

MAINE STATE LEGISLATURE

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L.D. 1833

(Filing No. H-468)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
111TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1411,
L.D. 1833, Bill, "AN ACT to Require the State of
Maine to Pay Late Fees on Overdue Payments."

Amend the Bill in that part designated "§1552.",
subsection 6, in the 7th line (page 3, line 2 in
L.D.) by striking out the underlined word and punctu-
ation "Legislature,

Further amend the Bill in that part designated
"§1553." by inserting at the end the following:

'5. Duties of the state agency. It shall be the
responsibility of the state agency that incurs a late
fee pursuant to this chapter to calculate the amount
of the late fee and add that fee to the amount of the
invoice prior to submission of the invoice to the
controller. In calculating the amount of the late
fee which will be added to the invoice, the state
agency shall assume and calculate an additional late
fee equivalent to the 12 working days necessary for
the invoice to be processed by the controller.'

Further amend the Bill in that part designated
"§1554." in the first paragraph, in the 5th line
(page 4, line 5 in L.D.) by striking out the under-
lined words "a late fee" and inserting in their place
the following: 'a reasonable late fee that shall not
exceed the normal late charge that the business con-
cern levies'

Further amend the Bill in that part designated
"§1554." by striking out all of the 2nd paragraph and
inserting in its place the following:

'In the event that federal moneys are the bud-

COMMITTEE AMENDMENT "A" to H.P. 1411, L.D. 1833

1 geted source of funds for payment to business con-
2 cerns for state agency purchases of goods, property
3 or services, and these moneys are unexpectedly with-
4 held and delayed from reaching the State in time to
5 pay proper invoices without incurring a late fee, the
6 state agency which made the purchases and the State
7 of Maine shall not be liable for any late fees on
8 overdue payments.

9

STATEMENT OF FACT

10 The purpose of this amendment is to transfer the
11 administrative burden of calculating late fee charges
12 from the Department of Finance and Administration to
13 each state agency which incurs the late fee. In ad-
14 dition, this amendment removes the flat rate ceiling
15 on the late charge and substitutes the late fee
16 charge that a business concern normally charges to
17 all of its customers.

18 Liability of the State for late payments is also
19 removed on the conditions that a state agency had
20 budgeted federal funds for payment to a business con-
21 cern and the federal funds are unexpectedly withheld
22 and delayed from arriving in time to pay proper in-
23 voices without incurring a late fee.

24

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Reported by the Committee on State Government
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2/10/84

(Filing No. H-468)