

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1998

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Legislative Document

No. 2238

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H.P. 1612

House of Representatives, February 26, 1998

**An Act to Create the Kennebec Regional Development Authority.**

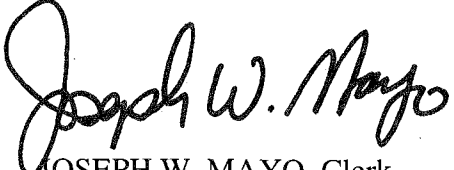
(AFTER DEADLINE)

(EMERGENCY)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Business and Economic Development suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Speaker MITCHELL of Vassalboro.  
Cosponsored by Senator MILLS of Somerset and  
Representatives: MADORE of Augusta, POULIN of Oakland, VIGUE of Winslow, Senator:  
CAREY of Kennebec.

2           **Emergency preamble.** Whereas, Acts of the Legislature do not  
become effective until 90 days after adjournment unless enacted  
as emergencies; and

4           Whereas, a regional development authority is vitally  
6 necessary at the earliest possible time to serve the needs of the  
area; and

8           Whereas, in the judgment of the Legislature, these facts  
10 create an emergency within the meaning of the Constitution of  
Maine and require the following legislation as immediately  
12 necessary for the preservation of the public peace, health and  
safety; now, therefore,

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

16           **Sec. 1. Kennebec Regional Development Authority established;**  
18 **incorporation; purposes.** The territory, cities, towns and  
plantations that on the effective date of this Act comprise the  
20 so-called Kennebec Valley Economic Development District, or any  
combination of such cities, towns and plantations, constitute a  
22 body politic and corporate to be known as the Kennebec Regional  
Development Authority, referred to in this Act as the  
24 "authority," for the benefit and welfare of the inhabitants  
thereof and to:

26           1. Strengthen the financial condition of local governments  
28 within the geographic territory of the authority while combining  
resources and sharing costs for meeting regional economic  
30 development needs and challenges;

32           2. Promote and develop infrastructure and programs for  
employment and economic development opportunities and other  
34 conditions to positively affect regional development;

36           3. Provide an organization to enable economic development  
among local governments and agencies and to promote cooperative  
38 economic development and coordinated action among members;

40           4. Serve as a forum to identify, discuss, study and focus  
on regional economic development challenges and opportunities;

42           5. Provide a mechanism for the preparation, maintenance and  
44 distribution of economic development strategies of the region;

46           6. Serve as a means for the collection and exchange of  
economic development information;

48           7. Actively promote and facilitate economic development  
50 throughout the region;

- 2           8. Speak on behalf of the membership of the authority;
- 4           9. Coordinate with state and federal development programs;
- 6           10. Make recommendations for review and action to its  
members and other public agencies that perform economic  
8           development and related functions within the region; and
- 10          11. Coordinate and collaborate with other public and  
quasi-governmental and private organizations in any manner that  
12          is intended to promote economic development.

14           **Sec. 2. General powers.** In addition to the general powers  
possessed by such an entity, and the powers granted by other  
16          provisions of this Act, the authority has the power:

18           1. To borrow money and issue negotiable notes having such  
terms and provisions as the general assembly of the authority  
20          determines necessary to accomplish the purposes set forth in this  
Act and for paying any indebtedness and any necessary expenses  
22          and liabilities incurred therefore;

24           2. To contract for the receipt of funds to accomplish any  
of the purposes set forth in this Act and to incur indebtedness  
26          in anticipation of the receipt of such funds by issuing  
negotiable notes payable in not more than 25 years. Those notes  
28          may be renewed from time to time by the issue of other notes.  
However, notes may not be issued or renewed in an amount that, at  
30          the time of issuance or renewal, exceeds the amount of funds  
remaining to be paid under any such contracts, unless otherwise  
32          allowed by law;

34           3. To accept funds, grants, gifts and services from the  
Federal Government or federal agencies; from the State or its  
36          departments, agencies or instrumentalities; from any other  
governmental units, whether or not a member of the authority; and  
38          from private and civic sources;

