

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1215

H. P. 895

House of Representatives, February 26, 1971

Referred to Committee on State Government. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Cooney of Webster.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

AN ACT Relating to Prerequisites of Insurance of Mortgages by Industrial Building Authority, Recreation Authority and Municipal Securities Approval Board.

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

Sec. 1. R. S., T. 10, § 803, amended. The last paragraph of section 803 of Title 10 of the Revised Statutes, as enacted by section 1 of chapter 569 of the public laws of 1969, is amended to read as follows:

In any event no mortgage may be insured by the authority until the mortgagee, the mortgagor or any proposed lessee or assignee, as appropriate **shall** have secured ~~all applicable licenses, or it is determined that none is required~~ from the Environmental Improvement Commission a certificate that all applicable licenses from the commission for the project for which mortgage insurance is sought have been obtained. This certificate requirement shall likewise apply to any subsequent enlargement of, or addition to, such project, for which mortgage insurance is sought from the authority.

Sec. 2. R. S., T. 10, § 6003, sub-§ 5, amended. The last paragraph of subsection 5 of section 6003 of Title 10 of the Revised Statutes, as enacted by section 2 of chapter 569 of the public laws of 1969, is amended to read as follows:

In any event no mortgage may be insured by the authority until the mortgagee, the mortgagor or any proposed lessee or assignee, as appropriate, **shall** have secured ~~all applicable licenses, or it is determined that none is required~~ from the Environmental Improvement Commission a certificate that all applicable licenses from the commission for the project for which mortgage

insurance is sought have been obtained. This certificate requirement shall likewise apply to any subsequent enlargement of, or addition to, such project, for which mortgage insurance is sought from the authority.

Sec. 3. R. S., T. 30, § 5328, sub-§ 3, amended. The last sentence of subsection 3 of section 5328 of Title 30 of the Revised Statutes, as enacted by section 3 of chapter 569 of the public laws of 1969, is amended to read as follows:

In any event no project shall be approved and no certificate of approval shall be issued until ~~the project has received and secured all applicable licenses, or it is determined that none is required from~~ the Environmental Improvement Commission has certified to the board that all licenses required from the commission with respect to the project have been issued. This requirement of certification by the commission shall likewise apply to any subsequent enlargement of, or addition to, such project, for which approval is sought from the board.

STATEMENT OF FACT

The purpose of this bill is to require a formal certificate from the Environmental Improvement Commission that all applicable commission licenses have been issued before the Maine Industrial Building Authority or the Maine Recreation Authority can insure a loan, or the Municipal Securities Approval Board can approve a municipal bond issue. Present law is unclear as to how these agencies are to be satisfied that commission requirements have been fully met. The bill also specifies that additions to or enlargements of any project shall secure a commission certificate as a precedent to insurance eligibility or securities issuance approval.