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An Act To Amend the Charter of the Kennebunk Light and Power District

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

Whereas, the Kennebunk Light and Power District needs to install a 115/12.47 kV substation and to undertake related work in order to ensure that its facilities remain capable of delivering reliable and adequate supplies of electric power and energy to the consumers it serves; and

Whereas, the present borrowing capacity of the district is not large enough to finance the project; and

Whereas, it is essential that the work be completed as soon as possible in order to continue to provide safe, reliable and adequate retail electric service to the inhabitants of the district and to protect the present expenditures; 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 1951, c. 53, §17, first and 4th sentences, as amended by P&SL 1979, c. 1, are further amended to read:

For accomplishing the purposes of this act, and for any other expenses that may be necessary for the carrying out of those purposes, ~~said~~the district, through its trustees, is authorized from time to time to borrow money temporarily and to issue therefor the interest bearing negotiable notes of the district, not to exceed ~~\$2,000,000~~\$6,000,000 at any one time outstanding.

For the purpose of renewing and 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, and in acquiring those properties and franchises of the ~~town~~Town of Kennebunk, hitherto known as the Kennebunk Light Department; of taking water and land, paying damages, erecting, constructing, maintaining and operating power plants, dams, reservoirs, buildings, transmission lines and poles, and all other things or apparatus incidental or necessary to the purposes of this act, and making renewals, extensions, additions and improvements to the same, and to cover interest payments during the period of construction, the said district, through its trustees, may from time to time issue bonds of the district to an amount or amounts necessary in the judgment of the trustees therefor, but in no event ~~shall~~may the amount or amounts of said bonds exceed ~~\$2,000,000~~\$6,000,000 at any one time outstanding, bearing interest at such a rate or rates and having such terms and provisions as the trustees may determine.

Sec. 2. P&SL 1951, c. 53, §17, as amended by P&SL 1979, c. 1 and P&SL 1981, c. 39, §§1 and 2, is further amended by adding at the end a new paragraph to read:

Notwithstanding any other provision of this section, the district, through its trustees, may issue bonds, notes or other evidences of indebtedness in amounts exceeding \$6,000,000 at any one time if a greater debt limit is established by referendum in the same manner as provided with respect to standard districts under the Maine Revised Statutes, Title 35-A, section 6413. The district may not have outstanding at any one time bonds, notes or other evidences of indebtedness in amounts exceeding any debt limit established by referendum conducted as provided with respect to standard districts under Title 35-A, section 6413.

Sec. 3. 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 Kennebunk Light and Power District by December 31, 2007. 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 purposes of registration of voters, the registrar of voters must be in session the secular day next preceding the election. The subject matter of section 1 is reduced to the following question:

"Do you favor increasing the debt limit of the Kennebunk Light and Power District from \$2,000,000 to \$6,000,000?"

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 Kennebunk 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, as long as the referenda are held prior to December 31, 2007.

SUMMARY

This bill raises the debt limit of the Kennebunk Light and Power District from \$2,000,000 to \$6,000,000 if approved at a local referendum as provided to standard districts under the Maine Revised Statutes, Title 35-A, section 6413. The bill creates a new provision that allows the trustees to exceed the \$6,000,000 limit if a greater debt limit is approved by referendum and specifies that the district not have outstanding any evidence of indebtedness exceeding the amount unless approved by referendum.