

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 864

H.P. 615

House of Representatives, February 16, 2005

An Act To Streamline Sewer District and Sanitary District Borrowing

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative RINES of Wiscasset.
Cosponsored by Senator BARTLETT of Cumberland and
Representatives: ADAMS of Portland, CRESSEY of Cornish, GERZOFSKY of Brunswick.

2
3 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 38 MRSA §1165** is enacted to read:

5 **§1165. Sanitary districts; authority to increase debt limits**

6
7 **1. Debt limit.** Notwithstanding any provision of its
8 charter to the contrary, a sanitary district may increase its
9 debt limit by referendum in accordance with this section. A
10 sanitary district is not required to use the procedure provided
11 by this section and may seek to increase its debt limit by any
12 other lawful means, including pursuant to any other means
13 described in its charter or by seeking legislative amendment to
14 its charter.

15
16 **2. Referendum.** If a sanitary district chooses to increase
17 its debt limit pursuant to this section, the governing body of
18 the sanitary district shall propose a new debt limit and submit
19 the proposal for approval at a referendum within the district.
20 The referendum must be called, advertised and conducted according
21 to the law relating to municipal elections, except the registrar
22 of voters is not required to prepare or the clerk to post a new
23 list of voters. For the purpose of registering voters, the
24 registrar of voters must be in session on the regular work day
25 preceding the election. The question presented must be in
26 substantially the following form:

27 "Do you favor changing the debt limit of the (insert name of
28 district) from (insert current debt limit) to (insert
29 proposed debt limit)?"

30
31 The voters shall indicate by a cross or check mark placed against
32 the word "Yes" or "No" their opinion on the question.

33
34 The results must be declared by the governing body of the
35 district and entered upon the district's records. Due
36 certificate of the results must be filed by the clerk with the
37 Secretary of State.

38
39 **3. Approval.** A debt limit proposal becomes effective upon
40 its acceptance by a majority of the legal voters within the
41 district voting at the referendum. Failure of approval by the
42 majority of voters voting at the referendum does not prevent
43 subsequent referenda from being held for the same purpose. The
44 costs of referenda are borne by the district.

45
46 **Sec. 2. 38 MRSA §1256** is enacted to read:

47 **§1256. Sewer districts; authority to increase debt limits**

2 1. Debt limit. Notwithstanding any provision of its
3 charter to the contrary, a sewer district may increase its debt
4 limit by referendum in accordance with this section. A sewer
5 district is not required to use the procedure provided by this
6 section and may seek to increase its debt limit by any other
7 lawful means, including pursuant to any other means described in
8 its charter or by seeking legislative amendment to its charter.

10 2. Referendum. If a sewer district chooses to increase its
11 debt limit pursuant to this section, the governing body of the
12 sewer district shall propose a new debt limit and submit the
13 proposal for approval at a referendum within the district. The
14 referendum must be called, advertised and conducted according to
15 the law relating to municipal elections, except the registrar of
16 voters is not required to prepare or the clerk to post a new list
17 of voters. For the purpose of registering voters, the registrar
18 of voters must be in session on the regular work day preceding
19 the election. The question presented must be in substantially
20 the following form:

21 "Do you favor changing the debt limit of the (insert name of
22 district) from (insert current debt limit) to (insert
23 proposed debt limit)?"

24 The voters shall indicate by a cross or check mark placed against
25 the word "Yes" or "No" their opinion on the question.

28 The results must be declared by the governing body of the
29 district and entered upon the district's records. Due
30 certificate of the results must be filed by the clerk with the
31 Secretary of State.

32 3. Approval. A debt limit proposal becomes effective upon
33 its acceptance by a majority of the legal voters within the
34 district voting at the referendum. Failure of approval by the
35 majority of voters voting at the referendum does not prevent
36 subsequent referenda from being held for the same purpose. The
37 costs of referenda are borne by the district.

40 SUMMARY

41 This bill allows sanitary and sewer districts to increase
42 their debt limit with a local referendum instead of having to go
43 through the legislative process to change their charter.
44