

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 1827

H. P. 1370

House of Representatives, April 3, 1973

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

E. LOUISE LINCOLN, Clerk

Presented by Mr. Stillings of Berwick.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Relating to State Aid for School Construction.

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

R. S., T. 20, § 3457, amended. The last paragraph of section 3457 of Title 20 of the Revised Statutes, as enacted by section 36-A of chapter 530 of the public laws of 1971, is amended by adding at the end the following new sentence:

Notwithstanding any other section of law, the State shall reimburse the applicable percentage of aid on interest paid up to and including 6%. Interest in excess of 6% shall be paid by the State from funds made available for school construction aid for all projects approved by the commissioner prior to January 1, 1973.

STATEMENT OF FACT

Many local school units have been penalized by the high interest rates of a few years ago, due, primarily, to the statutory time limit imposed on the issuance of bonds. The following units are paying interest rates higher than 6%:

Augusta	6.6%
Brewer	6.5%
Cape Elizabeth	6.75%
Sanford	6.3%

Waterville	7.0%
SAD #3	7.0%
SAD #14	7.5%
SAD #29	7.5%
SAD #33	6.8%
SAD #39	6.15%
SAD #58	6.75%
SAD #60	7.25%
SAD #64	7.5%
SAD #72	6.15%

This Act would allow these local units to receive some relief from the high interest rates by requiring the State to assume interest costs in excess of 6% during the life of the bond issues.