

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 407, L.D. 590, Bill, "An Act to Amend the Exemption of Certain Divisions from the Definition of Subdivision"

Amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

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

Whereas, the transfer of a security interest for property should not trigger review of the real estate under municipal subdivision or site location of development laws; and

Whereas, this legislation allows a lender to foreclose on a mortgage of a lot exempted from subdivision review without triggering review; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine 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. 30-A MRSA §4401, sub-§4, ¶D, as amended by PL 1989, c. 772, §2, is further amended to read:

D. A division accomplished by devise, condemnation, order of court, gift to a person related to the donor by blood, marriage or adoption or a gift to a municipality or by the

2 transfer of any interest in land to the owner of land
3 abutting that land does not create a lot or lots for the
4 purposes of this definition, unless the intent of the
5 transferor in any transfer or gift within this paragraph is
6 to avoid the objectives of this section subchapter. If the
7 real estate exempt under this paragraph by a gift to a
8 person related to the donor by blood, marriage or adoption
9 is transferred within 5 years to another person ~~not-related~~
10 ~~to-the-donor-of-the-exempt-real-estate-by-blood,-marriage-or~~
11 ~~adoption,~~ then that the previously exempt division creates a
12 lot or lots for the purposes of this subsection, unless that
13 other person:

14 (1) Is related to the donor of the exempt real estate
15 by blood, marriage or adoption;

16 (2) Receives by the transfer a bona fide security
17 interest in and the transfer does not further divide
18 the exempt real estate; or

19 (3) Is a successor to the interest described in
20 subparagraph (2) and the transfer to that successor
21 does not further divide the exempt real estate.

22 The exemptions in subparagraphs (1) to (3) do not apply if
23 the transferor has the intent to avoid the objectives of
24 this subchapter.

25 **Sec. 2. 38 MRSA §482-A, sub-§5, ¶E, as repealed and replaced**
26 **by PL 1987, c. 812, §§7 and 18, is amended to read:**

27 **E. Unless intended to circumvent this article, the**
28 **following transactions shall may not be considered lots**
29 **offered for sale or lease to the general public:**

30 **(1) Sale or lease of lots to an abutting owner or to a**
31 **spouse, child, parent, grandparent or sibling of the**
32 **developer; or**

33 **(2) Personal, nonprofit transactions, such as the**
34 **transfer of lots by gift or devise; and or**

35 **(3) Grant of a bona fide security interest in the**
36 **whole lot or subsequent transfer of the whole lot by**
37 **the original holder of the bona fide security interest**
38 **or that person's successor in interest; and**

39 **Emergency clause. In view of the emergency cited in the**
40 **preamble, this Act takes effect when approved.'**

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STATEMENT OF FACT

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This amendment strikes the whole bill. It differs from the original bill in that in addition to the provisions of the original bill, it allows the parcel of land to be subsequently transferred in its entirety without subsequent review. The amendment also extends an exemption from review under the site location of development laws to a parcel acquired by a mortgagor or the mortgagor's successor. Finally, the amendment adds an emergency preamble and an emergency clause to the bill.

Reported by the Committee on Energy and Natural Resources
Reproduced and distributed under the direction of the Clerk of the House
(5/7/91) (Filing No. H-257)