

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**

**ONE HUNDRED AND NINETEENTH LEGISLATURE**

**FIRST REGULAR SESSION**  
**December 2, 1998 to June 19, 1999**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 18, 1999**

**PUBLISHED BY THE REVISOR OF STATUTES**  
**IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,**  
**TITLE 3, SECTION 163-A, SUBSECTION 4.**

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**1999**

investments. Money in the fund not needed to meet the obligations of the authority as provided in this section may be invested in a manner permitted by law. For the purposes of this section, "business" means an individual, company, corporation or any other entity organized for a common business purpose and "cooperative" means an association organized as a cooperative in accordance with Title 13, chapter 85, subchapter II.

**§997-B. Agricultural Products Utilization Commission**

The Agricultural Products Utilization Commission, as established in Title 5, section 12004-I, subsection 6-F, referred to in this section as the "commission," shall advise the members of the authority on the adoption, amendment or repeal of rules, policies or administrative procedures for carrying out section 997-A. In addition, the commission shall advise the members of the authority on environmental impact considerations, including the impact that agriculturally derived fuels may have on ground water.

**1. Membership.** The commission consists of 11 members. Five members must be appointed by the Governor for terms of 2 years each, arranged so that 2 terms expire in odd-numbered years and 3 terms expire in even-numbered years; 3 of these must be actively engaged in farming in this State and 2 members appointed by the Governor must be actively engaged in business in this State. The Commissioner of Agriculture, Food and Rural Resources shall appoint one member for a term of 2 years, which expires in odd-numbered years. The member appointed by the Commissioner of Agriculture, Food and Rural Resources must be actively engaged in farming in this State. The Commissioner of Environmental Protection shall appoint one member for a term of 2 years, which expires in even-numbered years. Commission members may be reappointed to the commission. Terms of members run from the first day of July. The Director of Economic and Community Development, the President of the University of Maine, the Commissioner of Environmental Protection and the Commissioner of Agriculture, Food and Rural Resources, or their designees, are members of the commission. The commission shall elect one of its members as chair.

**2. Commission meetings; staff.** The commission shall meet as necessary and shall report annually to the joint standing committee of the Legislature having jurisdiction over natural resources matters and the joint standing committee of the Legislature having jurisdiction over agriculture, food and rural resources matters on the commission's activities and deposits and expenditures from the Agriculturally Derived Fuel

Fund. The authority shall provide staff and support services to the commission.

See title page for effective date.

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**CHAPTER 475**

**S.P. 186 - L.D. 579**

**An Act to Encourage Contributions to Family Development Account Reserve Funds**

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

**Sec. 1. 10 MRSA §1079, sub-§3,** as enacted by PL 1997, c. 518, §2, is amended to read:

**3. Duties; report.** The committee shall meet at least ~~4~~ 2 times per year to study and evaluate the effectiveness of family development accounts in this State and other states; make recommendations with respect to changes in law, rule or policy that will enhance the ability of account holders to improve their economic security; and advise the authority, relevant state agencies, community development organizations and the Legislature as to its findings. The committee shall provide a comprehensive report to the joint standing committee of the Legislature having jurisdiction over business and economic development matters and the joint standing committee of the Legislature having jurisdiction over health and human services matters by March 1st of each year, beginning in 1999.

**Sec. 2. 36 MRSA §198, sub-§4, ¶F,** as enacted by PL 1985, c. 430, §3, is amended to read:

F. Section 5202-A; and

**Sec. 3. 36 MRSA §198, sub-§4, ¶G,** as amended by PL 1989, c. 508, §7, is repealed.

**Sec. 4. 36 MRSA §198, sub-§4, ¶¶I, J, K, L, N and O,** as enacted by PL 1989, c. 508, §7, are repealed.

**Sec. 5. 36 MRSA §198, sub-§4, ¶P** is enacted to read:

P. Chapter 822.

**Sec. 6. 36 MRSA §5216-C** is enacted to read:

**§5216-C. Contributions to family development account reserve funds**

**1. Credit allowed.** A taxpayer who contributes to a family development account reserve fund as defined in Title 10, section 1075 is allowed a credit

against the tax imposed by this Part equal to the lower of:

- A. Twenty-five thousand dollars; or
- B. Fifty percent of the amount contributed by the taxpayer.

Only one credit may be claimed on each annual income tax return regardless of filing status. The credit allowed under this section may not reduce the tax to less than 0 and must be applied after allowance for all other eligible credits. A taxpayer who claims a credit under this section may not claim an itemized charitable deduction under section 5125 for the amount of the contribution that qualified for the credit.

2. Aggregate limitation. The total amount of contributions that may be claimed as credits under this section in a state fiscal year is limited to \$200,000.

3. Verification of eligibility. The Finance Authority of Maine, referred to in this section as the "authority," shall verify all claims for a credit under this section and shall provide the assessor with a list of all eligible claimants. The list must be prioritized based upon the date of the eligible contribution. The authority may establish procedures requiring submission of information necessary to verify eligibility by family development account reserve fund administrators.

**Sec. 7. Application.** This Act applies to taxable years beginning on or after January 1, 2000.

See title page for effective date.

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## CHAPTER 476

H.P. 1368 - L.D. 1966

### An Act to Require Disclosures in Connection with Transfers of Residential Property

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

**Sec. 1.** 33 MRSA c. 7, sub-c. I-A is enacted to read:

#### SUBCHAPTER I-A

#### RESIDENTIAL PROPERTY DISCLOSURES

##### §171. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Known defect. "Known defect" means a condition, known by the seller, that has a significant adverse effect on the value of property, significantly impairs the health or safety of future occupants of the property or, if not repaired, removed or replaced, significantly shortens the expected normal life of the premises.

2. Seller. "Seller" means the owner of the residential real property that is for sale, exchange, sale under an installment contract or lease with an option to buy.

3. Property disclosure statement. "Property disclosure statement" means a written disclosure form prepared by a seller pursuant to section 173.

4. Purchaser. "Purchaser" means a transferee in any of the types of transactions described in section 172.

5. Real estate contract. "Real estate contract" means a contract for the transfer of ownership of residential real property by any of the ways described in section 172.

6. Residential real property. "Residential real property" means real estate consisting of one or not more than 4 residential dwelling units.

##### §172. Applicability; exemptions

This subchapter applies to the transfer of any interest in residential real property, whether by sale, exchange, installment land contract, lease with an option to purchase or any other option to purchase, when the transaction is without the assistance of a person licensed to practice real estate brokerage. The following transfers are exempt from this subchapter:

1. Court order. Transfers pursuant to court order, including, but not limited to, transfers ordered by a court in the administration of an estate, transfers pursuant to a writ of execution, transfers by any foreclosure sale, transfers by a trustee in bankruptcy, transfers by eminent domain and transfers resulting from a decree for specific performance;

2. Default. Transfers to a mortgagee by a mortgagor or successor in interest who is in default or transfers to a beneficiary of a deed of trust by a trustor or successor in interest who is in default;

3. Power of sale. Transfers by a sale under a power of sale or any foreclosure sale under a decree of foreclosure after default in an obligation secured by a mortgage or deed of trust or secured by any other instrument containing a power of sale, or transfers by a mortgagee or a beneficiary under a deed of trust who has acquired the residential real property at a sale conducted pursuant to a power of sale under a