

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1994

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Legislative Document

No. 1991

H.P. 1465

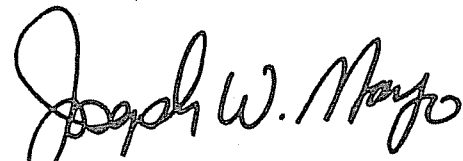
House of Representatives, March 29, 1994

**Resolve, to Clarify the Transfer of Certain State Lands to the Maine Veterans' Homes.**

(EMERGENCY)

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Reference to the Committee on Aging, Retirement and Veterans suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative JALBERT of Lisbon. (GOVERNOR'S BILL)

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

Whereas, construction is underway on 2 new veterans' homes,  
one at South Paris and one in Bangor; and

Whereas, it is necessary to use the land comprising the site  
for the Bangor veterans' home to help secure financing for the 2  
new veterans' homes; and

Whereas, a reverter clause in the original deed to the Maine  
Veterans' Home makes it impossible to secure such financing; 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

Sec. 1. Resolve 1991, c. 74, §1, first ¶, last sentence, amended.  
Resolved: That Resolve 1991, c. 74, §1, first ¶, last sentence  
is amended to read:

The director may convey this parcel only in a deed containing the  
following conditions ~~requiring reversion of the entire interest  
and title to the State if:~~

; and be it further

Sec. 2. Resolve 1991, c. 74, §1, sub-§§1 to 3, repealed and replaced.  
Resolved: That Resolve 1991, c. 74, §1, sub-§§1 to 3 are  
repealed and the following enacted in their place:

1. The parcel may be used to provide security for the  
issuance of bonds to finance the construction of veterans' homes  
in Caribou, Scarborough, Bangor and South Paris, authorized by  
the Maine Revised Statutes, Title 37-B, section 601;

2. Title to the parcel reverts to the State when all bonds  
described in subsection 1 mature and all outstanding principal,  
interest and premium, if any, on the bonds has been paid to  
bondholders and any indenture mortgage securing the bonds has  
been defeased. If the parcel is sold at foreclosure or is  
conveyed by deed in lieu of foreclosure, title to the parcel  
passes free and clear of any reversionary rights of the State  
under this resolve and these rights are automatically terminated  
upon that conveyance;

2       3. The Maine Veterans' Homes may not encumber the parcel  
4       with any mortgage, lien or other financial obligation other than  
6       that necessary in the opinion of the Maine Veterans' Homes to  
8       provide security for the bonds described in subsection 1. The  
      Maine Veterans' Home shall use every means in its power to repay  
      and discharge the mortgage indebtedness and other obligations  
      secured by the parcel and to obtain and record a discharge  
      thereof when repaid;

10       4. If title to the parcel has reverted to the State  
12       pursuant to this deed, the Director of the Bureau of General  
14       Services shall lease the parcel to the Maine Veterans' Homes and  
      this lease continues for as long as the parcel is used for the  
      purposes associated with the maintenance of a veterans' home in  
      Bangor; and

16       5. Except as provided in this deed, the Maine Veterans'  
18       Homes may not sell or convey the parcel or any interest in the  
20       parcel.

22       **Emergency clause.** In view of the emergency cited in the  
preamble, this resolve takes effect when approved.

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26                                   **STATEMENT OF FACT**

28       Resolve 1991, chapter 74 authorized the transfer of land at  
30       the Bangor Mental Health Institute to the Maine Veterans' Homes  
32       for the construction of a veterans' home in Bangor with the  
34       provision that the land revert to the State if a veterans' home  
36       was not constructed on the land by June 30, 1993. Construction  
38       is underway on the Bangor veterans' home but will not be  
40       completed by June 30, 1993. Chapter 74 provided that conveyance  
42       of any interest in title by the Maine Veterans' Homes to the  
44       Bangor site, presumably including routine mortgages necessary to  
46       finance the Bangor veterans' home, would not be permitted. This  
      resolve clarifies the intent of chapter 74 by replacing section  
      1, subsections 1 to 3 so that construction of the Bangor  
      veterans' home may continue on schedule. The resolve also  
      establishes permissible mortgage uses of the site for the Bangor  
      veterans' home that are the same as those applicable to the  
      Augusta veterans' home, and approved by the Legislature in 1989.

48       This document has not yet been reviewed to determine the  
50       need for cross-reference, stylistic and other technical  
      amendments to conform existing law to current drafting standards.