

# LAWS OF THE STATE OF MAINE AS PASSED BY THE

ONE HUNDRED AND NINTH LEGISLATURE

# AT THE

#### SECOND REGULAR SESSION

January 2, 1980 to April 3, 1980

AND AT THE

THIRD SPECIAL SESSION

May 22, 1980

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OF THE

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in your precinct, or the value thereof in money, you cause to be paid and satisfied unto the Maine Bureau of Employment Security Commission, to satisfy the sums aforesaid and ...... cents more for this warrant, together with your own fees.

Sec. 42. 26 MRSA § 1230, sub-§ 4,  $\P$ C, as enacted by PL 1975, c. 462, § 9, is amended to read:

**C.** The remedy provided by this section is in addition to or an alternative to all other remedies given to the commission **or the commissioner** in this chapter.

**Sec. 43. Amendatory provision.** Wherever in the Revised Statutes, Title 26, section 1043, subsection 11, paragraphs C and E; section 1051, subsection 4; section 1221, subsections 10 and 14; and section 1230, subsection 2, except as otherwise provided by this Act, the word "commission" appears it shall be changed to "bureau" meaning the "Bureau of Employment Security" as defined in section 2.

**Sec. 44. Amendatory provision.** Wherever in the Revised Statutes, Title 26, section 1043, subsection 11, paragraph F, subparagraphs (2), (3) and (17); section 1082, subsection 14, paragraphs A and B; sections 1111 and 1112; section 1221, subsection 5, paragraph A; section 1221, subsection 6, paragraph A; section 1222, subsection 2, paragraphs A and C; section 1222, subsection 3, paragraphs A and B; section 1225, subsection 6; and section 1228, except as otherwise provided by this Act, the word "commission" appears it shall be changed to "commissioner" meaning the "Commissioner of Manpower Affairs."

**Sec. 45. Amendatory provision.** Wherever in the Revised Statutes, Title 26, section 1193, subsection 1, paragraphs A and B; section 1193, subsections 2 and 3; section 1193, subsection 4; section 1195, subsection 3; and section 1221, subsection 3, paragraph A, except as otherwise provided by this Act, the word "commission" appears it shall be changed to "deputy."

Effective July 3, 1980

# CHAPTER 580

#### S. P. 594 - L. D. 1667

AN ACT to Protect Subcontractors from Nonpayment on Certain Contracts with the Department of Transportation.

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

23 MRSA § 52-A is enacted to read:

§ 52-A. Retention of part of contract price and settlement of claims by subcontractors

1. Retention of part of contract price. Notwithstanding any other law, in any contract awarded by the Department of Transportation and to which the department is a party for the construction and maintenance of public highways, bridges and other structures, the department may withhold up to 5% of the money due the contractor until the project under the contract has been accepted by or for the department. When the contract has been substantially completed, the department may, upon request, further reduce the amounts withheld if it deems it desirable and prudent. The reduction shall not reduce the amount withheld to an amount less than the amount of any pending claim against the contractor filed by a subcontractor pursuant to subsection 2.

Under any contract subject to this section, the contractor may, from time to time, withdraw the whole or any portion of the amount retained for payments to the contractor pursuant to the terms of the contract, upon depositing with the Treasurer of State: A negotiable certification of deposit, United States treasury bonds, United States treasury notes, United States treasury certificates of indebtedness, United States treasury bills, or bonds or notes of the State of Maine or bonds of any political subdivision of the State of Maine. No amount shall be withdrawn in excess of the market value of the securities at the time of deposit or of the par value of such securities, whichever is lower.

The value of the amount retained and of the securities deposited pursuant to this section shall not be reduced to an amount less than the amount of any pending claim against the contractor filed by a subcontractor pursuant to subsection 2.

Except as otherwise provided, the Treasurer of State shall collect all interest or income when due on the obligations so deposited and shall pay the same, when and as collected, to the contractor who deposited the obligations. If the deposit is in the form of coupon bonds, the Treasurer of State shall deliver each coupon as it matures to the contractor. The Treasurer of state shall have the power to enter into a contract or agreement with any national bank, trust company or safe deposit company located in New England or New York City for custodial care and servicing of any securities deposited with him pursuant to this section. Such services shall consist of the safekeeping of the securities and of all services required to effectuate the purposes of this section.

Any amount deducted by the department pursuant to the terms of the contract, from the retained payments due the contractor, shall be deducted first from that portion of the retained payments for which no security has been substituted, then from the proceeds of any deposited security. In the latter case, the contractor shall be entitled to receive interest, coupons or income only from those securities which remain after such amount has been deducted.

Any assignment of retained payments made by the contractor shall be honored by the Treasurer of State as part of the procedure to accomplish the substitution of securities under this section, provided that such assignment shall not be made without prior notification to the contracting agency of the State and the Treasurer of State. Such assignment shall not impair the equitable rights of the contractor's surety in the retained payments or in the securities substituted therefor in the event of the contractor's default in the performance of the contract or in the payment of labor and material bills or other obligations covered by the surety's bond.

2. Settlement of claims by subcontractor. In any contract subject to this section, any subcontractor employed pursuant to that contract may file a claim with the department. The claim shall be only for final payment for goods and services received by the contractor and provided by the subcontractor employed pursuant to the contract and may be filed any time 90 days after delivery of final goods and services. The department shall submit the dispute to arbitration and both the contractor and subcontractor shall be bound by the decision of the arbitrator. The department shall pay any amount awarded by the arbitrator from money due and securities deposited pursuant to subsection 1, up to the full value of the money and securities. In addition, the contractor shall pay to the subcontractor on the money or securities awarded by the arbitrator from the date of receipt of final goods and services to the date of payment of the award by the contractor.

The membership of the American Arbitration Association shall be used as arbitrators and the procedures used for arbitration shall be in conformity with the Construction Industry Arbitration Rules as administered by the American Arbitration Association.

Effective July 3, 1980

## CHAPTER 581

#### H. P. 1614 – L. D. 1724

#### AN ACT Relating to the Reconstruction of Interstate and International Bridges.

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

Whereas, from time to time it is necessary to reconstruct interstate and international bridges; and

Whereas, statutory authority to reconstruct these bridges is necessary; and

Whereas, the Thoroughfare Bridge at Orient is in need of reconstruction; and

Whereas, the following legislation is vitally necessary to prevent undue hazards