

MAINE STATE LEGISLATURE

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(EMERGENCY)
FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 434

H. P. 335

House of Representatives, February 8, 1979

Referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Wentworth of Wells.

Cosponsor: Mrs. Prescott of Hampden.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

**AN ACT Extending Reimbursement to Municipal Clerks and Municipalities for
Revenue Loss Due to Amendment of the Uniform Commercial Code.**

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, Maine law requires municipal clerks to perform certain vital duties on behalf of the State; and

Whereas, prior to January 1, 1978 a substantial part of clerks' compensation was derived from fees received for filing financing statements under the Uniform Commercial Code, Article 9; and

Whereas, changes in the law effective January 1, 1978 have significantly reduced these revenues; and

Whereas, the 108th Legislature provided reimbursement for these lost revenues only during the 1978 calendar year; and

Whereas, the 108th Legislature directed a study of the duties performed by municipal clerks and municipalities on behalf of the State for the purpose of devising a reasonable and appropriate method of compensation for the duties required of them; and

Whereas, a permanent means of compensation adopted by the 109th Legislature may not provide adequate compensation during the 1979 calendar year; and

Whereas, PL 1977, c. 702 requires that this Legislature determine an amount to be disbursed to clerks and municipalities on June 15, 1979 to reimburse them for revenues lost during the first 6 months of 1979; and

Whereas, in the judgment of the Legislature these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

PL 1977, c. 702, § 3, sub-§ 1-A is enacted to read:

1-A. Extension of reimbursement formula.

A. On June 15, 1979, the Treasurer of State shall disburse to each municipality an amount equal to 60% of the total fees received by the municipal clerk for the filing financing statements under the Uniform Commercial Code, Article 9, during the first 6 months of the 1977 calendar year.

B. On December 15, 1979, the Treasurer of State shall disburse to each municipality an amount equal to 50% of the total fees received by the municipal clerk for filing financing statements under the Uniform Commercial Code, Article 9, during the 2nd 6 months of the 1977 calendar year.

No municipality shall receive any moneys under this section unless and until the municipal clerk shall have filed with the Treasurer of State a certified audit or a sworn notarized statement of the filing fees received during the 1977 calendar year.

If a municipal clerk received Uniform Commercial Code payments as part of his compensation during the 1977 calendar year, he shall be entitled to the reimbursement under this section. In the event that actions of the municipality have increased his compensation to compensate for losses attributable to the amendment of the Uniform Commercial Code, the municipal officers shall determine what proportion, if any, shall be paid to their respective municipal clerk.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

As stated in the preamble, the 108th Legislature recognized the fact that municipal clerks perform many vital functions and duties on behalf of the State and that certain changes in the law relating to the filing of financing statements under the Uniform Commercial Code, Article 9, have significantly decreased

revenues which form a major portion of the compensation of many clerks. PL 1977, c. 702 set forth a formula to temporarily reimburse clerks and municipalities for these losses and directed that the 109th Legislature determine the amount to be disbursed on June 15, 1979 to compensate for losses during the first 6 months of 1979. Also, the Joint Standing Committee on State and Local Government was directed to study the duties which state law requires municipal clerks and municipalities to perform and reasonable and appropriate methods by which the State may compensate them in the future. The extension of the declining reimbursement formula set forth in PL 1977, c. 702 is necessary to replace revenues lost for the interim period in which this study takes place and a more permanent means of compensation is put into effect.

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