

# MAINE STATE LEGISLATURE

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**LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED BY THE

ONE HUNDRED AND TWELFTH LEGISLATURE

**FIRST REGULAR SESSION**

December 5, 1984 to June 20, 1985

Chapters 1-384

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SUBSECTION 4.

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J.S. McCarthy Co., Inc.  
Augusta, Maine  
1986

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**PUBLIC LAWS**  
OF THE  
**STATE OF MAINE**

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ONE HUNDRED AND TWELFTH LEGISLATURE

1985

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**CHAPTER 151**

H.P. 413 - L.D. 580

AN ACT to Provide for the 1985 Amendments to  
the Maine Housing Authorities Act.

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

Whereas, the Maine State Housing Authority currently has less than \$20,000,000 of bond authorization remaining for its use; and

Whereas, the authority is not able to sell bonds for single-family home purchases, single-family home improvements or multi-family construction, rehabilitation or improvements without an increase in its outstanding bond authorization; and

Whereas, the inability of the authority to sell its bonds will create a hardship for hundreds of first-time home buyers and eliminate the ability of the State to attempt to redress a continuing problem of insufficient affordable apartment units in areas of the State; and

Whereas, the inability of the authority to sell its bonds will have a substantial negative impact on Maine's real estate market, its economy and its tax revenues; and

Whereas, volatile interest rate markets could result in the authority having to pay higher interest rates if it is not able to sell its bonds for the first 9 months of the year; and

Whereas, the major home purchase season is in the spring and summer; 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Sec. 1. 30 MRSA §4601-A, sub-§1, ¶A, as repealed by PL 1979, c. 672, Pt. A, §64, and as repealed and replaced by PL 1979, c. 712, §3, is repealed and the following enacted in its place:

A. Gather information and statistics on housing and housing-related, socioeconomic conditions, utilizing existing sources and data to the fullest extent possible and to request reports and to obtain information from all state departments, agencies, boards, commissions, authorities and instrumentalities about their respective expenditures for housing and housing-related services and facilities, and about their respective functions and activities related to the financing, construction, leasing or regulation of housing and housing-related services and facilities;

Sec. 2. 30 MRSA §4601-A, sub-§1, ¶C, as enacted by PL 1969, c. 470, §7, is repealed and the following enacted to read:

C. Provide or coordinate technical assistance and consultation about housing and housing-related activities for or on the behalf of the municipalities, private industry, municipal housing authorities, nonprofit housing corporations, state departments, agencies, boards, commissions, authorities and instrumentalities, Judicial Department, other organizations and individuals. Administer or operate housing or housing-related programs, for or on the behalf of municipalities, municipal housing authorities, nonprofit housing corporations, state departments, agencies, boards, commissions, authorities, instrumentalities and the judicial branch, and in so doing comply with the programmatic, regulatory or statutory standards as required by that entity, which may take precedence over the authority's eligibility requirements;

Sec. 3. 30 MRSA §4601-A, sub-§1, ¶F, as amended by PL 1969, c. 564, §11, is further amended to read:

F. Act as the public agency of the State of Maine for the purpose of accepting federal funds or other assistance, or funds or other assistance from any other source whatsoever, in relation to housing activity in those areas and for those projects duly authorized under section 4651, subsection 2 and other relevant provisions of this statute;

Sec. 4. 30 MRSA §4601-A, sub-§1, ¶N, as amended by PL 1983, c. 414, §8, is further amended to read:

N. With respect to any bonds which the state authority is authorized to issue in accordance with the limitations and restrictions of this subchapter, covenant and consent that the interest on the bonds shall be includable, under the United States Internal Revenue Code of 1954 or any subsequent corresponding internal revenue law of the United States, in the gross income of the holders of the bonds to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders under the United States Internal Revenue Code or any subsequent law. The powers conferred by this paragraph shall not be subject to any limitations or restrictions of any law which may limit the state authority's power to so covenant and consent. Notwithstanding any other provision of this subchapter, proceeds of bonds issued pursuant to this subsection may be used for persons other than persons of low income. Any bonds issued by the state authority the income on which is includable under the United States Internal Revenue Code of 1954, or any subsequent corresponding revenue law of the United States in the gross income of the holders of the bonds shall also be included in gross income under the Maine Income Tax Law as amended;

Sec. 5. 30 MRSA §4601-A, sub-§1, ¶¶Q and R, as enacted by PL 1983, c. 414, §9, are amended to read:

Q. To modify or waive the requirements of section 4757, subsections 1 and 2, and section 4758; and

R. Guarantee or assure the timely payment in whole or part of principal on, premium on or interest of any bond or of any instrument or security identified in paragraph I or O; and

Sec. 6. 30 MRSA §4601-A, sub-§1, ¶S is enacted to read:

S. Purchase, sell, service, pledge, invest in, hold, trade, accept as collateral, administer or otherwise deal in, acquire or transfer, contract for benefits to recipients on behalf of the Federal Government or otherwise and do those things necessary to issue or cause to be issued federal mortgage credit certificates as authorized and

created by the Federal Tax Reform Act of 1984, Public Law 98-369, Section 612(a).

