

MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1609

House of Representatives, April 27, 1967
Reported by the Committee on Education. Printed under House Rule 33.

BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

COMMITTEE AMENDMENT "A" to H. P. 1082, L. D. 1547, Bill, "An Act
Creating the Town of Old Orchard Beach School District."

Amend said Bill by striking out all of section 1 (same in L. D. 1547) and inserting in place thereof the following:

Sec. 1. Town of Old Orchard Beach School District, incorporated. Subject to the provisions of this Act, the inhabitants of and the territory within the Town of Old Orchard Beach are created a body politic and corporate under the name of "Town of Old Orchard Beach School District" for the purpose of acquiring lands within the said district for school purposes; and erecting, equipping and maintaining on said lands a school building or buildings with the right to let or lease all property owned by said district to said town; all for the benefit of the inhabitants of said district. The said school building or buildings may be connected to or be by way of addition to the Old Orchard Beach High School and gymnasium.

Further amend said Bill by striking out all of the first paragraph of section 3 (same in L. D. 1547) and inserting in place thereof the following paragraphs:

'As soon as practicable after the acceptance of this Act, as hereinafter provided, the town council of the Town of Old Orchard Beach shall initially appoint 5 trustees of said district, who shall be residents of said district, to hold office as follows, respectively, and in each case until their successors shall be duly chosen: One until the end of the first municipal year of the Town of Old Orchard Beach following the acceptance of this Act; one until the close of the 2nd such municipal year; one until the close of the 3rd such municipal year; one until the close of the 4th such municipal year; and the last until the close of the 5th such municipal year. After such initial appointments, successors shall be appointed annually at the close of each municipal year by the town council of the Town of Old Orchard Beach for terms of 5 years.

As soon as practicable after they have been initially appointed, the trustees shall meet upon call of one of their number, after such reasonable notice as he shall deem proper has been given to the others.

At such first meeting, they shall organize by the election from their membership of a president, clerk and treasurer, adopt a corporate seal and bylaws and do all other acts, matters and things necessary to perfect their organization. Thus organized, the trustees shall have the right and authority to employ such officers and agents as they may deem necessary for the proper conduct and management of the affairs of the district. Removal of residence from the district by any trustee shall ipso facto vacate his office. Vacancies upon the board of trustees occurring because of such removal, resignation, death or any other cause shall be filled by the town council of the Town of Old Orchard Beach for the unexpired term.'

Further amend said Bill by striking out all of the last paragraph of section 3 and inserting in place thereof the following :

'At the close of each fiscal year, the trustees shall make a detailed report of their doings, of the financial condition of said district and the physical condition of said school building or buildings and also such other matters and things pertaining to said district as shall show the inhabitants thereof how they are fulfilling the duties and obligations of their trust; said reports to be made, attested to and filed with the town council of said town.'

Further amend said Bill by striking out all of section 4 and inserting in place thereof the following :

'Sec. 4. How financed. To procure funds for the purposes of this Act and such other expenses as may be necessary for the carrying out of said purposes, the said district, by its trustees, is authorized to issue and sell its bonds and notes, but shall not incur a total indebtedness exceeding the sum of \$600,000. Each bond or note shall have inscribed upon its face the words "Town of Old Orchard Beach School District" and shall bear interest at such rates as the trustees shall determine. Said bonds and notes may be issued to mature serially or made to run for such periods as said trustees may determine, but the same shall not run for a longer period than 25 years from the date of issue. Said bonds or notes may be made callable at par or with such premium as the trustees may determine. The form and other details of such bonds or notes shall be determined by the trustees.

All notes or bonds issued by said district shall be signed by the treasurer and countersigned by the president of the district, and if coupon bonds are issued, each coupon shall be attested by a facsimile signature of the treasurer printed thereon. The said district is authorized and empowered to enter into such agreements with the State or Federal Government or any corporation, agency or board authorized by the State or Federal Government to loan money or otherwise assist in the financing of such projects as the district is authorized to carry out, as may be necessary or desirable to accomplish the purpose of this Act.

Said bonds and notes shall be legal obligations of said district, which is declared to be a quasi-municipal corporation within the meaning of the Revised Statutes of 1964, Title 30, section 5053, and all provisions of said section as the same may

be amended shall be applicable thereto. The said bonds and notes shall be legal investments for savings banks.'

Further amend said Bill by striking out all of the first paragraph of section 5 and inserting in place thereof the following :

'In case any issue of said bonds or notes is made to run for a period of years, as distinguished from serial maturities, a sinking fund shall be established by the trustees of said district for the purpose of redeeming or paying said bonds or notes when they become due. The amount to be paid annually into such sinking fund shall not be less than 5% of the total principal amount of such bonds or notes originally issued to which such sinking fund relates. Funds in any sinking fund may be deposited in a savings bank within the State or may be invested in any United States Government obligations, state obligations or the obligations of any political subdivision thereof as the trustees shall determine. Interest received on any funds so invested shall be added to the sinking fund. When and if the amount accumulated in any sinking fund, together with interest received or to be received thereon, shall be sufficient to pay at maturity or, at the option of the trustees, to redeem the bonds or notes for the benefit of which such sinking fund was established, all further payments to such sinking fund may cease.'

