

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

One Hundred and Fifth Legislature

OF THE

STATE OF MAINE

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1971

PUBLIC LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE
One Hundred and Fifth Legislature
1971

1. Authority of coastal wardens. Any coastal warden, in uniform, may search without a warrant and examine any watercraft, aircraft, conveyance, vehicle, box, bag, locker, traps, crate or other receptacle or container for shellfish, finfish or any marine life, when he has probable cause to believe that shellfish, finfish or any marine life taken contrary to law is concealed thereon or therein.

Effective September 23, 1971

Chapter 302

AN ACT Relating to Definition of Construction under Board of Construction Safety Rules and Regulations.

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

R. S., T. 26, § 371, sub-§ 4, amended. The 2nd sentence of subsection 4 of section 371 of Title 26 of the Revised Statutes is repealed as follows:

~~The term "construction" shall apply to persons and corporations engaged for hire, or by virtue of a contract.~~

Effective September 23, 1971

Chapter 303

AN ACT Creating the Maine Health Facilities Authority.

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

Sec. 1. R. S., T. 22, c. 413, additional. Title 22 of the Revised Statutes is amended by adding a new chapter 413, to read as follows:

CHAPTER 413

HEALTH FACILITIES AUTHORITY

§ 2051. Title

This chapter shall be known as, and may be cited as, the "Maine Health Facilities Authority Act."

§ 2052. Declaration of necessity

It is declared that for the benefit of the people of the State, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions it is essential that hospitals within the State be provided with appropriate additional means to expand, enlarge and establish health care, hospital and other related facilities; and that it is the purpose

of this chapter to provide a measure of assistance and an alternative method to enable hospitals to provide the facilities and structures which are sorely needed to accomplish the purposes of this chapter, all to the public benefit and good, and the exercise of the powers, to the extent and manner provided in this chapter, is hereby declared the exercise of an essential governmental function.

§ 2053. Definitions

As used in this chapter, the following words and terms shall have the following meanings unless the context indicates another or different meaning or intent:

1. Authority. "Authority" means the Maine Health Facilities Authority created and established as a public body corporate and politic of the State of Maine by section 2054 or any board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the authority by this chapter shall be given by law;

2. Bonds and notes. "Bonds" and "notes" means bonds and notes of the authority issued under this chapter, including refunding bonds, notwithstanding that the same may be secured by mortgage or the full faith and credit of the authority or the full faith and credit of a participating hospital, or any other lawfully pledged security of a participating hospital.

3. Cost. "Cost" as applied to a project or any portion thereof financed under this chapter shall mean the cost of construction, building, acquisition, equipping, alteration, enlargement, reconstruction and remodeling of a project and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements and interest acquired, necessary, used for or useful for or in connection with a project and all other undertakings which the authority deems reasonable or necessary for the development of a project, including but not limited to the cost of demolishing or removing any building or structures on land so acquired, the cost of acquiring any lands to which such building or structures may be moved, the cost of all machinery and equipment, financing charges, interest prior to and during construction, and if judged advisable by the authority, for a period after completion of such construction, the cost of financing the project, including interest on bonds and notes issued by the authority to finance the project; provisions for working capital; reserves for principal and interest and for extensions, enlargements, additions and improvements; cost of architectural, engineering, financial, legal or other special services, plans, specifications, studies, surveys, estimates of cost and revenues; administrative and operating expenses; expenses necessary or incident to determining the feasibility or practicability of constructing the project; and such other expenses necessary or incident to the construction and acquisition of the project, the financing of such construction, and acquisition and the placing of the project in operation.

4. Hospital. "Hospital" means any private, nonprofit or charitable institution or organization engaged in the operation of, or formed for the purpose of operating, a hospital which is, or will be upon completion, licensed as a hospital under the laws of the State of Maine.

5. Participating hospital. "Participating hospital" means a hospital which, pursuant to this chapter, shall undertake the financing and construction or acquisition of a project or shall undertake the refunding or refinancing of existing indebtedness as provided in and permitted by this chapter.

