

MAINE STATE LEGISLATURE

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1 (EMERGENCY)
2 (New Draft of S.P. 929, L.D. 2322)
3 SECOND REGULAR SESSION
4

5 ONE HUNDRED AND TWELFTH LEGISLATURE
6

7 Legislative Document

No. 2395

9 S.P. 955

In Senate, April 12, 1986

10 Reported by Senator Brown of Washington from the Committee on
11 Education and printed under Joint Rule 2. Original bill sponsored by Senator
12 Clark of Cumberland. Cosponsored by Representative Soucy of Kittery,
Representative Rolde of York and Representative Hichborn of LaGrange.

JOY J. O'BRIEN, Secretary of the Senate

13
14 STATE OF MAINE
15

16 IN THE YEAR OF OUR LORD
17 NINETEEN HUNDRED AND EIGHTY-SIX
18

19 AN ACT to Implement an Inflation Factor in
20 the School Construction Law.
21

22 Emergency preamble. Whereas, Acts of the Legis-
23 lature do not become effective until 90 days after
24 adjournment unless enacted as emergencies; **and**

25 Whereas, the State Board of Education will be
26 making school construction awards in July; and

27 Whereas, the estimated increase in construction
28 costs will have to be made prior to July; and

29 Whereas, the 90-day limit for nonemergency legis-
30 lation to take effect will not occur before July 15;
31 and

32 Whereas, in the judgment of the Legislature,
33 these facts create an emergency within the meaning of
34 the Constitution of Maine and require the following

1 legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

6 Sec. 1. 20-A MRSA §15905, sub-§1, ¶A-1 is enacted to read:

8 A-1. The limitation on debt service costs set
9 out in this subsection shall be adjusted each
10 year on January 1st for the awards made starting
11 on July 1st, of the same year by the estimated
12 percentage increase or decrease in the cost of
13 construction materials, services and financing
14 over the previous 3 years. The Commissioner of
15 Finance and Administration shall determine the
16 increase in construction costs using standard,
17 area indexes applicable to Maine. In no case may
18 the allowed increase exceed 5% and in no case may
19 the debt service limit be reduced.

20 Sec. 2. Determination of percentage increase in
21 1986. The determination in the increase in the debt
22 service limitation in section 1 in 1986 shall be made
23 by June 1st.

24 Emergency clause. In view of the emergency cited
25 in the preamble, this Act shall take effect when approved.
26

27 FISCAL NOTE

28 The bill will cost \$192,000 for every percentage
29 point increase in debt service limit.

1

STATEMENT OF FACT

2 This new draft does 5 things. First, it adds an
3 emergency preamble and emergency clause. Second, it
4 limits the increase in any one year to 5%. Third, it
5 makes technical changes to fit into the approval and
6 funding cycle of the state board of Education.
7 Fourth, it provides for a June 1, 1986, date for es-
8 tablishing the inflation factor for the awards made
9 in 1986. Fifth, it adds a fiscal note.

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