

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 704

H.P. 497

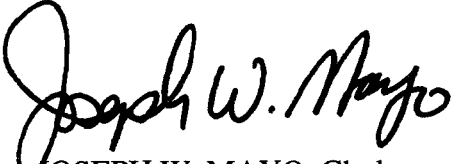
House of Representatives, January 26, 1999

**An Act to Allow for Cooperative Purchase of Electricity by  
Governmental Units.**

(EMERGENCY)

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

  
JOSEPH W. MAYO, Clerk

Presented by Representative MITCHELL of Vassalboro.  
Cosponsored by Senator DAGGETT of Kennebec and  
Representatives: BERRY of Livermore, COLWELL of Gardiner, COWGER of Hallowell,  
SAXL of Portland.

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

4  
6           Whereas, the electricity industry will be deregulated in  
March of 2000; and

8           Whereas, an uninterrupted and reliable source of electricity  
is essential to the proper functioning of Maine's governmental  
units and the economy as a whole; and

10  
12           Whereas, preparations for deregulation require sufficient  
time to be implemented before the date of deregulation; and

14  
16           Whereas, in the judgment of the Legislature, these facts  
create an emergency within the meaning of the Constitution of  
Maine and require the following legislation as immediately  
necessary for the preservation of the public peace, health and  
safety; now, therefore,

20  
22           **Be it enacted by the People of the State of Maine as follows:**

24           **Sec. 1. 30-A MRSA §5954, sub-§1, ¶O,** as amended by PL 1991, c.  
605, §8, is further amended to read:

26           O. Do all acts and things necessary, convenient or  
desirable to carry out the powers expressly granted or  
necessarily implied in this chapter; and

30           **Sec. 2. 30-A MRSA §5954, sub-§1, ¶P,** as enacted by PL 1991, c.  
605, §9, is amended to read:

32           P. In accordance with the limitations and restrictions of  
this chapter, cause any of its powers, duties, programs or  
operations to be carried out by one or more nonprofit  
corporations. Nonprofit corporations acting at the  
direction of the bank must be organized and operated under  
the Maine Nonprofit Corporation Act; and

40           **Sec. 3. 30-A MRSA §5954, sub-§1, ¶Q** is enacted to read:

42           Q. On behalf of or in partnership with itself and any of  
its eligible governmental units and nonprofit corporations  
organized under the Internal Revenue Code, Section 501,  
purchase, lease, finance or otherwise acquire, sell and  
transfer commodities such as electricity and fuel products  
necessary for the daily operation of the governmental unit  
or nonprofit corporation.

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

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### SUMMARY

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8           This bill authorizes the Maine Municipal Bond Bank to  
organize and administer the cooperative bulk purchase of  
10 electricity and fuel commodities by local governmental units and  
nonprofit corporations. This bill is intended to provide maximum  
12 cost savings to these local governmental units and nonprofit  
corporations when the Maine electric market is deregulated in  
March 2000.