

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND TWENTIETH LEGISLATURE
FIRST REGULAR SESSION
December 6, 2000 to June 22, 2001

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 21, 2001

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
2001

**MAINE TURNPIKE
AUTHORITY**

TOTAL REVENUE FUNDS \$29,443,963

Sec. 2. Transfer of allocations. Any balance of an allocation for "General Contingency" made by the Legislature for the Maine Turnpike Authority may be transferred at any time prior to the closing of the books to any other allocation or subdivision of any other allocation made by the Legislature for the use of the Maine Turnpike Authority for the same calendar year. Any balance of any other allocation or subdivision of any other allocation made by the Legislature for the Maine Turnpike Authority that at any time is not required for the purpose named in the allocation or subdivision may be transferred at any time prior to the closing of the books to any other allocation or subdivision of any other allocation made by the Legislature for the use of the Maine Turnpike Authority for the same calendar year, subject to review by the joint standing committee of the Legislature having jurisdiction over transportation matters. Financial statements describing the transfer, other than a transfer from "General Contingency," must be submitted by the Maine Turnpike Authority to the Office of Fiscal and Program Review 30 days before the transfer is to be implemented. In case of extraordinary emergency transfers, the 30-day prior submission requirement may be waived by vote of the committee. These financial statements must include information specifying the accounts that are affected, amounts to be transferred, a description of the transfer and a detailed explanation as to why the transfer is needed.

Sec. 3. Encumbered balance at year-end. At the end of each calendar year, encumbered balances may be carried to the next calendar year.

Sec. 4. Supplemental information. As required by the Maine Revised Statutes, Title 23, section 1961, subsection 6, the following statement of the revenues in 2002 that are necessary for capital expenditures and reserves and to meet the requirements of any resolution authorizing bonds of the Maine Turnpike Authority during 2002, including debt service and the maintenance of reserves for debt service and reserve maintenance, is submitted.

2002

**Turnpike Revenue Bond Resolution
Adopted April 18, 1991; Issuance
of Bonds Authorized Pursuant to
the Maine Revised Statutes, Title
23, section 1968, subsections 1 and 2.**

Debt Service Fund	\$17,346,050
Reserve Maintenance Fund	18,000,000

**General Reserve Fund, to be
applied as follows:**

Capital Improvements	91,981
Debt Service Fund under the General Special Obligation Bond Resolution adopted May 15, 1996; issuance of bonds authorized pursuant to the Maine Revised Statutes, Title 23, section 1968, subsection 2-A.	2,468,085
TOTAL	\$37,906,116

See title page for effective date.

CHAPTER 30

S.P. 516 - L.D. 1635

**An Act to Increase the Debt Limit of
the Calais School District Trustees**

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

Sec. 1. Calais school district, incorporated. Subject to the provisions of section 7, the Calais School District, referred to in this Act as the "district" is established as a body politic and corporate and includes the inhabitants and territory within the City of Calais. The purposes of the district are, for the benefit of the inhabitants of the city, acquiring properties within the City of Calais for school and related athletic and recreational purposes; erecting, enlarging, equipping and maintaining on those properties school buildings and related athletic and recreational facilities with the right to lease or let those properties to the City of Calais; and maintaining and improving other school buildings in the district and maintaining elementary and secondary schools.

Sec. 2. Authority to receive property from City of Calais. The district is authorized to receive from the City of Calais and the City of Calais is authorized to transfer and convey to the district any real, personal or mixed property owned or held by the City of Calais for school purposes and any sum of money or other assets that the City of Calais raises or borrows for school purposes.

Sec. 3. Trustees, how chosen; organization; compensation. The affairs of the district are managed by a board of trustees composed of 3 members who hold office a period of 3 years from the date of their appointment except as otherwise provided

by this Act. The trustees must be chosen by the municipal officers of the City of Calais. A trustee must be a resident of the City of Calais. A trustee who ceases to be a resident of the City of Calais vacates the trustee's office. A vacancy upon the board of trustees occurring because of expiration of the official term of 3 years, a trustee's moving from the city, resignation or death or for any other cause must be filled by the municipal officers of the City of Calais in the same manner in which that original member was chosen.

When the term of office of a trustee expires, a successor must be appointed by the municipal officers of the City of Calais. The trustees shall elect from their membership a president, clerk and treasurer, adopt a corporate seal and do all other acts, matters and things necessary to perfect the district. The trustees may employ officers and agents as the trustees determine necessary for the proper conduct and management of the affairs of the district.

The trustees serve without compensation, except the treasurer may receive an amount to be fixed by the board of trustees not to exceed \$100 per year for services performed for the district. At the close of the fiscal year, the trustees shall make a detailed report of activities of the board, the financial condition of the district, the physical condition of the school buildings and other matters pertaining to the district that show the district's inhabitants how the trustees are fulfilling the duties and obligations of the board. The reports must be attested and filed with the municipal officers of the City of Calais.

Sec. 4. How financed. To procure funds for the purposes of this Act, the district is authorized to issue bonds and notes but may not incur a total indebtedness exceeding the sum of \$6,000,000. Each bond must have inscribed upon its face the words: "Calais School District" and must bear interest at a rate the trustees determine and be payable semiannually. The bonds may be issued to mature serially or made to run for such periods as the trustees determine but none may run for a period longer than 30 years. A note or bond issued by the district must be signed by the treasurer and countersigned by the president, and, if coupon bonds are issued, each coupon must be attested by a facsimile signature of the president and treasurer. The treasurer shall give bond to the district in such sum and with such sureties as the trustees determine, and the bond must remain in the custody of the Clerk of the City of Calais. The expenses of the bond must be paid by the district. The district is authorized to enter into agreements with the Federal Government, the Maine Municipal Bond Bank or others to loan money or otherwise assist in the financing of a project that the district is authorized to carry out. The trustees may borrow in anticipation of their sale by issuing temporary notes and renewal notes in the name of the district.

