MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document   **No. 1281**

H.P. 915   House of Representatives, April 24, 1989

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

Sd *Edwin Pert*

EDWIN H. PERT, Clerk

Presented by Representative MELENDY of Rockland.
   Cosponsored by Representative CARTER of Winslow.

STATE OF MAINE

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

An Act to Require State Agencies to Pay Contractual Agencies a Late Charge for Delinquent Payments.

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

5 MRSA §1833 is enacted to read:

§1833. State payments under contract

    1. Charge for late payment. Any department or agency of State Government shall pay a late charge to any nongovernmental entity with which it has contracted if:

    A. The contract was entered into pursuant to this chapter and the rules promulgated under it;

    B. Payment by the department or agency has been requested in writing by the contracting party and is required by the terms of the contract; and

    C. The required payment or installment is not made within 30 days of the request.

    2. Amount. The late charge shall be a 10% annual charge on any delinquent payment under this section.

STATEMENT OF FACT

    This bill requires a state agency or department which is more than 30 days delinquent in making payment under a contract with a nongovernmental entity to pay an annual 10% late charge on the delinquent amount.