



# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 1127

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H.P. 799

House of Representatives, March 21, 2013

**An Act To Establish Hospital Administrative District No. 5, a  
Regional Hospital Administrative District in Lincoln County**

(EMERGENCY)

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Reference to the Committee on State and Local Government suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative MacDONALD of Boothbay.  
Cosponsored by Senator JOHNSON of Lincoln and  
Representative: DEVIN of Newcastle.

1           **Mandate preamble.** This measure requires one or more local units of government  
2 to expand or modify activities so as to necessitate additional expenditures from local  
3 revenues but does not provide funding for at least 90% of those expenditures. Pursuant to  
4 the Constitution of Maine, Article IX, Section 21, 2/3 of all of the members elected to  
5 each House have determined it necessary to enact this measure.

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

8           **Whereas,** a regional hospital located in Lincoln County is vitally necessary at the  
9 earliest possible time to serve the needs of the people of the area; and

10           **Whereas,** in the judgment of the Legislature, these facts create an emergency within  
11 the meaning of the Constitution of Maine and require the following legislation as  
12 immediately necessary for the preservation of the public peace, health and safety; now,  
13 therefore,

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

15           **Sec. 1. Incorporation; purposes.** The inhabitants of the territory within the  
16 towns of Boothbay, Boothbay Harbor, Edgecomb and Southport in the County of Lincoln  
17 or a combination of the towns are constituted and confirmed a body politic and corporate  
18 to be known as "Hospital Administrative District No. 5" in order to provide for the health,  
19 welfare and public benefit of the inhabitants of the district and any persons outside the  
20 district who may seek or require medical care. The district shall acquire or construct,  
21 extend and improve a regional general hospital system, including, but not limited to,  
22 acute care facilities, extended care facilities, intermediate care facilities, freestanding  
23 satellite facilities and facilities designed for use as offices by physicians, to be located in  
24 a place or places either within the district or elsewhere for the care of the inhabitants of  
25 the district and those persons outside the district who may seek or require medical care,  
26 for the purposes of maintaining and operating a hospital system, including, but not  
27 limited to, acute care facilities, extended care facilities, freestanding satellite facilities and  
28 facilities designed for use as offices by physicians, and generally providing for the health  
29 and medical needs of the inhabitants of the district and any persons outside the district  
30 who may seek or require medical care. Without limiting the generality of this section, the  
31 district may also establish affiliated organizations, either alone or with others and either  
32 within the district or elsewhere, including medical centers, health care centers, nursing  
33 centers, laboratories, clinics and other medical, surgical or dental facilities, facilities to  
34 provide health-related shared services and such other organizations or entities, on a for-  
35 profit or nonprofit basis, as the district may determine necessary or desirable from time to  
36 time, in order to provide, alone or with others, for the health and medical needs of the  
37 inhabitants of the district and any persons outside the district who may seek or require  
38 medical care. The district may enter into joint ventures with providers or professionals  
39 offering health care services either within the district or elsewhere for the purpose of  
40 offering health care services to persons either within the district or elsewhere.

41           In effectuating any of the purposes of this section or any of the other purposes  
42 permitted to be engaged in by the district, the district may, subject to the provisions of

1 this Act, as amended and supplemented from time to time, acquire real or personal  
2 property or any interest in real or personal property either within the district or elsewhere,  
3 on either a temporary or long-term basis by gift, purchase, transfer, foreclosure, lease or  
4 otherwise, including rights of easements; hold, manage, operate, sell, assign, lease,  
5 encumber, mortgage or otherwise dispose of any real or personal property or any interest  
6 in real or personal property or mortgage interest owned by it under its control or custody  
7 or in its possession and release or relinquish any right, title, claim, lien, interest, easement  
8 or demand however acquired; apply for and accept from any source grants, loans,  
9 advances and contributions of money, property, labor or other things of value, to be held,  
10 used and applied for permitted purposes; and lease or rent any lands, buildings, structures,  
11 facilities or equipment from private parties to effectuate the purposes permitted to be  
12 engaged in by the district, including construction agreements, purchase or acquisition  
13 agreements, partnership agreements, including limited partnership agreements, limited  
14 liability company agreements, joint ventures, participation agreements and agreements  
15 with leasing corporations or other financial intermediaries.

