MAINE STATE LEGISLATURE

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LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

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PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A, SUBSECTION 4.

> J.S. McCarthy Company Augusta, Maine 1995

§2318-A. Maternity and newborn care

A nonprofit hospital or medical service organization that issues individual and group contracts providing maternity benefits, including benefits for childbirth, must provide coverage for services related to maternity and newborn care, including coverage for hospital stay, in accordance with the attending physician's or attending certified nurse midwife's determination in conjunction with the mother that the mother and newborn meet the criteria outlined in the "Guidelines for Perinatal Care," published by the American Academy of Pediatrics and the American College of Obstetrics and Gynecology. For the purposes of this section, "attending physician" includes the obstetrician, pediatrician or other physician attending the mother and newborn.

Sec. 2. 24-A MRSA §2743-A is enacted to read:

§2743-A. Maternity and newborn care

An insurer that issues individual contracts providing maternity benefits, including benefits for childbirth, must provide coverage for services related to maternity and newborn care, including coverage for hospital stay, in accordance with the attending physician's or attending certified nurse midwife's determination in conjunction with the mother that the mother and newborn meet the criteria outlined in the "Guidelines for Perinatal Care," published by the American Academy of Pediatrics and the American College of Obstetrics and Gynecology. For the purposes of this section, "attending physician" includes the obstetrician, pediatrician or other physician attending the mother and newborn.

Sec. 3. 24-A MRSA $\S 2834$ -A is enacted to read:

§2834-A. Maternity and newborn care

An insurer that issues group contracts providing maternity benefits, including benefits for childbirth, must provide coverage for services related to maternity and newborn care, including coverage for hospital stay, in accordance with the attending physician's or attending certified nurse midwife's determination in conjunction with the mother that the mother and newborn meet the criteria outlined in the "Guidelines for Perinatal Care," published by the American Academy of Pediatrics and the American College of Obstetrics and Gynecology. For the purposes of this section, "attending physician" includes the obstetrician, pediatrician or other physician attending the mother and newborn.

Sec. 4. 24-A MRSA $\S4234$ -B is enacted to read:

§4234-B. Maternity and newborn care

Individual and group contracts issued by a health maintenance organization that provide maternity benefits, including benefits for childbirth, must provide coverage for services related to maternity and newborn care, including coverage for hospital stay, in accordance with the attending physician's or attending certified nurse midwife's determination in conjunction with the mother that the mother and newborn meet the criteria outlined in the "Guidelines for Perinatal Care," published by the American Academy of Pediatrics and the American College of Obstetrics and Gynecology. For the purposes of this section, "attending physician" includes the obstetrician, pediatrician or other physician attending the mother and newborn.

Sec. 5. Applicability. This Act applies to all policies and contracts executed, delivered, issued for delivery, continued or renewed on or after the effective date of this Act. All policies and contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

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

Effective April 5, 1996.

CHAPTER 616

H.P. 1288 - L.D. 1768

An Act to Standardize the Creation of Water Districts

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

- **Sec. 1. 30-A MRSA §2356, sub-§3,** as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:
- **3. Trustees' compensation; water districts and sewer districts.** This chapter does not affect the procedures concerning changes in the compensation of trustees of water districts and sewer districts as provided in Title 35-A, section 6303 6410, subsection 4-7, and Title 38, section 1252, subsection 5.
- **Sec. 2. 35-A MRSA §§6301 and 6302,** as enacted by PL 1987, c. 141, Pt. A, §6, are repealed.
- **Sec. 3. 35-A MRSA §6303,** as amended by PL 1987, c. 769, Pt. A, §144, is repealed.
- **Sec. 4. 35-A MRSA §6304,** as amended by PL 1987, c. 490, Pt. C, §12, is repealed.

