

MAINE STATE LEGISLATURE

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(EMERGENCY)
THIRD SPECIAL SESSION

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1888

H. P. 1348

House of Representatives, September 18, 1968

Presented by Mr. Levesque of Madawaska.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-EIGHT

**AN ACT Relating to Insurance of Mortgages Under the Maine Industrial
Building Act.**

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

Whereas, shipbuilding is one of Maine's most vital and important industries; and

Whereas, it is essential that this industry be encouraged and supported; and

Whereas, there is keen competition within this area; and

Whereas, it is deemed in the public interest of the people of the State of Maine that such industry be able to successfully compete in this field; and

Whereas, the following legislation is vitally necessary to enable capital expansion necessary for Maine industry to compete nationally; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. R. S., T. 10, § 703, sub-§ 3, ¶ A, amended. Paragraph A of subsection 3 of section 703 of Title 10 of the Revised Statutes, as last repealed and replaced by section 2 of chapter 525 of the public laws of 1967, is amended to read as follows:

A. Any lands, buildings, real estate improvements or machinery and equipment, with auxiliary real and personal property, used by an industrial, manufacturing, fishing or agricultural enterprise for the manufacturing, processing, assembling or preparing for market of raw materials or other products, **including, but not limited to, an industry constructing sea-going ships and vessels**, or for the purposes of research and development for such enterprises;

Sec. 2. R. S., T. 10, § 803, amended. The first sentence of the first paragraph of section 803 of Title 10 of the Revised Statutes, as amended by section 5 of chapter 471 of the public laws of 1965 and by section 10 of chapter 525 of the public laws of 1967, is further amended to read as follows:

The authority is authorized upon application of the proposed mortgagee to insure mortgage payments required by a first mortgage on any eligible project, upon such terms and conditions as the authority may prescribe, provided the aggregate amount of principal obligations of all mortgages so insured outstanding at any one time shall not exceed ~~\$40,000,000~~ **the amount set forth in the Constitution of Maine, Article IX, section 14-A, as it may be from time to time amended.**

Sec. 3. R. S., T. 10, § 803, sub-§ 2, amended. Subsection 2 of section 803 of Title 10 of the Revised Statutes, as last repealed and replaced by section 11 of chapter 525 of the public laws of 1967, is amended to read as follows:

2. Principal obligation; limit; exception. Involve a principal obligation not to exceed \$8,000,000 for any one project and not to exceed 90% of the cost of project related to real estate, except 80% of the cost of project in the case of real estate in the form of documented fishing vessels, and 75% of the cost of project related to machinery and equipment, except agricultural machinery and equipment for which the principal obligation shall not exceed \$8,000,000 for any one project, and not to exceed 90% of the cost of said project as defined in section 703, subsection 1. **Provided that industrial projects involving an industry constructing sea-going ships and vessels, the prospective mortgagor of which applies for and receives an agreement of insurance from the authority before January 15, 1971, may involve a principal obligation not to exceed 40% of the amount set forth in the Constitution, Article IX, section 14-A, as it may be amended from time to time, for any one project and not to exceed the sum of 90% of the cost of project related to real estate and 75% of the cost of project related to machinery and equipment.**

Emergency clause. In view of the emergency in the preamble, this Act shall take effect when approved.