Further amend said Bill by striking out all of the 3rd paragraph of section 5 and inserting in place thereof the following :

'In case the amount in any sinking fund shall not be sufficient to pay the total amount when due of the bonds or notes for which such sinking fund was provided, or in case it shall become desirable in the opinion of the trustees to call for redemption or purchase any outstanding bonds or notes and to issue new bonds or notes in their stead, authority is granted to refund so many of said bonds or notes as cannot be paid or redeemed or purchased from the sinking fund provided therefor, if any, but in no case shall such new bonds or notes mature more than 25 years from the original date of issue of the original bonds or notes so refunded.'

Further amend said Bill by striking out all of sections 6, 7 and 8 and inserting in place thereof the following :

'Sec. 6. Assessment of taxes authorized to meet indebtedness; how collected. The trustees of the Town of Old Orchard Beach School District shall determine the sum to be paid annually into the sinking fund, or, if the bonds or notes authorized by this Act shall be issued to mature serially, what amount is required each year to meet the bonds falling due, and what sum is required each year to meet the interest on said bonds or other obligations and what sum is reasonably required to meet the other necessary expenses in the district, and shall each year, before the first day of April, issue their warrant in the same form as the warrant of the Treasurer of State for taxes, with proper changes, to the assessors of the Town of Old Orchard Beach, requiring them to assess the total sum so determined upon the taxable polls and estates within said district and to commit their assessment to the constable or collector of taxes of said town, who shall have all and the same power and authority to collect said taxes as is vested in him by law to collect state, county and municipal taxes. On or before the 31st day of December of the year in which said tax is so levied, the treasurer of said town shall

pay the amount of the tax so assessed against said district to the treasurer of said district. In the case of the failure on the part of the treasurer of the town to pay the said sum, or in the case of his failure to pay any part thereof on or before said 31st day of December of the year in which said tax is so levied, the treasurer of said district may issue his warrant for the amount of said tax or so much thereof as shall then remain unpaid, to the sheriff of York County, requiring him to levy by distress and sale on real and personal property of any of the inhabitants of said district, and the sheriff or any of his deputies shall execute said warrant, except as is otherwise provided herein. The same authority as is vested in county officials for the collection of county taxes under the Revised Statutes is vested in the trustees of said district and all officials directed by them in relation to the collection of taxes within said district.

Sec. 7. Authorization. The Town of Old Orchard Beach School District is authorized to receive from the Town of Old Orchard Beach, and the town council of said Town of Old Orchard Beach is authorized to convey to said district any school lands, buildings and other school properties, including said high school and gymnasium, situated in the Town of Old Orchard Beach and to turn over to said school district such sums of money as it may raise either by taxation or by bond issue for the purpose of construction of a 6th, 7th and 8th grade building addition to the high school building, together with the sum of \$120,000, being the balance of moneys representing insurance coverage upon the destroyed grade building. Said school district is authorized to accept gifts, grants or devises for the purpose of construction of any school building or the equipping thereof.

Sec. 8. Provisions for termination of the board of trustees. At such time as all school buildings owned by the district shall have been completed, equipped and occupied by pupils of said district and the board of trustees of the district shall have discharged all of its principal obligations and the property of said district shall be free and clear of all indebtedness, the board of trustees shall automatically cease to function and all the duties of said trustees and the management, care and maintenance of all property in said district shall revert to the school board of the Town of Old Orchard Beach or such other board as may, at that time, have jurisdiction over similar school property, and the then president and treasurer shall cause to be executed, signed and delivered, a good and sufficient deed of all property in said district, to the Town of Old Orchard Beach.

Further amend said Bill by striking out all of the emergency clause and inserting in place thereof the following:

Emergency clause; referendum; effective date. In view of the emergency cited in the preamble, this Act shall take effect when approved, but only for the purpose of permitting its submission to the legal voters of the territory embraced within the limits of said district at a special election or elections called and held for the purpose. Such special election shall be called, advertised and conducted by the municipal officers and officials of the Town of Old Orchard Beach in the several districts thereof according to the general law relating to municipal elections and the charter of the Town of Old Orchard Beach; provided, however, that such officers and officials shall not be required to prepare for posting or post a new list of voters, and for the purpose of registration of voters the proper

officers and officials shall be in session the 3 secular days next preceding such election, the first and 2nd days thereof to be devoted to registration of voters and the last day to allow the records of said session to be completed and closed up. The clerk of the Town of Old Orchard Beach shall prepare the required ballots on which he shall reduce the subject matter of this Act to the following question: "Shall the Act Creating the Town of Old Orchard Beach School District, passed by the 103rd Legislature, be accepted?" The voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same.

This Act shall take effect for all the purposes hereof immediately upon its acceptance by a majority of the legal voters voting at such election; provided that the total number of votes cast for and against the acceptance of this Act in said special election equals or exceeds 10% of the total vote for all candidates for Governor in said town at the next previous gubernatorial election; but the failure of approval of this Act because the total number of votes cast for and against the acceptance of this Act is less than said 10% shall not prevent subsequent elections.

The results of such elections shall be declared by the town council of the Town of Old Orchard Beach and due certificate thereof filed by the clerk of said town with the Secretary of State.'