

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

One Hundred and Third Legislature

OF THE

STATE OF MAINE

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PUBLIC LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE
One Hundred and Second Legislature
AT THE
SPECIAL SESSION
January 17 - February 9, 1966

Sec. 2. R. S., T. 29, § 2243, sub-§ 2, repealed and replaced. Subsection 2 of section 2243 of Title 29 of the Revised Statutes is repealed and the following enacted in place thereof:

'2. Formal agreements. The Secretary of State, after determining that like privileges are granted by a state, district or country, shall have the authority to enter into a formal written agreement or make other arrangements with such state, district or country for the purpose of carrying out this section.'

Effective May 11, 1966

Chapter 475

AN ACT to Clarify State Aid for School Construction Purposes.

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

Sec. 1. R. S., T. 20, § 3518, repealed. Section 3518 of Title 20 of the Revised Statutes, as amended by section 2 of chapter 261 and by section 1 of chapter 429, both of the public laws of 1965, is repealed.

Sec. 2. R. S., T. 20, § 3457, additional. Title 20 of the Revised Statutes is amended by adding a new section 3457, to read as follows:

§ 3457. State aid for school construction

To provide further incentive for the establishment of larger School Administrative Districts, the commissioner shall allocate state financial assistance to School Administrative Districts on school construction approved subsequent to the formation of such districts, and on school debts, and Maine School Building Authority leases assumed by the district. The state obligation on assumed debts and Maine School Building Authority leases shall not extend beyond 25 years from the original date of the unit's obligation and shall not apply to obligations made prior to August 28, 1957. No financial assistance shall be paid until the school construction has been completed and a full report of the cost of said construction and other expenses for capital outlay purposes is made to the commissioner. The report shall be in such form as the commissioner shall determine and shall include, but not be limited to, the following: The amount of money contributed by the district, the amount of money borrowed for capital outlay purposes, the time within which said borrowed funds are to be repaid and the total amount to be repaid and the amount to be repaid each year, the amount of interest to be paid each year and the rate of interest, the amount of rental due the Maine School Building Authority under lease agreement between the Maine School Building Authority and the district. On the basis of all the reports on file in the office of the commissioner on November 1st of each year, the commissioner shall determine the total amount to be paid to all of the School Administrative Districts and other eligible administrative units in that year, for capital outlay purposes, and shall apportion out of moneys appropriated for this purpose, in December of that year, to the School Administrative Districts and other eligible administrative units, the same percentage of each administrative unit's expenditures for capital outlay purposes including principal and interest payments and any rental payments under lease agreements between the administrative units and the Maine School Building Authority as each administrative unit

would be entitled to receive in that year based on Table II of this section. In addition to the foregoing, if the district has contributed money to defray all or part of the cost of capital outlay construction, the commissioner shall determine the amount payable to the district for this expenditure; but the commissioner shall have the discretion to pay the entire amount due in one year or he may determine that payment shall be made over a period not to exceed 5 years. The commissioner, after making a determination as to the payment period, may change the payment period to a shorter period than his original determination, but shall not have the power to extend the payment period after his original determination. The above described methods of subsidizing school construction shall apply to all eligible projects approved and completed prior to July 1, 1967.

Said apportionment shall apply similarly to payments made for capital outlay purposes on school construction, approved by the commissioner after August 28, 1957, in administrative units where the April 1st enrollment of resident and tuition pupils in grades 9 through 12 for that year is over 700 pupils, and in all community school districts approved by the State Board of Education which incur debt after April 1, 1965; and in other smaller administrative units when in the judgment of the Legislature, on recommendation of the board, the formation of a School Administrative District by consolidation is not geographically or educationally practical. Any administrative unit qualifying for school construction aid under this section by virtue of receiving tuition students from surrounding municipalities must render at least 2 years' notice to the sending municipalities before discontinuing such acceptance.

The percentage of aid to a community school district qualifying under this section shall be determined by dividing the total state valuation of the member towns of the district by the total average resident pupils of the last 2 enrollment reports as reported on April 1st annually by the member towns of the district. The average per pupil valuation thus determined shall be applied to Table II of this section to determine the percentage of construction aid.

Subsequent to July 1, 1967 school construction aid shall be disbursed on all eligible projects under the following rules:

1. Approval prior to July 1, 1967. On any eligible project approved prior to July 1, 1967 and completed subsequent to the same date, the administrative unit shall be reimbursed the eligible amount of its capital outlay expenditure upon filing the necessary reports with the commissioner and submitting proof that the project has been completed in accordance with approved plans.

2. Approval by commissioner. On any eligible project approved by the commissioner on or after July 1, 1967 the following shall apply: One-half of the financial assistance due the unit, based upon the total estimated capital outlay expenditures of the project approved by the commissioner, shall be paid when evidence is submitted that the appropriate local officials have contracted or arranged for the construction of the facility or facilities. When the project is completed and a full report of the capital outlay expenditures of said project is made to the commissioner and proof has been submitted showing that the project was completed in accordance with approved plans, the eligible unit shall be reimbursed the difference between the total amount of state aid for which the project can qualify and the amount of construction subsidy paid the administrative unit at the start of the project.

3. Reimbursement. The principal amount of indebtedness incurred for school construction and assumed by a School Administrative District which school construction project was completed subsequent to July 1, 1967 shall be reimbursed to the School Administrative District, as though contracted by the School Administrative District. Payment shall be made upon receipt of the necessary reports filed with the commissioner and proof that the debt has been so assumed together with proof that the project was completed in accordance with approved plans, and subsequent to July 1, 1967.