6. Project. "Project" in the case of a participating hospital, means the acquisition, construction, improvement, reconstruction or equipping of, or construction of an addition or additions to, any structure designed for use as a hospital, clinic or other health care facility, laboratory, laundry, nurses or interns residence or other multi-unit housing facility for staff, employees, patients or relatives of patients admitted for treatment in such hospital, doctors office building, administration building, research facility, maintenance, storage or utility facility or other structures or facilities related to any of the foregoing or required or useful for the operation of the project, or the refinancing of existing indebtedness in connection with any of the foregoing, including parking and other facilities or structures essential or convenient for the orderly conduct of such hospital, and shall include all real and personal property, lands, improvements, driveways, roads, approaches, pedestrian access roads, rights-of-way, utilities, easements, parking lots, machinery and equipment, and all other appurtenances and facilities either on, above or under the ground which are used or usable in connection with the aforementioned structures, and shall include landscaping, site preparation, furniture, machinery and equipment and other similar items necessary or convenient for the operation of a particular facility or structure in the manner for which its use is intended but shall not include such items as food, fuel, supplies or other items which are customarily considered as a current operating charge.

7. Refinancing of existing indebtedness. "Refinancing of existing indebtedness" means liquidation, with the proceeds of bonds or notes issued by the authority, of any indebtedness of a hospital incurred to finance or aid in financing a lawful purpose of such hospital not financed pursuant to this chapter which would constitute a project had it been undertaken and financed by the authority, or consolidation of such indebtedness with indebtedness of the authority incurred for a project related to the purpose for which the indebtedness of the hospital was incurred.

§ 2054. Health Facilities Authority; executive director

1. Authority. There is hereby created a body politic and corporate to be known as the "Maine Health Facilities Authority." Said authority is constituted a public body corporate and politic and an instrumentality of the State, and the exercise by the authority of the powers conferred by this chapter shall be deemed and held to be the performance of an essential public function. Said authority shall consist of 10 members, one of whom shall be the Bank Commissioner, ex officio, one of whom shall be the Commissioner of Health and Welfare, ex officio, and 8 of whom shall be residents of the State appointed by the Governor, with the advice and consent of the Executive Council, not more than 4 of such appointed members to be members of the same political party. Three of the appointed members shall be trustees, directors, officers or employees of hospitals and one of such appointed members shall be a person having a favorable reputation for skill, knowledge and experience in state and municipal finance, either as a partner, officer or employee of an investment banking firm which originates and purchases state and municipal securities, or as an officer or employee of an insurance company or bank whose duties relate to the purchase of state and municipal securities

as an investment and to the management and control of a state and municipal securities portfolio. Of the 3 members first appointed who are trustees, directors, officers or employees of hospitals, one shall serve for 2 years, one for 3 years, and one for 4 years. Of the 5 remaining members initially appointed, one shall serve for one year, one for 2 years, one for 3 years, one for 4 years and one for 5 years. On or before the first day of July, annually, the Governor, with the advice and consent of the Executive Council, shall appoint, for a term of 5 years, a successor to the member whose term expires. Members shall continue in office until their successors have been appointed and qualified. The Governor, with the advice and consent of the Executive Council, shall fill any vacancy for the unexpired term. A member of the authority shall be eligible for reappointment. Any non-ex officio member of the authority may be removed by the Governor and Executive Council, after hearing, for misfeasance, malfeasance or willful neglect of duty. Each member of the authority before entering upon his duties shall take and subscribe the oath or affirmation required by Article IX of the State Constitution. A record of each such oath shall be filed in the office of the Secretary of State. The Bank Commissioner and the Commissioner of Health and Welfare may designate their deputies or any member of their staffs to represent them as members at meetings of the authority with full power to act and vote in their behalf.

2. Chairman, vice-chairman; executive director. The authority shall annually elect one of its members as chairman and one as vice-chairman, and shall also appoint an executive director who shall not be a member of the authority and who shall serve at the pleasure of the authority and receive such compensation as shall be fixed by the authority.

