

# NINETY-SIXTH LEGISLATURE

### Legislative Document

### No. 1380

H. P. 1209 House of Representatives, March 24, 1953 Received by unanimous consent. Referred to the Committee on Legal Affairs. Sent up for concurrence and ordered printed. HARVEY R. PEASE, Clerk

Presented by Mr. Emerson of Corinna.

## STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED FIFTY-THREE

#### AN ACT to Incorporate the Newport School District.

**Emergency preamble.** Whereas, the accommodations for the schools in the town of Newport are inadequate to accommodate the pupils now therein; and

Whereas, the school board can show clearly that there will be a large enough increase in the number of students when school opens in September, 1953, to make it impossible to care for them; and

Whereas, new building construction is vitally necessary; and

Whereas, further delay in building a suitable building or buildings will be inimical to the welfare of the pupils and prevent their receiving proper and adequate instruction; and

Whereas, immediate construction of such building or buildings is necessary in order to have them available for the next school year; and

Whereas, in the present elementary buildings renovation in plumbing and lighting are urgently needed; and

Whereas, it is impossible for the town of Newport to borrow sufficient funds with which to construct such building or buildings and make such renovations; and Whereas, in the judgment of the legislature, these facts create an emergency within the meaning of the constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. Incorporation; name; purposes. Subject to the provisions of this act, the inhabitants of and the territory within the town of Newport shall constitute a body politic and corporate under the name of "Newport School District" for the purpose of acquiring land within said town for school purposes, and erecting, constructing, equipping and maintaining on said land a school building or buildings and related athletic, recreational and school lunch facilities, and grading the grounds about the same; for the purpose of leasing or letting any property of said district to said town; for the purpose of receiving, accepting and holding gifts, grants or devises of property, real, personal or mixed, to be used for school and related athletic, recreational or lunch purposes; all for the benefit of the inhabitants of said district.

Sec. 2. Trustees, powers and duties; limitations. All affairs of said district (except the election of teachers who shall serve in said schools and the fixing of their salaries, the course of study, the terms of school and all other matters pertaining to the education of pupils, which matters shall be controlled by the superintending school committee of the town of Newport) as herein provided shall be managed by a board of 5 trustees who shall be elected as hereinafter provided. The board of trustees, acting for said district, shall have and exercise all the powers and authority necessary to carry out the purposes of this act and the powers and authority granted herein.

Sec. 3. Trustees; how elected, tenure of office, organization of board; officers, vacancies; compensation; reports. There shall be 5 trustees, one of whom shall always be a member of the school board. The school board shall appoint their own member within 2 weeks after each annual town meeting, and in case a vacancy should occur, a new member shall be chosen to take his place within 10 days. The remaining 4 trustees shall be chosen in the following manner. As soon as may be after the acceptance of this act as hereinafter provided, the municipal officers of the town of Newport shall appoint 4 trustees of said district, to hold office as follows respectively: I until the next annual town meeting, I until the annual town meeting I year following, I until the annual town meeting 2 years following, I until the annual town

meeting of the town of Newport, beginning with the annual town meeting after the acceptance of this act, I trustee shall be elected to serve until the annual town meeting occurring 4 years thereafter. When any trustee ceases to be a resident of said district he vacates the office of trustee. Any vacancy upon the board of trustees occuring because of change of residence of trustee, resignation, death or any cause except normal expiration of term of office shall be filled by the municipal officers of the town of Newport, except the member appointed by the school board, in the same manner in which the original board was appointed and for the unexpired portion of the term of the vacant office. All trustees shall be eligible for reelection or reappointment.

The first meeting of the board of trustees shall be held as soon as convenient after they have been appointed as above provided. At this original meeting, they shall elect from their membership a president, a clerk and a treasurer, may adopt a corporate seal, ordain and establish such by-laws consistent with the laws of the state as are necessary for their own convenience and the proper management of the affairs of said district, and may do all other acts, matters and things necessary to perfect their organization. Within 2 weeks after each annual town meeting of the town of Newport, the trustees shall meet for the purpose of electing a president, clerk and treasurer for the ensuing year and until their successors are elected and qualified. The trustees shall have the right and authority to employ and fix compensation of such officers and agents as they may deem necessary for the proper conduct and management of the affairs of the district.