40           4. To exercise powers that are exercised separately or  
jointly by member governments or are authorized by law to deal  
42          with economic development needs or opportunities of local or  
regional concern, including the power to:

44           A. Sue and be sued, complain and defend in its corporate  
46          name;

48           B. Purchase; take; receive; lease; take by gift, devise or  
bequest; acquire; own; hold; improve; use; and otherwise

2 deal in and with real or personal property or any interest  
therein, wherever situated;

4 C. Sell, convey, mortgage, pledge, lease, exchange,  
transfer and otherwise dispose of all or any part of its  
6 property and assets;

8 D. Purchase, take, receive, subscribe for, acquire, own,  
hold, vote on, use, employ, sell, mortgage, loan, pledge or  
10 otherwise dispose of and use and deal in and with shares or  
other interest in or obligations of other domestic or  
12 foreign corporations, whether profit or nonprofit;  
associations; partnerships; joint ventures; or individuals,  
14 or direct or indirect obligations of the United States or of  
any other government, state, territory, governmental  
16 authority or municipality, or of any instrumentality thereof;

18 E. Make contracts and incur liabilities; borrow money;  
issue notes, bonds and other obligations; and secure any of  
20 its obligations by mortgage or pledge of all or any of its  
property, franchises and income;

22 F. Lend money for its corporate purposes, invest and  
24 reinvest its funds and take and hold real and personal  
property as security for the payment of funds so loaned or  
26 invested;

28 G. Spend money for its corporate purposes;

30 H. Conduct its affairs, carry on its operations, hold  
property and have offices and exercise the powers granted by  
32 the laws of the State;

34 I. Elect or appoint officers, employees and agents of the  
corporation and define their duties and fix their  
36 compensation;

38 J. Cease its corporate activities and surrender its  
corporate franchise; and

40 K. Have and exercise all powers necessary or convenient to  
42 effect any or all of the purposes for which the corporation  
is organized.

44 **Sec. 3. Governing body; general assembly; executive board.** Each  
46 city, town or plantation located within the authority's  
territory, upon voting to accept the provisions of this Act and  
48 to become a member of the authority, is entitled to be  
represented by at least one voting representative to the general  
50 assembly of the authority, which is its overall governing body.

2           The secretary shall determine additional voting  
3 representation in the following manner. Additional  
4 representation on the general assembly must be based on the pro  
5 rata state valuation of each city, town and plantation. When any  
6 member city, town or plantation has a state valuation that is at  
7 least 5% of the total aggregate state valuation of all member  
8 cities, towns and plantations, it is entitled to one additional  
9 representative to the general assembly for each full additional  
10 5% that the amount of its state valuation is in comparison to the  
11 total aggregate state valuation of all the member cities, towns  
12 and plantations. The number of voting representatives to the  
13 general assembly to which each member city, town and plantation  
14 is entitled must be determined by the general assembly every 6  
15 years after the initial or most recent determination using the  
16 most recent state valuation. The municipal officers of each  
17 city, town or plantation shall select and appoint its  
18 representative to the general assembly.

19  
20           The general assembly shall adopt bylaws for the governance  
21 and operation of the authority. It shall meet at least quarterly  
22 and shall provide for an executive board from its membership.  
23 The executive board must have a minimum of 7 and a maximum of 15  
24 members at any one time and shall exercise the powers of the  
25 governing body of the authority between meetings of the general  
26 assembly as are delegated to it by the general assembly. A city,  
27 town or plantation may not have more than one voting  
28 representative serving on the executive board at any time. Any  
29 city, town or plantation in which the authority is developing or  
30 is operating a development project and that is a participating  
31 member of the authority has the right to have a voting  
32 representative on the executive board who is in addition to the  
33 other members of the executive board. The general assembly or  
34 the executive board may establish and appoint any committees that  
35 it considers appropriate and necessary to the accomplishment of  
36 the authority's purposes. The members of those committees may be  
37 members of the general assembly and executive board and may also  
38 include other persons representing a member city, town or  
39 plantation or other organization that shares an interest with the  
40 authority in promoting economic development.

41  
42           Each year the general assembly shall elect a president, a  
43 treasurer and a secretary and any other officers it considers  
44 appropriate.