3. Duties of executive director. The executive director shall keep a record of the proceedings of the authority and shall be custodian of all books, documents and papers filed with the authority and of the minute book or journal of the authority and of its official seal. He may cause copies to be made of all minutes and other records and documents of the authority and may give certificates under the official seal of the authority to the effect that such copies are true copies, and all persons dealing with the authority may rely upon such certificates.

4. Powers of authority. The powers of the authority shall be vested in the members thereof in office from time to time and 5 members of the authority shall constitute a quorum at any meeting of the authority. No vacancy in the membership of the authority shall impair the right of such members to exercise all the rights and perform all the duties of the authority. Any action taken by the authority under this chapter may be authorized by resolution approved by a majority of the members present at any regular or special meeting, which resolution shall take effect immediately or by a resolution circularized or sent to each member of the authority, which shall take effect at such time as a majority of the members shall have signed an assent to such resolution. Resolutions of the authority need not be published or posted. The authority may delegate by resolution to one or more of its members or its executive director such powers and duties as it may deem proper.

5. Bond. Each member of the authority shall execute a surety bond in the penal sum of \$50,000 and the executive director shall execute a surety bond in the penal sum of \$100,000, or, in lieu thereof, the chairman of the authority shall execute a blanket position bond covering each member, the

executive director and the employees of the authority, each surety bond to be conditioned upon the faithful performance of the duties of the office or offices covered, to be executed by a surety company authorized to transact business in this State as surety and to be approved by the Attorney General and filed in the office of the Secretary of State. The cost of each bond shall be paid by the authority.

6. Expenses. The members of the authority shall receive no compensation for the performance of their duties but each such member shall be paid his necessary expenses incurred while engaged in the performance of such duties.

7. Conflict of interest. Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of interest for a trustee, director, officer or employee of a hospital to serve as a member of the authority, provided such trustee, director, officer or employee shall abstain from deliberation, action and vote by the authority under this chapter in specific respect to the hospital of which such member is a trustee, director, officer or employee.

§ 2055. Powers of authority

The purpose of the authority shall be to assist participating hospitals in the undertaking of projects and the refinancing of existing indebtedness which are hereby declared to be public purposes and for the purposes of this chapter the authority is authorized and empowered:

1. Bylaws. To have perpetual succession as a body politic and corporate and to adopt bylaws for the regulation of its affairs and the conduct of its business;

2. Seal. To adopt an official seal and alter the same at pleasure;

3. Office. To maintain an office at such place or places as it may designate;

4. Sue. To sue and be sued in its own name, and plead and be impleaded;

5. Projects. To determine the location and character of any project to be financed under this chapter, and to acquire, construct, reconstruct, renovate, improve, replace, maintain, repair, extend, enlarge, operate, lease, as lessee or lessor, and regulate the same, to enter into contracts for any or all of such purposes, to enter into contracts for the management and operation of a project, and to designate a participating hospital as its agent to determine the location and character of a project undertaken by such participating hospital under this chapter and as the agent of the authority, to acquire, construct, reconstruct, renovate, improve, replace, maintain, repair, extend, enlarge, operate, lease, as lessee or lessor, and regulate the same, and, as the agent of the authority, to enter into contracts for any or all of such purposes, including contracts for the management and operation of such project;

6. Bonds. To borrow money and issue bonds, notes, bond anticipation notes and other obligations of the authority for any of its corporate purposes, and to fund or refund the same, all as provided in this chapter;

7. Rates and fees. Generally, to fix and revise from time to time and charge and collect rates, rents, fees and charges for the use of and for the services furnished or to be furnished by a project or any portion thereof and to contract with any person, partnership, association or corporation or other body public or private in respect thereof;

8. Rules and regulations. To establish rules and regulations for the use of a project or any portion thereof and to designate a participating hospital as its agent to establish rules and regulations for the use of a project undertaken by such participating hospital;

9. Consultants and agents. To employ consulting engineers, architects, attorneys, accountants, construction and financial experts, superintendents, managers and such other employees and agents as may be necessary in its judgment, and to fix their compensation;