The trustees shall serve without compensation, except that the treasurer may receive for his services an amount to be fixed by the board of trustees not in excess of \$100 per year. The treasurer shall give bond to the district in such sum and with such sureties as the trustees may determine, which bond shall remain in the custody of the president. The bond premium, treasurer's salary and all expenses of the district shall be paid from funds of the district.

At the close of each fiscal year of said district, which shall coincide with the fiscal year of the town of Newport, the trustees shall make a detailed report of their doings, of the financial condition of said district, of the physical condition of its property and also of such other matters and things pertaining to said district as shall show the inhabitants thereof how said trustees are fulfilling the duties and obligations of their trust. Such report shall be made and filed with municipal officers of the town of Newport on or before February I of each year.

Sec. 4. How financed. To procure funds for the purposes of this act and such other expense as may be necessary for the carrying out of said purposes, the said district by its trustees is hereby authorized to issue its bonds and notes therefor, but shall not incur a total indebtedness in excess of the sum of \$40,000. Each bond and note shall have inscribed upon its face the words "Newport School District," and shall bear interest at such rate as the trustees shall determine, payable semi-annually, and shall be subject to such other conditions as the trustees shall determine. Said bonds and notes may be issued to mature serially or made to run for such periods as said trustees may determine; but none of which shall run for a longer period than 20 years. All bonds and notes may be callable at the discretion of the trustees of the district. All such bonds and notes issued by said school district shall be signed by the treasurer and countersigned by the president of the district; and if coupon bonds be issued, each coupon shall be attested by a facsimile signature of the president and treasurer printed thereon. Said notes and bonds shall be legal obligations of said district, which is hereby declared to be a quasi-municipal corporation within the meaning of section 132 of chapter 49 of the revised statutes of 1944 and all provisions of said section shall be applicable thereto; and said bonds and notes shall be legal investments for savings banks. The said district is hereby authorized and empowered to enter into such an agreement with the state or federal government or any agency thereof or any corporation or board authorized by the state or federal government to loan money or otherwise assist in the financing of such projects as this school district is authorized to carry out, as may be necessary or desirable to accomplish the purposes of this act.

Sec. 5. Sinking fund; refunding bonds provided for. In case any bonds or notes at any time issued are made to run for a period of years, as distinguished from serial maturity, the trustees shall establish a sinking fund for such bonds or notes for the purpose of redeeming the same when they become due. The amount to be paid annually into such sinking fund shall not be less than 5% of the total principal amount of such bonds or notes originally issued. In addition to such annual sinking fund payment, the trustees shall have authority from time to time to add to any such sinking fund any funds of said district not required for other purposes. Funds in any sinking fund may be deposited in any national bank, savings bank or trust company within the state or may be invested in whole or in part in any bonds of the United States, of the state of Maine, or of any political subdivision thereof, as the trustees may determine. Interest received on any funds so invested shall be added to the sinking fund. When and if the amount accumulated in any sinking fund, together with interest received or to be received thereon, shall be sufficient to pay at maturity or, at the option of the trustees, to redeem the bonds or notes for the benefit of which such sinking fund was established, all further payments to such sinking fund may cease.

Whenever any bonds or notes issued by said district may become due or can be purchased or called for redemption by said district on favorable terms, said trustees, if sufficient funds have accumulated in the sinking fund provided therefor, shall pay, purchase or redeem said bonds or notes and cancel them. In no case shall bonds or notes so paid, purchased or redeemed, and cancelled, be reissued.

In case the amount in any sinking fund shall not be sufficient to pay the total amount when due of the bonds and notes for which such sinking fund was provided, or in case it shall become desirable in the opinion of the trustees to call for redemption any outstanding bonds or notes and to issue new bonds or notes in their stead, authority is hereby granted to redeem so many of said original bonds or notes as cannot be paid or redeemed from the sinking fund provided therefor, if any, but in no case shall such new bonds or notes mature more than 20 years from the original date of issue of the original bonds or notes so refunded.

