

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND NINETEENTH LEGISLATURE

SECOND REGULAR SESSION
January 5, 2000 to May 12, 2000

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
AUGUST 11, 2000

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
2000

Whereas, in order for the customers of the Small Point Water Company to have safe drinking water, the company must incur certain capital costs immediately and converting to nonprofit status will allow the company to access the necessary financing; 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 P&SL 1893, c. 479, §7 is repealed.

Sec. 2. P&SL 1893, c. 479, §9 is amended to read:

Sec. 9. ~~Said~~ The corporation is hereby authorized to issue bonds not exceeding in amount one half of its capital stock, the same to be the first lien upon and secure the same by mortgage of its franchise and property. This act shall become null and void in two years from the time when the same shall take effect, unless the corporation shall have organized and commenced the construction of its works under this charter.

Sec. 3. P&SL 1893, c. 479, §§9-A to 9-D are enacted to read:

Sec. 9-A. Nonprofit status. Small Point Water Company, upon approval of its shareholders, has the authority to convert its status from a for-profit business corporation to a nonprofit corporation, the conversion to be effected by filing with the Secretary of State a restatement of the corporation's articles of incorporation. The restatement must provide that the corporation retains its original incorporation date of March 9, 1893 and retains all of its rights, powers, duties, authorities, privileges and obligations as now exist. Upon filing of the restatement all outstanding shares of the corporation's stock are canceled and the corporation's status automatically converts into that of a nonprofit corporation governed by the Maine Revised Statutes, Title 13-B to the extent consistent with this Act. The Secretary of State shall maintain records of the conversion showing the continuous existence of the corporation under state law.

Sec. 9-B. No shareholders. After converting to nonprofit status pursuant to section 9-A, Small Point Water Company may not have shareholders.

Sec. 9-C. Board of directors. Small Point Water Company must be run by a board of directors

appointed from time to time in accordance with its bylaws.

Sec. 9-D. Form of restatement. The board of directors, acting through the corporation's officers, has authority to file the restatement authorized under section 9-A in a form it determines appropriate and to make further amendments to the articles of incorporation consistent with this Act.

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

Effective April 10, 2000.

CHAPTER 76

H.P. 1802 - L.D. 2529

An Act to Amend the Charter of the Moscow Water District

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

Whereas, this legislation raises the debt limit of the Moscow Water District and the district needs to finance certain projects immediately; 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 1955, c. 104, §10, first ¶ is amended to read:

Sec. 10. Authority to borrow money. For accomplishing the purposes of this act and for such other expenses as may be necessary for the carrying out of ~~said those~~ purposes, ~~said District~~ the district, through its trustees, ~~without District vote~~ subject to the provisions of the Maine Revised Statutes, Title 35-A, section 6412, is authorized to issue its notes and bonds in one series or in separate series from time to time and to refund and to make subsequent renewals of the same in whole or in part to an amount not exceeding the sum of ~~\$20,000~~ \$1,800,000 outstanding at any one time. Said notes and bonds ~~shall be a~~ are the legal obligation of said ~~District~~ district which is ~~hereby~~ declared to be a quasi-municipal corporation within the meaning of ~~Section 136 of Chapter 53 of the Revised Statutes of 1954, Title 30-A, section 5701~~ and

all the provisions of said section are applicable ~~thereto; shall be~~ to those notes and bonds. Those notes ~~and bonds are~~ a legal investment for savings banks in the State of Maine; and ~~shall be~~ are exempt from all present taxes. Each bond or note ~~shall~~ must have inscribed on its face the words "Moscow Water District Bond" or "Moscow Water District Note," as the case may be, and ~~shall bear~~ bears interest at such rates as the trustees ~~shall~~ determine. ~~If said bonds or notes be issued from time to time, The district 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 shall constitute constitutes a separate loan. Each loan shall be is payable at such time or times as the trustees shall determine.~~

Sec. 2. P&SL 1955, c. 104, §10 is amended by adding after the first paragraph the following new paragraphs to read:

Notwithstanding the debt limit established pursuant to the first paragraph of this section, the district may establish a higher debt limit in accordance with the following. In order to establish a higher debt limit for the district, the trustees shall propose a new debt limit for the district, which the trustees shall submit for approval in a districtwide 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. For the purpose of registering voters, the registrar of voters must be in session on the regular workday preceding the election. The town clerk of the Town of Moscow shall prepare the required ballots with the following question:

"Do you favor changing the debt limit of the Moscow Water 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 Moscow 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 or as often as approved by the legal voters within the district pursuant to this section.

Sec. 3. P&SL 1955, c. 104, §12 is repealed and the following enacted in its place:

Sec. 12. Rates. The rates established pursuant to this section must be sufficient to provide revenue for the purposes of this Act and for all other purposes of the district, without the need for any financial assistance from the Town of Moscow, other than the normal payment of water charges for services rendered.

Individuals, firms and corporations, whether private, public or municipal, shall pay to the treasurer or other designated officer of the district the rates established by the board of trustees for the water service provided to them. The rates must be established in accordance with the Maine Revised Statutes, Title 35-A, chapter 61.

Sec. 4. Emergency clause; referendum; effective date. In view of the emergency cited in the preamble, this Act takes effect when approved except that section 1 of this Act takes effect only for the purpose of permitting its submission to the legal voters within the Moscow Water District at a special or regular town meeting or election held prior to January 1, 2001. The election 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 clerk to post a new list of voters. For the purpose of registration of voters, the registrar of voters must be in session on the secular day preceding the election. The subject matter of section 1 of this Act is reduced to the following question:

"Do you favor increasing the debt limit of the Moscow Water District from \$20,000 to \$1,800,000?"

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

The results must be declared by the municipal officers of the Town of Moscow and due certificate of the results filed by the clerk with the Secretary of State.

Section 1 of this Act takes effect for all purposes immediately upon its approval by a majority of the legal voters voting at the election. Failure to achieve the necessary approval in any referendum does not prohibit subsequent referenda consistent with this section, provided the referenda are held prior to January 1, 2001.

Effective April 10, 2000, unless pending referendum.