

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND ELEVENTH LEGISLATURE

SECOND SPECIAL SESSION

November 18, 1983

AND AT THE

SECOND REGULAR SESSION

January 4, 1984 to April 25, 1984

AND AT THE

THIRD SPECIAL SESSION

September 4, 1984 to September 11, 1984

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH
IN ACCORDANCE WITH MAINE REVISED STATUTES
ANNOTATED, TITLE 3, SECTION 164, SUBSECTION 6.

J.S. McCarthy Co., Inc.
Augusta, Maine
1986

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
THIRD SPECIAL SESSION
of the
ONE HUNDRED AND ELEVENTH LEGISLATURE
1983

but shall carry
forward until
December 31,
1984 to be used
for the same
purpose.

Total \$100,000

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved, except for Part B which shall become effective December 1, 1984 and Part D which shall become effective October 1, 1984.

Effective September 19, 1984, unless otherwise indicated.

CHAPTER 864

H.P. 1891 - L.D. 2488

AN ACT to Allow the Establishment of
Generation and Transmission Cooperatives for
the Purpose of Reducing Borrowing Costs for
Ratepayers.

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

Whereas, Eastern Maine Electric Cooperative, Inc., has purchased an interest in a generating plant and the financing of that purchase, currently to be obtained by the agency through which the purchase was made, entails a high interest cost; and

Whereas, Eastern Maine Electric Cooperative, Inc., may borrow directly at a lower cost, thus producing potential savings of millions of dollars for its ratepayers over the life of the financing; and

Whereas, scheduling of debt requires prompt action in order to permit direct borrowing so as to realize these savings; and

Whereas, the Rural Electrification Administration and the National Rural Utilities Cooperative Finance Corporation require that direct borrowing of this kind must be accomplished through a generation and transmission cooperative; and

Whereas, current Maine statutory authority for the creation of a generation and transmission cooperative is incomplete; and

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

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

Sec. 1. 35 MRSA §2806 is amended to read:

§2806. Nonliability of members for debts of cooperative

No member shall be liable or responsible for any debts of the cooperative and the property of the members shall not be subject to execution therefor.

This section shall not apply to a generation and transmission cooperative organized in accordance with chapter 228.

Sec. 2. 35 MRSA §2841 is amended to read:

§2841. Incorporators

Five or more natural persons or 2 or more cooperatives may organize a cooperative in the manner provided.

This section shall not apply to a generation and transmission cooperative organized in accordance with chapter 228.

Sec. 3. 35 MRSA §2845, sub-§4 is amended to read:

4. Quorum. Unless the bylaws prescribe the presence of a greater percentage or number of the members for a quorum, a quorum for the transaction of business at all meetings of the members of a cooperative, having not more than 1,000 members, shall be 5% of all members, present in person, and of a cooperative, having more than 1,000 members, shall be 50 members, present in person. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice.

This section shall not apply to a generation and transmission cooperative organized in accordance with chapter 228. A quorum for such a cooperative shall be specified in the bylaws.

Sec. 4. 35 MRSA c. 228 is enacted to read:

CHAPTER 228

GENERATION AND TRANSMISSION COOPERATIVES

§2931. Purpose

Notwithstanding any other provision of this Title, one or more cooperatives formed under this Title may organize and control a cooperative having as its principal purpose the generation, manufacture, purchase, acquisition, accumulation, transmission, sale, supply and disposal of electric energy. Such a cooperative shall have all of the powers of cooperatives formed under this Title.

§2932. Generation and transmission cooperatives are public utilities

Cooperatives formed under this chapter shall be public utilities and subject to the requirements of this Title, except for those requirements of chapters 221 to 227 which are inconsistent with the operation of cooperatives formed under this chapter, notwithstanding any public or private and special laws to the contrary. Those cooperatives shall require the authorization of the Public Utilities Commission to transmit, sell, supply or dispose of electric energy to any nonmember of the cooperative. That authorization may be granted by order or rule.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective September 19, 1984.

CHAPTER 865

H.P. 1886 - L.D. 2486

AN ACT Making Appropriations for Educational Purposes and to Adjust Appropriations for State Government for the Fiscal Year Ending June 30, 1985.