10. Grants. To receive and accept from the Federal Government or the State or any other public agency loans or grants for or in aid of the construction of a project or any portion thereof, and to receive and accept loans, grants, aid or contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such loans, grants, aid and contributions are made;

11. Mortgages. To mortgage any project and the site thereof for the benefit of the holders of bonds or notes or other obligations issued to finance such project;

12. Loans. To make loans to any participating hospital for the cost of a project in accordance with an agreement between the authority and such participating hospital, provided no such loan shall exceed the total cost of the project as determined by the participating hospital, and approved by the authority;

13. Refund. To make loans to a participating hospital to refund outstanding obligations, mortgages or advances issued, made or given by such participating hospital for the cost of a project;

14. Apportionment. To charge to and equitably apportion among participating hospitals its administrative costs and expenses incurred in the exercise of the powers and duties conferred by this chapter;

15. Other acts. To do all things necessary or convenient to carry out the purposes of this chapter. In carrying out the purposes of this chapter, the authority may undertake a project for 2 or more participating hospitals jointly, and, thereupon, all other provisions of this chapter shall apply to and for the benefit of the authority and such joint participants.

§ 2056. Payment of expenses

All expenses incurred in carrying out this chapter shall be payable solely from funds provided under the authority of this chapter and no liability or obligation shall be incurred by the authority beyond the extent to which moneys shall have been provided under this chapter.

§ 2057. Acquisition of property by authority

The authority is authorized and empowered, directly or by and through a participating hospital, as its agent, to acquire by purchase or by gift or devise such lands, structures, property, real or personal, rights, rights-of-way, franchises, easements and other interests in lands, including lands lying under water and riparian rights, which are located within or without the State as it may deem necessary or convenient for the construction or operation of a project, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof, and to take title thereto in the name of the authority or in the name of a participating hospital as its agent.

§ 2058. Conveyance of title to participating institutions

When the principal of and interest on bonds of the authority issued to finance the cost of a particular project or projects for a participating hospital, including any refunding bonds issued to refund and refinance such bonds, have been fully paid and retired or when adequate provision has been made to fully pay and retire the same, and all other conditions of the resolution or trust agreement authorizing and securing the same have been satisfied and the lien of such resolution or trust agreement has been released in accordance with the provisions thereof, the authority shall promptly do such things and execute such deeds and conveyances as are necessary and required to convey title to such project or projects to such participating hospital, free and clear of all liens and encumbrances, all to the extent that title to such project or projects shall not, at the time, then be vested in such participating hospital.

§ 2059. Notes of the authority

The authority is authorized from time to time to issue its negotiable notes for any corporate purpose, including the payment of all or any part of the cost of any project, and renew from time to time any notes by the issuance of new notes, whether the notes to be renewed have or have not matured. The authority may issue notes partly to renew notes or to discharge other obligations then outstanding and partly for any other purpose. The notes may be authorized, sold, executed and delivered in the same manner as bonds. Any resolution or resolutions authorizing notes of the authority or any issue thereof may contain any provisions which the authority is authorized to include in any resolution or resolutions authorizing bonds of the authority or any issue thereof, and the authority may include in any notes any terms, covenants or conditions which it is authorized to include in any bonds. All such notes shall be payable from the proceeds of bonds or renewal notes or from the revenues of the authority or other moneys available therefor and not otherwise pledged, subject only to any contractual rights of the holders of any of its notes or other obligations then outstanding.

§ 2060. Bonds of the authority

1. Negotiable. The authority is authorized from time to time to issue its negotiable bonds for the purpose of financing all or a part of the cost of any projects authorized hereby. In anticipation of the sale of such bonds, the authority may issue negotiable bond anticipation notes and may renew the same from time to time. Such notes shall be paid from any revenues of the

authority or other moneys available therefor and not otherwise pledged, or from the proceeds of sale of the bonds of the authority in anticipation of which they were issued. The notes shall be issued in the same manner as the bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions or limitations which a bond resolution of the authority may contain.