16 In effectuating the purposes of this Act, the district shall initially operate a hospital  
17 and provide health care services from the existing St. Andrews Hospital and Healthcare  
18 Center campus in the Town of Boothbay Harbor as may be agreed upon between the  
19 district's board of directors and Maine Health, the owner of the St. Andrews Hospital and  
20 Healthcare Center.

21 **Sec. 2. Directors; powers and duties; limitations.** The district is governed by  
22 a board of directors composed of 3 members from the Town of Boothbay, 2 members  
23 from the Town of Boothbay Harbor and one member each from the Town of Edgecomb  
24 and the Town of Southport. The members must be elected by popular vote at the annual  
25 meeting in each town. Except as provided in this section, a member's term of office is 3  
26 years. In the first year of organization, elections may be held at the annual or special  
27 meeting at which the towns elect to join the district. At the first meeting of the board of  
28 directors, 2 directors must be assigned to one-year terms, 2 directors must be assigned to  
29 2-year terms and 3 directors must be assigned to 3-year terms. The terms must be  
30 decided by the drawing of lots by the board members, and the clerk of each town must be  
31 advised as to the result.

32 The board of directors constitutes the governing body of the district and is  
33 responsible for providing, in whole or in part, physical facilities for a hospital system and,  
34 where necessary or desirable, physical facilities for affiliated organizations either within  
35 the district or elsewhere, which must be equipped and staffed to meet needed health care  
36 services for the inhabitants of the district and any persons outside the district who may  
37 seek or require medical care. The board of directors shall adopt bylaws in accordance  
38 with legal requirements. It may provide for an executive committee from its  
39 membership, which may exercise all the powers of the board of directors between regular  
40 meetings of the board. The board of directors shall meet at regular, stated intervals;  
41 appoint committees for special purposes as needed; establish a formal means of liaison  
42 with the hospital medical staff by a joint conference committee; and appoint members of  
43 the medical staff and a qualified hospital administrator.

1 A vacancy on the board of directors occurring because of resignation or other loss of  
2 a member must be filled by appointment by the municipal officers of the town involved,  
3 to be effective until the next town meeting.

4 Each year the board of directors shall appoint a hospital administrator and elect a  
5 president, vice-president, treasurer and secretary. The hospital administrator serves as  
6 secretary ex officio for the board.

7 Each director may be paid \$100 for each official meeting of the board that the  
8 director attends, and a director may not be employed by the district. The treasurer may,  
9 in addition, be paid an annual salary, the stipend to be determined by the board.

10 **Sec. 3. How financed.** The board of directors shall adopt a financial plan to  
11 operate the district and provide such other services as the board determines, as provided  
12 and limited in this Act. The financial plan must call for services to be offered, with  
13 payment accepted from private and public sources, from self-pay patients, insured  
14 patients and other 3rd-party payors. The financial plan must include fund-raising in the  
15 communities served by the district, including acceptance of gifts and charitable  
16 donations. The financial plan must include services provided to low-income patients for  
17 reduced prices and charity care as required by law and determined by the board of  
18 directors to be consistent with the mission of the district and the financial plan. To  
19 procure funds to carry out the purposes of this Act, the district may, when necessary for  
20 the operation of the district and consistent with the mission of the district, through its  
21 board of directors, borrow money and issue bonds and notes to an indebtedness not to  
22 exceed 2% of the total state valuation of all towns that are members of the district. Bonds  
23 bear interest at such rates as the board of directors may determine, payable annually or  
24 semiannually and subject to other provisions as determined by the board of directors.  
25 Bonds and notes may be issued to mature serially or to run for such periods as the board  
26 of directors determines. If bonds or notes are issued to mature serially, the first principal  
27 payment on the bonds or notes must be made not later than 3 years from their date of  
28 issue. All bonds may, at the discretion of the board of directors, be made callable, and  
29 the amount of premium to be paid on call and the period for which the callable bonds  
30 may not be redeemable must be left to the discretion of the board of directors, as  
31 manifested by a vote of a majority of the board of directors.

32 All bonds and notes issued by the district must be signed by the treasurer and  
33 countersigned by the president of the district, and, if coupon bonds are issued, each  
34 coupon must be attested by the facsimile signatures of the president and treasurer printed  
35 on the coupon. The bonds and notes are legal obligations of the district and are legal  
36 investments for savings banks.

