

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

December 3, 1986 to June 30, 1987

Chapters 1-542

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PUBLIC LAWS

OF THE

STATE OF MAINE

AS PASSED AT THE
FIRST REGULAR SESSION
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ONE HUNDRED AND THIRTEENTH LEGISLATURE
1987

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

Effective May 22, 1987.

CHAPTER 158

H.P. 840 — L.D. 1131

AN ACT Relating to the Membership of the Waldo County Budget Committee.

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

Whereas, legislation was passed in 1985 which provided for a budget committee of municipal officials to approve the Waldo county budget; and

Whereas, this legislation provided for all members to be elected in 1985 and every 2 years thereafter; and

Whereas, it is desired to increase the length of the terms to 3 years and to stagger the times when the terms shall end; and

Whereas, the budget committee is to be elected at least 90 days prior to the end of the county's fiscal year which is at the end of the calendar year; 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Sec. 1. 30 MRSA §1403, sub-§1, as repealed and replaced by PL 1985, c. 737, Pt. A, §85, is amended to read:

1. **Membership.** The budget committee shall consist of 9 members, 3 members from each commissioner district selected as provided for in this section and 3 county commissioners who shall serve on the committee in an advisory capacity only and shall not vote on any committee matters.

In ~~1985~~ 1987, and thereafter, at least 90 days prior to the end of every other fiscal year, the 9 members shall be elected by the following procedure.

A. The county commissioners shall notify all municipal officers in the county to caucus by county commissioner districts at a specified date, time and place for the purpose of nominating at least 3 one municipal officers officer from each district as candidates a candidate for the county budget committee; ex-

cept that in 1987, at least 3 municipal officers shall be nominated from each district. The county commissioners shall serve as nonvoting moderators for their district caucuses. Nominations shall be received from the floor. The 3-nominees nominee receiving the most votes shall be approved. Any other nominees who receive a majority vote of those present shall also be approved. The names of those duly approved shall be recorded and forwarded to the county commissioners to be placed on a written ballot.

B. The county commissioners shall have written ballots printed with the names of those candidates selected in their districts in accordance with paragraph A. The county commissioners shall distribute these ballots to each municipality. Each commissioner district shall require a separate ballot and each ballot shall specify each candidate's full name and municipality. The municipal officers shall vote as a board for 3 one budget committee members member from the candidates on the ballot and return the ballot to the county commissioners by a certain date; except that in 1987, the municipal officers shall vote as a board for 3 budget committee members. The ballots shall be counted at a regular meeting of the county commissioners. Each vote shall be weighed according to that municipality's population as a proportion of the district's total population, except that no municipality may have more than one budget committee member. The county commissioners shall notify each municipality, in writing, of the results of the election and shall certify the results to the Secretary of State.

Sec. 2. 30 MRSA §1403, sub-§3, as repealed and replaced by PL 1985, c. 737, Pt. A, §85, is repealed and the following enacted to read:

3. **Term of office.** The term of office shall be 3 years, provided that a budget committee member remains a municipal officer in his municipality; except that of those elected in 1987, one from each district shall be elected for a term of 3 years; one from each district shall be elected for a term of 2 years; and one from each district shall be elected for a term of one year.

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

Effective May 22, 1987.

CHAPTER 159

H.P. 1197 — L.D. 1631

AN ACT to Provide Assistance to Victims of Natural Disasters.

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

Whereas, the damages and losses resulting from the great flood of April 1987 are substantial and require the immediate use of state resources; 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. 10 MRSA c. 110, sub-c. 1-C is enacted to read:

SUBCHAPTER 1-C

NATURAL DISASTER BUSINESS ASSISTANCE

§1011. Natural Disaster Business Assistance Fund

1. Fund established. The Natural Disaster Business Assistance Fund is established under the jurisdiction of the Finance Authority of Maine.

2. Sources of fund. The following shall be paid into the fund:

A. All money appropriated for inclusion in the fund;

B. Subject to any pledge, contract or other obligation, any money which the authority receives in repayment of loans or advances from the fund;

C. Subject to any pledge, contract or other obligation, all interest, dividends or other income from investment of the fund; and

D. Any other money, including federal money, deposited in the fund to implement the provisions of this subchapter.

3. Application of fund. The authority may apply money in the fund to carry out any power of the authority under this subchapter, including, without limitation, to make loans or to pledge or transfer and deposit money in the fund as security for, and to apply money in the fund in payment of principal of, interest and other amounts due on loans made or secured by the authority pursuant to this subchapter. Money in the fund not needed currently to meet the obligations of the authority as provided for in this subchapter may be invested in such manner as may be permitted by law.