2. General obligations. Except as may otherwise be expressly provided by the authority, every issue of its bonds, notes or other obligations shall be general obligations of the authority payable from any revenues or moneys of the authority available therefor and not otherwise pledged, subject only to any agreements with the holders of particular bonds, notes or other obligations pledging any particular revenues or moneys and subject to any agreements with any participating hospital. Notwithstanding that such bonds, notes or other obligations may be payable from a special fund, they shall be and be deemed to be for all purposes negotiable instruments within the meaning of and for all the purposes of the Uniform Commercial Code, Article 8; subject only to the provisions of such bonds, notes or other obligations for registration.

3. Issuance. The bonds may be issued as serial bonds or as term bonds, or the authority, in its discretion, may issue bonds of both types. The bonds shall be authorized by resolution of the members of the authority and shall bear such date or dates, mature at such time or times, not exceeding 50 years from their respective dates, bear interest at such rate or rates, be payable at such time or times, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America at such place or places, and be subject to such terms of redemption, as such resolution or resolutions may provide. The bonds or notes may be sold at public or private sale for such price or prices as the authority shall determine. The power to fix the date of sale of bonds, to receive bids or proposals, to award and sell bonds, and to take all other necessary action to sell and deliver bonds may be delegated to the executive director of the authority by resolution of the authority. Pending preparation of the definitive bonds, the authority may issue interim receipts or certificates which shall be exchanged for such definitive bonds.

4. Provisions. Any resolution or resolutions authorizing any bonds or any issue of bonds may contain provisions, which shall be a part of the contract with the holders of the bonds to be authorized, as to:

A. Pledging the full faith and credit of the authority, the full faith and credit of a participating hospital, all or any part of the revenues of a project or any revenue-producing contract or contracts made by the authority with any individual, partnership, corporation or association or other body, public or private, to secure the payment of the bonds or of any particular issue of bonds, subject to such agreements with bondholders as may then exist;

B. The rentals, fees and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues;

C. The setting aside of reserves or sinking funds, and the regulation and disposition thereof;

D. Limitations on the right of the authority or its agent to restrict and regulate the use of the project;

E. Limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the bonds or any issue of the bonds;

F. Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and the refunding of outstanding bonds;

G. The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

H. Limitations on the amount of moneys derived from the project to be expended for operating, administrative or other expenses of the authority;

I. Defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations and providing the rights and remedies of such holders in the event of a default;

J. The mortgaging of a project and the site thereof for the purpose of securing the bondholders; and

K. Such other additional covenants, agreements, and provisions as are judged advisable or necessary by the authority for the security of the holders of such bonds.

5. **Personal liability.** Neither the members of the authority nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

6. **Purchase.** The authority shall have power out of any funds available therefor to purchase its bonds or notes. The authority may hold, pledge, cancel or resell such bonds, subject to and in accordance with agreements with bondholders.

§ 2061. Procedure before issuance of bonds

Notwithstanding any other provisions of this chapter, the authority is not empowered to undertake any project authorized by this chapter unless, prior to the issuance of any bonds or notes hereunder, the Governor, and the Executive Council, or their designees, have found, after a hearing thereon, that:

1. **Assistance.** Such project will enable or assist a hospital to fulfill its obligation to provide health care facilities;

2. **Review.** Such project has been reviewed and approved by the appropriate regional and state health planning agencies as organized under section 253;

3. **Lease.** Such project will be leased to, or owned by, a hospital within the State; and

4. Payment. Adequate provision has been or will be made for the payment of such project and that under no circumstances will the State be obligated for the payment of such project, or for the payment of the principal of, or interest on, any obligation issued to finance such project.

