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1631

2 ~~from--taxation.~~ Debt of the district that will not be fully
4 repaid within 12 months of issuance may not exceed \$2,000,000
6 issued and outstanding at any one time unless the district
8 obtains approval of the voters of the district for a higher debt
10 limit pursuant to this section.

12 Prior to issuing any debt on behalf of the district that
14 will not be fully repaid within 12 months of issuance and that
16 will cause the district to exceed the debt limit of \$2,000,000,
18 the trustees shall propose a new debt limit for the district,
20 which they must submit for approval in a district-wide
22 referendum. The referendum must be called, advertised and
24 conducted according to the law relating to municipal elections,
26 except that the registrar of voters is not required to prepare or
28 the town clerk to post a new list of voters. The registrar of
30 voters must be in session on the secular day next preceding the
32 election. The town clerk of the town shall prepare the required
34 ballots with the following question:

36 "Do you favor changing the debt limit of the Ashland Water
38 and Sewer District from (insert current debt limit) to
40 (insert proposed debt limit)?"

42 The voters shall indicate by cross or check mark placed
44 against the word "Yes" or "No" their opinion on the question.

46 The results must be declared by the municipal officers of
48 the Town of Ashland and due certificate of the results filed by
50 the town clerk with the Secretary of State.

52 A debt limit proposal becomes effective immediately upon its
54 acceptance by a majority of the legal voters within the district
56 voting at the election. Failure of approval by the necessary
58 majority of voters at the referendum does not prevent subsequent
60 referenda from being held for the same purpose. The district may
62 increase its debt limit to any amount and as often as approved by
64 the legal voters within the district pursuant to this section.

66 Notes and bonds issued by the district in accordance with
68 this section are legal obligations of the district, which is
70 hereby declared to be a quasi-municipal corporation within the
72 meaning of the Maine Revised Statutes, Title 30-A, section 5701,
74 and all the provisions of that section are applicable to the
76 district. The notes and bonds are exempt from taxation.

78 **Sec. 2. Emergency clause.** In view of the emergency cited in
80 the preamble, this Act takes effect when approved.
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COMMITTEE AMENDMENT

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STATEMENT OF FACT

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This amendment replaces the bill. The bill increased the borrowing capacity of the Ashland Water and Sewer District from \$1,000,000 to \$1,500,000, effective upon approval by referendum. This amendment permits the trustees to incur debt on behalf of the district in an amount not exceeding \$2,000,000 without obtaining approval of the voters, and permits the trustees to incur debt exceeding that amount only upon approval by the inhabitants of the district. The amendment specifies the procedures for obtaining approval by local referendum.

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