

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 352

H.P. 282

House of Representatives, January 25, 2007

An Act To Provide an Appeal Process Regarding Rate Increases of Certain Quasi-municipal Districts and Corporations

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative TUTTLE of Sanford.
Cosponsored by Representatives: BARSTOW of Gorham, JOY of Crystal.

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

2 **Sec. 1. 30-A MRSA §2358** is enacted to read:

3 **§2358. Rate increases; appeal procedures**

4 **1. Scope.** This section applies to the provision of water or sewer services by a
5 quasi-municipal corporation or district for which there is only one affected municipality.

6 **2. Appeal of rate increase to municipality.** If, within 60 days of the date that a rate
7 increase is adopted by a quasi-municipal corporation or district subject to this section, 10
8 ratepayers file petitions objecting to the rate increase with the municipal officers, the
9 municipal officers shall investigate and may overturn the rate increase by a majority vote.

10 **3. Referenda on rate increase.** A districtwide referendum on a rate increase must
11 be conducted in accordance with this subsection if the following conditions are met:

12 **A.** An appeal of the rate is conducted pursuant to subsection 2 and the municipal
13 officers uphold the rate increase; and

14 **B.** Within 60 days of the decision of the municipal officers to uphold the rate
15 increase, a number of voters equal to at least 10% of the total number of votes cast in
16 the municipality in the last gubernatorial election, but in no case fewer than 10 voters,
17 file written petitions with the governing body of the district objecting to the rate
18 increase.

19 The referendum must be called, advertised and conducted according to the law relating to
20 municipal elections, except the registrar of voters is not required to prepare or the clerk to
21 post a new list of voters. The referendum may be held outside the territory of the district
22 if the usual voting place for persons located within the district is located outside the
23 territory of the district. For the purpose of registering voters, the registrar of voters must
24 be in session on the regular work day preceding the election. The question presented must
25 conform to the following form:

26 “Shall the rate increase of the (insert name of quasi-municipal corporation or district)
27 that took effect on (effective date of new rates) be overturned and the rates returned
28 to the rates in effect (date one day prior to effective date)?”

29 The voters shall indicate by a cross or check mark placed against the word “Yes” or “No”
30 their opinion on the question.

31 The results must be declared by the governing body of the district or corporation and
32 entered upon the organization’s records. Due certificate of the results must be filed by the
33 clerk with the Secretary of State.

34 A reversal of a rate increase under this section becomes effective upon its approval by a
35 majority of the quasi-municipal corporation or district voters voting at the referendum.
36 The costs of the referendum are borne by the quasi-municipal district or corporation.

1

SUMMARY

2 This bill provides a process for consumers to appeal a rate increase for water or sewer
3 services adopted by a quasi-municipal corporation or district that services a single
4 municipality. Specifically, the bill provides the opportunity for ratepayers to appeal the
5 rate increase to the municipal officers of the municipality upon the written petition of 10
6 ratepayers. The bill provides the opportunity for ratepayers to appeal the rate increase
7 through a referendum if the municipal officers uphold the rate increase.