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Sponsor Amendment to LD 245, An Act Regarding Rural Water Districts

Strike everything after the enacting clause and replace with the following:

Sec. 1. 22 MRSA §2610-A is enacted to read:

S2610-A Small Consumer-Owned Water Utility Infrastructure Fund.

1. Establishment; administration. The Small Consumer-owned Water Utility Infrastructure Fund, referred to in this section as "the fund," is established as provided in this section.

A. The fund is established as a nonlapsing fund to provide grant, in accordance with subsection 2, for infrastructure needed by small consumer-owned water utilities.

B. The department shall administer the fund. The fund must be established and held separate from any other funds and used and administered exclusively for the purpose of this section. The fund consists of the following:

(1) Sums that are appropriated by the Legislature;

(2) Sums received from the federal government; and

(3) Other funds from any public or private source received for use for any of the purposes for which the fund has been established.

2. Uses. The fund, to the extent funds are available may be used for one or more of the following purposes:

A. To make grants to small consumer-owned water utilities, pursuant to this section, for the infrastructure improvements;

and

B. To pay the costs of the department associated with the administration of the fund, as long as no more than 5% of the aggregate of the highest fund balance in any fiscal year is used for these purposes.

3. Rules. The department shall adopt rules necessary to implement this section, including rules to determine how grants will be awarded and establishing caps on grant amounts. Rules adopted by the department pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

For the purposes of this section “small consumer-owned water utility” has the same meaning as in Title 35-A, section 6104-A, paragraph C.

Sec. 2. 35-A MRSA § 6410-A is enacted to read:

§6410-A. Consumer owned water utilities; lack of quorum

1. Appointment of receiver. If, after investigation, the commission determines that the board of trustees of a consumer-owned water utility lacks a sufficient number of duly elected trustees to constitute a quorum, the commission may appoint a receiver to oversee the operations of the utility. A receiver appointed by the commission pursuant to this subsection shall have all the authorities granted to a full board of trustees pursuant to this chapter until such time as the board of trustees for the utility includes a sufficient number of duly elected trustees to constitute a quorum.

2. Rules. The commission may adopt by rule standards and procedures necessary for the administration of this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

3. Costs. The commission may include the cost of appointing receivers pursuant to subsection 1 in the assessment charged to consumer-owned water utilities in accordance with section 116, subsection 1.

Sec. 3. Transfer from General Fund unappropriated surplus; Small Consumer-owned Utility Infrastructure Fund. Notwithstanding any other provision of law, the State Controller shall transfer \$200,000 on or before November 15, 2021 from the General Fund unappropriated surplus to the Small Consumer-owned Water Utility Infrastructure Fund established in the Maine Revised Statutes, Title 22, section 2610-A, unless an equivalent amount of Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act 2021 are deposited into the fund prior to that date.

SUMMARY

This bill creates the Small Consumer-owned Water Utility Infrastructure Fund to provide grants for infrastructure improvements to small consumer-owned water utilities.

This bill also allows the Public Utilities Commission to appoint a receiver if after opening an investigation determines that a consumer-owned water utility does not have a quorum of trustees necessary for continued operation. It allows the commission to adopt routine technical rules that include standards and procedures. It allows the costs associated with appointing a receiver to be included in the yearly utility assessment.