

LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

FIRST REGULAR SESSION

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Chapters 1 - 590

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> J.S. McCarthy Company Augusta, Maine 1991

PUBLIC LAWS

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1991

Sec. 1. 35-A MRSA §6105, sub-§4, ¶E, as amended by PL 1989, c. 59, §2, is repealed and the following enacted in its place:

E. To provide for a contingency reserve fund allowance as provided in section 6111; and

Sec. 2. 35-A MRSA §6111 is enacted to read:

§6111. Contingency reserve fund

1. Annual contingency allowance. A consumer-owned water utility may provide for an annual contingency allowance by including in rates an amount up to 5% of the revenues required to operate the water utility. Each year any contingency allowance, which may not exceed 5% of the prior year's total revenue, must be credited to a contingency reserve fund. Other revenue may not be credited to the account.

2. Contingency reserve fund maximum. The maximum amount that may be accumulated in a contingency reserve fund is as follows:

A. For utilities with annual revenues of up to \$125,000, the maximum amount is 25% of the most recent year's annual revenues;

B. For utilities with annual revenues between \$125,001 and \$250,000, the maximum amount is 15% of the most recent year's annual revenues plus \$12,500;

C. For utilities with annual revenues between \$250,001 and \$375,000, the maximum amount is 5% of the most recent year's annual revenues plus \$37,500; and

D. For utilities with annual revenues in excess of \$375,000, the maximum amount is 15% of the most recent year's annual revenues.

Any contingency allowance collected when the contingency reserve fund is at the maximum amount permitted must be credited to the unappropriated retained earnings account and treated in the same manner as any other surplus produced by a consumer-owned utility.

3. Use of contingency reserve fund. The contingency reserve fund may be used only to pay for operating losses resulting from insufficient revenues to meet operating expenses and debt service costs, including, but not limited to, principal and interest repayment.

4. Transition. Any contingency reserve fund accumulated and expended prior to January 1, 1991 may not be considered in determining whether a utility has reached its maximum amount under subsection 2.

5. Commission review. If the commission determines that a water utility's contingency reserve fund has reached the maximum that may be accumulated under subsection 2 and that the utility is accumulating in its unappropriated retained earnings account an amount that is inconsistent with just and reasonable rates, the commission may, pursuant to chapter 13, order the utility to reduce its rates to the appropriate level either in the form of temporary rate adjustments, credits or reduction in rates.

6. Public hearing on excesses. If a water utility in each of 3 consecutive years collects through rates under subsection 1 an amount equal to or greater than 7% of the utility's total annual operating expenses, the water utility shall:

A. Immediately notify all of its customers in writing of the over-collection and of the time and place where the utility will hold a public hearing on the matter; and

B. Hold a public hearing no less than 10 days and no more than 30 days after sending the notice required under paragraph A. During the hearing the water utility shall:

(1) Detail the extent of the over-collection;

(2) Provide opportunity for any customer to testify or question the officials on any matter relating to the utility's financial situation; and

(3) Explain and provide copies of the provisions of section 1302 and section 6104, subsection 7.

See title page for effective date.

CHAPTER 222

H.P. 347 - L.D. 477

An Act to Provide for Safer Hunting of Deer During the Firearms Season

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

12 MRSA §7406, sub-§12, as amended by PL 1985, c. 304, §16, is further amended to read:

12. Hunting without hunter orange clothing. A person is guilty of hunting without hunter orange clothing if he that person hunts with firearms during the open firearm season on deer and fails to wear an article 2 articles of solid-colored hunter orange clothing which is that are in good and, serviceable condition and which is visible from all sides, except that persons hunting waterfowl from a boat or blind or in conjunction with waterfowl decoys need not wear hunter orange clothing. One article of clothing must be a hat. The other article of clothing must cover a major portion of the torso, such as a jacket, vest, coat or poncho.

See title page for effective date.