

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2006

Legislative Document

No. 2019

H.P. 1420

House of Representatives, February 22, 2006

An Act To Amend the Charter of the Kennebunk Light and Power District

(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.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BABBIDGE of Kennebunk.
Cosponsored by Senator SULLIVAN of York and
Representative: DAIGLE of Arundel.

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

3 **Whereas,** the Kennebunk Light and Power District needs to install a 115/12.47 kV
4 substation and to undertake related work in order to ensure that its facilities remain
5 capable of delivering reliable and adequate supplies of electric power and energy to the
6 consumers it serves; and

7 **Whereas,** the present borrowing capacity of the district is not large enough to
8 finance the project; and

9 **Whereas,** it is essential that the work be completed as soon as possible in order to
10 continue to provide safe, reliable and adequate retail electric service to the inhabitants of
11 the district and to protect the present expenditures; and

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

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

17 **Sec. 1. P&SL 1951, c. 53, §17, first and 4th sentences,** as amended by P&SL
18 1979, c. 1, are further amended to read:

19 For accomplishing the purposes of this act, and for any other expenses that may be
20 necessary for the carrying out of those purposes, said the district, through its trustees, is
21 authorized from time to time to borrow money temporarily and to issue therefor the
22 interest bearing negotiable notes of the district, not to exceed ~~\$2,000,000~~ \$6,000,000 at
23 any one time outstanding.

24 For the purpose of renewing and refunding the indebtedness so created, of paying any
25 necessary expenses and liabilities incurred under the provisions of this act, including the
26 expenses incurred in the creation of the district, and in acquiring those properties and
27 franchises of the ~~town~~ Town of Kennebunk, hitherto known as the Kennebunk Light
28 Department; of taking water and land, paying damages, erecting, constructing,
29 maintaining and operating power plants, dams, reservoirs, buildings, transmission lines
30 and poles, and all other things or apparatus incidental or necessary to the purposes of this
31 act, and making renewals, extensions, additions and improvements to the same, and to
32 cover interest payments during the period of construction, the ~~said~~ district, through its
33 trustees, may from time to time issue bonds of the district to an amount or amounts
34 necessary in the judgment of the trustees therefor, but in no event ~~shall~~ may the amount
35 or amounts of said bonds exceed ~~\$2,000,000~~ \$6,000,000 at any one time outstanding,
36 bearing interest at such a rate or rates and having such terms and provisions as the
37 trustees may determine.

38 **Sec. 2. P&SL 1951, c. 53, §17,** as amended by P&SL 1979, c. 1 and P&SL 1981,
39 c. 39, §§1 and 2, is further amended by adding at the end a new paragraph to read:

40 Notwithstanding any other provision of this section, the district, through its trustees,
41 may issue bonds, notes or other evidences of indebtedness in amounts exceeding
42 \$6,000,000 at any one time if a greater debt limit is established by referendum in the

1 same manner as provided with respect to standard districts under the Maine Revised
2 Statutes, Title 35-A, section 6413. The district may not have outstanding at any one time
3 bonds, notes or other evidences of indebtedness in amounts exceeding any debt limit
4 established by referendum conducted as provided with respect to standard districts under
5 Title 35-A, section 6413.

6 **Sec. 3. Emergency clause; referendum; effective date.** In view of the
7 emergency cited in the preamble, this Act takes effect when approved except that section
8 1 of this Act takes effect only for the purpose of permitting its submission to the legal
9 voters within the Kennebunk Light and Power District by December 31, 2007. The
10 election must be called, advertised and conducted according to the law relating to
11 municipal elections, except that the registrar of voters is not required to prepare or the
12 clerk to post a new list of voters. For purposes of registration of voters, the registrar of
13 voters must be in session the secular day next preceding the election. The subject matter
14 of section 1 is reduced to the following question:

15 "Do you favor increasing the debt limit of the Kennebunk Light and
16 Power District from \$2,000,000 to \$6,000,000?"

17 The voters shall indicate by a cross or check mark placed against the word "Yes" or
18 "No" their opinion of the same.

19 The results must be declared by the municipal officers of the Town of Kennebunk
20 and due certificate of the results filed by the clerk with the Secretary of State.

21 Section 1 of this Act takes effect for all purposes immediately upon its approval by a
22 majority of the legal voters voting at the election. Failure to achieve the necessary
23 approval in any referendum does not prohibit subsequent referenda consistent with this
24 section, as long as the referenda are held prior to December 31, 2007.

25 **SUMMARY**

26 This bill raises the debt limit of the Kennebunk Light and Power District from
27 \$2,000,000 to \$6,000,000 if approved at a local referendum as provided to standard
28 districts under the Maine Revised Statutes, Title 35-A, section 6413. The bill creates a
29 new provision that allows the trustees to exceed the \$6,000,000 limit if a greater debt
30 limit is approved by referendum and specifies that the district not have outstanding any
31 evidence of indebtedness exceeding the amount unless approved by referendum.