- **Sec. 5. 35-A MRSA §§6305 and 6306,** as enacted by PL 1987, c. 141, Pt. A, §6, are repealed.
- **Sec. 6. 35-A MRSA §6307,** as amended by PL 1987, c. 490, Pt. C, §13, is repealed.
- **Sec. 7. 35-A MRSA §6308,** as enacted by PL 1987, c. 141, Pt. A, §6, is repealed.
- **Sec. 8. 35-A MRSA §6309,** as enacted by PL 1993, c. 651, §6, is repealed.
 - Sec. 9. 35-A MRSA §6310 is enacted to read:

§6310. Water districts; individual financing

When the trustees of a water district vote to authorize bonds or notes, the estimated cost of which, singly or in the aggregate included in any one financing, is \$150,000 or more adjusted, relative to 1981 as the base year according to the annual Consumer Price Index, as defined in Title 5, section 17001, subsection 9, the trustees shall provide notice to the general public of the proposed bond or note issue and the purposes for which the debt is being issued. notice must be published at least once in a newspaper having general circulation in the water district. The trustees shall give notice to each ratepayer by mail. Notice of a rate change under section 6104 that contains the notice required by this section satisfies the notice requirements. The debt may not be incurred by the vote of the trustees until the expiration of 7 days following the date on which the notice was first published and mailed. Prior to the expiration of the 7-day period, the trustees shall call a special district meeting in order to collect testimony from the public concerning the amount of debt authorized. Except for indebtedness to fund projects specifically mandated by State Government and Federal Government, for debts in excess of the amount specified in this section, if requested by petition of not less than 50 voters of the district or 5% of the voters, whichever is greater, filed with the clerk of the water district on or before the date of the meeting, a vote of those attending the meeting must be called to approve or disapprove the amount of debt authorized. If a majority of voters present and voting disapprove of the amount of debt authorized by the trustees, the debt may not be incurred and the vote of the trustees authorizing the debt is void.

This section applies to water districts formed on or after January 1, 1982, except that this section does not apply to any standard district created pursuant to chapter 64 whose debt limit is subject to voter approval as provided in section 6413.

Sec. 10. 35-A MRSA c. 64 is enacted to read:

CHAPTER 64

WATER DISTRICTS AND STANDARD DISTRICTS

§6401. Purpose; scope and application; commission authority

- 1. Purpose. The purpose of this chapter, which may be known and cited as the "Standard Water District Enabling Act," is to promote consistency among the powers and authorities of water districts in this State. The intent of this chapter is to suggest standard provisions that a district formed after January 1, 1997 may consider including in its charter. Except as specifically provided in subsection 2, in recognition of the unique nature of each water district, its customers and its priorities, the suggested provisions are specifically not intended to be mandatory in nature and are not intended to apply to districts formed prior to January 1, 1997.
- **2. Scope and application.** The provisions of this chapter apply as follows.
 - A. The following provisions apply to all water districts, regardless of when chartered, and any portion of a water district charter that is contrary to the provisions is void and of no effect:
 - (1) Section 6410, subsection 7; and
 - (2) Section 6410, subsection 8.
 - B. The following provisions apply to all water districts formed on or after January 1, 1982:
 - (1) Subsection 3;
 - (2) Section 6410, subsection 5; and
 - (3) Section 6416.
 - C. Except as provided in paragraphs A and B or in subsection 3 or by charter or other provision of law, the provisions of this chapter do not apply to districts formed prior to January 1, 1997.
- 3. Water districts; commission authority. Notwithstanding any terms, conditions or limitations, either expressed or implied, in a special Act of the Legislature under which a district is organized or in any special Act of the Legislature under which a district is franchised, the commission may establish reasonable terms upon which water districts shall extinguish their long-term indebtedness. This subsection does not authorize the commission to alter the terms of any existing obligations of a water district.

§6402. Definitions

- As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.
- 1. Charter. "Charter" means a private and special law or a series of private and special laws that establishes a water district and defines its responsibilities and authority.
- 2. Standard district. "Standard district" means a water district that is a quasi-municipal corporation constituted for the purpose of supplying persons of the standard district with potable water for domestic, sanitary, commercial, industrial, agricultural and municipal purposes, and that is formed and chartered pursuant to this chapter.
- 3. Water district. "Water district" has the same meaning as defined in section 6101, subsection 3 and includes, but is not limited to, standard districts.

