

MAINE STATE LEGISLATURE

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L.D. 1546

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(Filing No. H-294)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
111TH LEGISLATURE
FIRST REGULAR SESSION

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COMMITTEE AMENDMENT "A" to H.P. 1165,
L.D. 1546, Bill, "AN ACT to Authorize Court
Appointed Receivers."

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Amend the Bill in that part designated "§7931."
by adding at the end after the underlined word and
punctuation "facilities." the following: 'It is the
intent of the Legislature that receivership shall be
a remedy of last resort when all other methods of
remedy have failed or when the implementation of
other remedies would be futile.'

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Further amend the Bill in that part designated
"§7933." in subsection 2 in the first line (page 3,
line 19 in L.D.) by striking out the underlined word
"department" and inserting in its place the under-
lined words 'commissioner or acting commissioner'

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Further amend the Bill in that part designated
"§7934." in subsection 2 by striking out all of para-
graphs C and D and inserting in their place the fol-
lowing:

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'C. In the event that the receiver does not have
sufficient funds to cover expenses needed to pre-
vent or remove jeopardy to the residents, the
receiver may petition the court for permission to
borrow for these purposes. Notice of the
receiver's petition to the court for permission
to borrow shall be given to the owner, the licen-
see and the department. The court may, after
hearing, authorize the receiver to borrow money
upon specified terms of repayment and to pledge
security, if necessary, if the court determines
that the facility should not be closed and that
the loan is reasonably necessary to prevent or
remove jeopardy or if it determines that the

COMMITTEE AMENDMENT "A" to H.P. 1165, L.D. 1546

1 facility should be closed and that the expendi-
2 ture is necessary to prevent or remove jeopardy
3 to residents for the limited period of time that
4 they are awaiting transfer. The purpose of this
5 provision is to protect residents and to prevent
6 the closure of facilities which, under proper
7 management, are likely to be viable operations.
8 This section shall not be construed as a method
9 of financing major repair or capital improvements
10 to facilities which have been allowed to deterio-
11 rate because the owner or licensee has been
12 unable or unwilling to secure financing by con-
13 ventional means.'

14 Further amend the Bill by striking out all of
15 that part designated "§7935."

16 Further amend the Bill by renumbering those sec-
17 tions designated "§7936." to "§7939." to be sections
18 '§7935.' to '§7938.'

19 STATEMENT OF FACT

20 This amendment:

21 1. Includes language to express the legislative
22 intent that receivership is a remedy of last resort;

23 2. Amends the bill to provide that only the com-
24 missioner or acting commissioner may request receiver-
25 ship;

26 3. Deletes the provision for a special revolving
27 fund; and

28 4. Corrects an omission in Title 22, section
29 7934, subsection 2, paragraph C.

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