

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1172

H. P. 975

House of Representatives, March 23, 1977

On motion of Mr. Lynch of Livermore Falls, referred to the Committee on Education. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Byers of Newcastle.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Authorize Certain School Debt Service Payments to be Offset
by Increased Payments to the Treasurer of State.**

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

Whereas, administrative units with no state subsidy are at a financial disadvantage in meeting annual debt service payments; and

Whereas, it was the intention of the Legislature that all administrative units be treated in the same fashion; and

Whereas, a new procedure is essential to carry out the intention of the Legislature; 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:

Sec. 1. 20 MRSA § 3748, sub-§ 2, as last amended by PL 1975, c. 754, § 4, is amended by adding at the end the following new sentence:

The commissioner shall pay the principal and interest on school construction projects approved prior to July 1, 1977, to administrative units which have debt service and receive no state subsidy and to administrative units whose state subsidy is too small to meet their debt service costs. Such administrative units shall pay to the Treasurer of State in 12 equal installments, a sum

equal to their debt service costs as defined in section 3743, subsection 10, paragraph A.

Sec. 2. 36 MRSA § 453, as last amended by PL 1975, c. 754, § 6, is further amended by inserting after the 2nd sentence the following new sentence to read:

In addition, an administrative unit whose annual debt service payment is greater than its subsidy payment as computed under Title 20, section 3748, subsection 2, shall pay to the Treasurer of State in 12 equal installments a sum equal to its debt service cost as defined in Title 20, section 3743, subsection 10, paragraph A.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect July 1, 1977.

STATEMENT OF FACT

This bill, if passed, will require an adjustment in the school appropriations and in the anticipated revenues to the Treasurer of State. It will not require an additional state appropriation.

The purpose of this bill is to relieve unnecessary hardship in meeting debt service payments for those units whose total allocation is less than the uniform property tax. This bill will allow those units to pay their debt service obligations in equal installments over a 12-month period, the same as all other units in the State and will authorize the Commissioner of Educational and Cultural Services to pay debt service payments when due for these towns, the same as for all other towns.