37 **Sec. 4. Sinking fund; refunding bonds.** In case any bonds or notes at any time  
38 issued are made to run for a period of years, as distinguished from serial maturity, the  
39 board of directors shall establish a sinking fund for the purpose of redeeming the bonds or  
40 notes when they become due. The amount to be paid annually into the sinking fund may  
41 not be less than 2% of the total principal amount of the bonds or notes originally issued  
42 and payments must commence not later than 3 years following the date of issue of the  
43 bonds or notes. In addition to the annual sinking fund payment, the board of directors

1 may from time to time add to a sinking fund any funds of the district not required for  
2 other purposes. Funds in a sinking fund may be deposited in any national bank, savings  
3 bank or trust company within the State or may be invested in whole or in part in any  
4 bonds of the United States or of the State of Maine or any political subdivision thereof, as  
5 the board of directors may determine. Interest received on any funds so invested must be  
6 added to the sinking fund. If the amount accumulated in a sinking fund, together with  
7 interest received or to be received on that amount, is sufficient to pay at maturity or, at  
8 the option of the board of directors, to redeem the bonds or notes for the benefit of which  
9 the sinking fund was established, all further payments to the sinking fund must cease.

10 Whenever bonds or notes issued by the district become due or can be purchased or  
11 called for redemption by the district on favorable terms, the board of directors, if  
12 sufficient funds have accumulated in the sinking fund provided for those bonds or notes,  
13 may pay, purchase or redeem the bonds or notes from the sinking fund and cancel them.  
14 In no case may bonds or notes so paid, purchased or redeemed and cancelled be reissued.

15 In case the amount in a sinking fund is not sufficient to pay the total amount, when  
16 due, of the bonds and notes for which the sinking fund was provided, or in case it  
17 becomes desirable in the opinion of the board of directors to call for redemption any  
18 outstanding bonds or notes and to issue new bonds or notes in their stead, the board of  
19 directors may refund so many of the original bonds or notes as cannot be paid or  
20 redeemed from the sinking fund, if any, but in no case may the new bonds or notes  
21 mature more than 50 years from the original date of issue of the original bonds or notes  
22 so refunded.

23 When an issue of bonds or notes has been authorized, the board of directors may  
24 issue or authorize the treasurer, with the approval of the president, to issue temporary  
25 notes in anticipation of the proceeds of the bonds or notes. Temporary notes may be  
26 issued for a period not to exceed 5 years and temporary notes issued for a shorter period  
27 may be renewed from time to time by the issue of other notes, as long as the period from  
28 the original date of issue to the date of maturity of the last renewal is not more than 5  
29 years. The term of temporary notes is not included in the 50-year period provided for in  
30 this section.

31 **Sec. 5. Referendum on bond issues.** When the board of directors authorizes the  
32 issue of bonds, an attested copy of the vote of the board of directors must be immediately  
33 filed with the municipal officers of each of the towns within the district and published in  
34 a newspaper having a circulation in the district not later than 10 days following the date  
35 on which the vote was adopted by the board of directors, together with a statement  
36 indicating that the vote will become effective unless before the expiration of 7 days from  
37 the date on which a copy of the vote was first published the president or the secretary of  
38 the board of directors receives a petition, signed by at least 10% of the residents in the  
39 district eligible to vote on the date of the directors' vote was adopted, requesting that the  
40 question of whether the bonds should be issued by the district be submitted to the voters  
41 of the district. The statement must also state the name and address of the president and  
42 secretary of the board of directors. A vote of the board of directors authorizing an issue  
43 of bonds under this Act may not become effective before the expiration of 7 days from  
44 the date upon which the vote and statement are published. If within that period a petition,

1 signed by at least 10% of the residents in the district eligible to vote on the date that the  
2 issuance of bonds was adopted by the board of directors as shown by the district's voting  
3 list, is filed with the president or the secretary of the board of directors asking that the  
4 question of whether the bonds should be issued be submitted to the voters of the district,  
5 the vote of the board of directors must be suspended from becoming effective and the  
6 board of directors shall immediately reconsider the vote. If the vote is not rescinded by  
7 the board of directors, the question of whether the bonds should be issued must be  
8 submitted by the board of directors to the voters of the district at a special meeting of the  
9 qualified voters in the district to be held in the district within 60 days of the receipt of the  
10 petition. The special meeting must be called and held as provided in section 11, except  
11 that the notice must set forth the vote of the board of directors authorizing the bonds the  
12 approval or disapproval of the issue of which is to be submitted to the voters of the  
13 district, together with the proposed form of the ballot to be used at the special meeting.  
14 At the special meeting a vote on the question of whether the bonds should be issued must  
15 be voted on by ballot, the form of which must be substantially as follows:

16 **OFFICIAL BALLOT**

17 **HOSPITAL ADMINISTRATIVE DISTRICT NO. 5**

18 Shall bonds of Hospital Administrative District No. 5 be issued in the amount of \$ \_\_\_\_\_,  
19 bearing interest not to exceed \_\_\_\_\_ percent for the purpose of procuring funds for the  
20 following purposes, viz.: (Insert brief description of purpose for which bonds are to be  
21 sold)?