Sec. 7. 30 MRSA §4601-A, sub-§2, ¶C, as amended by PL 1981, c. 4, is further amended to read:

C. Any nursing home or related institution licensed or subject to license by the Department of Human Services pursuant to Title 22, section 1817, except intermediate care facility group homes for the mentally retarded and persons with related conditions or the construction, substantial rehabilitation or improvement of homeless shelter facilities that may be related to an institution licensed or subject to license by the Department of Human Services pursuant to Title 22, section 1817.

Sec. 8. 30 MRSA §4651, as amended by PL 1983, c. 414, §§11 and 12, is further amended by adding at the end a new paragraph to read:

The director of the state authority shall serve as the state's designee to certify to the United States Secretary of the Treasury that qualified mortgage bonds issued in the State satisfy the ceiling requirements of the United States Internal Revenue Code, Section 103A(g) (4).

Sec. 9. 30 MRSA §4761, 3rd ¶ from the end, as amended by PL 1979, c. 473, §1, is repealed.

Sec. 10. 30 MRSA §4761, sub-§4 is enacted to read:

4. Minimum reserve requirement. In order to assure the maintenance of the required minimum reserve in the Housing Reserve Fund and in any Capital Reserve Fund, to which, under the resolution establishing the Capital Reserve Fund, this paragraph is stated to apply, there shall be annually appropriated and paid to the state authority for deposits in the funds, such sum, if any, as shall be certified by the director of the state authority to the Governor as necessary to restore any such fund to an amount equal to the required minimum reserve. The director shall annually, on or before December 1st, make and deliver to the Governor his certificate stating the sum, if any, required to restore any such fund to the amount required by this section, and the sum or sums so certified shall be appropriated and paid to the state authority during the then current state fiscal year.

Sec. 11. 30 MRSA §4762, as amended by PL 1983, c. 414, §18, is further amended to read:

§4762. Limitations

The state authority shall not at any time have, in the aggregate principal amount thereof outstanding, mortgage purchase bonds in excess of ~~\$435,000,000~~ \$635,000,000 secured by the Housing Reserve Fund or a Capital Reserve Fund to which ~~the 3rd paragraph from the end of~~ section 4761, subsection 4 applies. Mortgage purchase bonds of the state authority secured by capital reserve funds to which ~~the 3rd paragraph from the end of~~ section 4761, subsection 4 does not apply, bond or mortgage insurance, direct or indirect contract with the United States, purchase or repurchase agreement or guaranty with a banking or other financial organization, or other credit arrangements securing the bonds may be issued up to \$100,000,000 per calendar year in an aggregate principal amount not to exceed ~~\$200,000,000~~ \$300,000,000. Mortgage purchase bonds shall be rated at or before issuance of the bonds in a rating category of A or its equivalent or better by a nationally recognized rating agency. A rating is not necessary for any issue of mortgage purchase bonds which is not subject to section 4761, subsection 4, and which is sold in its entirety to one or more financial institutions, insurance companies or similar finance entities for its own account and not with the present intention of resale.

Sec. 12. 30 MRSA §4762-A, as enacted by PL 1973, c. 649, §2, is amended to read:

§4762-A. Determination of outstanding obligations

In computing the total amount of obligations of the state authority which may at any time be outstanding for any purpose under the Maine Housing Authorities Act the amount of the outstanding obligations refunded or to be refunded from the proceeds of the sale of new obligations or by exchange of new obligations shall be excluded. In computing the total amount of obligations of the state authority which may at any time be outstanding for any purpose under the Maine Housing Authorities Act, the amount of the outstanding obligations that have been issued as capital appreciation bonds or as similar instruments shall be valued as of any date of calculation at their then current accreted value rather than their face value.



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

Effective May 9, 1985.

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## CHAPTER 152

S.P. 296 - L.D. 785

### AN ACT Relating to the Assessment of Storage Fees by Motor Vehicle Service Stations.

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

29 MRSA §1111, 5th ¶, as amended by PL 1981, c. 437, §19, is further amended to read:

An officer may cause any vehicle parked, disabled or abandoned on any way so as to interfere with or hinder the removal of snow or the normal movement of traffic, or parked within the limits of a highway right-of-way, and the Department of Transportation may cause any vehicle parked or standing on property under its jurisdiction, to be removed from the way and placed in a suitable parking place, at the expense of the person in whose name such vehicle is registered. Neither the State nor political subdivisions thereof nor the officer is liable for any damage that may be caused by such removal. The person bearing the expense of the removal, such as a garage or parking lot owner, or service station owner within 30 7 business days of the removal receipt of the vehicle shall, by registered mail, notify the owner of the vehicle or holder of a security interest, if such can be reasonably ascertained, of the location of the vehicle, the daily storage fee and the requirements for securing release of the vehicle from storage, and mail a copy of the notice to the Chief of the State Police. If the owner of the vehicle or holder of a security interest is unknown, the person bearing the expense of the removal shall comply with section 2444, subsection 3. Removal of any part or accessory of the vehicle while it is in the possession or on the premises of the garage, parking lot or service station, without the express written permission of the owner or manager of the garage, parking lot or service station is a Class E crime and the person doing the removing of the part or accessory is