
By Mr. Fagan of Taunton, petition of James H. Fagan relative to the indebtedness of municipal lighting plants. Government Regulations.

The Commonwealth of Massachusetts

In the Year Two Thousand and Three

AN ACT RELATIVE TO CITIES AND TOWNS BORROWING OUTSIDE THEIR DEBT LIMIT.

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 1994 Official Edition, is hereby amended by
3 adding a new paragraph (8B):—

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

1 SECTION 2. Chapter 164 of the General Laws, so appearing in
2 the 1997 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 munic-
5 ipal lighting plant may incur debt as provided for in section eight
6 of 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 whole-
9 sale supplier or suppliers of electricity for resale by the electric
10 lighting plant.