

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 485

H. P. 376

House of Representatives, January 29, 1969

On Motion of Mr. Jalbert of Lewiston. Referred to Committee on Appropriations and Financial Affairs. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Jalbert of Lewiston.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT to Permit the Payment of School Construction Aid Upon the Completion of a Project.

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

R. S., T. 20, § 3460, additional. Title 20 of the Revised Statutes is amended by adding a new section 3460, to read as follows:

§ 3460. Payment of school construction aid

If funds become available, the State Board of Education may authorize the following alternate method of paying school construction aid. On any eligible project approved subsequent to July 1, 1969, the administrative unit shall be reimbursed the eligible amount of its capital outlay expenditure upon filing the necessary reports with the commissioner and submitting proof that the project has been completed in accordance with approved plans. One-half of the financial assistance due the unit, based upon the total estimated capital outlay expenditures of the project approved by the commissioner, shall be paid when evidence is submitted that the appropriate local officials have contracted or arranged for the construction of the facility or facilities. When the project is completed and a full report of the capital outlay expenditures of said project is made to the commissioner and proof has been submitted showing that the project was completed in accordance with approved plans, the eligible unit shall be reimbursed the difference between the total amount of state aid for which the project can qualify and the amount of construction subsidy paid the administrative unit at the start of the project.

The principal amount of indebtedness incurred for school construction and assumed by a School Administrative District which school construction pro-

ject was completed subsequent to July 1, 1969 shall be reimbursed to the School Administrative District, as though contracted by the School Administrative District. Payment shall be made upon receipt of the necessary reports filed with the commissioner and proof that the debt has been so assumed together with proof that the project was completed in accordance with approved plans, and subsequent to July 1, 1969.

STATEMENT OF FACTS

Under the present method of providing state assistance in financing school construction the local units must bond for the state's share and the State is obligated to reimburse for local interest payments on the state's share and also on the state bonds providing funds for such payments. The purpose of this measure is to allow payment of one-half of the state's share when a contract is awarded and the balance on completion of a project if funds are available for this purpose. Adoption of this method of reimbursement on school construction would provide state assistance when construction occurs and avoid payment of double interest on the same project.