

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**  
**ONE HUNDRED AND SEVENTEENTH LEGISLATURE**

**FIRST SPECIAL SESSION**  
**November 28, 1995 to December 1, 1995**

**SECOND REGULAR SESSION**  
**January 3, 1996 to April 4, 1996**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JULY 4, 1996**

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

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**1995**

## CHAPTER 63

## H.P. 1190 - L.D. 1631

**An Act to Increase the Borrowing Capacity of the Ashland Water and Sewer District**

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

Whereas, the Ashland Water and Sewer District needs to incur debt greater than that allowed under its current charter as soon as possible in order to finance certain necessary capital improvements to comply with the National Primary Drinking Water Regulations; 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.** P&SL 1947, c. 78, §8, as amended by P&SL 1973, c. 178, §1, is further amended to read:

**Sec. 8. Authorized to negotiate temporary loans and to issue notes and bonds; declared a quasi-municipal corporation; notes and bonds legal investments for savings banks.** For accomplishing the purposes of this Act, ~~said~~ the water district, through its trustees, is authorized to borrow money temporarily; and to issue therefor the ~~interest-bearing~~ interest-bearing negotiable notes of the district, and for the purpose of refunding the indebtedness so created, of paying any necessary expenses and liabilities incurred under the provisions of this Act, including the expenses incurred in the creation of the district, of securing sources of supply, taking water and land, paying damages, laying pipes, constructing, maintaining and operating a water plant and sewerage and drainage system and making extensions, additions and improvements to the same; and the refunding of its obligations, the ~~said~~ district, through its trustees, may from time to time issue bonds of the district ~~to an amount not exceeding \$1,000,000 principal amount issued and outstanding at any one time.~~ Said notes and bonds shall be legal obligations of said district, which is hereby declared to be a quasi-municipal corporation within the meaning of section 132 of chapter 49 of the revised statutes, and all the provisions of said section shall be applicable thereto. The said notes and bonds shall be exempt from taxation. Debt of the district that will not be fully repaid within 12 months of issuance may not

exceed \$2,000,000 issued and outstanding at any one time unless the district obtains approval of the voters of the district for a higher debt limit pursuant to this section.

Prior to issuing any debt on behalf of the district that will not be fully repaid within 12 months of issuance and that will cause the district to exceed the debt limit of \$2,000,000, the trustees shall propose a new debt limit for the district, which they must submit for approval in a district-wide referendum. The referendum must be called, advertised and conducted according to the law relating to municipal elections, except that the registrar of voters is not required to prepare or the town clerk to post a new list of voters. The registrar of voters must be in session on the secular day next preceding the election. The town clerk of the town shall prepare the required ballots with the following question:

"Do you favor changing the debt limit of the Ashland Water and Sewer 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 municipal officers of the Town of Ashland and due certificate of the results filed by the town clerk with the Secretary of State.

A debt limit proposal becomes effective immediately upon its acceptance by a majority of the legal voters within the district voting at the election. Failure of approval by the necessary majority of voters at the referendum does not prevent subsequent referenda from being held for the same purpose. The district may increase its debt limit to any amount and as often as approved by the legal voters within the district pursuant to this section.

Notes and bonds issued by the district in accordance with this section are legal obligations of the district, which is hereby declared to be a quasi-municipal corporation within the meaning of the Maine Revised Statutes, Title 30-A, section 5701, and all the provisions of that section are applicable to the district. The notes and bonds are exempt from taxation.

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

Effective March 26, 1996.

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