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An Act To Limit Interest Assessed against Municipalities

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

Sec. 1. 30-A MRSA §2007 is enacted to read:

§ 2007. Interest

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings:

A. "Business concern" has the same meaning as Title 5, section 1552, subsection 1; and

B. "Proper invoice" means an invoice for property, products or services that is satisfactory in quality and quantity, is in conformance with the request of the municipality and on which the amount due has been correctly calculated.

2. Interest charged on proper invoice. A business concern may not charge interest on the balance of a proper invoice submitted to a municipality less than 26 days from the date the proper invoice was received by the municipality.

SUMMARY

This bill prohibits a business concern from charging a municipality interest on a proper invoice submitted to the municipality less than 26 days after receipt of the invoice by the municipality.