

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1529

S.P. 575

In Senate, April 16, 1991

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

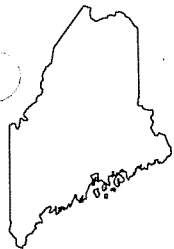
JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator GAUVREAU of Androscoggin
Cosponsored by Representative MANNING of Portland and Senator CONLEY of
Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Provide Interest on Community Agency Accounts.



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

2 Sec. 1. 5 MRSA §1552, sub-§2-A is enacted to read:

4 2-A. Community agency. "Community agency" means a person,
6 a public or private nonprofit organization or a firm, partnership
8 or business corporation operated for profit that:

10 A. Operates a human service program at the community level;
12 and

14 B. Is not an administrative unit of the Federal Government
16 or State Government.

18 Sec. 2. 5 MRSA §1554, as enacted by PL 1983, c. 655, is
20 amended to read:

22 §1554. Payment of late fees

24 In the event that a proper invoice is not paid within 25
26 working days after receipt of the invoice, or within 15 days
28 following another date agreed to by the state agency and the
30 business concern, the state agency shall-be is liable to pay a
32 reasonable late fee that shall may not exceed the normal late
34 charge that the business concern levies on the amount due on the
36 invoice.

38 In the event that federal ~~moneys-are~~ money is the budgeted
40 source of funds for payment to business concerns for state agency
42 purchases of goods, property or services, and these ~~moneys-are~~
44 this money is unexpectedly withheld and delayed from reaching the
46 State in time to pay proper invoices without incurring a late
48 fee, the state agency ~~which that~~ are not be liable for any late fees on overdue
50 payments.

When a proper invoice of a community agency is not paid
 within 90 days after receipt of the invoice, the state agency is
 liable to pay a standard late fee of interest at the rate of 15%
 per annum from that date.

STATEMENT OF FACT

 This bill standardizes late fees to be paid by a state
agency at 15% per annum on all accounts due community agencies
when those accounts are 90 days or more in arrears to further
promote the purposes of the law as set forth in the Maine Revised
Statutes, Title 5, section 1551.