

§6112. Voluntary compromise settlements

1. Settlement offers authorized. The board, when it considers it advisable to do so for the purpose of reestablishing upon a sound financial basis any municipality under its control, may at any time in behalf of the municipality offer compromise settlements to any of its creditors upon:

A. Claims, demands or obligations of whatever nature which accrued before the board assumed control; and [PL 1987, c. 737, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Upon all interest, whenever accrued, on those claims, demands or obligations. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. A, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. A, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

2. Offers to the State. An offer may be made to the State under this section upon obligations due the State, whether arising from taxes, bonds, notes or otherwise by presentation to the Treasurer of State. Upon recommendation, certification and approval in the manner prescribed in Title 5, section 1504, the Treasurer of State shall accept and give a receipt for the sum or sums so offered in full and final settlement. The balance of any such obligation shall be charged off the books of account of the State.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. A, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

3. Offers to a county. With respect to obligations due any county, whether arising from taxes, bonds, notes or otherwise, an offer may be made to its county commissioners and upon acceptance of that offer and tender of the sum agreed upon, the county treasurer shall accept and give a receipt for the sum or sums so offered in full and final settlement. The balance of any such obligation shall be charged off the books of account of the county.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. A, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

4. Creditor or holders' remedies unaffected. This section shall not be construed to require any creditor or the holder of any obligation of the municipality to accept any offer of settlement made under this section, nor shall a refusal to accept diminish any existing rights or remedies in any manner.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. A, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

5. Acceptance and discharge. A creditor's acceptance of any offer made under this section and payment of the sum agreed upon shall in all cases constitute a full and complete discharge of any such claim, demand or obligation, whether arising from taxes, bonds, notes or otherwise. No attachment, levy, action or other process or proceeding may thereafter be commenced, maintained or prosecuted for the collection of any part of the claim, demand or obligation.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. A, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

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