§ 2062. Trust agreement to secure bonds

In the discretion of the authority any bonds issued under this chapter may be secured by a trust agreement by and between the authority and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without the State. Such trust agreement or the resolution providing for the issuance of such bonds may pledge or assign the revenues to be received or proceeds of any contract or contracts pledged and may convey or mortgage the project or any portion thereof. Such trust agreement or resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper, and not in violation of law, including particularly such provisions as have been specifically authorized to be included in any resolution or resolutions of the authority authorizing bonds thereof. Any bank or trust company incorporated under the laws of this State, which may act as depositary of the proceeds of bonds or of revenues or other moneys, may furnish such indemnifying bonds or pledge such securities as may be required by the authority. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee or trustees, and may restrict the individual right of action by bondholders. In addition, any such trust agreement or resolution may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out such trust agreement or resolution may be treated as a part of the cost of the operation of a project.

§ 2063. Credit of State not pledged

Bonds and notes issued under this chapter shall not constitute or create any debt or debts, liability or liabilities on behalf of the State or of any political subdivision thereof other than the authority or a loan of the credit of the State or a pledge of the faith and credit of the State or of any such political subdivision other than the authority, but shall be payable solely from the funds provided therefor. All such bonds and notes shall contain on the face thereof a statement to the effect that neither the State of Maine nor any political subdivision thereof shall be obligated to pay the same or the interest thereon, except from revenues of the project or the portion thereof for which they are issued and that neither the faith and credit nor the taxing power of the State of Maine or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds or notes. The issuance of bonds or notes under this chapter shall not directly or indirectly or contingently obligate the State or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. Nothing in this section contained shall prevent nor be construed to prevent the authority from pledging its full faith and credit or the full faith and credit of a participating hospital to the payment of bonds or notes or issue of notes or bonds authorized pursuant to this chapter.

§ 2064. Rents and charges

The authority is authorized to fix, revise, charge and collect rates, rents, fees and charges for the use of and for the services furnished or to be furnished by each project and to contract with any person, partnership, association or corporation, or other body, public or private, in respect thereof. Such rates, rents, fees and charges shall be fixed and adjusted in respect of the aggregate of rates, rents, fees and charges from such project so as to provide funds sufficient with other revenues or moneys available therefor, if any, to pay the cost of maintaining, repairing and operating the project and each and every portion thereof, to the extent that the payment of such cost has not otherwise been adequately provided for, to pay the principal of and the interest on outstanding bonds or notes of the authority issued in respect of such project as the same shall become due and payable, and to create and maintain reserves required or provided for in any resolution authorizing, or trust agreement securing, such bonds or notes of the authority. Such rates, rents, fees and charges shall not be subject to supervision or regulation by any department, commission, board, body, bureau or agency of this State other than the authority. A sufficient amount of the revenues derived in respect of a project, except such part of such revenues as may be necessary to pay the cost of maintenance, repair and operation and to provide reserves and for renewals, replacements, extensions, enlargements and improvements as may be provided for in the resolution authorizing the issuance of any bonds or notes of the authority or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or trust agreement in a sinking or other similar fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds or notes as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made; the rates, rents, fees and charges and other revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement nor any other agreement nor any lease by which a pledge is created need be filed or recorded except in the records of the authority. The use and disposition of moneys to the credit of such sinking or other similar fund shall be subject to the resolution authorizing the issuance of such bonds or notes or of such trust agreement. Except as may otherwise be provided in such resolution or such trust agreement, such sinking or other similar fund may be a fund for all such bonds or notes issued to finance projects at a particular hospital without distinction or priority of one over another, provided the authority in any such resolution or trust agreement may provide that such sinking or other similar fund shall be the fund for a particular project at a hospital and for the bonds issued to finance a particular project and may, additionally, permit and provide for the issuance of bonds having a subordinate lien in respect of the security herein authorized to other bonds of the authority, and, in such case, the authority may create separate sinking or other similar funds in respect of such subordinate lien bonds.

§ 2065. Trust funds

All moneys received pursuant to the authority of this chapter whether as proceeds from the sale of bonds or notes or as revenues, are trust funds to

be held and applied solely as provided in this chapter. Any officer with whom, or any bank or trust company with which, such moneys are deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes of this chapter, subject to such regulations as this chapter and the resolution authorizing the bonds or notes of any issue or the trust agreement securing such bonds or notes provide.