45           **Sec. 4. How financed.** To procure funds to carry out the  
46 purpose of this Act the authority may, through a majority vote of  
47 its general assembly, borrow money and issue general obligation  
48 bonds and notes in anticipation therefor to an indebtedness not

2 to exceed 0.5% of the total state valuation of all participating  
cities, towns and plantations.

4 Each bond or note must bear interest at rates as the  
executive board of the general assembly may determine, payable  
6 annually or semiannually and subject to other provisions as  
determined by the general assembly. These bonds and notes may be  
8 issued to mature serially or to run for such periods as the  
general assembly determines but in no event may the maturity of  
10 any term bond exceed 40 years.

12 All bonds may, at the discretion of the general assembly, be  
made callable and the amount of premium to be paid on call and  
14 the period for which these callable bonds may not be redeemable  
must be left to the discretion of the general assembly. This  
16 discretion may be manifested by a vote of the majority of the  
general assembly.

18 All bonds and notes issued by the authority must be signed  
20 by the treasurer and countersigned by the president of the  
authority. If coupon bonds are issued, each coupon must be  
22 attested by the facsimile signatures of the president and  
treasurer printed on the coupons. These bonds and notes are  
24 legal obligations of the authority, which is hereby declared to  
be a quasi-municipal corporation within the meaning of the Maine  
26 Revised Statutes, Title 30-A, section 5701, and all the  
provisions of that section apply to the authority. These bonds  
28 and notes are legal investments in which all public officers and  
public bodies of the State, its political subdivisions; all  
30 municipalities and municipal subdivisions; all insurance  
companies and associations and other persons carrying on an  
32 insurance business; all banks, bankers, banking associations,  
trust companies, savings banks and savings associations,  
34 including savings and loan associations, building and loan  
associations, investment companies and other persons carrying on  
36 a banking business; all administrators, guardians, executors,  
trustees and other fiduciaries; and all other persons who are, at  
38 the time of approval of this Act or may hereafter be, authorized  
to invest in bonds or other obligations of the State, may  
40 properly and legally invest funds, including capital, in their  
control or belonging to them. The securities are also, by this  
42 Act, made securities that may properly and legally be deposited  
with and received by all public officers and bodies of the State  
44 or any agency or political subdivision of the State and all  
municipalities and public corporations for any purpose for which  
46 the deposit of securities of bonds or other obligations of the  
State may be authorized by law.

48 **Sec. 5. Sinking fund; refunding bonds.** In case any bonds or  
50 notes at any time issued are made to run for a period of

2 years, as distinguished from serial maturity, the general  
assembly may establish a sinking fund for such bonds or notes for  
the purpose of redeeming the bonds or notes when they become due.  
4 If a sinking fund is established, the amount to be paid annually  
into this sinking fund may not be less than the debt service on  
6 the bonds and notes to become due in that year. In addition to  
this annual sinking fund payment, the general assembly may, from  
8 time to time, add to any sinking fund any funds of the authority  
not required for other purposes. Funds in any sinking fund may  
10 be deposited in any national bank, savings bank or trust company  
organized under the laws of any state or may be invested in whole  
12 or in part in any bonds of the United States or any agency  
thereof, of the State of Maine or of any political subdivision  
14 thereof or in any investment in which a municipality is permitted  
to invest as the general assembly may determine. Interest  
16 received on any funds so invested must be added to the sinking  
fund. When and if the amount accumulated in any sinking fund,  
18 together with interest received or to be received thereon, is  
sufficient to pay at maturity or, at the option of the general  
20 assembly, to redeem the bonds or notes for the benefit of which  
the sinking fund was established, all further payments to that  
22 sinking fund must cease.

24 Whenever any bonds or notes issued by the authority may  
become due or can be purchased or called for redemption by the  
26 authority on favorable terms, the general assembly, if sufficient  
funds have accumulated in the sinking fund provided therefor, may  
28 pay, purchase or redeem those bonds or notes from the sinking  
fund and cancel them. Bonds or notes so paid, purchased or  
30 redeemed and canceled may not be reissued.

