

§6103. Authority for taxation under default

1. Issuance of a warrant. If there is a default in the payment of the principal of, or interest on, a note, bond or other evidence of indebtedness issued by a water district created by special Act of the Legislature, the trustees, directors or managing board of the district shall, unless the default is cured, issue their warrant immediately to those portions of the municipality or municipalities which constitute the district.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

1-A. Issuance of warrant prior to default; commission review. A district that makes a determination regarding the district's anticipated revenues under this section may borrow money and issue a warrant in accordance with this subsection.

A. Notwithstanding subsection 1, if, prior to a default in the payment of the principal of or interest on a note, bond or other evidence of indebtedness issued by the water district, the district makes a reasonable determination that the district's anticipated revenues from the normal payment of water charges for services rendered for the period beginning on the date of the determination and ending on the last day of the then-current fiscal year will not be sufficient to pay the district's anticipated operating expenses for the same period, the district may borrow money in an amount sufficient to make the payment of principal and interest and other transaction costs related to the borrowing, and the trustees, directors or managing board of the district may issue the district's warrant immediately to those portions of the municipality or municipalities that constitute the district to repay the amount borrowed, plus interest.

When making the determination under this paragraph, the district shall include:

- (1) In its anticipated revenues, all other cash or funds held by or on behalf of the district that are available to pay its anticipated operating expenses and other expected or obligated expenditures; and
- (2) In its anticipated operating expenses, all other expected or obligated expenditures, including any obligation to replenish a reserve fund established with respect to the note, bond or other evidence of indebtedness. [PL 2025, c. 23, §1 (NEW).]

B. Within 30 days of the date the trustees, directors or managing board of the district issues the district's warrant pursuant to paragraph A, the district shall prepare and submit a financial management plan to the commission and each municipality that constitutes the district. The commission shall provide an opportunity for affected municipalities to provide input on the financial management plan, and the commission may in its discretion commence a proceeding to examine the financial management plan. [PL 2025, c. 23, §1 (NEW).]

C. This subsection applies to a district when the municipality or municipalities that constitute the district have previously approved this section or former Title 35, section 3211. For any other district, this subsection applies when approval pursuant to subsection 6 is obtained. [PL 2025, c. 23, §1 (NEW).]

[PL 2025, c. 23, §1 (NEW).]

2. Form of warrant. The form of the warrant shall be reasonably similar to the warrant used by the Treasurer of State for real estate taxes.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Assessment and collection of taxes. In the warrant for payment of the sum, the assessors in each municipality shall assess the sum allocated to the municipality or portion of the municipality upon the taxable estates within the municipality or portion of the municipality and shall commit their assessment to the constable or collector of the municipality, who shall have all authority, powers and duty to collect the taxes as is vested by law to collect state, county and municipal taxes.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Allocation if district is composed of more than one municipality. If the district is composed of more than one municipality or portion of a municipality, the trustees shall make the allocation on a basis resulting in a uniform rate applied to 100% of the state valuation on all taxable property within the water district.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

5. Treasurer to pay tax within 30 days. Within 30 days after the date fixed by the municipalities on which their taxes are due, the treasurer of the municipality shall pay the tax assessed to the treasurer of the district.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

6. Section not effective until approved by municipality. This section may not take effect until it or former Title 35, section 3211, has been approved at a regular or special meeting by a majority of the legislative body of the municipality or municipalities which constitute the district. The appropriate municipal official shall declare the action of the legislative body, file a certificate of it with the Secretary of State and with the clerk of the district.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). PL 2025, c. 23, §1 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Special Session of the 132nd Maine Legislature and is current through October 1, 2025. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.