

(EMERGENCY) SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1697

S. P. 659 Office of the Secretary of the Senate The Committee on Education suggested. Approved for introduction by the Legislative Council pursuant to Joint Rule 26.

MAY M. ROSS, Secretary of the Senate Presented by Senator Katz of Kennebec

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

AN ACT to Validate Proceedings Authorizing the Issuance of Bonds and Notes by School Administrative District No. 37.

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

Whereas, the Maine Revised Statutes, Public Law 1979, chapter 260, Title 20, chapter 502, section 3471, subsection 2, paragraph E, subparagraph (4), divisions (a) to (e), relating to school construction projects were amended to require that, in the case of a School Administrative District, the article submitted for a vote in an election conducted in accordance with Title 20, section 225 indicate:

"(a) That the initial local share of the total cost of the project shall be 5% of the total cost or one mill multiplied by the unit's initial state valuation, whichever is less;

(b) The actual initial local share;

(c) That the entire additional operating costs of the new project during its first 2 years shall be borne by revenues raised by the administrative unit;

(d) The estimated amount of the additional operating costs during each of the first 2 years; and

(e) The rate of the reimbursement from state general fund revenue sources for debt service costs in the year in which the project received concept approval;" and

Whereas, in accordance with the warrants issued for a referendum election of School Administrative District No. 37 held in the member Towns of Addison, Cherryfield, Columbia, Columbia Falls, Harrington and Milbridge on November 6, 1979, the legal voters of the towns comprising School Administrative District No. 37 voted by ballot on the articles:

ARTICLE 1.

Shall the school directors of School Administrative District No. 37 be authorized to expend up to but not exceeding the sum of \$1,551,500 for the purpose of acquiring land and constructing and equipping an elementary school to be located on Route 1A in Harrington, Maine, on land now owned by Floralee Randall?

ARTICLE 2.

Shall the school directors of School Administrative District No. 37 be authorized to issue bonds or notes in the name of said district for a school construction project in an amount not to exceed \$1,493,350 for the purpose of acquiring land and constructing and equipping an elementary school to be located on Route 1A in Harrington, Maine, on land now owned by Floralee Randall?

(This is the maximum amount eligible for state reimbursement under the Maine Revised Statutes, Title 20, chapter 502.)

ARTICLE 3.

Shall the school directors of School Administrative District No. 37 be authorized to issue bonds or notes in the name of said district for a school construction project in an amount not to exceed \$58,150 for the purpose of acquiring land and constructing and equipping an elementary school to be located on Route 1A in Harrington, Maine, on land now owned by Floralee Randall?

(This amount of \$58,150 is the district's share of the facility's total construction cost of \$1,551,500 and is not eligible for state reimbursement under the Maine Revised Statutes, Title 20, Chapter 502. Additionally, the entire operating costs of the new project during its first 2 years* shall be borne by the district. *Estimated to be \$9,000 per year;) and

Whereas, on referendum Article 1, 668 "yes" votes were cast and 475 "no" votes were cast; on referendum Article 2, 658 "yes" votes were cast and 471 "no" votes were cast; on referendum Article 3, 674 "yes" votes were cast and 459 "no" votes were cast; and

Whereas, School Administrative District No. 37 proposes to construct a new

elementary school and must award contracts in the immediate future for engineering and constructions, and proposes to apply to the Maine Municipal Bond Bank for the purchase by the bond bank of not in excess of \$1,551,500, principal amount of bonds of School Administrative District No. 37 for the construction of the new elementary school; and

Whereas, in view of the fact that the articles submitted to the voters of the towns comprising School Administrative District No. 37 at the referendum elections on November 6, 1979, were not in the precise form presented by chapter 260, it may be impossible to secure the necessary legal approval for the issue of bonds for the new elementary school; and

Whereas, the construction of the new elementary school is essential to the health and well-being of the school children of School Administrative District No. 37; 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:

Sec. 1. Referendum vote validated. The majority vote of the voters of the towns comprising School Administrative District No. 37 at the referendum elections held November 6, 1979, approving the issuance of bonds or notes for an elementary school construction project in amounts up to \$1,551,500 is declared to have resulted from an election conducted in accordance with the Maine Revised Statutes, Title 20, section 3471, subsection 2, paragraph E, as amended by the Public Laws of 1979, chapter 260.

Sec. 2. Authorization. School Administrative District No. 37, composed of the residents of and the territory within the Towns of Addison, Cherryfield, Columbia, Columbia Falls, Harrington and Milbridge, is authorized to issue and sell its bonds or notes for capital outlay purposes, not exceeding the principal amount of \$1,551,500 under and pursuant to the applicable provisions of the Maine Revised Statutes, Title 20, section 3471, as amended, without the necessity of further proceedings in the member municipalities. The proceedings taken at the district referendum election held in each member municipality on November 6, 1979, wherein it was voted to authorize the school directors of School Administrative District No. 37 to issue bonds or notes in the name of the district for capital outlay purposes in an aggregate amount not to exceed \$1,551,500 and all action heretofore taken pursuant thereto by the school directors, officers and agents of the district are confirmed, validated and made effective.

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

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STATEMENT OF FACT

The purpose of this bill is to relieve School Administrative District No. 37 from the financial burden and delay which would be caused by the necessity of holding another election for approval of the school construction project which was approved by the voters November 6, 1979.

The 109th Legislature enacted Public Law 1979, chapter 260, effective September 14, 1979, amending the required language for voter approval of school construction projects under the Maine Revised Statutes, Title 20, section 3471, subsection 2, paragraph E.

School Administrative District No. 37, acting in reliance on the law in effect at the time it commenced its application to the State Board of Education for its approval and on advice of the State Board of Education, submitted to a vote on November 6, 1979, a school construction project for which the warrant and ballots did not contain the precise language added by chapter 260. The project was approved by the voters.

School Administrative District No. 37 faces an immediate need for additional facilities for the next school year and, in order to complete facilities by then, contracts must be signed now so that construction can commence in the spring.