

MAINE STATE LEGISLATURE

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(EMERGENCY)
FIRST SPECIAL SESSION

ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 1621

H. P. 1307 House of Representatives, January 6, 1970
Committee on Business Legislation suggested.
Presented by Mr. Moreshead of Augusta. BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
AND SEVENTY

AN ACT to Clarify the Interest Cost for Local Industrial Recreational Bonds.

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

Whereas, the Maine Industrial Recreational Financial Approval Board has authority to determine interest rates on revenue obligation securities to be sold by municipalities; and

Whereas, the municipalities are required to sell the securities at a price so that the interest cost shall not exceed 6%; and

Whereas, the securities market is such that the municipalities may be unable to market these securities with this restriction; and

Whereas, delay in the sale of these securities will impede industrial development in the State; 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:

R. S., T. 30, § 5331, sub-§ 2, amended. The 8th sentence of subsection 2 of section 5331 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

The municipal officers may sell such securities in such manner, either at public or private sale, and for such price, as they may determine to be for the best interests of the municipality, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than ~~6% per year, computed with relation to the absolute maturity or maturities of the bonds in accordance with standard tables of bond values, excluding from such computation the amount of any premium to be paid on redemption of any securities prior to maturity~~ the amount approved by the board.

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