

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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PUBLIC LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE
One Hundred and Fifth Legislature
1971

Chapter 210

AN ACT to Authorize Pollution-control Facilities to Be Financed by the Issue of Revenue Obligation Securities under the Municipal Industrial and Recreation Obligations Act.

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

Whereas, many corporations are finding it difficult or impossible to obtain commitments for the financing of pollution-control facilities required under the Revised Statutes, Title 38, chapter 3, as amended, without the assistance which would be provided if such facilities could be financed under the Revised Statutes, Title 30, chapter 242, as amended; and

Whereas, widespread failure to comply with the October 1, 1971 deadline for completing arrangements for administration and financing of such facilities imposed by Title 38, section 451, subsection 1, paragraph B, would tend to create delay in the State's pollution-control program; and

Whereas, it is essential to the health and welfare of the citizens of this State that pollution control be achieved at the earliest possible time and that all possible assistance to the financing and completion of pollution-control facilities be given immediately; 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. R. S., T. 30, § 5325, sub-§§ 1, 4, 6 and 7, amended. Subsections 1, 4, 6 and 7 of section 5325 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, are amended to read as follows:

1. Revenue-producing industrial-commercial, pollution-control or recreational projects. To acquire, construct, reconstruct, renew and replace ~~industrial~~ **industrial-commercial, pollution-control, and recreational and combined** projects within or partly within the corporate limits of the municipality;

4. Acquisition of property. The municipal officers are authorized and empowered to acquire from funds provided under the authority of this chapter such lands, structures, property, rights, rights-of-way, franchises, easements and other interests in lands, including lands lying under water and riparian rights, which are located within the State as it may deem necessary or convenient for the construction or operation of any ~~industrial~~ **industrial-commercial, pollution-control, or recreational or combined** project, upon such terms and conditions as they shall deem reasonable and proper, and to dis-

pose of any of the foregoing in the exercise of its powers and the performance of its duties ~~hereunder~~ **under this chapter**;

6. **Government contracts.** To enter into contracts with the State or the Federal Government of the United States or any agency or instrumentality thereof, or with any other municipality providing for or relating to ~~the revenue producing an industrial~~ industrial-commercial, pollution-control, ~~or~~ recreational or combined facility; provided, in the case of contracts with the Federal Government involving pollution-control facilities, that the consent of the Environmental Improvement Commission is first obtained, such commission being authorized to grant such consent notwithstanding Title 38, section 362;

7. **Government aid.** To accept from any authorized agency of the State or the Federal Government loans or grants for the planning, construction or acquisition of any ~~revenue producing industrial~~ industrial-commercial, pollution-control, ~~or~~ recreational or combined facility and to enter into agreements with such agency respecting any such loans or grants, and to receive and accept aid and contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such loans, grants and contributions may be made; provided, in the case of loans, grants or other aid from the Federal Government involving pollution-control facilities, that the consent of the Environmental Improvement Commission is first obtained, such commission being authorized to grant such consent notwithstanding Title 38, section 362; and

Sec. 2. R. S., T. 30, § 5326, sub-§§ 2-A and 3-A, additional. Section 5326 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965 and as amended, is further amended by adding 2 new subsections, to read as follows:

2-A. **Pollution-control project.** "Pollution-control project" means any building, structure, machinery, equipment or facilities, including transportation equipment or facilities, which may be deemed necessary for preventing, avoiding, reducing, controlling, abating or eliminating contamination, thermal pollution or pollution by any other means of the air, the water or the earth, together with all lands, property, rights, rights-of-way, franchises, easements and interests in lands which may be acquired by the municipality for the construction or operation of the project.

3-A. **Combined project.** "Combined project" means any combination of an industrial-commercial project, a pollution-control project and a recreational project undertaken by a single municipality for a common lessee or group of lessees.

Sec. 3. R. S., T. 30, § 5326, sub-§ 4, amended. Subsection 4 of section 5326 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

4. **Project.** "Project" means ~~industrial~~ industrial-commercial project, pollution-control project, ~~or~~ recreational project or combined project as the context may permit or require.

Sec. 4. R. S., T. 30, § 5326, sub-§ 5, amended. Subsection 5 of section 5326 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

5. **Cost.** "Cost" as applied to a ~~revenue producing industrial or an industrial-commercial, pollution-control, recreational facility or combined project~~ shall include the purchase price of any such ~~facility~~ project, the cost of construction, the cost of all labor, materials, machinery and equipment, the cost of improvements, the cost of all lands, property, rights, easements and franchises acquired, financing charges, interest prior to and during construction and, if deemed advisable by the municipal officers, for not more than one year after completion of construction, cost of plans and specifications, surveys and estimates of cost and of revenues, cost of engineering and legal services, and all other expenses necessary or incident to determining the feasibility or practicability of such construction, administrative expense and such other expenses as may be necessary or incident to the financing ~~herein~~ authorized. Any obligation or expenses incurred by the State, ~~or the municipality or any private person~~ in connection with any of the foregoing items of cost may be regarded as a part of such cost and reimbursed to the State or municipality ~~or such person~~ out of the proceeds of revenue obligation securities issued under this chapter.