32 In case the amount in any sinking fund is not sufficient to  
pay the total amount, when due, of the bonds and notes for which  
34 the sinking fund was provided or in case it becomes desirable in  
the opinion of the general assembly to call for the redemption of  
36 any outstanding bonds or notes and to issue new bonds or notes in  
their stead, authority is granted to refund so many of the  
38 original bonds or notes as can not be paid or redeemed from the  
sinking fund provided therefor, if any. New bonds or notes may  
40 not mature more than 40 years from the original date of issue of  
the original bonds or notes so refunded.

42  
**Sec. 6. Referendum on bond issues.** When the general assembly  
44 has authorized the issue of any bonds or notes, an attested copy  
of the vote of the general assembly must be filed with the  
46 municipal officers of each of the cities, towns and plantations  
that are members of the authority and published in a newspaper or  
48 newspapers, having a general circulation in the geographic  
territory of the authority, not later than 10 days following the  
50 day on which the vote was adopted by the general



2 assembly, together with a statement indicating that the vote will  
3 become effective, unless before the expiration of 15 days from  
4 the date on which a copy of the vote was first published the  
5 president or the secretary of the general assembly has received a  
6 petition, signed by at least 10% in the aggregate of the  
7 residents of the cities, towns and plantations that are members  
8 of the authority eligible to vote on the date the general  
9 assembly vote was adopted, requesting that the question of  
10 whether the bonds or notes be issued by the authority be  
11 submitted to the voters of those member cities, towns and  
12 plantations. The statement must also state the name and address  
13 of the president and secretary of the general assembly. A vote  
14 of the general assembly authorizing an issue of bonds under this  
15 Act does not become effective before the expiration of 15 days  
16 from the date upon which the vote and statement are published.  
17 If, within that period, a petition, signed by at least 10% of the  
18 residents of the cities, towns and plantations that are members  
19 of the authority eligible to vote on the date that the issuance  
20 of bonds by the general assembly was adopted as shown by the  
21 authority's voting list, is filed with the president or the  
22 secretary of the general assembly, asking that the question of  
23 whether the bonds are to be issued be submitted to the voters,  
24 the vote of the general assembly is suspended from becoming  
25 effective and the general assembly shall immediately reconsider  
26 the vote. If that vote is not rescinded by the general assembly,  
27 the question of whether such bonds or notes may be issued must be  
28 submitted by the general assembly to the voters of the cities,  
29 towns and plantations that are members of the authority at a  
30 special meeting of those qualified voters to be held at a place  
31 within the geographic territory of the authority within 60 days  
32 of the receipt of the petition. The special meeting must be  
33 called and held as provided in section 11 of this Act, except  
34 that the notice must set forth the vote of the general assembly  
35 authorizing those bonds, together with the proposed form of the  
36 ballot to be used at that special meeting. At the special  
37 meeting, a vote on the question of whether the bonds may be  
38 issued must be voted on by ballot, the form of which must be  
39 substantially as follows:

40  
41 **"OFFICIAL BALLOT**

42  
43 **KENNEBEC REGIONAL DEVELOPMENT AUTHORITY**

44 Do you favor issuing bonds or notes of the Kennebec Regional  
45 Development Authority in the amount of \$ \_\_\_\_\_, bearing  
46 interest not to exceed \_\_\_\_\_ per cent for the purpose of  
47 procuring funds for the following purposes, viz.: (Insert  
48 brief description of purpose for which bonds are to be sold)?  
49  
50

2 If in favor of the bond issue, so indicate on this ballot.

4 If opposed to the bond issue, so indicate on this ballot."

6 If a majority of the qualified voters voting at the meeting  
8 approve the issue of the bonds, the vote of the general assembly  
10 authorizing the bonds becomes effective; if not approved, the  
12 vote of the general assembly authorizing the bonds is void. The  
14 voters qualified to vote at the special meeting must be  
16 determined by use of the authority voting list.