22 If in favor of the bond issue, make a cross or check mark in the square below the word  
23 "YES"

24 If opposed to the bond issue, make a cross or check mark in the square below the word  
25 "NO"

26 If a majority of the qualified voters voting at the meeting approve the issue of the  
27 bonds, the vote of the board of directors authorizing the bonds becomes effective; if not  
28 so approved, the vote is void. The voters qualified to vote at the special meeting must be  
29 determined by use of the district voting list.

30 **Sec. 6. District voting list.** The board of directors shall appoint a resident of the  
31 district to make and keep a voting list of all residents in the district eligible to vote. This  
32 person is known as the registration clerk. The registration clerk shall compile a voting  
33 list from the voting lists of the municipalities within the district. At least 2 days before  
34 any meeting at which the inhabitants of the district are called upon to vote, the  
35 registration clerk shall bring this voting list up to date by comparing the voting list with  
36 those voting lists found in the towns of the district by making such additions and  
37 deletions as the registration clerk finds necessary. No additions or deletions may be made  
38 in the 2-day period prior to the meeting.

39 **Sec. 7. Authority to issue temporary notes in anticipation of revenues.** In  
40 any fiscal year, in anticipation of revenues for that year, the board of directors may, by a  
41 vote of a majority of its members, authorize the borrowing of money by the issuance and  
42 sale of temporary notes of the district.

1           The board of directors may, by vote of a majority of its members, authorize the  
2 borrowing of money by the issuance and sale of temporary notes of the district in  
3 anticipation of revenues. Such notes issued during the district's first 12 months of  
4 operation may not mature later than 3 years after issuance and may not exceed, in the  
5 aggregate, the sum of \$100,000. In any subsequent year, the board of directors may, by  
6 vote of a majority of its members, authorize the borrowing of money by the issuance and  
7 sale of temporary notes of the district in anticipation of revenues in an amount not to  
8 exceed the total amount of revenues expected by the board of directors to be received  
9 within one year from their date of issue, less the amount of any notes in anticipation of  
10 revenues. Such notes in anticipation of revenues may be renewed from time to time as  
11 long as the period during which the notes might have been outstanding is not extended.  
12 Notes in anticipation of revenues, or renewals of the notes, that are not paid at the end of  
13 3 years from the original issuance may be renewed for an additional period not exceeding  
14 one year, but there must be included in the budget for that year an amount sufficient to  
15 pay the notes.

16           **Sec. 8. Agreement for financial assistance authorized.** The district is  
17 authorized, by vote of at least a majority of the board of directors, to enter into an  
18 agreement with the State or Federal Government or any agency thereof or of any  
19 corporation or board authorized by the Federal Government or the State to loan money to  
20 or to otherwise assist in the financing of projects the district is authorized to finance by  
21 the issue of bonds as may be necessary or desirable. The right to enter into such an  
22 agreement is subject to the right of referendum reserved to the voters in section 5, if the  
23 district incurs liability under the agreement, and the provisions of sections 5 and 11 apply  
24 so far as appropriate to a special meeting called and held for the purpose of such a  
25 referendum.

26           **Sec. 9. Hospital rates; sinking fund.** The board of directors shall require all  
27 persons hospitalized or treated in any hospital or hospitals or other facility of the district  
28 to pay to the treasurer the rates established from time to time by the board of directors for  
29 hospital and related medical or surgical care. The board of directors may set rates that are  
30 lower for inhabitants of the district than for those hospitalized or treated persons who  
31 reside outside the district and the board may provide the level of uncompensated  
32 hospitalization and services as it determines to be in the best interests of the inhabitants of  
33 the district. Rates must be established, subject to other provisions of this Act, to provide  
34 revenue to:

35           **1. Expenses.** Pay the current expenses of operating and maintaining the hospital  
36 system owned by the district and to provide for any necessary equipment or facilities and  
37 for additions or renewals of equipment or facilities. The board of directors, in its  
38 discretion, may establish depreciation reserves as well;

39           **2. Interest.** Provide for the payment of the interest on the indebtedness created or  
40 assumed by the district; and

41           **3. Principal.** Provide each year a sum equal to pay the principal payable in that year  
42 on any outstanding obligations issued by the district or to pay the principal obligations  
43 payable in that year under any agreement entered into pursuant to section 8.

