

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SECOND LEGISLATURE

Legislative Document

No. 1607

S. P. 632

In Senate, January 17, 1966

The Committee on State Government suggested.

EDWIN H. PERT, Secretary

Presented by Senator Shiro of Kennebec, and Senator Glass of Waldo.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SIX

AN ACT to Revise the Maine Industrial Building Authority Law.

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

Sec. 1. R. S., T. 10, § 703, sub-§ 1, amended. Subsection 1 of section 703 of Title 10 of the Revised Statutes, as amended by section 2 of chapter 142 of the public laws of 1965, is further amended to read as follows:

1. Cost of project. "Cost of project" shall mean the cost or fair market value of real estate improvements, lands, **new machinery and equipment including installation thereof, used machinery and equipment**, property rights, easement, franchises, financing charges, interest, engineering and legal services, plans, specifications, surveys, cost estimates, studies and other expenses as may be necessary or incident to the development, construction, financing and placing in operation of an industrial project.'

Sec. 2. R. S., T. 10, § 703, sub-§ 3, ¶ A, amended. Paragraph A of subsection 3 of section 703 of Title 10 of the Revised Statutes is amended to read as follows:

A. Any building or other real estate improvement and, if a part thereof, the land upon which they may be located, and all real properties **and machinery and equipment** deemed necessary to their use by any industry for the manufacturing, processing or assembling of raw materials or manufactured products and for the purposes of research and development for industrial and manufacturing enterprises;'

Sec. 3. R. S., T. 10, § 703, sub-§ 6, amended. Subsection 6 of section 703 of Title 10 of the Revised Statutes is amended to read as follows:

6. Mortgage. "Mortgage" shall mean a mortgage on an industrial project and the term "first mortgage" means such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate **or personalty** under the laws of the State of Maine, together with the credit instruments if any, secured thereby.'

Sec. 4. R. S., T. 10, § 751, amended. The last paragraph of section 751 of Title 10 of the Revised Statutes is amended to read as follows:

'No member of the authority shall participate in any decision involving insurance of payments on a loan to a local development corporation if said member has any interest in or connection with said local development corporation or any firm, partnership, corporation or association which intends to rent, lease or otherwise ~~occupy~~ use the property securing said loan.'

Sec. 5. R. S., T. 10, § 803, sub-§ 2, repealed and replaced. Subsection 2 of section 803 of Title 10 of the Revised Statutes is repealed and the following enacted in place thereof:

'2. Principal obligation; limit. Involve a principal obligation not to exceed \$8,000,000 for any one project and not to exceed the sum of 90% of the cost of the project related to real estate and 75% of the cost of the project related to machinery and equipment;'

Sec. 6. R. S., T. 10, § 803, sub-§ 3, amended. Subsection 3 of section 803 of Title 10 of the Revised Statutes is amended to read as follows:

'3. Maturity; limit. Have a maturity satisfactory to the authority but in no case later than 25 years from the date of the insurance on real estate mortgages and 10 years from the date of insurance on chattel securities;'

Sec. 7. R. S., T. 10, § 808, amended. Section 808 of Title 10 of the Revised Statutes is amended to read as follows:

'§ 808. Local development corporations

When a local development corporation does not meet mortgage payments insured by the authority by reason of ~~vacancy~~ **default under the terms of the lease** of its industrial project, the authority, for the purpose of maintaining income from industrial projects on which mortgage loans have been insured by the authority and for the purpose of safeguarding the mortgage insurance fund, may grant the local development corporation permission to lease or rent the property to a responsible **lessee or tenant** for a use other than that specified in section 703, subsection 3, such lease or rental to be temporary in nature and subject to such conditions as the authority may prescribe.'

Sec. 8. R. S., T. 10, § 852, amended. Section 852 of Title 10 of the Revised Statutes is amended to read as follows:

'§ 852. Records confidential

No member of the authority, agent or employee thereof shall divulge or disclose any information obtained from the records and files or by virtue of such

person's office concerning the name of any ~~tenant~~ lessee or information supplied by any ~~tenant~~ lessee, mortgagee or local development corporation in support of an application for mortgage insurance. Annual returns filed with the authority by a mortgagee, ~~tenant~~ lessee or local development corporation shall be privileged and confidential.'