18 **Sec. 7. Authority voting list.** The general assembly shall  
20 appoint a resident of a member city, town or plantation to make  
22 and keep a voting list of all residents of the member cities,  
24 towns and plantations eligible to vote. This person is the  
26 registration clerk. The registration clerk shall compile the  
voting list from the voting lists of all of the member cities,  
towns and plantations. At least 2 days before any meeting at  
which the voters of the member cities, towns and plantations are  
called upon to vote, the registration clerk shall bring this  
voting list up to date by comparing the registration clerk's list  
with those voting lists found in the cities, towns and  
plantations that are members of the authority and by making such  
additions and deletions as the registration clerk finds  
necessary. Additions or deletions may not be made in the 2-day  
period prior to that meeting.

28 **Sec. 8. Authority to issue temporary notes in anticipation of taxes.**  
30 In any fiscal year, in anticipation of taxes assessed or to be  
32 assessed for that year, the general assembly may, by a vote of a  
34 majority of its members, authorize the borrowing of money by the  
36 issuance and sale of temporary notes of the authority. If the  
38 authority's budget has not been approved in that year, the amount  
40 of borrowing may not exceed 50% of the approved budget of the  
42 preceding year. Temporary notes of the authority may be issued  
44 for a period of not more than one year and may be renewed from  
46 time to time by the issue of other temporary notes, as long as  
the period from the date of issue of the original note to date of  
maturity or last renewal thereof is not more than one year.  
Notes in anticipation of taxes that are not paid at the end of a  
fiscal year may be included in the following year's budget as an  
expenditure and an amount sufficient to pay the notes may be  
assessed and collected as provided in section 10 of this Act.  
Notwithstanding any provision in section 10 to the contrary, this  
amount may not be reduced.

48 **Sec. 9. Agreements for financial assistance authorized.** The  
authority is authorized, by vote of a majority of the general  
assembly, to enter into an agreement with the State or Federal

2 Government or any agency thereof or with any corporation or board  
authorized by the Federal Government or the State to loan money  
4 to or to otherwise assist in the financing of projects that the  
authority is authorized to finance by the issue of bonds as may  
6 be necessary or desirable to accomplish those purposes. The  
right to enter into an agreement is subject to the right of  
8 referendum reserved to the voters in section 6 of this Act if the  
authority incurs liability under any such agreement, and the  
10 provisions of sections 6 and 11 apply so far as they apply to a  
special meeting called and held for the purpose of a referendum.

12 **Sec. 10. Annual reports and budget; levy of taxes.** The fiscal  
year of the authority is July 1st to June 30th. At the close of  
14 the fiscal year and not later than July 31st, the general  
assembly shall annually make a report of its doings, showing the  
16 financial condition of the authority and other matters pertaining  
to the authority, and shall show the inhabitants of the cities,  
18 towns and plantations of the authority how the members of the  
general assembly are fulfilling the duties and obligations of  
20 their respective trusts. The report also must include the amount  
of income earned during the fiscal year and the sum required each  
22 year to meet the bonds or notes falling due and what further sum  
is necessary to meet the interest on these bonds or notes or  
24 other obligations of the authority and all other expenses  
necessary for the operation of the authority, including temporary  
26 loans. Copies of the report must be filed with the municipal  
officers of each city, town or plantation that is a member of the  
28 authority and may be distributed to the voters of those cities,  
towns and plantations by the respective cities, towns and  
30 plantations in the same manner as is provided for town reports.  
The cost of printing these reports must be included in the  
32 operating budget of the authority.

34 If the sum to be raised by taxation exceeds the total  
specified in subsections 1 and 2, the general assembly shall hold  
36 an authority budget meeting before the first day of September of  
each year. At this meeting the budget must be explained and the  
38 voters of the member cities, towns and plantations must be given  
an opportunity to be heard. If a budget is presented in any  
40 given year, it is deemed approved unless disapproved by the  
voters of the authority by a majority vote at the authority  
42 budget meeting. The voters of the authority have the right to  
disapprove all or any part of the budget presented by the general  
44 assembly except that part that provides for the payment of  
interest on or the principal of notes or bonds or other  
46 obligations of the authority.

48 To the extent that the general assembly may decide that the  
authority cannot operate within its projected revenues for the

2 current fiscal year, the general assembly shall determine what  
sum of money should be raised by taxation for.