4. Accounts within fund. The authority may divide the funds into such separate accounts as it determines necessary or convenient for carrying out this subchapter.

5. Revolving fund. The fund shall be a nonlapsing revolving fund. All money in the fund shall be continuously applied by the authority to carry out this subchapter.

6. Commitment and administrative fees. The authority may fix commitment fees in an amount not to exceed 1% of the initial principal amount of a loan made or insured under this subchapter. These fees shall be deposited into the fund created under this section.

§1012. Maine Natural Disaster Business Assistance Program

1. Purpose. The authority shall administer the Maine Natural Disaster Business Assistance Program for the purpose of providing assistance to businesses that are victims of natural disasters which have caused the State or portions of the State to be declared disaster areas by the President of the United States or his authorized representative.

2. Eligibility. Any eligible enterprise, as defined in section 963-A, subsection 9, shall be eligible for financial assistance under the program provided that:

A. The applicant has suffered serious financial hardship as a direct result of a natural disaster;

B. The applicant has insufficient access to federal or other disaster funds or other financial assistance on a timely basis other than pursuant to this program; and

C. The applicant is a business enterprise operated for profit.

3. Operation. Financial assistance under the program shall be used for the purpose of assisting eligible enterprises in recovering from the effects of natural disasters. The program may be administered in conjunction with other programs of the authority. Money in the fund may be used:

A. To provide direct loans to eligible enterprises;

B. As security for loans from financial institutions to eligible enterprises; and

C. To provide direct interim financing to eligible applicants pending receipt of federal disaster funds or financial assistance from other sources, which funds or financial assistance will be used to repay the interim loan from the authority.

4. Criteria. No financial assistance may be approved unless the authority determines that there is a reasonable likelihood that the applicant will be able to repay any loan made or secured under the program, that the applicant has demonstrated that it has insufficient access to other sources of funds and that the financial assistance is needed to assure the recovery of the applicant from the effects of the natural disaster. All applications must be received not later than June 30, 1987. The authority, by rules adopted in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, may establish temporary reservations for geographic areas of the State and may establish such other criteria as may

be consistent with the purposes of the program.

5. Limitations on financial assistance. Financial assistance under this subchapter shall be subject to the following limitations.

A. The initial term of financial assistance to applicants who are eligible to apply for federal funds as a result of a natural disaster shall not exceed 6 months. If federal funds are not available within the initial 6-month term to repay loans made or secured under this subchapter, the authority may extend the financial assistance or convert a loan from a financial institution secured under this subchapter to a direct loan for such term and on such conditions as may be appropriate and consistent with the purposes of this subchapter.

B. Loans pursuant to this subchapter shall ordinarily be made at interest rates not exceeding the prime rate of interest as reported in national financial publications and for terms not exceeding 20 years, provided that the authority may in its discretion vary those limitations if necessary to ensure the viability of the enterprise and repayment of the loan, and provided further that the authority may charge a higher rate of interest after default.

C. Loans made or secured under this subchapter shall be secured by such collateral, including personal guarantees, as may be reasonably available. The authority may provide financial assistance with less than adequate collateral when the applicant is credit worthy and demonstrates the ability to repay the loan.

D. The amount of financial assistance to an applicant from the fund shall not exceed \$50,000, provided that the initial amount of each loan shall not exceed the minimum amount necessary for operation of the applicant's business during the initial 6-month term, as determined by the authority.

E. The authority may agree to deposit money from the fund with a financial institution to secure a loan to an eligible applicant and may waive the payment to the authority of some or all of the interest accruing on such deposit, provided that the applicant receives a reduced interest rate as a result of the deposit.

F. The authority may impose and collect a penalty of an amount not to exceed 50% of the amount of principal, interest and other charges due from a recipient of financial assistance under this subchapter in any case when the authority determines that the recipient has willfully applied the financial assistance to purposes or uses other than those purposes or uses approved by the authority or when the recipient has willfully failed to promptly repay the financial assistance with federal or other disaster funds available for that purpose as required by the authority.

