

# MAINE STATE LEGISLATURE

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# ACTS AND RESOLVES

AS PASSED BY THE

## One Hundred and Fourth Legislature

OF THE

# STATE OF MAINE

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PUBLIC LAWS  
OF THE  
STATE OF MAINE  
AS PASSED BY THE  
**One Hundred and Third Legislature**  
AT THE  
SPECIAL SESSIONS

October 2-3, 1967  
January 9-26, 1968  
September 18, 1968

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## Chapter 520

### AN ACT Relating to Loans for Maine Students in Higher Education.

**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, the people of Maine are desirous of and entitled to the benefits of an expanded system of higher education and to equal opportunity for a quality post high school education; and

Whereas, the people of Maine by constitutional amendment have approved loans for Maine students in higher education; and

Whereas, there is a backlog of Maine applications for higher education loans; and

Whereas, the following legislation is vitally necessary in order to prevent undue hardship on Maine students who need loans to continue their education; 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. 20, c. 302-A, additional.** Title 20 of the Revised Statutes is amended by adding a new chapter 302-A, to read as follows:

#### CHAPTER 302-A

#### STUDENT LOANS

##### § 2231. Purpose

The purpose of these provisions is to enable the State Board of Education to establish a student loan insurance program, meeting certain federal requirements, in order to secure loans to Maine students attending institutions of higher education, including vocational training institutions, in accordance with the direction in the Constitution of Maine, Article VIII, section 2.

##### § 2232. Loan insurance program established

The State Board of Education is authorized to establish a student loan insurance program, to insure payment of loans to Maine students, which meets the requirements of chapter 28, subchapter IV, Part B, of the Higher Education

Act of 1965 (20 U. S. C. Sections 1071-1085) and acts additional and amendatory thereto and the National Vocational Student Loan Insurance Act of 1965 (20 U. S. C. Sections 981-996) and acts additional and amendatory thereto for a state loan insurance program, in order to enter into agreements with the United States Commissioner of Education for the purposes of chapter 28, subchapter IV, Part B, of the Higher Education Act of 1965 and the National Vocational Student Loan Insurance Act of 1965. To this end, the faith and credit of the State of Maine is pledged consistent with the terms and limitations of the Constitution of Maine, Article VIII, section 2.

§ 2233. Insurance Fund

There is established a Student Loan Insurance Fund which shall be used by the State Board of Education as a nonlapsing, revolving fund for carrying out this chapter. The fund shall initially be in the sum of \$5,000. To this sum shall be charged any and all expenses of the State Board of Education in connection with their operations under this chapter, including interest and principal payments required by loan defaults and to this sum shall be credited all amounts received by the State Board of Education under this chapter.

Moneys in the fund, not needed currently to meet the obligations of the State Board of Education in the exercise of its responsibilities as insurer as provided for in this chapter, shall be deposited with the Treasurer of State to the credit of the fund, or may be invested in such manner as is provided for by statute.

§ 2234. Additions to Insurance Fund

If from time to time in the opinion of the State Board of Education the addition of moneys to the Insurance Fund may be required to meet obligations, the State Board of Education shall in writing request the Governor and Council to provide moneys in such amounts as may be necessary for the purpose. The Governor and Council shall transfer to said fund sufficient moneys for said purpose from the State Contingent Account or from the proceeds of bonds to be issued as provided in this section. If bonds are to be issued, the Governor and Council shall order the Treasurer of State to issue bonds in the amount requested, but not exceeding in the aggregate at any one time outstanding the amount set forth in the Constitution of Maine, Article VIII, section 2, as it may be from time to time amended, to mature serially or made to run for such periods as the Governor and Council may determine, but none of them shall run for a longer period than 20 years, and at such rates of interest and on such terms and conditions as the Governor and Council shall determine. The bonds so issued shall be deemed a pledge of the faith and credit of the State.

§ 2235. Powers and duties

In the performance of the powers, functions and duties imposed upon them by this chapter the State Board of Education may:

1. Rules and regulations. Make and enforce such regulations as may be necessary to carry out the purposes of these provisions;
2. Agents. Choose a suitable agent or agents to administer the affairs and activities required by this chapter or any applicable federal provisions;

3. Agreements. Enter into agreements with the United States Commissioner of Education for the purposes of chapter 28, subchapter IV, Part B, of the Higher Education Act of 1965 and the National Vocational Student Loan Insurance Act of 1965.

§ 2236. Loans to minors

Notwithstanding the provisions of any applicable law, if the borrower, on any loan insured under the program established pursuant to this chapter, is a minor, any otherwise valid note or other written agreement executed by him for the purposes of such loan shall create a binding obligation.

Sec. 1-A. R. S., T. 9, § 553, sub-§ 3, ¶ C, amended. Paragraph C of subsection 3 of section 553 of Title 9 of the Revised Statutes is amended to read as follows:

C. To an amount within the discretion of the trustees, providing the loan is made to assist the borrower to further his higher education and is guaranteed in full or in part by the ~~New England~~ Higher Education Assistance Foundation, or by this State or an instrumentality thereof.

Sec. 2. Appropriation. For the establishment of the Loan Insurance Fund there is appropriated from the General Fund to the State Board of Education the sum of \$5,000 for the fiscal year ending June 30, 1969. The breakdown shall be as follows:

<b>Department</b>	<b>1968-69</b>
State Board of Education	
All Other	\$5,000

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

Effective January 19, 1968

## Chapter 521

### AN ACT Relating to Compensation for Certain Municipal Officers who Appear in District Court.

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

Sec. 1. R. S., T. 4, § 173, sub-§ 4, amended. The next to the last paragraph of subsection 4 of section 173 of Title 4 of the Revised Statutes, as enacted by chapter 397 of the public laws of 1967, is amended to read as follows:

All municipal police officers, sheriffs, deputy sheriffs or constables who officially appear for a scheduled trial in and for the District Court at times other than their regular working hours shall be compensated out of the ~~District Court~~