§6403. Procedures; legal effect

- **1. Mandatory provisions.** A standard district charter must include the following, which are not specified in this chapter:
 - A. The corporate name of the standard district;
 - B. The territorial limits of the standard district;
 - C. The number of trustees of the standard district, which may not be less than 3;
 - D. The appointing authority responsible for appointing or the method of electing the first board of trustees;
 - E. The terms of the trustees who are elected or appointed subsequent to the first board. Terms may not be longer than 3 years. Terms of the first board are determined pursuant to section 6410, subsection 4;
 - F. Whether the trustees, subsequent to the first board, are appointed or elected. Reference must be made to the appropriate subsections of section 6410; and
 - G. The procedures for a local referendum on the creation of a standard district.
- **2. Optional provisions.** A standard district charter may include provisions relating to the following:
 - A. Special qualifications of trustees;
 - B. Election of trustees by other than at large elections as provided in section 6410, subsection 1. Any provision for election of trustees by other

- than at large elections must establish voting districts in conformance with the judicial principle of one person, one vote;
- C. Additional purposes and powers of the standard district, such as authority to buy out an existing water company or to provide sewerage or other utility services;
- D. Areas outside the standard district's territory in which the standard district is authorized to take water;
- E. Notwithstanding section 6413, a specific debt limit;
- F. Areas outside the standard district's territory in which the district is authorized to locate facilities;
- G. Towns with which the standard district is authorized to contract to supply water; and
- H. Any other powers or duties necessary to the accomplishment of legislative purposes for creating the standard district.
- As determined appropriate by the Legislature, a standard district charter may include provisions that differ from those set forth in this chapter.

§6404. Standard districts; powers

Except as otherwise provided by law, for the purposes of its incorporation, a standard district may take water from any source within the territory of the district. A standard district may also, for the purposes of its incorporation, locate, construct and maintain pipes, dams, wells, reservoirs, pumping stations, treatment plants and other necessary structures and equipment and take any action necessary to furnish water for those purposes and for the public health, safety, comfort and convenience of the inhabitants and others of the district. A standard district may contract to accomplish any and all of the foregoing things.

All incidental powers, rights and privileges necessary to the accomplishment of the objectives set forth in this chapter are granted to a standard district.

§6405. Standard districts; authorized to lay mains, pipes, conduits and other water conveyances through public ways and across private lands

Except as otherwise provided by law and to the extent necessary for the purposes of its incorporation, a standard district may lay, maintain, repair and replace pipes, mains and other fixtures and appurtenances in, along and through the streets, roads, ways, highways, bridges, tidal waters, lakes, ponds, rivers

and water courses in the district and across private lands in the district. When a standard district lays, maintains, repairs or replaces any fixtures or appurtenances in any street, road, way or highway, it shall do so with as little obstruction as practicable to public travel. At its own expense and without unnecessary delay, a standard district shall replace in proper condition the earth and pavement removed by it.

§6406. Standard districts; authorized to erect dams and reservoirs, cross navigable waters, supply water to utilities

A standard district, for the purposes of its incorporation, may erect and maintain dams, reservoirs and structures. In accordance with applicable state and federal law, a standard district may lay, construct and maintain its pipes and fixtures in, over and under navigable waters and build and maintain structures for the pipes and fixtures. Subject to the consent of the commission, a standard district may supply water to any other water utility for purposes of resale.

§6407. Standard districts; procedure if public utility must be crossed

If a standard district, in constructing, maintaining or replacing any of its facilities, must cross any property of another public utility, the standard district must obtain the consent of the other public utility and undertake the work in accordance with conditions established by agreement. If, within 30 days after requesting consent, the standard district fails to reach an agreement with the public utility, the district may petition the commission to determine the time, place and manner of the crossing. All work done on the property of the public utility must be done under the supervision and to the satisfaction of the public utility or as prescribed by the commission. All work must be done at the expense of the standard district.

§6408. Standard districts; authority to acquire property; rights of eminent domain

To the extent necessary for purposes of incorporation, a standard district may take and hold any interest in real estate and personal estate.

