

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

One Hundred and Fifth Legislature

OF THE

STATE OF MAINE

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THE KNOWLTON AND MCLEARY COMPANY
FARMINGTON, MAINE
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PUBLIC LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE
One Hundred and Fifth Legislature
1971

§ 1316. Employment

It is the policy of this State that the blind, the visually handicapped and the otherwise physically disabled shall be employed in the State Service, the service of the political subdivisions of the State, in the public schools and in all other employment supported in whole or in part by public funds on the same terms and conditions as the able-bodied, unless it is shown that the particular disability prevents the performance of the work involved.

Sec. 2. R. S., T. 17, § 1302, repealed. Section 1302 of Title 17 of the Revised Statutes is repealed.

Sec. 3. R. S., T. 29, §§ 2061 - 2064, repealed. Sections 2061 to 2064 of Title 29 of the Revised Statutes are repealed.

Effective September 23, 1971

Chapter 59

AN ACT Relating to Surety Bonds of Contractors for Public Works.

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

R. S., T. 14, § 871, additional. Title 14 of the Revised Statutes is amended by adding a new section 871 to read as follows:

§ 871. Public Works Surety Bond Law of 1971

1. Title. This section shall be known and may be cited as the "Public Works Contractors' Surety Bond Law of 1971".

2. Person and claimant. The terms "person" and "claimant" and the masculine pronoun as used in this section shall include individuals, associations, corporations or partnerships.

3. Surety bonds. Unless specifically exempted by statute, before any contract, exceeding \$10,000 in amount, for the construction, alteration or repair of any public building or other public improvement or public work, including highways, is awarded to any person by the State or by any political subdivision or quasi-municipal corporation, or by any public authority, such person shall furnish to the State or to such other contracting body, as the case may be, the following surety bonds:

A. A performance bond in an amount equal to the full contract amount, conditioned upon the faithful performance of the contract in accordance with the plans, specifications and conditions thereof. Such bond shall be solely for the protection of the State or the contracting body awarding the contract, as the case may be.

B. A payment bond in an amount equal to the full amount of the contract solely for the protection of claimants supplying labor or materials to the contractor or his subcontractor in the prosecution of the work provided for in such contract. The term "materials" shall include rental of equipment.

Each such bond shall be executed by a surety company or companies duly authorized to do business in this State. In the case of contracts on behalf of the State, the bonds shall be payable to the State and deposited with the contracting authority. In the case of all other contracts subject to this section, the bonds shall be payable to and deposited with the contracting body awarding the contract.

4. Actions. Any person who has furnished labor or material to the contractor or to a subcontractor of the contractor in the prosecution of the work provided for in such contract in respect to which a payment bond has been furnished under subsection 3, paragraph B, and who has not been paid in full before the expiration of 90 days after the day on which the last of the labor was performed by him or material was furnished or supplied by him for which such claim is made, shall have the right to bring an action on such payment bond in his own name for the amount, or the balance thereof, unpaid at the time of the institution of such action. Any such claimant having a direct contractual relationship with a subcontractor of the contractor furnishing such payment bond but no contractual relationship, express or implied, with such contractor shall not have the right of action upon such payment bond unless he shall have given written notice to such contractor within 90 days from the date on which such claimant performed the last of the labor, or furnished or supplied the last of the material for which such claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the material was furnished or supplied or for whom the labor was done or performed. Such notice shall be served by registered or certified mail, postage prepaid, in an envelope addressed to the contractor at any place he maintains an office or conducts his business, or at his residence.

Every action on said payment bond shall be brought in the county in which the principal or surety has its principal place of business. No such action may be commenced after the expiration of one year from the date on which the last of the labor was performed or material was supplied for the payment of which such action is brought. Provided that in the case of a material supplier, where the amount of the claim is not ascertainable due to the unavailability of final quantity estimates, such action may be commenced after the expiration of one year from the date on which the final quantity estimates are determined. However, the notice of claim from the material supplier to the contractor furnishing the payment bond shall be filed before the expiration of 90 days following the determination by the contracting authority of the final quantity estimates.

The contracting body and the agent in charge of its office shall furnish to anyone making written application therefor who states that he has supplied labor or materials for such work, and payment therefor has not been made, or that he is being sued on any such bond, or that he is the surety thereon, a certified copy of such bond and the contract for which it was given, which copy shall be prima facie evidence of the contents, execution and delivery of the original. Applicants shall pay for such certified copies such reasonable fees as the contracting body or the agent in charge of its office fixes to cover the actual cost of preparation thereof.

5. Application. This section shall not apply to any contract awarded pursuant to any invitation for bids issued on or before the effective date of this Act or to any bonds furnished in respect to any such contract.

Effective September 23, 1971

Chapter 60

AN ACT to Authorize Savings Bank Loans Covered by Mortgage Guaranty Insurance.

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

Sec. 1. R. S., T. 9, § 561, sub-§ 1, ¶ H, additional. Subsection 1 of section 561 of Title 9 of the Revised Statutes, as enacted by section 18 of chapter 401 of the public laws of 1969, is amended by adding a new paragraph H, to read as follows:

H. A savings bank may make loans secured by a first mortgage of real estate in an amount not exceeding 90% of its appraisal of the market value, if at least the top 20% of the loan is insured by a mortgage guaranty insurer licensed to do business in this State.

Sec. 2. Effective date. This Act shall become effective December 31, 1971.

Effective December 31, 1971

Chapter 61

AN ACT Relating to Administration of the State Income Tax.

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

Sec. 1. R. S., T. 30, § 1051, sub-§ 20, additional. Section 1051 of Title 30 of the Revised Statutes, as amended, is further amended by adding a new subsection 20, to read as follows:

20. Service of an income tax warrant. For the service of an income tax warrant and arrest as provided by Title 36, chapters 801 to 839, the same as for service of civil process, and for civil arrests. For collecting income tax, penalties and interest, pursuant to such warrants, for every dollar of the first \$100, 4¢; for every dollar above \$100 and not exceeding \$200, 3¢; and for every dollar above \$200, 2¢. Additional services, including travel, shall be charged as elsewhere in this section provided.

Sec. 2. R. S., T. 36, § 5102, sub-§ 6, amended. Subsection 6 of section 5102 of Title 36 of the Revised Statutes, as enacted by section F of chapter 154 of the private and special laws of 1969, is amended to read as follows:

Effective September 23, 1971