1           If a surplus remains at the end of the year, it may be transferred to an account for the  
2 purposes of paying the principal or interest on any outstanding obligation or it may be set  
3 aside in a surplus account for use by the district for any activity in which the district may  
4 engage.

5           **Sec. 10. Annual reports and budget.** The fiscal year of the district runs from  
6 July 1st to June 30th. At the close of the fiscal year and not later than October 31st each  
7 year, the board of directors shall make a report of its doings showing the financial  
8 condition of the district and other matters pertaining to the district in order to show the  
9 inhabitants of the district how the board of directors is fulfilling its duties and obligations.  
10 The report must also include the amount of income from patients and other sources  
11 during that fiscal year and the sum required each year to meet the bonds or notes falling  
12 due and what further sum is necessary to meet the interest on the bonds or notes or other  
13 obligations of the district and all other expenses necessary for the operation of the district,  
14 including temporary loans. Copies of the report must be filed with the municipal officers  
15 of each town within the district and may be distributed to the voters of the district by the  
16 respective towns in the same manner as is provided for town reports. The cost of printing  
17 the reports must be included in the operating budget of the district.

18           To the extent that the board of directors may decide that the district cannot operate  
19 within its income according to the hospital rates set by it, the board of directors shall  
20 determine what sum of money should be raised for (a) payment of principal payable in  
21 that year on outstanding bonds or notes or other obligations of the district; (b) payment of  
22 interest on the indebtedness incurred or assumed by the district; and (c) other specified  
23 expenses of the district, and, if the sum to be raised exceeds the total of (a) and (b), before  
24 the first day of May the board of directors shall hold a district budget meeting. At this  
25 meeting the budget must be thoroughly explained and the voters of the district must be  
26 given an opportunity to be heard. If a budget is presented in any given year, it is deemed  
27 approved except to the extent that it is disapproved by the voters of the district at the  
28 district budget meeting. The voters of the district have the right to disapprove all or any  
29 part of the budget presented by the board of directors, except for provision for the  
30 payment of interest on or the principal of notes or bonds or other obligations of the  
31 district. The amount over and above the estimated income of the district required to meet  
32 the expenses in the approved budget and the sums included in any budget for the payment  
33 of interest on or the principal of notes or bonds or other obligations of the district must be  
34 apportioned to the participating towns in the same ratio that each participating town's  
35 latest state valuation is to the total state valuation of all participating towns. The directors  
36 shall issue warrants in substantially the same form as a warrant of the Treasurer of State  
37 for each participating town that determines to provide a voluntary contribution to the  
38 district. A participating town may use the proceeds from gifts or trust funds allocated for  
39 hospital or medical purposes to reduce the actual amount of the voluntary contribution of  
40 the town. The treasurer of each town shall pay the amount to be paid to the district in 2  
41 equal installments to the treasurer of the district. The first installment must be paid on or  
42 before March 15th and the 2nd installment on or before September 15th.

43           **Sec. 11. District budget meeting.** When a district budget meeting is called to  
44 approve the hospital budget as prepared by the board of directors, the board of directors  
45 shall cause such a meeting to be held as follows.

1           **1. Warrant.** Each district budget meeting must be called by a warrant. The warrant  
2 must be signed by a majority of the directors.

3           **2. Form of warrant.** The warrant calling for the district budget meeting must be as  
4 follows.

- 5           A. It must specify the time and place of the meeting.
- 6           B. It must set forth the proposed hospital budget in a manner to be decided by the  
7 board of directors, and no other business may be acted upon.
- 8           C. It must be directed to any resident of the district by name, ordering that person to  
9 notify the voters within the district to assemble at the time and place appointed.
- 10          D. An attested copy of the warrant must be posted by the person to whom it is  
11 directed in some conspicuous public place in each of the towns within the district, at  
12 least 7 days before the meeting.
- 13          E. The person who gives notice of the meeting shall make the return on the warrant  
14 stating the manner of notice in each municipality and the time when it was given.