G. Money from the fund shall not be released to or

for the benefit of recipients until all applicable local, state and federal permits have been issued, and, for recipients located in flood plains, evidence of flood insurance has been provided.

Sec. 2. 30 MRSA c. 239, sub-c. II, article 6-A is enacted to read:

ARTICLE 6-A

NATURAL DISASTER HOME ASSISTANCE PROGRAM

§4770-A. Natural Disaster Home Assistance Fund

1. Creation. The Natural Disaster Home Assistance Fund is established under the jurisdiction of the Maine State Housing Authority. For the purposes of this article, "authority" means the Maine State Housing Authority.

2. Sources of fund. The following shall be paid into the fund:

A. All money appropriated for inclusion in the fund;

B. Subject to any pledge, contract or other obligation, any money which the authority receives in repayment of loans or advances from the fund;

C. Subject to any pledge, contract or other obligation, all interest, dividends or other income from investment of the fund; and

D. Any other money, including federal money, deposited in the fund to implement the provisions of this article.

3. Application of fund. The authority may apply money in the fund for purposes authorized by this article. Money in the fund not needed currently for purposes of this article may be deposited with the authority to the credit of the fund or may be invested in such a manner as is provided by law.

4. Accounts within fund. The authority may divide the funds into such separate accounts as it determines necessary or convenient for carrying out this article.

5. Revolving fund. The fund shall be a nonlapsing revolving fund. All money in the fund shall be continuously applied by the authority to carry out this article.

§4770-B. Maine Natural Disaster Home Assistance Program

The Maine Natural Disaster Home Assistance Program shall provide assistance to homeowners who are victims of natural disasters which have caused the State or portions of the State to be declared disaster areas by the President of the United States or his authorized representative.

1. Operation. The authority shall administer the Maine Natural Disaster Home Assistance Program which may be operated in conjunction with other programs of the authority. Other programs of the authority may be used to supplement or be used in conjunction with the Maine Natural Disaster Home Assistance Program to achieve the purpose of this article.

A. Money in the fund may be used as security for or be applied in payment of principal, interest, fees and other charges due on loans made or insured under this program.

B. Money in the fund may be used as grants to assist homeowners who qualify for grant assistance under this program.

C. Money in the fund may be matched with federal money and money of political subdivisions of the State to obtain federal natural disaster relief and assistance.

2. Provisions governing use of money. The fund shall be administered subject to the provisions in this section. Priority shall be given to homeowners who are not adequately assisted by federal or other disaster funds and who do not have access to adequate capital or credit to recover from the effects of the disaster. For purposes of this article, homeowner includes the owner of a mobile home or manufactured housing unit and the owner of rental housing.

A. The authority, by rules adopted in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, shall establish priorities of assistance to homeowners. These priorities shall be based on the assets of the homeowner; availability of credit or assistance or income from other sources, including financial institutions, federal relief programs, investments, trust funds and other similar sources; the degree of damage incurred; the immediacy of the need for assistance; and any other variables deemed important by the authority.

B. Grants may be provided to a homeowner if:

- (1) The grant is essential to providing housing to the homeowner;
- (2) The income of the homeowner is insufficient to repay any loan or portion of a loan; and
- (3) Grants shall not exceed \$20,000 per homeowner household.

C. Loans from the fund shall not exceed \$45,000 per homeowner household at rates of interest not to exceed 8% per year.

D. Loans from the fund may be made for periods of up to 30 years. In the event that a homeowner cannot repay a loan in full within the 30-year period, the authority may extend the repayment period if the

authority determines that the loan can be repaid during the extension period. The authority may waive the payment of interest on any loan or portion of a loan for which the interest payment will be an undue hardship on a household.

E. Money in the fund may be used to reduce interest rates on loans provided by financial institutions located in this State to homeowners who are victims of natural disasters.

F. The program shall be directed primarily at households without access to adequate capital or credit and which have experienced significant damage to or loss of their housing.

G. Homeowners living in a designated flood plain shall not be eligible for assistance under the program unless they obtain flood insurance.

H. Applications for assistance under the program by victims of the April 1987 flood must be received by the authority on or before September 30, 1987, in order for such individuals to be eligible for assistance.

3. Loan insurance. The authority may insure payments due under a loan or lease and may pledge money in the fund as security for such loan or lease, which may be in addition to or in lieu of insurance provided under other provisions of this chapter. Loans or leases shall not constitute any debt or liability on the part of the authority or the State, except to the extent specifically provided by contract executed by the authority.

