

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

SECOND REGULAR SESSION-2000

Legislative Document

No. 2525

H.P. 1798

House of Representatives, January 28, 2000

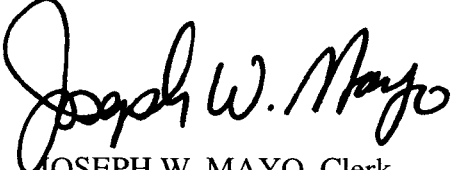
An Act to Amend the Charter of the Small Point Water Company.

(AFTER DEADLINE)

(EMERGENCY)

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

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


JOSEPH W. MAYO, Clerk

Presented by Representative ETNIER of Harpswell.
Cosponsored by Senator SMALL of Sagadahoc.

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,** in order for the customers of the Small Point Water
Company to have safe drinking water, the company must incur
certain capital costs immediately and converting to nonprofit
8 status will allow the company to access the necessary financing;
and

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12 **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
14 necessary for the preservation of the public peace, health and
safety; now, therefore,

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

20 **Sec. 1.** P&SL 1893, c. 479, §7 is repealed.

22 **Sec. 2.** P&SL 1893, c. 479, §9 is amended to read:

24 **Sec. 9.** ~~Said The corporation is hereby authorized to issue
bonds not exceeding in amount one-half of its capital stock, the
same to be the first lien upon and secure the same by mortgage of
its franchise and property. This act shall become null and void
in two years from the time when the same shall take effect,
unless the corporation shall have organized and commenced the
construction of its works under this charter.~~

30 **Sec. 3.** P&SL 1893, c. 479, §§9-A to 9-D are enacted to read:

32 **Section 9-A. Nonprofit status.** Small Point Water Company,
upon approval of its sole shareholder, has the authority to
convert its status from a for-profit business corporation to a
nonprofit corporation, the conversion to be effected by filing
with the Secretary of State an amendment to the corporation's
articles of incorporation. The amendment must provide that the
corporation retains its original incorporation date of March 9,
1893 and retains all of its rights, powers, duties, authorities,
privileges and obligations as now exist. Upon filing of the
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
48 law.

2 Section 9-B. No members. After converting to nonprofit
status pursuant to section 9-A, Small Point Water Company may not
4 have shareholders.

6 Section 9-C. Board of directors. Small Point Water Company
must be run by a board of directors appointed from time to time
8 in accordance with its bylaws.

10 Section 9-D. Form of amendment. The board of directors,
acting through the corporation's officers, has authority to file
12 the amendment authorized under section 9-A in a form it
determines appropriate and to make further amendments to the
14 articles of incorporation consistent with this Act.

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

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SUMMARY

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24 This bill allows the Small Point Water Company to convert to
a nonprofit water company.