

HOUSE No. 3303

By Mr. Fagan of Taunton, petition of James H. Fagan relative to the indebtedness of municipal lighting plants. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO THE INDEBTEDNESS OF MUNICIPAL LIGHTING PLANTS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 8 of Chapter 44 of the General Laws, so
2 appearing in the 2004 Official Edition, is hereby amended by adding
3 a new paragraph (8B):—

4 (8B) For paying power supply contract termination costs, which
5 are incurred by an electric lighting plant as part of a plan to restruc-
6 ture its power supply arrangements, with its wholesale supplier or
7 suppliers of electricity for resale by the electric lighting plant,
8 twenty years; but the outstanding indebtedness so incurred shall not
9 exceed in a town five per cent and in a city two and one-half per cent
10 of the equalized valuation of such town or city; provided, however,
11 that the emergency finance board, established under chapter forty-
12 nine of the acts of nineteen hundred and thirty-three, may authorize
13 a city to incur indebtedness under this clause in excess of two and
14 one-half per cent but not in excess of five per cent of the equalized
15 valuation of such city, and may authorize a town to incur indebted-
16 ness under this clause in excess of five per cent but not in excess of
17 ten per cent of the equalized valuation of such town.

1 SECTION 2. Chapter 164 of the General Laws, so appearing in
2 the 2004 Official Edition, is hereby amended by adding a new
3 Section 40A:—

4 40A. A city or town which has duly voted to acquire a municipal
5 lighting plant may incur debt as provided for in section eight of
6 chapter forty-four for paying power supply contract termination

7 costs, which are incurred by an electric lighting plant as part of a
8 plan to restructure its power supply arrangements with its wholesale
9 supplier or suppliers of electricity for resale by the electric lighting
10 plant.