

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 586

H. P. 507

House of Representatives, February 11, 1975

Referred to Committee on Local and County Government. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Dam of Skowhegan.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Permit Counties to Borrow Money in Anticipation of Taxes.

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

Whereas, the several counties of the State anticipate a shortage of funds to meet current obligations unless legislative authorization to borrow in anticipation of taxes is provided; and

Whereas, it is vitally necessary that the following legislation be enacted to obtain such funds so necessary to maintain essential county services; 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:

30 MRSA § 401-A is enacted to read:

§ 401-A. Anticipatory borrowing

The county commissioners of all counties may borrow in anticipation of taxes and to the extent that the county budget has not been approved by the Legislature, the county commissioners of each county may borrow an amount not exceeding 80% of the previous year's budget.

The county officers authorized to issue notes and securities may borrow money in anticipation of their sale by issuing temporary notes and renewal

notes, the total face amount of which does not exceed at any one time outstanding the authorized amount of the notes and securities, but the period of such anticipatory borrowing shall not exceed one year and the time within which such securities are to become due shall not be extended by such anticipatory borrowing beyond the time fixed in the vote authorizing their issue or, if no term is there specified, beyond the term permitted by law.

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

STATEMENT OF FACT

The purpose of this bill is to provide the counties with the power to borrow money in anticipation of taxes.