

MAINE STATE LEGISLATURE

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NINETY - FIRST LEGISLATURE

Legislative Document

No. 35

S. P. 95

In Senate, January 20, 1943.

Referred to Committee on Judiciary, sent down for concurrence and ordered printed.

ROYDEN V. BROWN, Secretary.

Presented by Senator Dow of Oxford on behalf of Legislative Research Committee.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-THREE

AN ACT Relating to Compromise of Claims by Emergency Municipal Finance Boards.

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

P. L., 1933, c. 284, amended. Chapter 284 of the public laws of 1933, as amended, is hereby further amended by adding thereto a new section to be numbered 11, and to read as follows:

'Sec. 11. Voluntary compromise settlements. The board of emergency municipal finance, at any time prior to the commencement of proceedings under section 10 of this act, during the pendency of such proceedings, or after the termination thereof, when in its judgment it seems advisable to do so for the purpose of re-establishing upon a sound financial basis any municipality under its control by virtue of such action taken prior to January 1, 1943, may in behalf of such municipality offer compromise settlements to any or all of its creditors upon claims, demands or obligations of whatever nature which accrued prior to the assumption of such control by the board, and upon all interest thereon whenever accrued.

Such an offer may be made to the state of Maine upon obligations due the state, whether arising from taxes, bonds, notes or otherwise, by presentation to the treasurer of state; and upon recommendation, certification and

approval in the manner prescribed in chapter 13 of the public laws of 1941, the treasurer of state shall thereupon accept and receipt for the sum or sums so offered in full and final settlement, and the balance of any such obligation shall be charged off the books of account of the state.

With respect to such obligations due any county, whether arising from taxes, bonds, notes or otherwise, such offer may be made to its county commissioners and upon acceptance of such offer by them and tender of the sum agreed upon to the county treasurer, he shall accept and receipt for the same in full and final settlement. The balance of any such obligation shall thereupon be charged off the books of account of said county.

Provided, however, that nothing herein contained shall be construed as requiring any creditor or the holder of any obligation of such municipality to accept any offer of settlement made under the provisions hereof, nor shall his refusal to accept in any manner derogate from his existing rights or remedies.

Acceptance of any such offer by any creditor and payment of the sum agreed upon shall in all cases be and constitute a full and complete discharge of any such claim, demand or obligation, whether arising from taxes, bonds, notes or otherwise, and no attachment, levy, suit, action or other process or proceeding shall thereafter be commenced, maintained or prosecuted for the collection of any part thereof.'