Sec. 5. R. S., T. 30, § 5328, sub-§ 3, amended. The last sentence of subsection 3 of section 5328 of Title 30 of the Revised Statutes, as enacted by section 3 of chapter 569 of the public laws of 1969, is amended to read as follows:

In any event no project shall be approved and no certificate of approval shall be issued for a project until the project has received and secured all applicable licenses, ~~or it is determined that none is required,~~ from the Environmental Improvement Commission certifies to the board that all applicable licenses and approvals required from such commission for such project have been granted or that none are required.

Sec. 6. R. S., T. 30, § 5328, sub-§ 4, ¶¶ A, C and D, amended. Paragraphs A, C and D of subsection 4 of section 5328 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, are amended to read as follows:

A. The project will make a significant contribution to the economic growth of ~~or the control of pollution in~~ the State;

C. Adequate provision is being made to meet any increased demand upon public facilities that might result from such project; ~~and~~

D. In cases where is is proposed to relocate an ~~industrial~~ industrial-commercial or recreational facility existing in the State, there is a clear economic justification for such relocation; and

Sec. 7. R. S., T. 30, § 5328, sub-§ 4, ¶ E, additional. Subsection 4 of section 5328 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended by adding a new paragraph E to read as follows:

E. In the case of projects including pollution-control facilities, the proposed users of such facilities make a significant contribution to the economy of the State, a substantial public benefit will result from the inclusion of such facilities in such project, and it is unlikely that public facilities

meeting the needs of such users and securing comparable public benefit will become available in the reasonably foreseeable future.

Sec. 8. R. S., T. 30, § 5328, sub-§ 4, amended. Subsection 4 of section 5328 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended by adding a new paragraph at the end to read as follows:

If the board is satisfied that the foregoing determinations can be made and that a certificate of approval can be issued upon receipt of the certificate of the Environmental Improvement Commission required by subsection 3, the board may so advise the Environmental Improvement Commission, which may treat such advice as the completion of arrangements for financing for purposes of Title 38, section 451, subsection 1, paragraph B.

Sec. 9. R. S., T. 30, § 5329, sub-§§ 5 and 6, amended. Subsections 5 and 6 of section 5329 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, are amended to read as follows:

5. Assistance. Maintain a close liaison with the Environmental Improvement Commission, the Maine Industrial Building Authority, the Maine Recreation Authority and the Department of Economic Development and to provide assistance to municipalities to facilitate the planning and financing of industrial and recreational projects;

6. Recommendations. Make recommendations and reports in cooperation with the Environmental Improvement Commission, the Maine Industrial Building Authority, the Maine Recreation Authority and the Department of Economic Development to the board on the merits of any proposed project and on meritorious locations; and

Sec. 10. R. S., T. 30, § 5331, sub-§ 1, amended. Subsection 1 of section 5331 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

1. Balloting for securities; actions to contest validity. Upon receipt of the certificate of approval from the board as provided in section 5328, the municipal officers of any municipality are authorized to provide by resolution, at one time or from time to time, for the issuance of revenue obligation securities of the municipality for the purpose of paying the cost of acquiring, constructing, reconstructing, renewing or replacing any revenue-producing industrial or industrial-commercial, pollution-control, recreational facility or combined project, provided no revenue obligation securities of a municipality shall be issued until the general purpose or purposes for which the securities are to be issued and the maximum principal amount of such securities to be authorized have been approved by ballot by a majority of the votes cast on the question and the number of votes cast is at least 20% of the total vote for all candidates for Governor cast in the municipality at the last gubernatorial election. The ballot submitted to the voters of a municipality to authorize the issuance of revenue obligation securities shall state the general purpose or purposes for which the proposed securities are to be issued and the maximum principal amount of the proposed securities authorized to be issued. The voting at meetings to be held in municipalities shall be held and conducted in accordance with sections 2061 to 2064, even though the municipality has not accepted the provisions of section 2061. The result of such vote

shall be declared by the municipal officers and due certificate thereof shall be filed by the clerk of the municipality with the board. Such a certificate, together with a statement as to the time within which any action or proceeding to set aside such vote or obtain any relief on the grounds of its invalidity must be commenced, shall also be published once by such clerk in the state newspaper and in a newspaper of general circulation in the municipality. Any action or proceeding in any court to set aside a ~~resolution~~ vote authorizing the issuance of revenue obligation securities under this chapter or to obtain any relief upon the ground that such ~~resolution~~ vote was improperly adopted or certified, was adopted for unauthorized purposes or is otherwise invalid for any reason must be commenced within 30 days after the ~~holding of the election to approve such securities~~ date such publication is completed. After the expiration of such period of limitation, no right of action or defense founded upon the invalidity of such ~~resolution~~ vote or any of its provisions shall be asserted nor shall the validity of such ~~resolution~~ vote or any of its provisions be open to question in any court upon any ground whatever.