Sec. 5. Sinking fund. If a bond is made to run for a period of years, a sinking fund may be established by the trustees in accordance with applicable requirements of the Internal Revenue Code and regulations adopted under the code.

Sec. 6. Provisions for district assessments. The trustees shall determine the amount required each year to meet the bonds falling due and the sum required each year to meet the interest on the bonds or other obligations, for payments to any sinking fund and other necessary expenses in the district. Before April 1st of each year, the trustees shall issue a warrant in the same form as the warrant of the Treasurer of State for taxes, with proper changes, to the assessors of the City of Calais, requiring the assessors to assess the sum determined upon taxable estates within the district and to commit the assessment to the collector of the City of Calais, who has the authority to collect state, county and municipal taxes. On or before December 31st of the year in which the tax is levied, the treasurer of the City of Calais shall pay the amount of the tax assessed against the district to the treasurer of the district. In the case of the failure on the part of the treasurer of the City of Calais to pay the amount of the tax assessed against the district or in the case of a failure to pay any part of the amount of the tax assessed against the district on or before December 31st of the year in which the tax is levied, the treasurer of the district may issue a warrant for the amount of the tax, or so much as remains unpaid, to the sheriff of Washington County requiring the sheriff to levy by distress and sale on real and personal property of any of the inhabitants of the district, and the sheriff or a sheriff's deputy shall execute the warrant. The same authority that is vested in county officials for the collection of county taxes is vested in the trustees for the collection of taxes within the district.

Sec. 7. Provisions for termination of board of trustees. When all of the school buildings have been completed, equipped and occupied by pupils of the district and the board of trustees of the district has discharged all of its principal obligations, and the property of the district is free and clear of all indebtedness, the board of trustees automatically ceases to function and all of the duties, management, care and maintenance revert to the school board of the City of Calais or other board that has jurisdiction over similar school property. The president and the treasurer of the district shall execute, sign and deliver a deed of all the property in the district to the City of Calais. All money remaining in the treasury of the board of trustees at the time the board ceases to function must be deposited to the credit of the City of Calais and may be used only for school purposes and must be kept separate from all other money until authorized by the municipal officers of the City of Calais to be expended as authorized under this Act.

Sec. 8. Effective date of Act; referendum.

This Act takes effect when approved only for the purpose of permitting its submission to the legal voters of the City of Calais at the city election to be held on the first Tuesday of November 2001, or at a special city election called for the purpose not later than 8 months after the approval of this Act. Any special city election must be called, notified and conducted according to law.

The Clerk of the City of Calais shall prepare the required ballots on which the clerk shall reduce the subject matter of this Act to the following question: "Do you favor increasing the borrowing capacity of the Calais School District, as passed by the 120th Legislature?" and the voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same.

This Act takes effect immediately upon its acceptance by a majority of the legal voters voting at the election, but only if the total number of votes cast for and against the acceptance of this Act is at least 20% of the total vote for all candidates for Governor in the City of Calais at the next previous gubernatorial election.

The result of the vote must be declared by the municipal officers of the City of Calais and due certificate must be filed by the Clerk of the City of Calais with the Secretary of State.

Sec. 9. Continuity. The trustees in office on the effective date of this Act continue to hold office until the end of the terms to which they were appointed and to have those powers, duties and responsibilities set out in prior law. Nothing in this Act in any way amends, modifies or changes any action previously undertaken by the district. All bonds, notes, contracts and other obligations existing on the effective date of this Act are unaffected.

Sec. 10. P&SL 1937, c. 27, as amended by P&SL 1975, c. 17, is repealed.

Effective pending referendum.

CHAPTER 31

H.P. 561 - L.D. 716

An Act to Provide for the Transfer of Assets of Hospital Administrative District No. 1 to a Nonprofit, Nonstock Private Corporation

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

Whereas, it is in the public interest for Hospital Administrative District No. 1 to be able to transfer its assets to a nonprofit, nonstock private corporation promptly and to begin the process during the summer; 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 1967, c. 58, as amended by P&SL 1999, c. 84, Pt. A, §§1 to 14 and affected by §15; and amended by Pt. B, §1 and affected by §2, is repealed.

Sec. 2. Transfer. Notwithstanding any provision of Private and Special Law 1967, chapter 58, Hospital Administrative District No. 1, which currently operates Penobscot Valley Hospital, is authorized to transfer its assets to a newly formed nonprofit, nonstock private corporation, without members, referred to in this Act as the "transferee corporation," which shall continue to serve the health care needs of the communities served by the district on the effective date of this section.

1. The transfer may occur only if the directors of the district approve the transfer and if all the indebtedness of the district is paid, or adequate provision for the payment of that indebtedness is made, by the assumption of liabilities and indebtedness of the district by the transferee corporation, by defeasance of any outstanding bonds of the district or otherwise. Notwithstanding any provision of Private and Special Law 1967, chapter 58, no other vote of the district or of any town that is a member of the district or the inhabitants of either is required to authorize the transactions contemplated by this section.

2. The Maine Revised Statutes, Title 13, section 3062 does not apply to the transfer authorized in this section.

3. In the transfer:

A. The assets and liabilities of the district are assumed by and become assets and liabilities of the transferee corporation unless such liabilities are paid, defeased or otherwise provided for. The assets transferred include all endowment funds held by the district, which the transferee corporation takes subject to any restrictions on use applicable to those funds; and