



131st MAINE LEGISLATURE

SECOND REGULAR SESSION-2024

Legislative Document

No. 2254

S.P. 972

In Senate, March 6, 2024

**An Act to Clarify Permissible Election and Lobbying Expenditures
by Consumer-owned Water Utilities**

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant".

DAREK M. GRANT
Secretary of the Senate

Presented by Senator LAWRENCE of York.

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

3 **Whereas,** legislation was enacted during the First Special Session of the 131st
4 Legislature amending the laws governing political expenditures, lobbying expenditures,
5 trade association contributions and educational expenditures made by a public utility or an
6 affiliated interest; and

7 **Whereas,** the new provisions of law include exemptions for consumer-owned water
8 utilities related to educational expenditures and trade association contributions but not for
9 lobbying expenditures or certain local referendum election expenditures; and

10 **Whereas,** the Public Utilities Commission is currently engaging in rulemaking that
11 will include interpreting the new laws; however, rulemaking will not be completed before
12 adjournment of the Second Regular Session of the 131st Legislature; and

13 **Whereas,** the Public Utilities Commission, through the rule-making process, could
14 interpret the new laws to effectively prohibit or significantly limit a consumer-owned water
15 utility from engaging in lobbying activities or activities necessary to finance legally
16 required trustee elections or referendum elections and notify the public about those
17 elections; and

18 **Whereas,** in the judgment of the Legislature, it is important to clarify these new laws
19 with respect to consumer-owned water utilities during the Second Regular Session of the
20 131st Legislature and for the changes to take effect earlier than 90 days after the date of
21 adjournment; and

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

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

27 **Sec. 1. 35-A MRSA §302, sub-§2, ¶A,** as enacted by PL 2023, c. 286, §1, is
28 amended to read:

29 A. Contributions or gifts to political candidates, political parties, political or legislative
30 committees or any committee or organization working to influence referendum
31 petitions or elections. Nothing in this paragraph prohibits a consumer-owned water
32 utility from undertaking expenditures related to notifying the public of or conducting
33 trustee elections or local referendum elections directly related to or legally required for
34 the operation of a consumer-owned water utility;

35 **Sec. 2. 35-A MRSA §302, sub-§2, ¶C,** as enacted by PL 2023, c. 286, §1, is
36 amended to read:

37 C. Expenditures for lobbying or grassroots lobbying. This paragraph does not apply
38 to a consumer-owned water utility; and

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

SUMMARY

This bill clarifies that consumer-owned water utilities may include or incorporate in operating expenses to be recovered in rates the following:

1. Expenditures related to notifying the public of or conducting trustee elections and local referendum elections directly related to or legally required for the operation of such utilities; and

2. Expenditures for lobbying or grassroots lobbying.