

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

DECEMBER SPECIAL SESSION

E I G H T Y - S I X T H L E G I S L A T U R E

Legislative Document

No. 89

S. P. 32

In Senate Dec. 6, 1933.

Referred to Committee on Judiciary. 500 copies ordered printed.
Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Weeks of Somerset.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND
THIRTY-THREE

AN ACT Creating a Board of Emergency Municipal Finance.

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

Sec. 1. Board of emergency municipal finance created. There is hereby established a board to be known as the board of emergency municipal finance, hereinafter designated as "the board," to be composed of the three persons who legally hold the offices of state auditor, treasurer of state, and state tax assessor. Upon the succession of any person to any of these respective offices, he or she shall immediately become a member of the board, and the person who formerly held such office shall cease to be such a member. The person holding the office of state tax assessor shall be the chairman of the board. The members of the board shall not receive any compensation for their services as such members except their expenses.

Sec. 2. Purposes of the board. The purpose and object of the establishment of this board is to enable the cities, towns and plantations that have fallen into financial difficulties to receive assistance from the state, and to be reestablished on a sound financial basis; and to assure to the state the collection of the taxes due from the said cities, towns and plantations to the state. All of the provisions of this act shall be liberally construed so as to carry out these intentions.

All powers and duties necessary to carry out the purposes herein set forth are hereby conferred on the board.

Sec. 3. Audit may be made by board. The board is hereby authorized and empowered in the event that any city, town or plantation becomes six months in arrears in the payment of its taxes to the state in full or in part or defaults on any bond issue or payment of interest due thereon or refuses or neglects to pay school and other salaries due, to cause to be made an audit of the financial condition of said city, town or plantation at the expense of said city, town or plantation and to make such other investigation of the affairs thereof as it shall deem wise to determine the reason for such failure to pay such taxes and indebtedness.

Sec. 4. Board may take over local government. The board is hereby authorized and empowered in the event that after having made the audit or investigation provided for in the preceding section it decides by a majority vote of the board that such delinquency is not due to disbursements for emergency relief not reasonably to be anticipated or to other unavoidable misfortune, to take over and regulate the administration of the government of said town, city or plantation and the management of the financial affairs thereof and administered the same to the exclusion of or in cooperation with any other local government or governmental agency, as otherwise provided by law or by direction thereof, and in cases of cities, towns or plantations under 5,000 inhabitants to appoint one man as commissioner and in cases of cities, towns or plantations over 5000 inhabitants to appoint three men as commissioners, one of whom will be designated as chairman, which commissioner or commissioners shall act under the direction of said board with relation to the government and management of the governmental and financial affairs of the said town, city or plantation, and be responsible to said board.

Sec. 5. Powers and duties of commissioners. The commissioner or commissioners may employ such experts, counsel and other assistants and incur such other expenses as they may deem necessary subject to the control of the board. A sum sufficient to cover such expenses and a reasonable compensation for the commissioner or commissioners to be set by the board shall be appropriated each year by the city, town or plantation and shall be paid by said city, town or plantation upon requisition of the commissioner or commissioners. The commissioner or commissioners shall have the same right to incur expenses in anticipation of its appropriation as if it were a regular department of said city, town or plantation and in the event that no such appropriation shall be made, may expend such necessary amount as is provided herein and the same shall be a lawful obligation of the said city, town or plantation. The commissioner or commissioners shall have supervision over the financial affairs of said city, town or plantation and no appropriation shall be made and no debt incurred except with the

approval or upon the recommendation or requisition of the commissioner or commissioners which shall be made in writing. No department or officer of said city, town or plantation shall expend any money or incur any liability except with the written approval of the commissioner or commissioners; provided that the commissioner or commissioners may at any time and from time to time authorize in writing any department or officer of said city, town or plantation to make expenditures or incur liabilities without such approval until further notice. The commissioner or commissioners may make recommendations in writing to any department or officer of said city, town or plantation.

Sec. 6. May appoint temporary officials. The commissioner of commissioners may, if in their opinion it will be advantageous to said city, town or plantation, declare the offices of auditor, treasurer, collector and assessors vacant temporarily and appoint from the registered voters of said city, town or plantation successors to any or all of the said offices to serve at the pleasure of the commissioner or commissioners. The appointees shall receive the same salaries on a pro rata basis as the former incumbents who shall not receive compensation during their absence from office.

Sec. 7. May make loans. Said board is authorized after having taken over the administration of government and control of the financial affairs of any city, town or plantation as provided hereinbefore, through the commissioner or commissioners in charge thereof, to make temporary loans to the extent of the constitutional debt limit of said city, town or plantation, and to borrow from the state if and when an amendment to the constitution of the state is adopted authorizing the same, in a sufficient amount to pay the outstanding state taxes of said city, town or plantation and such expenses of said board as shall be allocated thereto, and for other lawful purposes; said obligations to be signed by said commissioner or commissioners and otherwise to be issued in the same manner and form as provided by law upon terms to be determined by said board, and to thereby become the valid debt of such city, town or plantation.

Sec. 8. Duration of power of board. Said board shall continue in charge of the government and financial affairs of said city, town or plantation until such time as its taxes due the state, or loans made therefor, shall have been paid, but, in any event, for a period of not less than one year.