

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE

COMMITTEE AMENDMENT "A" to H.P. 1184, L.D. 1482, Bill,
"AN ACT Amending the Law Regulating Municipal Debt."

Amend said Bill in that part designated "§5061." of section 1 by striking out all of the last underlined sentence of the first paragraph and inserting in place thereof the following:

'A municipality may incur debt for school purposes to an amount outstanding at any time not exceeding 10% of its last full state valuation, for storm or sanitary sewer purposes to an amount outstanding at any time not exceeding 7 1/2% of its last full state valuation, and for municipal airport, water and special district purposes to an amount outstanding at any time not exceeding 3% of its last full state valuation; provided, however, that in no event shall any municipality incur debt which would cause its total debt outstanding at any time to exceed 15% of its last full state valuation.'

Further amend said Bill by striking out all of section 2 and inserting in place thereof the following:

'Sec. 2. 30 MRSA §5062, as enacted by PL 1973, c. 665, is repealed and the following enacted in place thereof:

§5062. Exclusion

The limitations on municipal debt in section 5061 shall not be construed as applying to any funds received in trust by any municipality, any loan, which has been funded or refunded, notes issued in anticipation of federal or state aid or revenue

sharing money, tax anticipation loans, notes maturing in the current municipal year, indebtedness of entities other than municipalities, indebtedness of any municipality to the Maine School Building Authority, debt issued under chapter 235 and chapter 242, obligations payable from revenues of the current municipal year or from other revenues previously appropriated by or committed to the municipality, and the state reimbursable portion of school debt.

For the purpose of this section, the state reimbursable portion of school debt with respect to any municipality shall be the sum of the amounts determined by multiplying: The outstanding amount of each issue of debt incurred for school purposes by the municipality in connection with a project which qualifies for state school construction aid; and the percentage of the capital outlay costs of such project which was applicable to determine the amount of state school construction aid therefor pursuant to Title 20, at the time such project was approved for such state school construction aid. The certificate of the Commissioner of Educational and Cultural Services that a project qualifies for state school construction aid and as to the percentage of such aid to which a municipality was so entitled shall be conclusive evidence of the facts stated therein.'

Statement of Fact

The purpose of this amendment is to correct drafting errors and to include in municipal debt ceilings, debt for water or special district purposes.

Reported by the Committee on Local and County Government.

Reproduced and distributed under the direction of the Clerk of the House.
5/19/75

(Filing No. H-391)