§ 2066. Enforcement of rights and duties

Any holder of bonds, notes, bond anticipation notes, other notes or other obligations issued under this chapter or any of the coupons appertaining thereto, and the trustee or trustees under any trust agreement, except to the extent the rights herein given may be restricted by any resolution authorizing the issuance of, or any such trust agreement securing, such bonds, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the State or granted under this chapter or under such resolution or trust agreement, and may enforce and compel the performance of all duties required by this chapter or by such resolution or trust agreement to be performed by the authority or by any officer, employee or agent thereof, including the fixing, charging and collecting of the rates, rents, fees and charges herein authorized and required by such resolution or trust agreement to be fixed, established and collected.

§ 2067. Exemption from taxation

The exercise of the powers granted by this chapter will be in all respects for the benefit of the people of the State, for the increase of their commerce, welfare and prosperity, and for the improvement of their health and living conditions, and will constitute the performance of an essential governmental function, and neither the authority nor its agent shall or may be required to pay any taxes or assessments upon or in respect of a project or projects or any property acquired, used by the authority or its agent or under the jurisdiction, control, possession or supervision of the same or upon the activities of the authority or its agent in the operation or maintenance of a project or projects under this chapter, or upon income or other revenues received therefrom, and any bonds, notes and other obligations issued under this chapter, their transfer and the income therefrom, including any profit made on the sale thereof, as well as the income and property of the authority, are at all times exempt from taxation of every kind by the State and by the municipalities and all other political subdivisions of the State.

§ 2068. Bonds declared legal investments

Bonds and notes issued by the authority under this chapter are hereby made securities in which all public officers and public bodies of the State and its political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, trust companies, banks, bankers, banking associations, savings banks and savings associations, including savings and loan associations, credit unions, building and loan associations, investment companies, executors, administrators, trustees and other fiduciaries, pension, profit-sharing, retirement funds and other persons carrying on a banking business, and all other persons whatsoever, who are now or may hereafter be, authorized to invest in bonds or other obligations of the State, may properly and legally invest funds, including capital in their control or belonging to them. Such bonds and notes are hereby made securities which may

properly and legally be deposited with and received by any state or municipal or public officer or any agency or political subdivision of the State for any purpose for which the deposit of bonds or other obligations of the State is now or may hereafter be authorized by law.

§ 2069. Annual report

Within 4 months after the close of each fiscal year of the authority, the executive director of the authority shall prepare and submit a complete financial report to the Governor and the Executive Council, duly audited and certified by the auditor of accounts of the operations and activities of the authority during the preceding fiscal year to be distributed in the same way as state departmental reports.

§ 2070. Refunding bonds

1. Refunding. The authority is authorized to provide for the issuance of bonds of the authority for the purpose of refunding any bonds of the authority then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase or maturity of such bonds, and, if deemed advisable by the authority, for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions or enlargements of a project or any portion thereof.

2. Use of proceeds. The proceeds of any such bonds issued for the purpose of refunding outstanding bonds, may, in the discretion of the authority, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds either on their earliest or any subsequent redemption date or upon the purchase or at the maturity thereof and may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the authority.

3. Escrow proceeds. Any such escrowed proceeds, pending such use, may be invested and reinvested in obligations of, or guaranteed by, the United States of America, or in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the United States of America, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest and redemption premium, if any, of the outstanding bonds to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding bonds to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and interest, income and profits, if any, earned or realized on the investments thereof may be returned to the authority for use by it in any lawful manner.

4. Investments. The portion of the proceeds of any such bonds issued for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions or enlargements of a project may be invested and reinvested in obligations of, or guaranteed by, the United States of America, or in certificates of deposit or time deposit secured by obligations of, or guaranteed by, the United States of America, maturing not later than the time or times when such proceeds will be needed

for the purpose of paying all or any part of such cost. The interest, income and profits, if any, earned or realized on such investment may be applied to the payment of all or any part of such cost or may be used by the authority in any lawful manner.

5. Conditions. All such bonds shall be subject to this chapter in the same manner and to the same extent as other bonds issued pursuant to this chapter.

