

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1566

H. P. 1137

House of Representatives, March 17, 1971

Referred to Committee on Appropriations and Financial Affairs. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Vincent of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

AN ACT Appropriating Funds for the Subsidy of Interest Rates on Loans
Obtained for the Purpose of Rehabilitating Child Day Care Facilities.

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

Sec. 1. R. S., T. 22, c. 1055-A, additional. Title 22 of the Revised Statutes is amended by adding a new chapter 1055-A, to read as follows:

CHAPTER 1055-A

CHILD DAY CARE

§ 3811. Child Day Care Grant Fund

There is established a Child Day Care Grant Fund to be administered by the Department of Health and Welfare, the proceeds of which shall be used to subsidize the interest payments on loans approved by the Department of Health and Welfare and obtained by the operators of licensed day care facilities for the purpose of rehabilitation or expansion of licensed day care facilities.

§ 3812. Purpose

The Child Day Care Grant Fund shall be used by the Department of Health and Welfare as a grant fund for carrying out this chapter. The fund shall initially be in the sum of \$32,000. To this sum shall be charged all child day care grants and any necessary expenses incurred by the Department of Health and Welfare in administering the terms of this chapter. To this sum shall be credited all amounts received by the Department of Health and Welfare under this chapter.

Moneys in the fund not needed currently to meet the obligations of the Department of Health and Welfare in the exercise of its responsibilities as provided for in this chapter, shall be deposited with the Treasurer of State to the credit of the fund, or may be invested in such manner as is provided for by statute.

§ 3813. Duties of the Department of Health and Welfare

The Department of Health and Welfare, acting through the commissioner, and the duly qualified personnel in said department, shall distribute funds and carry out the administrative duties necessary to effectuate the purposes of this chapter.

§ 3814. Eligibility for grant

Any day care facility licensed by the Department of Health and Welfare under section 3797 may receive a grant to subsidize the amount of interest due on a loan obtained by the day care licensee for the purpose of rehabilitating or expanding licensed day care facilities, or both.

§ 3815. Award and amount of grants

The amounts granted may be equal to whichever is the lesser amount of either $\frac{1}{2}$ of the interest due on a particular note or an interest rate of 5% per year due on the note over the life of the note. No such loan, including renewals or extensions may be made for a period or periods exceeding 15 years. The total amount of loans subsidized in this manner for any one licensee shall not exceed \$10,000 in any 15-year period.

Sums so awarded shall be disbursed, as due, to the holder of the note on behalf of the day care licensee. The awarding of grants under this chapter shall be made for loans obtained after the enactment of this chapter.

Each holder of a loan with respect to which payments of interest are to be made by the Department of Health and Welfare shall submit to the department, at such time or times and in such manner as the commissioner of the department may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the commissioner to determine the amount of the payment which he must make with respect to that loan.

§ 3816. Rules and regulations

The Commissioner of Health and Welfare shall prescribe rules and regulations to carry out this chapter.

Sec. 2. Appropriation. There is appropriated from the General Fund to the Department of Health and Welfare to carry out the purposes of this Act the sum of \$47,800. The breakdown shall be as follows:

	1971-72	1972-73
HEALTH AND WELFARE, DEPARTMENT OF		
Personal Services	(1) \$ 6,700	(1) \$ 8,500
All Other	27,000	5,000
Capital Expenditures	600	—
	<hr/>	<hr/>
	\$34,300	\$13,500

STATEMENT OF FACT

This Act will allow licensed child day care facilities to rehabilitate or expand their facilities with the aid of interest rate subsidies.