- 1. Purchase or lease. A standard district may take and hold an interest in real estate or personal estate by purchase, lease or other lawful means.
- **2. Eminent domain.** For purposes of its incorporation, a standard district may exercise the right of eminent domain as provided in chapters 65 and 67 to acquire any interest in land or water rights:
 - A. For erecting and maintaining dams, plants and works, for flowage, power, pumping and supplying water through its mains;

- B. For reservoirs and for preserving and protecting the purity of the water and related watershed;
- C. For laying and maintaining aqueducts and other structures;
- D. For taking, distributing, discharging and disposing of water; and
- E. For rights-of-way or roadways to its sources of supply, dams, power stations, reservoirs, mains, aqueducts, structures and lands.

Except as otherwise provided by law, a standard district may not take by right of eminent domain any property or facilities of any other public utility used or acquired for future use in the performance of a public duty.

§6409. Standard districts; procedures in exercising eminent domain

Except as otherwise provided by law, a standard district must exercise the right of eminent domain granted under section 6408 in accordance with this chapter and chapters 65 and 67.

§6410. Standard districts and water districts; trustees

All of the affairs of a standard district must be managed by a board of trustees whose members must be residents of the district. The number of trustees must be specified in the standard district's charter. After selection of the first board, each trustee is nominated and elected or appointed as provided in the charter creating the standard district and in accordance with subsection 1 or 2, as applicable. If the charter does not indicate whether trustees are appointed or elected, the trustees, after the selection of the first board, must be elected in accordance with subsection 1.

1. Standard districts; nominations and elections; vacancies. Nominations and elections of trustees are conducted in accordance with the laws relating to municipal elections.

When the term of office of a trustee expires, the trustee's successor is elected at large by a plurality vote of the voters of the standard district. For the purpose of election, a special election must be called and held on the date established by the trustees. The election must be called by the trustees of the standard district in the same manner as town meetings are called and, for this purpose, the trustees are vested with the powers of municipal officers of towns. A vacancy is filled in the same manner for the unexpired term by a special election called by the trustees of the standard district.

The trustees shall appoint a registrar of voters for the standard district, who may also be the registrar of voters for any town within the standard district, and fix the registrar's salary. It is the registrar's duty to make and keep a complete list of all the eligible voters of the standard district. The list prepared by the registrar governs the eligibility of any voter. Voters who are resident outside the territorial limits of the standard district, as defined in its charter, are not eligible voters and the registrar of voters shall exclude those voters from the registrar's lists. All warrants issued for elections by the trustees must show that only the voters resident within the territorial limits of the standard district are entitled to vote.

- 2. Standard districts; appointments. If the charter creating a standard district specifies that the trustees are appointed, the appointments must be made as provided in the charter.
- 3. Standard districts; eligibility requirements. When a trustee ceases to be a resident of a standard district, the trustee shall vacate the office of trustee and the vacancy is filled as provided in subsection 1 or 2, as applicable. All trustees are eligible for reelection or reappointment, but a person who is a municipal officer, as defined in Title 30-A, section 2001, subsection 10, of any town located, in whole or in part, within the standard district is not eligible for appointment, nomination or election as a trustee of that district.
- 4. Standard districts; first board. The first board is appointed or elected as provided in the charter creating the standard district. At the first meeting, the initial trustees shall determine by agreement or, failing to agree, they shall determine by lot the term of office of each trustee. The terms of the trustees must be determined in accordance with the following table.

TERM

Total number of trustees	1 year	2 years	3 years
<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u>4</u>	<u>1</u>	<u>1</u>	<u>2</u>
<u>5</u>	<u>1</u>	<u>2</u>	<u>2</u>
<u>6</u>	<u>2</u>	<u>2</u>	<u>2</u>
<u>7</u>	<u>2</u>	<u>2</u>	<u>3</u>
<u>8</u>	<u>2</u>	<u>3</u>	<u>3</u>

<u>9</u>	<u>3</u>	<u>3</u>	<u>3</u>
<u>10</u>	<u>3</u>	<u>3</u>	<u>4</u>
<u>11</u>	<u>3</u>	<u>4</u>	<u>4</u>
<u>12</u>	<u>4</u>	<u>4</u>	<u>4</u>
<u>13</u>	<u>4</u>	<u>4</u>	<u>5</u>
<u>14</u>	<u>4</u>	<u>5</u>	<u>5</u>
<u>15</u>	<u>5</u>	<u>5</u>	<u>5</u>

The trustees shall enter on their records the determination made. Vacancies are filled pursuant to subsection 1 or 2, as applicable.

