

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1665

S.P. 547

In Senate, March 26, 1997

An Act to Amend the Charter of the Hebron Water Company.

Reference to the Committee on Utilities and Energy suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator BENNETT of Oxford.
Cosponsored by Representative GAGNE of Buckfield and
Representative: UNDERWOOD of Oxford.

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

2 **Sec. 1. P&SL 1899, c. 46, §8** is repealed.

4 **Sec. 2. P&SL 1899, c. 46, §9**, as repealed and replaced by P&SL
6 1933, c. 15, is amended to read:

8 **Sec. 9. May hold property.** The said corporation for all
10 its said purposes may hold real and personal estate in such an
12 amount ~~as shall be necessary and convenient for the conduct of~~
14 ~~its business~~ not to exceed \$1,000,000.

16 **Sec. 3. P&SL 1899, c. 46, §10** is amended to read:

18 **Section 10.** The said corporation may issue its bonds for
20 the construction of its works, of any and all kinds, upon such
22 rates and time as it may deem determine expedient, ~~not to exceed~~
24 ~~the amount of its capital stock~~, and secure the same by mortgage
26 of its franchise and property.

28 **Sec. 4. P&SL 1899, c. 46, §§11-A to 11-D** are enacted to read:

30 **Section 11-A. Nonprofit status.** Hebron Water Company, upon
32 approval of its sole shareholder, has the authority to convert
34 its status from a for-profit business corporation to a nonprofit
36 corporation, the conversion to be effected by filing with the
38 Secretary of State an amendment to the corporation's articles of
40 incorporation. The amendment must provide that the corporation
42 retains its original incorporation date of February 21, 1899 and
44 retains all of its rights, powers, duties, authorities,
46 privileges and obligations as now exist. Upon filing of the
48 amendment all outstanding shares of the corporation's stock are
canceled and the corporation's status automatically converts into
that of a nonprofit corporation governed by the Maine Revised
Statutes, Title 13-B to the extent consistent with this Act. The
Secretary of State shall maintain records of the conversion
showing the continuous existence of the corporation under state
law.

40 **Section 11-B. No members.** Hebron Water Company may not
42 have shareholders.

44 **Section 11-C. Board of directors.** Hebron Water Company
46 must be run by a board of directors appointed from time to time
48 in accordance with its bylaws. The board of directors of the
Hebron Water Company consists of 5 members. The members are the
chair, vice-chair, treasurer and headmaster of Hebron Academy and
one customer of the water company to be chosen by the 4 other
members.

2 Section 11-D. Form of amendment. The board of directors,
3 acting through the corporation's officers, has authority to file
4 the amendment authorized under section 11-A in a form it
5 determines appropriate and to make further amendments to the
6 articles of incorporation consistent with this Act.

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SUMMARY

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12 The purpose of this bill is to allow the Hebron Water
Company to convert to a nonprofit water company. The bill also
increases the debt limit of the water company to \$1,000,000.