Sec. 6. Assessment of taxes authorized to meet indebtedness; how collected; procedure. The trustees of the "Newport School District" shall determine what sum is required each year for sinking fund payments, or if the bonds or notes authorized by this act shall be issued to mature serially, what sum is required each year to meet the bonds and notes falling due, and what sum is required each year to meet other necessary expenses in the district, and shall each year, before the 1st day of April, issue their warrant in the same form as the warrant of the treasurer of state for taxes. with proper changes, to the assessors of the town of Newport, requiring that they assess the total sum so determined upon the taxable polls and estates within said district and to commit their assessments to the constable or collector of said town of Newport who shall have all authority and powers to collect said taxes as is vested by law to collect state, county and municipal taxes. On or before the 31st day of December of the year in which said tax is so levied, the treasurer of said town shall pay the amount of the tax so assessed against said district to the treasurer of said district. In case of a failure on the part of the treasurer of the town to pay said sum, or in case of his failure to pay any part thereof on or before said 31st day of December of the year in which said tax is levied, the treasurer of said district may issue his warrant for the amount of said tax or so much thereof as shall then remain unpaid to the sheriff of Penobscot county, requiring him to levy by distress and sale on real and personal property of any of the inhabitants of said district, and the sheriff or any of his deputies shall execute said warrant, except as is otherwise provided herein. The same authority as is vested in county officials for the collection of county taxes, under the provision of the revised statutes, is hereby vested in the trustees of said district in relation to the collection of taxes within said district.

Sec. 7. Authority to receive property form the town of Newport. The "Newport School District" is hereby authorized to receive from the town of Newport, and said town of Newport is hereby authorized to transfer and convey to said district, any property, real, personal or mixed, now or hereafter owned or held by the town of Newport for school purposes, and any sums of money or other assets which the said town of Newport has raised or may raise, either by taxation, borrowing or otherwise, for school purposes. Before transferring and conveying any of said property or turning over any of said funds or assets, the municipal officers of the town of Newport shall be duly authorized to do so by a majority vote of the legal voters present at any annual or special town meeting, the call for which shall have given notice of the proposed action.

Sec. 8. Provisions for termination of the board of trustees. At such time as the school building or buildings and related athletic and recreational facilities shall have been completed, equipped, and occupied by the pupils of said district and the board of trustess of the district shall have discharged all of its principal obligations and the property of said district shall be free and clear of all indebtedness, the board of trustees shall automatically cease to function and all the duties, management, care and maintenance of the properties of said district shall revert to the superintending school committee of the town of Newport or such other board as may, at that time, have jurisdiction over similar school property, and then the president and treasurer of said district shall cause to be executed, signed and delivered, a good and sufficient deed of all property of said district to the town of Newport. All money, if any remaining in the treasury of the board of trustees at the time it ceases to function, shall be given to the town treasurer of the town of Newport. This money shall be used only for school purposes and shall be kept separate from all other money until authorized by the selectmen of Newport to be expended for one or more of the purposes herein before stated.

Sec. 9. Emergency clause; effective date; refendum. In view of the emergency recited in the preamble hereof, this act shall take effect when approved, only for the purpose of permitting its submission to the legal voters of the town of Newport at any regular or special meeting called and held for the purpose not later than 8 months after the approval of this act. Such special meeting shall be called, advertised and conducted according to law relating to municipal elections; provided, however, that the selectmen of the town of Newport shall not be required to prepare for posting nor the town clerk to post a new list of voters, and for the purpose of registration of voters, said selectmen shall be in session the 3 secular days next preceding such meeting. The subject matter of this act shall be reduced to the following question: "Shall the act to Incorporate the Newport School District, passed by the 96th legislature, be accepted?" and the voters shall indicate in the usual manner their opinion of the same. This act shall take effect for all the purposes thereof immediately upon its acceptance by a majority of the legal voters voting at said meeting; provided that the total number of votes cast for and against the acceptance of this act at said meeting equals or exceeds 20% of the total vote for all candidates for governor in said town at the next previous gubernatorial election.

The result of the vote in said district shall be declared by the municipal officers of the town of Newport and due certificate thereof shall be filed by the clerk of said town with the secretary of state.