

MAINE STATE LEGISLATURE

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(EMERGENCY)
SECOND SPECIAL SESSION

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1832

H. P. 1303

House of Representatives, January 9, 1968

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

BERTHA W. JOHNSON, Clerk

Presented by Mr. Hinds of South Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-EIGHT

AN ACT Relating to School Construction Aid in Certain Administrative Units.

Emergency preamble. Whereas, the administrative units of Rumford, South Portland and School Administrative District No. 51 voted to construct school projects anticipating state reimbursement of school construction aid in full on completion of the projects; and

Whereas, a change in legislation has created inequities for these administrative units; and

Whereas, financial hardships will result in these particular units without corrective legislation; 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. South Portland. The percentage of state school construction aid on the project, authorized by the City of South Portland by vote of its city council adopted on April 1, 1966, shall be fixed at 30%. Not later than 90 days after the city has filed a full report of the capital outlay expenditures of said project with the Commissioner of Education and has submitted proof that said project has been completed in accordance with approved plans, the commissioner shall certify the total eligible amount of such capital outlay expenditures which the city is then entitled to receive for said project pursuant to the Revised Statutes, Title 20, section 3457, which amount shall be 30% of the total eligible capital out-

lay expenditures approved by the commissioner less any amounts theretofore paid to the city as school construction aid on account of said project. The amount so certified by the commissioner and, to any extent not included in the amount so certified, an amount equal to 30% of the aggregate amount of interest paid or payable by the city over the entire term of bonds or notes issued by the city to finance the aforesaid project, shall be paid to the city out of moneys appropriated for this purpose, in 5 annual installments. Notwithstanding any provisions of the city charter to the contrary, the city may issue bonds or notes for said project in 2 separate issues, each of which issues shall be made payable in annual serial and approximately equal installments as pertains to principal.

Sec. 2. Rumford. The percentage of state school construction aid on the project authorized by the Town of Rumford on February 6, 1967 shall be fixed at 18%. Not later than 90 days after the town has filed a full report of the capital outlay expenditures of said project with the Commissioner of Education and has submitted proof that said project has been completed in accordance with approved plans, the commissioner shall certify to the town the total eligible amount of such capital outlay expenditures which the town is then entitled to receive for said project pursuant to the Revised Statutes, Title 20, section 3457, which amount shall be 18% of the total eligible capital outlay expenditures approved by the commissioner less any amounts theretofore paid to the town as school construction aid on account of said project. The town through its municipal officers may thereupon issue its bonds in an amount equal to the amount so certified by the commissioner without the necessity of further proceedings by its town meeting. The commissioner shall approve the maturity schedule for said bonds. The town shall be reimbursed in each year during which such bonds are outstanding out of moneys appropriated for this purpose, an amount equal to its annual payments of principal and interest on such bonds. Said bonds shall be legal obligations of the town and, except as provided herein, shall be issued and sold in accordance with the provisions of law applicable to the issuance of bonds by the town. If the proceeds of said bonds shall exceed the costs of their issue together with any amounts required to complete the payment of costs of the project and any amounts required to pay notes issued by the town to finance temporarily such costs, such excess shall be kept in a separate account and shall be used solely to pay when due the principal and interest of other bonds or notes issued to pay the town's share of the cost of said project. Pending receipt of the aforesaid certification by the Commissioner of Education and the issuance of the aforesaid bonds, the town through its municipal officers may borrow money in anticipation of their sale by the issuance of temporary notes and renewal notes, the total face amount of which does not exceed at any one time outstanding the sum of \$450,000. If the sum certified by the Commissioner of Education pursuant to this section shall be less than \$450,000 and the town shall have issued temporary notes or renewal notes in excess of the amount so certified and not to be paid from the proceeds of the bonds in anticipation of which they were issued, such excess amount of notes shall be paid first, from any unexpended balance of the proceeds of such temporary notes or renewal notes and second, from sums which shall be included in the next annual tax levy of the town.

Sec. 3. School Administrative District No. 51. The Revised Statutes, Title 20, section 3459, shall apply to school Administrative District No. 51 with re-

spect to the 2 school construction projects authorized on April 29 and September 23, 1966 to the same extent as if the voters of said district had authorized the school directors to issue bonds or notes in the name of said district in an aggregate amount not to exceed \$320,000 and to borrow funds in anticipation of state aid for school construction in an aggregate amount not to exceed \$165,000 to construct a primary school in the Town of Cumberland and had authorized said school directors to issue bonds or notes in the name of said district in an aggregate amount not to exceed \$440,000 and to borrow funds in anticipation of state aid for school construction in an aggregate amount of \$224,000 to construct an addition to the Greely High School in the Town of Cumberland. The percentage of state school construction aid on said projects shall be fixed at 34%. All action heretofore taken by the school directors and officers of said district in connection with the authorization and issuance of temporary notes in the aggregate amount of \$1,105,000 in anticipation of bonds for said projects is validated, confirmed and approved and said notes shall be deemed to have been issued in anticipation of bonds to the extent of \$760,000 and the balance of said notes shall be deemed to have been issued in anticipation of state aid for school construction.

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