At this original meeting, the trustees shall organize by electing from among their members a chair and a clerk, by adopting a corporate seal and by electing a treasurer who may or may not be a trustee.

5. Water districts; organization; conduct of business. Within one week after each annual appointment or election, the trustees of a water district shall meet for the purpose of electing a chair, treasurer and clerk from among them to serve for the ensuing year and until their successors are elected or appointed and qualified. The trustees, from time to time, may choose and employ and fix the compensation of any other necessary officers and agents who serve at the pleasure of the trustees. The treasurer shall furnish bond in the sum and with sureties approved by the trustees. The water district shall pay the cost of the bond.

The trustees may adopt and establish bylaws consistent with the laws of this State and necessary for the convenience and the proper management of the affairs of the water district, and perform other acts within the powers delegated by law to the trustees.

The trustees shall be sworn to the faithful performances of their duties including the duties of a member who serves as clerk or clerk pro tem. The trustees shall publish an annual report that includes a report of the treasurer.

Business of the district must be conducted in accordance with the applicable provisions of the freedom of access laws, Title 1, sections 401 to 410.

6. Standard districts; decisions of the board. All decisions of the board of trustees must be made by a majority of those present and voting, except that a vote to approve the issuing of any bond, note or other evidence of indebtedness payable within a period of more than 12 months after the date of issuance must be approved by a majority of the entire elected board.

A quorum of the board of trustees consists of the total number of authorized trustees divided by 2 and, if necessary to obtain a whole number, the resulting number rounded up to the next whole number.

Trustees are subject to the conflict of interest provisions of Title 30-A, section 2605.

Water districts; trustees' compensation. The trustees of a water district receive compensation as recommended by the trustees and approved by a majority of the municipal officers of the municipality, including compensation for any duties they perform as officers, as well as for their duties as trustees. For districts serving more than one municipality, any change in the compensation received by the trustees for any duties they perform within the district must be recommended by the trustees and approved by majority vote of the municipal officers in each municipality in municipalities representing a majority of the population within the district. Certification of the vote must be recorded with the Secretary of State and recorded in the bylaws. Compensation for duties as trustees must be on the basis of such specific amount as may be specified in the bylaws, for each meeting actually attended and reimbursement for travel and expenses, with the total not to exceed such specific amount as may be specified in the bylaws. Compensation schedules in effect on January 1, 1982 continue in effect until changed.

Notwithstanding section 6401, subsection 2, this subsection does not apply to any water district for which the charter provides for trustee compensation in a manner inconsistent with this subsection and specifically indicates by its own terms that this subsection or former section 6303, subsection 4 does not apply.

- 8. Water districts; trustees' retirement. Persons who have not been water district trustees prior to January 1, 1987, and who are not full-time employees, are not eligible to become members of the Maine State Retirement System as a result of their selection as trustees. For purposes of determining a water district trustee's eligibility to be a member of the Maine State Retirement System prior to January 1, 1987, the provisions of the appropriate governing charter in effect at the time of the trustee's application for membership controls.
- **9. Standard districts; expenses.** The trustees may obtain an office and incur necessary expenses.

§6411. Standard districts; authorized to make and assume contracts

A standard district, through its trustees, in order to carry out the purposes of its incorporation, may contract with persons, districts, municipalities, utilities or corporations.

