

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 429

H.P. 313

House of Representatives, January 14, 1999

**An Act to Require Voter Approval for Bonded Indebtedness of
\$2,000,000 or More for Municipalities in Local and Regional Cooperation.**

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative GLYNN of South Portland.
Cosponsored by Representatives: BUCK of Yarmouth, BUMPS of China, GERRY of Auburn,
SNOWE-MELLO of Poland, Senator: BENNETT of Oxford.

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

2
4 **Sec. 1. 30-A MRSA §2203, sub-§9** is enacted to read:

6 **9. Voter approval for bonded indebtedness.** The
8 administrator, separate legal or administrative agency or other
10 governing body of any interlocal entity formed under this chapter
12 may not create any debt or liability on behalf of member
14 municipalities that singly, or in the aggregate with any debt and
16 liability incurred after the effective date of this subsection,
18 at any one time exceeds \$2,000,000, except when ratified by a
20 majority of the electors within all member municipalities voting
22 in a referendum. The referendum may be held at a general
24 election or the member municipalities may call a special election
26 for this purpose.

18 **Sec. 2. 30-A MRSA §2316, sub-§3-A** is enacted to read:

20 **3-A. Voter approval for bonded indebtedness.** The council
22 may not create any debt or liability on behalf of member
24 municipalities that singly, or in the aggregate with any debt and
26 liability incurred after the effective date of this subsection,
28 at any one time exceeds \$2,000,000, except when ratified by a
30 majority of the electors within all member municipalities voting
32 in a referendum. The referendum may be held at a general
34 election or the member municipalities may call a special election
36 for this purpose.

30 **Sec. 3. 38 MRSA §1304-B, sub-§5-B** is enacted to read:

32 **5-B. Voter approval for bonded indebtedness.** A regional
34 association formed under this chapter may not create any debt or
36 liability on behalf of member municipalities that singly, or in
38 the aggregate with any debt and liability incurred after the
40 effective date of this subsection, at any one time exceeds
42 \$2,000,000, except when ratified by a majority of the electors
44 within all member municipalities voting in a referendum. The
46 referendum may be held at a general election or the member
48 municipalities may call a special election for this purpose.

42 **Sec. 4. 38 MRSA §1751, sub-§1,** as amended by PL 1989, c. 6, c.
44 9, §2 and c. 104, Pt. C, §§8 and 10, is further amended by
46 amending the first paragraph to read:

46 **1. Authorization of bonds that equal less than \$2,000,000.**
48 Subject to the limitations in subsection 10 and sections 1754 and
1755, any district formed under this chapter may provide by
resolution of its board of directors, without district vote, for
the borrowing of money and the issuance from time to time of

2 bonds and notes that equal less than \$2,000,000 for any of its
corporate purposes, including, but not limited to:

4 **Sec. 5. 38 MRSA §1751, sub-§1-A** is enacted to read:

6 **1-A. Voter approval for bonds equal to or greater than**
7 **\$2,000,000. For the purposes outlined in subsection 1, paragraph**
8 **A to F, a district formed under this chapter may not create any**
9 **debt or liability on behalf of member municipalities that singly,**
10 **or in the aggregate with any debt and liability incurred after**
11 **the effective date of this subsection, at any one time exceeds**
12 **\$2,000,000, except when ratified by a majority of the electors**
13 **within all member municipalities voting in a referendum. The**
14 **referendum may be held at a general election or the member**
15 **municipalities may call a special election for this purpose.**

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18 **SUMMARY**

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20 This bill prohibits interlocal cooperations, councils of
21 governments and regional associations from incurring bonded
22 indebtedness of \$2,000,000 or more without ratification by the
23 voters of the affected municipalities through a municipal-level
24 referendum.