The term "community school district" as used herein shall include any type of school district consisting of more than one administrative unit operating a secondary school except a School Administrative District.

When a municipality having more than 100 resident pupils educated at public expense in grades 9 through 12 has contracted with a School Administrative District to educate all of the pupils in said district in grades 9 through 12, for a period of from 5 to 20 years, said municipality shall, during the life of said contract, be paid out of moneys appropriated and apportioned for the purposes of this section, the percentage of said municipality's expenditures for capital outlay purposes as it would be entitled to receive in that year based on Table II of this section.

"Capital outlay purposes" as the term is used in this Title shall mean the cost of new construction, expansion, acquisition or major alteration of a public school building, the cost of acquisition of all land or interest therein of any nature or description for such construction, expansion, acquisition or major alteration, and any legal appraisal or surveyors' fees or services with relation thereto, the cost of demolition, of removing any buildings or structures on land so acquired, the cost of furnishings and equipment, financing charges, insurance during construction, cost of architectural, engineering and other legal expenses, plans, specifications, estimates of costs, and such other expense as may be necessary and incidental to any construction, expansion, acquisition or major alteration of a public school building and the placing of such a building in operation, and the cost of athletic fields and related physical education facilities which may be included in the school project. Financing charges shall not be considered as a part of the cost, for construction subsidy purposes, on projects which are completed on or after July 1, 1967.

The term "school building" as used in this section shall mean any structure or athletic field used or useful for schools and playgrounds, including facilities for physical education.

The term "major alteration" as used in this section shall mean the cost of acquiring new equipment, the cost of converting an existing public school building to a new condition of completeness or efficiency from a worn, damaged or deteriorated condition whenever the plans for such an alteration have been approved in accordance with section 3623. The State Board of Education shall have full authority to approve or disapprove the plans for a "major alteration" of a school building and equipping the same. Without state board approval, the administrative unit may not claim state aid on the alteration project.

On the basis of information available in the office of the commissioner on September 1st for the 2 years next preceding the biennial convening of the Legislature, as provided in returns of educational statistics required by him, the com-

missioner shall apportion construction subsidies to the school administrative units of the State for each of the next 2 years according to the following plan:

The several administrative units, cities, towns, plantations and School Administrative Districts shall be divided into 21 classifications according to their valuations per resident school child being educated at public expense. The valuation shall be as determined by the Board of Equalization in the statement filed by it, as provided in Title 36, section 381, and the number of children shall be the average of the last 2 enrollment reports of resident pupils being educated at public expense on April 1st annually. Such computation shall be subject to correction in accordance with the final statement filed by the Board of Equalization on December 1st.

For each eligible unit the construction subsidy allocation thereafter shall be the applicable percentage of the construction costs as defined in this section obtained from Table II below. Before computing the eligible expenditure of any administrative unit for construction aid, the commissioner shall cause to be deducted all moneys expended on the project which were received from federal sources.

TABLE II

Class	State Valuation per Resident Pupil	Percentage of State Support of Foundation Program
1	\$ 3,000 and under	66%
2	3,001 — 3,500	64
3	3,501 — 4,000	62
4	4,001 — 4,500	60
5	4,501 — 5,000	58
6	5,001 — 5,500	55
7	5,501 — 6,000	52
8	6,001 — 6,500	49
9	6,501 — 7,000	46
10	7,001 — 7,500	44
11	7,501 — 8,000	41
12	8,001 — 8,500	38
13	8,501 — 9,000	36
14	9,001 — 9,500	34
15	9,501 — 10,000	32
16	10,001 — 10,500	30
17	10,501 — 11,000	28
18	11,001 — 11,500	26
19	11,501 — 12,000	24

Class	State Valuation per Resident Pupil	Percentage of State Support of Foundation Program
20	\$12,001 — 12,500	21%
21	12,501 and over	18'

Effective May 11, 1966

Chapter 476

AN ACT Providing Convenience and Advantage for Loan Companies and Small Loan Agencies.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment of the Legislature unless enacted as emergencies; and

Whereas, applications for loan companies and small loan companies have increased to such extent that some control is necessary to protect the interests and welfare of the people of Maine; and

Whereas, the following legislation is vitally necessary to prevent hardship and possible injustice to the many people who use the services of loan companies and small loan companies; 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. R. S., T. 9, § 3042, amended. The first sentence of the 2nd paragraph of section 3042 of Title 9 of the Revised Statutes, as repealed and replaced by chapter 209 of the public laws of 1965, is amended to read as follows:

'If the Bank Commissioner shall find, after his investigation and after any hearing, that the financial responsibility, experience, character and general fitness of the applicant, and members thereof, if the applicant is a copartnership, and of the officers and directors thereof if the applicant is a corporation, are such as to command the confidence of the community and warrant belief that the business will be operated honestly, fairly and efficiently within the purposes of chapters 281 to 289, and that allowing the applicant to engage in business will promote the public convenience and advantage of the community in which the business is to be conducted, and that the applicant has available for the purpose of making loans under chapters 281 to 289 at the specified location liquid assets of at least \$50,000, and that if the applicant is a corporation, that such corporation was formed or organized under the laws of the State of Maine, he shall thereupon enter an order granting such application, file his findings as a public record in his office and forthwith issue and deliver a license to the applicant.'