

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1217

H.P. 874

House of Representatives, April 18, 1989

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script that reads 'Ed Pert'.

EDWIN H. PERT, Clerk

Presented by Representative ANTHONY of South Portland.

Cosponsored by Senator DILLENBACK of Cumberland, Senator MATTHEWS of Kennebec and Representative MERRILL of Dover-Foxcroft.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-NINE

An Act to Permit Municipalities to Set Lower Debt Limitations.



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

3 **30-A MRSA §5702, first ¶**, as enacted by PL 1987, c. 737, Pt.
A, §2 and Pt. C. §106; and as amended by PL 1989, cc. 6 and 9, is
5 further amended to read:

7 No municipality may incur debt which would cause its total
debt outstanding at any time, exclusive of debt incurred for
9 school purposes, for storm or sanitary sewer purposes, for energy
facility purposes or for municipal airport purposes to exceed 7
11 1/2% of its last full state valuation, or such lower percentage
as a municipality shall set. A municipality may incur debt for
13 school purposes to an amount outstanding at any time not
exceeding 10% of its last full state valuation, or such lower
15 percentage as a municipality shall set, for storm or sanitary
sewer purposes to an amount outstanding at any time not exceeding
17 7 1/2% of its last full state valuation, or such lower percentage
as a municipality shall set, and for municipal airport and
19 special district purposes to an amount outstanding at any time
not exceeding 3% of its last full state valuation, or such lower
21 percentage as a municipality shall set; provided, however, that
23 in no event may any municipality incur debt which would cause its
total debt outstanding at any time to exceed 15% of its last full
state valuation, or such lower percentage as a municipality shall
25 set.

27

STATEMENT OF FACT

29

31 This bill permits municipalities to set lower limits on
bonded indebtedness than the limits presently established.
Previously, municipalities were unsure as to whether or not their
33 home rule powers permitted them to set lower limits. This bill
establishes that they do have that power.

35