4. Use of loans and grants. Loans and grants provided in this article may be used for refinancing mortgages, payment of interest or portion of interest on loans, home construction and home improvements.

5. Procedures. The authority may adopt rules in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, by which the program shall be implemented.

Sec. 3. Appropriation. Notwithstanding the limitations of the Maine Revised Statutes, Title 5, section 1513, subsection 2, the following funds are appropriated from the Rainy Day Fund in the General Fund to carry out the purposes of this Act.

1986-87

FINANCE,
DEPARTMENT OF

Unallocated	(\$3,000,000)
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FINANCE AUTHORITY
OF MAINE

Natural Disaster Business Assistance Fund	
All Other	\$2,000,000

Transfers \$2,000,000 from the Rainy Day Fund to the Finance Authority of Maine for the Natural Disaster Business Assistance Fund. All amounts in the fund on December 31, 1987, and all amounts received in repayment of loans from the fund thereafter shall be repaid to the Department of Finance and deposited in the Rainy Day Fund.

MAINE STATE HOUSING AUTHORITY

Natural Disaster Home Assistance Fund

All Other \$500,000

Transfers \$500,000 from the Rainy Day Fund to the Natural Disaster Home Assistance Fund of the Maine State Housing Authority to be used in conjunction with \$1,000,000 from the Housing Opportunities for Maine Fund of the Maine State Housing Authority to provide grants and to reduce principal and rates of interest on loans provided by financial institutions to homeowners for losses and damages incurred as a result of the April 1987 flood as provided in the Maine Revised Statutes, Title 30, chapter 239, subchapter II, article 6-A. Any portion of the \$500,000 transferred from the Rainy Day Fund to the Natural Disaster Home Assistance Fund which has not been expended by December 31, 1987, shall be transferred back to the Rainy Day Fund.

DEFENSE AND VETERANS' SERVICES, DEPARTMENT OF

Administration Civil Emergency Preparedness

All Other \$500,000

Provides funds for personal needs assistance for replacement of personal items and household furnishings lost as a result of the April 1987 flood. Funds which have not been expended by December 31, 1987, shall be transferred back to the Rainy Day Fund.

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

Effective May 22, 1987.

CHAPTER 160

H.P. 715 — L.D. 966

AN ACT Relating to Political Committees under the Campaign Financing Laws.

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

Sec. 1. 21-A MRSA §1012, sub-§4 is enacted to read:

4. Exploratory committee. "Exploratory committee" means a committee formed by or on behalf of a person to determine any aspect of the feasibility of that person running as a candidate for state or county office. For the purposes of this chapter, exploratory commit-

tees are considered a form of political committee authorized by the candidate.

Sec. 2. 21-A MRSA §1013, sub-§2, as enacted by PL 1985, c. 161, §6, is amended to read:

2. Authorized political committees. A candidate may authorize one or more political committees to promote the candidate, including an exploratory committee. Each of these political committees must appoint a treasurer before accepting any contributions or making or authorizing any expenditures. Within 7 days after that appointment, the political committee must inform the commission of the name and address of its treasurer, the name or title of the committee making the appointment and the treasurer's term of office. In addition to the registration of its treasurer, a political committee authorized by a candidate shall submit the names and addresses of all of its officers to the commission, whether or not the committee accepts any contributions or makes or authorizes any expenditures.

Sec. 3. 21-A MRSA §1013, sub-§3, as enacted by PL 1985, c. 161, §6, is repealed.

Effective September 29, 1987.

CHAPTER 161

H.P. 776 — L.D. 1048

AN ACT to Protect Landowners from Damage or Destruction of Trees by Hunters Maintaining Ladders or Observation Stands.

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

Sec. 1. 12 MRSA §7406, sub-§16, ¶¶B and C, as enacted by PL 1979, c. 420, §1, are amended to read:

B. Leaves open any gate or bars on another person's land; or

C. Tramples or destroys any crop on another person's land; or

Sec. 2. 12 MRSA §7406, sub-§16, ¶D is enacted to read:

D. Damages or destroys a tree on another person's land by inserting into that tree any metallic or ceramic object to be used as, or as part of, a ladder or observation stand. Any other type of tree ladder or tree observation stand shall also be prohibited unless:

(1) The written consent of the landowner is obtained authorizing the erection of such ladder or stand; or