MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1907

H.P. 1324

House of Representatives, March 16, 1999

An Act to Credit a Town for Payment of School Construction.

(EMERGENCY)

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

Joseph W. Mayo

JOSEPH W. MAYO, Clerk

Presented by Representative ANDREWS of York.
Cosponsored by Representatives: BAKER of Bangor, CARR of Lincoln, CHICK of Lebanon, JOY of Crystal, SNOWE-MELLO of Poland, STEDMAN of Hartland.

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

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Sec. 1. 20-A MRSA §15905-B is enacted to read:

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§15905-B. **Debt service credit for nonstate funded projects**

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   1. **State board approval.** Notwithstanding any other

38   provision of this chapter or rule to the contrary, a school
administrative unit must be solely responsible for the principal

40   and interest costs of a nonstate funded school construction
project approved under section 15905-A until such time as the

42   school administrative unit's project is approved for funding by
the state board. When the school administrative unit's project

44   receives final funding approval from the state board, the sum
total of principal and interest costs paid from local funds

46   without state participation must be included in the school
administrative unit's debt service costs for state subsidy

48   purposes under section 15603, subsection 8.

2. Rules. The state board shall adopt or amend rules necessary to carry out the purposes of this section. Rules adopted under this section are routine technical rules pursuant to Title 5, chapter 375, subchapter II-A.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

SUMMARY

This bill requires that a school administrative unit that was authorized to issue securities for a nonstate funded school construction project must receive credit for the sum total of principal and interest costs paid from local funds without state participation at such time as the unit's project is approved for funding by the state board. Under this bill, the school administrative unit is authorized to include principal and interest costs paid from local funds in the school administrative unit's debt service costs for state subsidy purposes. The bill also authorizes the state board to adopt rules to carry out this purpose.