

MAINE STATE LEGISLATURE

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SEVENTY-EIGHTH LEGISLATURE

HOUSE

NO. 513

House of Representatives, March 7, 1917.

Referred to Committee on Public Utilities and five hundred copies ordered printed. Sent up for concurrence.

W. R. ROIX, Clerk.

Presented by Mr. Bussabarger of Lubec.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND SEVENTEEN

AN ACT to permit municipal corporations to own and operate street railways, gas, electric light, water and other public utility and other corporations.

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

Section 1. Municipal corporations shall have a right to
2 construct, purchase, own and operate water, gas, electric
3 light and telephone plants, street and rapid transit railroads,
4 as well as markets, abattoirs, cold storage plants, coal yards
5 and docks.

Sect. 2. Upon proper action by municipal authorities, mu-

2 nicipal corporations will have the right to purchase by
3 agreement, by condemnation, or by arbitration, the plants
4 and properties—irrespective of any existing grants, privi-
5 leges, contracts, or franchises heretofore made—of any pri-
6 vate individual or corporation engaged in the ownership
7 and operation of water, gas, electric light and telephone
8 plants, street and rapid transit railroads, markets, abattoirs,
9 cold storage plants and docks, as enumerated in Section 1.
10 In case of failure or inability to agree with the owners of
11 such corporations as to the price to be paid therefor, the
12 municipality may proceed to the acquisition of such prop-
13 erties by condemnation proceedings, as is now provided by
14 law for the acquisition of any other property for public
15 use. Or the municipal corporation may appoint one apprais-
16 er, and within a time specified by the city thereafter, the
17 corporation shall appoint another appraiser and the two so
18 selected shall choose a third appraiser. If the representative
19 of the city and the representative of the company cannot
20 agree upon a third appraiser within one month after the
21 designation of such appraisers, the city may apply by peti-
22 tion to the Common Pleas Court for the appointment of
23 such third appraiser, who shall not be connected with any
24 public service corporation either within or without the city,
25 either as director, owner, stock-holder, attorney or other-
26 wise. In the selection of such appraisers, the city, corpora-
27 tion and the court shall not be limited to residents of the
28 city or State. The expenses of such arbitration or appraisal

29 shall be shared equally between the parties. The appraiser
30 so appointed shall proceed to appraise and value the prop-
31 erty designated to be purchased and shall within a reason-
32 able time thereafter file its findings with the city and the
33 corporation, which price shall be the price at which they
34 shall be entitled to buy the property if it so decides to do.
35 And the title and possession of such plant or property shall
36 forthwith pass to and vest in the city upon proper action
37 by the city accepting such award.

Sect. 3. Municipal corporations are authorized to issue
2 bonds or corporate stock and to sell the same for the con-
3 struction or in payment for the purchase price of any pri-
4 vate corporations erected or acquired under the terms of
5 this act. And such bonds shall be issued upon the general
6 faith and credit of the municipal corporation and shall not
7 be included within the legal debt limit imposed by law upon
8 municipalities. Or at its option, the municipal corporation
9 may issue such bonds as corporate obligations only against
10 the property so built or acquired; and as a further guarantee
11 of the payment of the interest and principal on such secur-
12 ity, the city may grant an underlying franchise for not to
13 exceed twenty-five years to the benefit of the purchaser;
14 which franchise with all the rights thereunder shall pass to
15 the owners of such securities in case of default by the mu-
16 nicipal corporation in the payment of interest upon such
17 securities and the continuance of such default for a period
18 of three years. Such securities issued against the property

19 and franchise alone may draw interest not to exceed 6 per
20 cent per annum. They shall not be included in the debt limit
21 of the city.

Sect. 4. In the sale of securities for the construction, own-
2 ership or purchase of any one of the public service corpora-
3 tions herein provided for, the municipality is authorized to
4 sell such securities at public sale as is now provided by law ;
5 or it may at its option sell such securities directly to pur-
6 chasers without public competition in such denominations
7 as the city may determine upon, provided that such securi-
8 ties are not sold for less than par.

Sect. 5. This act is in addition to any other means which
2 may be provided by law for the construction, purchase and
3 ownership of such public service corporations as are herein
4 provided for.

Sect. 6. All acts or parts of acts in conflict with this act are
2 hereby repealed.