

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 958

H. P. 712

House of Representatives, February 18, 1971

Referred to Committee on Legal Affairs. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Orestis of Lewiston.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

AN ACT to Extend the Period of Anticipatory Borrowing by Municipalities.

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

R. S., T. 30, § 5152, sub-§ 1, amended. Subsection 1 of section 5152 of Title 30 of the Revised Statutes is amended to read as follows:

1. **Anticipatory borrowing.** The municipal officers authorized to issue securities may borrow money in anticipation of their sale by issuing temporary notes and renewal notes, the total face amount of which does not exceed at any time outstanding the authorized amount of the securities, but the period of such anticipatory borrowing shall not exceed ~~one year~~ **2 years** and the time within which such securities are to become due shall not be extended by such anticipatory borrowing beyond the time fixed in the vote authorizing their issue or, if no term is there specified, beyond the term permitted by law.

STATEMENT OF FACT

Where municipalities have engaged in large capital projects, e.g. sewage treatment plants, which require federal financial assistance, said municipalities have discovered that the present limitation on borrowing in anticipation of issuing securities causes financial hardship in said municipalities. This Act is for the purpose of eliminating said cause of financial hardship.