§ 2071. Source of payment of expenses

All expenses incurred in carrying out this chapter shall be payable solely from funds provided under the authority of this chapter and no liability or obligation shall be incurred by the authority under this chapter beyond the extent to which moneys shall have been provided under this chapter.

§ 2072. Agreement of the State

The State does hereby pledge to and agree with the holders of any bonds, notes and other obligations issued under this chapter, and with those parties who may enter into contracts with the authority pursuant to this chapter, that the State will not limit, alter, restrict or impair the rights hereby vested in the authority and the participating hospitals to acquire, construct, reconstruct, maintain and operate any project as defined in this chapter or to establish, revise, charge and collect rates, rents, fees and other charges as may be convenient or necessary to produce sufficient revenues to meet the expenses of maintenance and operation thereof and to fulfill the terms of any agreements made with the holders of bonds, notes or other obligations authorized and issued by this chapter, and with the parties who may enter into contracts with the authority pursuant to this chapter, or in any way impair the rights or remedies of the holders of such bonds, notes or other obligations of such parties until the bonds, notes and such other obligations, together with interest thereon, with interest on any unpaid installment of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders, are fully met and discharged and such contracts are fully performed on the part of the authority. Nothing in this chapter precludes such limitation or alteration if and when adequate provision is made by law for the protection of the holders of such bonds, notes or other obligations of the authority or those entering into such contracts with the authority. The authority is authorized to include this pledge and undertaking for the State in such bonds, notes or other obligations or contracts.

§ 2073. Act cumulative; no notice required

Neither this chapter nor anything contained in this chapter is or shall be construed as a restriction or limitation upon any powers which the Maine Health Facilities Authority might otherwise have under any laws of this State, and this chapter is cumulative of any such powers. This chapter does and shall be construed to provide a complete, additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws. Neither the making of contracts nor the issuance of bonds, notes, refunding bonds and other obligations pursuant to the provisions of this chapter need comply

with the requirements of any other state law applicable to the making of contracts and the issuance of bonds, notes and other obligations, for the construction and acquisition of any project undertaken pursuant to this chapter. No proceedings, notice or approval shall be required for the issuance of any bonds, notes and other obligations or any instrument as security therefor, except as is provided in this chapter.

§ 2074. Act liberally construed

This chapter, being necessary for the welfare of the State and its inhabitants, shall be liberally construed so as to effect its purposes.

Sec. 2. Funding. This Act requires no appropriation from the General Fund. Private parties and individuals have pledged to make gifts to the State of Maine for the express purpose of furnishing the start-up costs of the authority. Thereafter the authority will be self funding.

Effective September 23, 1971

Chapter 304

AN ACT Defining the Standards of Judicial Review in Appeals from Orders and Decisions of the Environmental Improvement Commission.

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

R. S., T. 38, § 415, repealed and replaced. Section 415 of Title 38 of the Revised Statutes, as repealed and replaced by section 10 of chapter 475 of the public laws of 1967 and as amended by section 3-B of chapter 431 of the public laws of 1969, is repealed and the following enacted in place thereof:

§ 415. Appeals

Except where otherwise specified by statute, any person aggrieved by any order or decision of the commission in regard to any matter upon which there was a hearing before the commission and of which a transcript of said hearing is available, may, within 30 days after notice of the filing of such order or decision, appeal therefrom to the Superior Court by filing a notice of appeal stating the points of appeal. Notice of the appeal shall be ordered by the court without a jury in the manner and with the rights provided by law in other civil actions so heard. The proceedings shall not be de novo. The court shall receive into evidence true copies of the transcript of the hearing, the exhibits thereto and, the decision of the commission. The court's review shall be limited to questions of law and to whether the commission acted regularly and within the scope of its authority and the commission's decision shall be final so long as supported by substantial evidence. The court may affirm, reverse or remand the commission's decision for further proceedings. Appeals from all other orders or decisions of the commission, unless otherwise specified by statute, shall be taken pursuant to Rule 80B of the Maine Rules of Civil Procedure.

Effective September 23, 1971