15           **3. Budget meetings.** The following provisions apply to the district budget meeting.

- 16          A. Each person whose name appears on the voting list of a municipality of the  
17 district may attend and vote at the meeting.
- 18          B. The president of the board of directors shall open the meeting by calling for the  
19 election of a moderator, receiving votes for a moderator and swearing in the  
20 moderator.
- 21          C. As soon as the moderator has been elected and sworn, the moderator shall preside  
22 at the meeting, and the moderator has all the powers granted to the moderator of a  
23 town meeting under the Maine Revised Statutes.
- 24          D. The secretary of the board of directors shall record accurately all the votes of the  
25 meeting.
- 26          E. A majority vote of the legal voters present and voting is determinative of any vote  
27 or motion placed before the meeting.

28           **Sec. 12. Dissolution.** The district may be dissolved only if all participating towns  
29 agree to dissolve it by vote at legally constituted town meetings in the towns. If the  
30 district has any outstanding indebtedness, it may not be dissolved.

31           In the event of dissolution of the district, all property, real, personal or mixed, must  
32 be marshaled and converted into cash in a manner to be determined by a majority vote of  
33 the board of directors and distribution must then be made among the respective towns in  
34 the same ratio that each participating town's latest state valuation is to the total state  
35 valuation of all the participating towns.

36           **Sec. 13. Other towns may join.** A town that does not belong to the district may  
37 be included in the district if the town votes by a majority vote at a meeting legally called  
38 and held to join the district and the voters of the district by majority vote at a district  
39 meeting called and held for that purpose votes to authorize the addition of the requesting

1 town. The provisions of section 11, as appropriate, apply to any such district meeting.  
2 The town shall assume a proportionate share of any outstanding indebtedness of the  
3 district then existing.

4 **Sec. 14. Acceptance subject to referendum.** This Act takes effect only for the  
5 purpose of permitting its submission to the legal voters of the Town of Boothbay, the  
6 Town of Boothbay Harbor, the Town of Edgecomb and the Town of Southport at regular  
7 or special meetings called for that purpose before June 30, 2013. The town meetings  
8 must be called, advertised and conducted according to the law relating to municipal  
9 elections, except that the registrars of voters are not required to prepare, nor the clerks to  
10 post, new lists of voters and for the purpose of registration of voters the registrars of  
11 voters must be in session on the secular day next preceding the regular or special  
12 meetings.

13 The municipal clerks shall reduce the subject matter of this Act to the following  
14 question: "Shall the Act creating Hospital Administrative District No. 5, passed by the  
15 126th Legislature, be accepted?" The voters shall indicate their choice by a cross or  
16 check mark placed below the word "Yes" or "No."

17 This Act takes effect for all purposes immediately upon its acceptance by a vote of at  
18 least 2/3 of the voters voting in the election in at least 3 of the towns, two of which must  
19 be the Town of Boothbay and the Town of Boothbay Harbor, as long as the total number  
20 of votes cast at each accepting town's town meeting equals or exceeds 15% of the total  
21 votes cast for all candidates for Governor in the town at the preceding gubernatorial  
22 election. Failure of approval by the necessary percentage of voters at any meeting does  
23 not prevent a subsequent meeting or meetings from being held for the same purpose on or  
24 before June 30, 2013. The result of the vote must be declared by the municipal officers  
25 of the towns, and due certification must be filed by the town clerks with the Secretary of  
26 State.

27 If this Act takes effect in accordance with this section and one town fails to accept  
28 this Act, the district does not include the territory or inhabitants of the town and the town  
29 has no right to be represented by a director on the board of directors and is not entitled to  
30 the benefits of membership in the district. It does, however, have all rights as if it had  
31 originally accepted this Act if it does accept this Act on or before June 30, 2013.

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

#### 34 **SUMMARY**

35 This bill authorizes the voters of the Town of Boothbay, the Town of Boothbay  
36 Harbor, the Town of Edgecomb and the Town of Southport to hold a referendum to  
37 establish Hospital Administrative District No. 5, a regional hospital administrative district  
38 in Lincoln County. The vote of the towns must take place at town meetings and the  
39 Town of Boothbay, the Town of Boothbay Harbor and at least one other town must  
40 approve the district by June 30, 2013 in order to establish the district.