Sec. 11. R. S., T. 30, § 5332, amended. The 2nd sentence of section 5332 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

Such trust agreement or the resolution providing for the issuance of such securities may pledge or assign the revenues of the ~~industrial or recreational~~ project, and may contain such provisions for protecting and enforcing the rights and remedies of the security holders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the municipal officers in relation to the acquisition of property and the construction, reconstruction, renewal, replacement and insurance of the project in connection with which such securities shall have been authorized, the rents to be charged or other payments to be made for the use thereof, and the custody, safeguarding and application of all moneys.

Sec. 12. R. S., T. 30, § 5333, amended. The first paragraph of section 5333 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

Before the issuance of revenue obligation securities for paying the cost of any ~~industrial or recreational~~ project provision shall be made by leases or contracts which in the judgment of the board will be adequate to assure that the municipality will at all times have revenues sufficient:

Sec. 13. R. S., T. 30, § 5334, amended. The first sentence of section 5334 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

All rentals and other revenues derived from any project for which ~~a single issue of~~ revenue obligation securities shall have been issued, except such part thereof, if any, as may be required to pay the cost of maintenance, repair and operation and to provide reserves therefor as may be provided in the resolution authorizing the issuance of the securities or in the trust agreement, shall be set aside at such regular intervals as may be provided in such resolution or trust agreement and deposited to the credit of a sinking fund which is ~~hereby~~ pledged to and charged with, the payment of the interest on such securities as such interest shall fall due, the principal of such securi-

ties as the same shall fall due, the necessary charges of paying agents for paying principal and interest, and the redemption price or the purchase price of securities retired by call or purchase.

Sec. 14. R. S., T. 30, § 5336, amended. Section 5336 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows :

§ 5336. Remedies

Any holder of revenue obligation securities issued under this chapter or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights given may be restricted by the resolution authorizing the issuance of such securities or such trust agreement, may, either by action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the State or granted ~~hereunder~~ **under this chapter** or under such resolution or trust agreement, including the appointment of a receiver, and may enforce and compel the performance of all duties required by this chapter or by such resolution or trust agreement to be performed by the municipality, the municipal officers or by any officer thereof, including the collecting of rates, fees and charges for the use of the ~~industrial or recreational~~ project, and any such suit, action or proceeding shall be brought for the benefit of all the holders of such securities and coupons.

Sec. 15. R. S., T. 30, § 5337, amended. The first 2 sentences of section 5337 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, are amended to read as follows :

The municipal officers are authorized to provide by resolution for the issuance of revenue refunding securities of the municipality for the purpose of refunding any revenue securities then outstanding which shall have been issued under this chapter, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such securities, and, if deemed advisable by the municipal officers, for the additional purpose of constructing improvements, extensions, enlargements or additions of the ~~revenue-producing industrial or recreational~~ project in connection with which the securities to be refunded shall have been issued. The municipal officers are authorized to provide by resolution for the issuance of revenue obligation securities of the municipality for the combined purpose of refunding any revenue securities or revenue refunding securities then outstanding which shall have been issued under this chapter, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such securities, and paying all or any part of the cost of acquiring or constructing any additional ~~revenue-producing industrial or recreational~~ project or part thereof, or any improvements, extensions, enlargements or additions of any ~~revenue-producing industrial or recreational~~ project.

Sec. 16. R. S., T. 30, § 5340, amended. Section 5340 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows :

§ 5340. Leasehold interest taxable

The leasehold interest of the lessee of any ~~industrial or industrial-commercial, pollution-control, recreational or combined~~ project is subject to taxation in the manner provided for similar interests in Title 36, section 551.

Sec. 17. R. S., T. 30, § 5341, amended. Section 5341 of Title 30 of the Revised Statutes, as enacted by section 1 of chapter 423 of the public laws of 1965, is amended to read as follows:

§ 5341. Purpose

It is declared that there is a state-wide need for ~~industrial and industrial-commercial, pollution-control, recreational and combined~~ projects to provide enlarged opportunities for gainful employment by the people, to restore purity to the air, the water or the earth of the State which are fouled with, among other things, industrial and other waste materials and pollutants, and to provide a more healthy environment and thus to insure the preservation and betterment of the economy of the State and the living standards and health of its inhabitants.

Sec. 18. R. S., T. 30, § 5342, amended. The 2nd sentence of section 5342 of Title 30 of the Revised Statutes, as enacted by section 4 of chapter 345 of the public laws of 1967, is amended to read as follows:

To the extent of any conflict between this chapter and any other law, this chapter shall prevail, but the power and authority granted hereby shall be deemed to be in addition to and not in derogation of power and authority granted by any other law.

Sec. 19. Application. Any action taken by the Municipal Securities Approval Board or any municipality before the effective date of this Act shall be as valid as if this Act were in full force and effect on the date of such action.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective April 20, 1971

Chapter 211

AN ACT Authorizing Emergency Closing of Financial Institutions.

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

R. S., T. 9, § 131, amended. Section 131 of Title 9 of the Revised Statutes, as amended, is further amended by adding at the end the following new sentences:

Any such institution under the supervision of said department or national banking association may close for all or part of any business day for good cause, if in the opinion of the institution's management such action is required by emergency conditions and if it is impossible, in the case of an institution under the supervision of said department, to communicate by ordinary means with the commissioner or his deputy. Any act authorized, required or permitted to be performed at or by, or with respect to, any such in-