§6412. Standard districts; authorized to receive government aid, borrow money, issue bonds and notes

- 1. **Definition.** For the purposes of this section, the term "necessary expenses and liabilities" means expenses and liabilities necessary to the operation of a standard district, including, but not limited to:
 - A. Reimbursement to a town for any organizational or other expenses and liabilities incurred by the town on behalf of the district;
 - B. Organizational expenses and liabilities incurred by the district;
 - C. Expenses and liabilities incurred in acquiring properties, paying damages and in laying pipes, mains, aqueducts and conduits;
 - D. Expenses and liabilities incurred in constructing, maintaining and operating a water plant or system;
 - E. Expenses and liabilities incurred in making renewals, additions, extensions and improvements to a water plant or system; and
 - F. Principal and interest payments associated with any of the expenses and liabilities in paragraphs A to E.
- 2. Authorization. A standard district, through its trustees, in order to pay necessary expenses and liabilities incurred in accordance with the purposes of its incorporation, may receive state and federal aid or grants and may borrow money temporarily and issue for the money its negotiable notes in order to renew and refund the debt created.
- A standard district, through its trustees, may also issue, in accordance with section 6413 and chapter 9, bonds, notes or other evidences of indebtedness of the standard district. The trustees shall determine the amount or amounts of the indebtedness, the rate or rates of interest, whether the instrument will be sold at par or at a discount or a premium, the manner of the sale, including whether the sale will be public or private and any other terms and provisions of the offering. The trustees shall determine whether the debt will be issued to mature serially or made to run for a term of years. The standard district's debt instruments may be issued with or without provisions for calling the debt prior to maturity. If the debt is callable, the trustees shall determine whether it will be callable at par or at a premium.
- 3. Certain requirements concerning indebtedness. All bonds, notes or other evidences of indebtedness must have inscribed upon their face the corporate name of the standard district, as specified in the

charter creating the district, and be signed by the treasurer and countersigned by the chair of the board of trustees of the standard district. If coupon bonds are issued, the interest coupon attached to the coupon bonds must bear the facsimile signature of the treasurer.

4. Legal effect; tax exemption; reissue and refund authorization. All bonds, notes and other evidences of indebtedness issued by a standard district in accordance with this section are legal obligations of the standard district within the meaning of Title 30-A, section 5701. All bonds, notes and other evidences of indebtedness issued by the standard district are legal investments for savings banks in this State and are exempt from state income tax.

A standard district, through its trustees, may refund and reissue, from time to time, in one or in separate series, its bonds, notes and other evidences of indebtedness, and each authorized issue constitutes a separate loan.

§6413. Standard districts; debt limit and approval of voters of the district

Prior to issuing on behalf of a standard district any bond, note or other evidence of indebtedness payable within a period of more than 12 months after the date of issuance, the trustees shall propose a debt limit for the standard district that the trustees must submit for approval in a districtwide referendum. The referendum must be called, advertised and conducted according to the law relating to municipal elections, except the standard district's registrar of voters is not required to prepare or the clerk to post a new list of voters. For the purpose of registering voters, the registrar of voters must be in session on the regular workday preceding the election. The question presented must conform to one of the following forms:

For establishment of an initial debt limit: "Do you favor establishing the debt limit of the (insert name of standard district) at (insert amount)?"; or

For amendment of an existing debt limit: "Do you favor changing the debt limit of the (insert name of standard district) from (insert current debt limit) to (insert proposed debt limit)?".

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

The results must be declared by the trustees and entered upon the standard district's records. Due certificate of the results must be filed by the clerk with the Secretary of State.

A debt limit proposal becomes effective upon its acceptance by a majority of the legal voters within the

standard district voting at the referendum. Failure of approval by the majority of voters voting at the referendum does not prevent subsequent referenda from being held for the same purpose. The costs of referenda are borne by the standard district.

Trustees may not issue any bond, note or other evidence of indebtedness payable within a period of more than 12 months after the date of issuance unless the total amount of such debt issued by the trustees is no more than an amount approved by referendum under this section.

§6414. Standard districts; rates

The rates of a standard district must be established in accordance with chapter 61. The rates must be sufficient to provide revenue to the standard district to carry out the purposes of its incorporation, without the need for any financial assistance from any municipality, other than the normal payment of water charges for services rendered and any loan or loans provided to the district for initial funds as set forth in section 6412. All customers of a standard district shall pay to the treasurer or other designated officer of the district the rates established by the district.

