

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

New Draft to: H. P. 953, L. D. 1129
FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1609

H. P. 1477

House of Representatives, May 15, 1981

Reported by Representative Webster from the Committee on State Government. Printed under Joint Rules No. 2.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Give Leaseholders Option to Purchase Lands Acquired by the State in Exchange with Paper Companies.

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

12 MRSA § 559 is enacted to read:

§ 559. Leases on lands obtained in exchange for public reserved land

Any person who had or has, on the effective date of a resolve approving a land exchange involving public reserved land, a valid leasehold interest in any land acquired by the State in any exchange of public reserved lands, shall have the option to obtain a lease, as described in this section, in the land which he held or holds that leasehold interest. Such a lease shall be obtained and used as follows.

1. **Notification of exercise of option.** Any person having the interest described in the first paragraph of this section referred to in this section as "the lessee," shall, within 6 months after the effective date of the resolve or this section, notify in writing the director of the exercise of the option. The notification must include a copy of the lease, a description of the property and a statement of the manner and the time of use.

2. **Lease agreement.** The director shall enter into an agreement with the lessee, which at the option of the lessee, shall be for either a 5-year renewable lease or a lifetime lease, as provided in this subsection.

A. A 5-year renewable lease means a lease for 5 years, which may be renewed for additional 5-year periods at the option of the original lessee.

The yearly rental shall be no more than the rental charged for the 1983 year plus 5% for each year of the lease subsequent to 1983, compounded.

This leasehold interest may be sold, sublet, transferred or otherwise conveyed and may be taken by devise or intestacy. The assigns or successors shall have the same renewal rights and obligations as the original lessee, except that the director may annually set a new rent regardless of the 1983 rental and the leasehold interest shall revert to the State 20 years after the original lessee, who first exercised the option for a lease with the director, sells, transfers, sublets or otherwise conveys the lease or dies.

The leasehold interest shall revert to the State if the lease is not renewed.

B. A lifetime lease means a lease for the lifetime of the lessee or the lessee's spouse at the time of the first lease with the director. In exchange for the lease, the lessee shall pay 1/2 of the fair market value of the land leased at the time the option is exercised. A lifetime lease shall be granted at the original lessee's option at any time that the original lessee has a 5-year lease.

The leasehold interest shall revert to the State:

(1) Upon the death of, whichever occurs later, the lessee or the lessee's eligible spouse, the latter being the lessee's spouse at the time the option is originally exercised; or

(2) Upon the termination of the lease as provided in subsections 3 and 4.

C. The lessee and the lessee's spouse or successors or assigns, whichever may be applicable, shall be given a period of 9 months after reversion to remove from the land any structures belonging to them.

D. Any lessee who believes that the rent or fair market value set by the director are high may appeal to the commissioner, who may overrule the director.

3. Use of property; termination. The agreement shall require that the lessee may use the property only as a seasonal family camp. The agreement may require conditions of maintenance and reasonable care and use, and that the lease may be terminated if these conditions are not met.

4. Termination of lease or lessee. The lessee, his spouse, assigns or successors, whichever may be applicable, may, at his option, terminate the lease at any time, in which event the land shall revert to the State.

5. Use of moneys. Any moneys received pursuant to this section shall be used in accordance with Title 30, section 557.

STATEMENT OF FACT

The purpose of this new draft is to allow any person who has held or will hold a leasehold interest in public reserved land, which was or is acquired by the State through a land exchange, to continue holding an interest either for the tenant's lifetime or subject to a 5-year renewable lease which may be sold, transferred or otherwise conveyed to another person.