

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1599, L.D. 2100, Bill, "An Act to Implement the Majority Recommendations of the Committee to Study Issues Concerning Changes to the Traditional Uses of Maine Forests and Lands"

Amend the bill by striking out the title and substituting the following:

'An Act to Provide for Notice of Termination, Nonrenewal or Change in Terms of Certain Leases'

Further amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

'Sec. 1. 14 MRSA c. 710-D is enacted to read:

CHAPTER 710-D

BUILDINGS ON LEASED LOTS

§6047. Application

1. Parties to agreement; purposes of agreement. This chapter applies to agreements between:

A. A person, referred to in this chapter as the "lessor," who owns land in territory under jurisdiction of the Maine Land Use Regulation Commission; and

COMMITTEE AMENDMENT

2 B. A person, referred to in this chapter as the "lessee,"
3 who intends to construct or to occupy a building or
4 buildings owned by that person on leased land in territory
5 under jurisdiction of the Maine Land Use Regulation
6 Commission for recreational or residential purposes on a
7 seasonal or year-round basis or to operate a business
8 consisting of a commercial sporting camp, campground or
9 retail store.

10 2. Prospective application. This chapter applies to
11 agreements entered into or renewed on or after the effective date
12 of this chapter.

14 **§6048. Written lease and description required**

16 An agreement described in section 6047 must be made in the
17 form of a written lease and must include at least a general
18 description of the boundaries of the land to be leased.

20 **§6049. Required notice**

22 1. Required notice of change in terms. A lessor must give
23 a lessee at least 30 days' notice of a change in the terms of a
24 lease.

26 2. Required notice of termination. Unless the lease is
27 terminated for cause, a lessor must give notice to a lessee of
28 the intent to terminate the lease at least one year prior to the
29 effective date of the termination. All terms of the lease remain
30 in effect following the notice, except that:

32 A. Termination provisions of the lease to the extent
33 inconsistent with this section are void, beginning on the
34 date the notice is provided;

36 B. The lessee may terminate the lease earlier than the
37 effective date provided in the notice; and

38 C. If the lessee violates the lease during the period
39 between the giving of the notice and the termination date
40 provided in the notice, this section no longer applies and
41 the lessee has only the rights provided in the lease.

44 For purposes of this subsection, "cause" means violation by a
45 lessee of a term of a lease.'

46 Further amend the bill by inserting at the end before the
47 summary the following:
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FISCAL NOTE

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This bill may increase the number of civil suits filed in the court system. The additional workload and administrative costs associated with the minimal number of new cases filed can be absorbed within the budgeted resources of the Judicial Department. The collection of additional filing fees may also increase General Fund revenue by minor amounts.'

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SUMMARY

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This amendment replaces the bill. It deletes the provision of the bill giving certain lessees the right of first refusal to purchase the leased premises. The amendment also clarifies that a survey or other formal description of the boundaries is not required.

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The amendment changes the advance notice period for a change in terms of a lease from 90 days to 30 days.

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The amendment requires lessors to give lessees at least one years' notice of the intent to terminate a lease, to enable the lessee to remove property or otherwise plan for termination. The terms of the lease continue during the notice period, except that inconsistent termination provisions in the lease are superseded by the statute, to the extent they are inconsistent. Also, the lessee may terminate the lease at any time during the notice period if, for example, the lessee is able to remove the structure prior to the end of the notice period and no longer wishes to occupy the property.

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The amendment also adds a fiscal note to the bill.