4 1. Payment of principal payable in that year on outstanding  
bonds or notes or other obligations of the authority;

6 2. Payment of interest on the indebtedness incurred or  
8 assumed by the authority; and

10 3. Other specified expenses of the authority.

12 The amount over the estimated income of the authority that  
14 is required to meet the expenses in the approved budget and the  
sums included in any budget for the payment of interest on or the  
16 principal of notes or bonds or other obligations of the authority  
are the obligation of the member cities, towns and plantations  
18 and must be apportioned to the participating cities, towns and  
plantations in the same ratio that each participating city's,  
20 town's or plantation's latest state valuation is to the total  
state valuation of all participating cities, towns and  
22 plantations, if provided. However, the obligation may be  
determined as a joint obligation by an authorizing vote of the  
24 legislative body of any member city, town or plantation. The  
general assembly shall issue its warrants in substantially the  
26 same form as the warrants of the Treasurer of State for taxes to  
the assessors of each participating city, town and plantation.  
28 The warrants must require the assessors to assess upon the  
taxable polls and estates in each city, town or plantation the  
amount as approved at the authority budget meeting and to commit  
30 the assessment to the constable or collector of that city, town  
or plantation who is vested by law to collect state, county and  
32 municipal taxes. In the year in which the tax is so levied, the  
treasurer of each city, town or plantation shall pay the amount  
34 of the tax in 2 equal installments to the treasurer of the  
authority. The first such installment must be paid on or before  
36 June 15th, and the 2nd such installment on or before December  
15th. If the treasurer of any participating city, town or  
38 plantation fails to pay any installment or part of an installment  
by the date set for the payment in the year in which the tax is  
40 levied, the treasurer of the authority shall issue a warrant for  
the amount of the tax or the unpaid balance to the county  
42 sheriff. The warrant must require the county sheriff to levy by  
distress and sale on the real and personal property of any  
44 resident of the member city, town or plantation where the default  
takes place, and the sheriff or any of the sheriff's deputies  
46 shall execute the warrant. The same authority as is vested in  
county officials for the collection of county taxes under the  
48 Maine Revised Statutes is vested in the general assembly of the  
authority for the collection of taxes within participating  
50 cities, towns and plantations.

2           **Sec. 11. Authority budget meeting.** The general assembly shall  
notify members of budget meetings in the following manner:

4  
1. Each authority meeting must be called by a warrant. The  
6 warrant must be prepared by the secretary and signed by the  
president of the general assembly.

8  
2. The procedure and form of the warrant calling for the  
10 authority meeting is as follows.

12           A. It must specify the time and place of the meeting.

14           B. It must set forth the proposed authority budget in a  
manner to be decided by the general assembly. No other  
16 business may be acted upon.

18           C. It must be directed to any resident of the member  
cities, towns and plantations by name, ordering that  
20 resident to notify the voters within that resident's city,  
town or plantation to assemble at the time and place  
22 appointed.

24           D. An attested copy of the warrant must be posted by the  
persons described in paragraph C in some conspicuous public  
26 place in their city, town or plantation at least 7 days  
before the meeting.

28           E. The secretary shall collect warrants returned pursuant  
to paragraph D and record the manner of notice in each city,  
30 town and plantation and the time when it was given.

32           3. The following provisions apply to the budget meeting.

34           A. Each person whose name appears on the voting list in a  
36 member city, town or plantation may attend and vote at an  
authority budget meeting.

38           B. The president of the general assembly shall open the  
40 meeting by calling for the election of a moderator,  
receiving votes for a moderator and swearing in the  
42 moderator.

44           C. As soon as the moderator has been elected and sworn, the  
moderator shall preside at the meeting and has all the  
46 powers granted to the moderator of a town or plantation  
meeting under the Maine Revised Statutes.

48           D. The secretary of the general assembly shall record all  
50 the votes of the authority meeting.

2 E. A majority vote of the legal voters present and voting  
4 is determinative of any vote or motion placed before the  
authority meeting.