§6415. Standard districts; tax exempt

A standard district is a public municipal corporation within the meaning of Title 36, section 651 and the property of the district is exempt from taxation to the extent provided in that section.

§6416. Water districts; mutual funds

A water district may invest its funds, including sinking funds, reserve funds and trust funds, to the extent that the terms of any instrument creating the funds do not prohibit the investment, in shares of an investment company registered under the federal Investment Company Act of 1940, whose shares are registered under the United States Securities Act of 1933, only if the investments of the investment company are limited to obligations of the United States or any agency or instrumentality, corporate or otherwise, of the United States, or repurchase agreements secured by obligations of the United States or any agency or instrumentality, corporate or otherwise, of the United States. This section is in addition to and does not limit the power of a water district to invest its funds.

§6417. Water districts; rights conferred subject to provisions of law

Except as otherwise specifically provided by law, all the rights and duties mentioned in this chapter must be exercised and performed in accordance with all the applicable provisions of this Title to the extent this Title affects the operations of a water district.

§6418. Water districts; legislative acts

Prior to acting upon any proposal to create or to amend a water district charter, the joint standing committee of the Legislature having jurisdiction over public utilities shall solicit written comments from the municipalities that lie in whole or in part within the district or proposed district.

See title page for effective date.

CHAPTER 617

H.P. 976 - L.D. 1385

An Act to Ensure That Basic Health Care Needs of Women Are Covered in Insurance Policies

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

Sec. 1. 24 MRSA §2320-E is enacted to read:

§2320-E. Coverage for Pap tests

All group nonprofit medical service plan contracts and all nonprofit health care plan contracts must provide coverage for screening Pap tests recommended by a physician.

Sec. 2. 24 MRSA §2332-F is enacted to read:

§2332-F. Gynecological and obstetrical services

- 1. Coverage in managed care plans. With respect to managed care plans that require subscribers to select primary care physicians, a nonprofit hospital and medical service organization that issues group contracts must meet the following requirements.
 - A. The organization must permit a physician who specializes in obstetrics and gynecology to serve as a primary care physician if the physician qualifies under the organization's credentialling policy.
 - B. All group plan contracts must provide coverage for an annual gynecological examination, including routine pelvic and clinical breast examinations, performed by a physician, certified nurse practitioner or certified nurse midwife participating in the plan, without requiring the prior approval of the primary care physician.
 - C. If the examination specified in paragraph B reveals a gynecological condition for which another visit to the physician participating in the plan is medically required and appropriate, or for any gynecological care beyond the annual

examination, the carrier may require the patient or the examining physician, certified nurse practitioner or certified nurse midwife to secure from the patient's primary care physician a referral to the participating physician, certified nurse practitioner or certified nurse midwife from whom such care may be obtained.

2. Application. This section applies to all contracts and certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1997. For purposes of this section, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

This section does not prohibit a carrier from requiring a physician, certified nurse practitioner or certified nurse midwife participating in the plan to inform a woman's primary care physician prior to each treatment pursuant to this section.

Sec. 3. 24-A MRSA §2837-E is enacted to read:

§2837-E. Coverage for Pap tests

All group health insurance policies and contracts, except accidental injury, specified disease, hospital indemnity, Medicare supplement, long-term care and other limited benefit health insurance policies and contracts, must provide coverage for screening Pap tests recommended by a physician.

Sec. 4. 24-A MRSA §2850-A is enacted to read:

§2850-A. Gynecological and obstetrical services

- 1. Coverage in managed care plans. With respect to managed care plans that require group members to select primary care physicians, an insurer that issues group health insurance policies and contracts must meet the following requirements.
 - A. The insurer must permit a physician who specializes in obstetrics and gynecology to serve as a primary care physician if the physician qualifies under the insurer's credentialling policy.
 - B. All group plan contracts must provide coverage for an annual gynecological examination, including routine pelvic and clinical breast examinations, performed by a physician, certified nurse practitioner or certified nurse midwife participating in the plan, without requiring the prior approval of the primary care physician.
 - C. If the examination specified in paragraph B reveals a gynecological condition for which another visit to the physician participating in the plan is medically required and appropriate, or for