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Date: (Filing No. S-)

ENERGY, UTILITIES AND TECHNOLOGY

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
130TH LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 106, L.D. 245, “An Act Regarding Rural Water Districts”

Amend the bill by striking out everything after the enacting clause and inserting the following:

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

§2610-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 grants, 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) Funds that are appropriated by the Legislature;
- (2) Funds received from the Federal Government; and
- (3) Other funds from any public or private source received for use for any of the purposes under subsection 2.

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

A. To make grants to small consumer-owned water utilities, pursuant to this section, for 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 this purpose.

COMMITTEE AMENDMENT

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

5 For the purposes of this section, "small consumer-owned water utility" has the same
6 meaning as in Title 35-A, section 6104-A, subsection 1, paragraph C.

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

8 **§6410-A. Consumer-owned water utilities; lack of quorum**

9 **1. Appointment of receiver.** If, after investigation, the commission determines that
10 the board of trustees of a consumer-owned water utility, as defined in section 6101,
11 subsection 1-A, lacks a sufficient number of duly elected trustees to constitute a quorum,
12 the commission may appoint a receiver to oversee the operations of the utility. A receiver
13 appointed by the commission pursuant to this subsection has all the authorities granted to
14 a full board of trustees pursuant to this chapter until such time as the board of trustees for
15 the utility includes a sufficient number of duly elected trustees to constitute a quorum.

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

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

22 **Sec. 3. Transfer from General Fund unappropriated surplus; Small**
23 **Consumer-owned Water Utility Infrastructure Fund.** Notwithstanding any
24 provision of law to the contrary, the State Controller shall transfer \$200,000 on or before
25 November 15, 2021 from the General Fund unappropriated surplus to the Small Consumer-
26 owned Water Utility Infrastructure Fund established in the Maine Revised Statutes, Title
27 22, section 2610-A, unless an equivalent amount of coronavirus state and local fiscal
28 recovery funds under the federal American Rescue Plan Act of 2021 are deposited into the
29 fund prior to that date.

30 **Sec. 4. Appropriations and allocations.** The following appropriations and
31 allocations are made.

32 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

33 **Small Consumer-owned Water Utility Infrastructure Fund N387**

34 Initiative: Provides allocation to the Small Consumer-owned Water Utility Infrastructure
35 Fund established in the Maine Revised Statutes, Title 22, section 2610-A.

36	OTHER SPECIAL REVENUE FUNDS	2021-22	2022-23
37	All Other	\$200,000	\$0
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39	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$200,000</u>	<u>\$0</u>

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41 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
42 number to read consecutively.

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SUMMARY

This amendment replaces the bill, which is a concept draft. The amendment creates the Small Consumer-owned Water Utility Infrastructure Fund to provide grants for infrastructure improvements to small consumer-owned water utilities.

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

It also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See attached)