6 **Sec. 12. Dissolution.** The authority may be dissolved only if  
all member cities, towns and plantations vote to dissolve it at  
8 legally constituted meetings in those cities, towns or  
plantations. If the authority has any outstanding indebtedness,  
10 it may not be dissolved.

12 In the event of dissolution of the authority, all property,  
real, personal or mixed, must be marshaled and converted into  
14 cash in a manner to be determined by a majority vote of the  
general assembly, and distribution must then be made among the  
16 respective cities, towns and plantations in proportion to their  
state valuations as set forth in this Act.

18 **Sec. 13. Other cities, towns and plantations may join; procedure for  
20 withdrawing from the authority.** Cities, towns and plantations that  
are located within the geographic territory of the authority, as  
22 described in section 1 of this Act, and that do not vote to  
become members of the authority by the date specified in section  
24 14 of this Act may vote to become members of the authority at a  
later date, if the voters of the cities, towns and plantations  
26 that are members of the authority vote at a meeting of the  
authority to authorize the addition of the requesting city, town  
28 or plantation as a member of the authority. A city, town or  
plantation joining the authority pursuant to this section is  
30 legally obligated for its pro rata share of the operational part  
of all future authority budgets and any indebtedness of the  
32 authority incurred pursuant to sections 4, 8 and 10 of this Act  
after the city, town or plantation becomes a member of the  
34 authority. A city, town or plantation that is already a member  
of the authority may vote to withdraw its membership; however, it  
36 continues to be legally obligated on any outstanding indebtedness  
of the authority until such time as all of the indebtedness is  
38 paid in full. The withdrawal only becomes effective on the date  
that marks the end of a fiscal year of the authority that is  
40 preceded by a full fiscal year in which the income was at least  
sufficient to pay the indebtedness and expenses of the authority  
42 for that fiscal year.

44 **Sec. 14. Emergency clause; referendum; effective date.** In view of  
the emergency cited in the preamble, this Act takes effect when  
46 approved only for the purpose of permitting its submission to the  
legal voters of the cities, towns and plantations described in  
48 section 1 of this Act at regular or special town and plantation  
meetings and city elections called and held for that purpose

2 before June 30, 1999. Such city elections and town and  
plantation meetings must be called, advertised and conducted  
4 according to the law relating to municipal elections and  
meetings. The registrars of voters are not required to prepare,  
6 nor the clerks to post, new lists of voters. For the purpose of  
registration of voters, the registrars of voters must be in  
8 session on the secular day next preceding these regular or  
special meetings. The votes taken at town and plantation  
meetings must be by written ballot.

10  
12 The municipal clerks shall reduce the subject matter of this  
Act to the following question:

14 "Do you favor approving the Act creating the Kennebec  
16 Regional Development Authority passed by the 118th  
Legislature, and (insert name of city, town or plantation)  
18 becoming a participating member of that authority?"

20 The voters must indicate by a cross or check mark placed  
against the words "Yes" or "No" their opinion of the same.

22 This Act takes effect immediately upon acceptance by the  
24 cities, towns and plantations so voting approval and having a  
combined state valuation of at least \$3,000,000,000; but only if  
26 the total number of votes cast for and against the acceptance of  
this Act at each of the city, town or plantation meetings  
28 approving this Act equals or exceeds 10% of the total votes for  
all candidates for Governor cast in that city, town or plantation  
30 at the next preceding gubernatorial election. Failure of  
approval by the necessary percentage of voters at any such  
32 meetings does not prevent a subsequent meeting or meetings to be  
held for those purposes on or before June 30, 1999. The result  
34 of the vote must be declared by the municipal officers of the  
cities, towns or plantations, and due certification thereof must  
36 be filed by the city, town or plantation clerks with the  
Secretary of State.

### 38 SUMMARY

40 This bill creates the Kennebec Regional Development  
42 Authority, which allows as its participating members all cities,  
towns and plantations presently located within the Kennebec  
44 Valley Economic Development District, which is composed of all of  
Kennebec County and Somerset County and 6 municipalities along  
46 the western border of Waldo County.

48 This bill is based upon legislation enacted by the Maine  
Legislature in 1973 and 1987 to create 2 hospital districts that  
50 are operated by regional groups of municipalities.