

# MAINE STATE LEGISLATURE

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

AS PASSED BY THE  
ONE HUNDRED AND THIRTEENTH LEGISLATURE

**FIRST SPECIAL SESSION**

October 9, 1987 to October 10, 1987

**SECOND SPECIAL SESSION**

October 21, 1987 to November 20, 1987

and the

**SECOND REGULAR SESSION**

January 6, 1988 to May 5, 1988

PUBLISHED BY THE REVISOR OF STATUTES  
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,  
TITLE 3, SECTION 163-A, SUBSECTION 4.

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Twin City Printery  
Lewiston, Maine  
1988

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**PUBLIC LAWS**

OF THE

**STATE OF MAINE**

AS PASSED AT THE  
FIRST AND SECOND SPECIAL SESSIONS  
and  
SECOND REGULAR SESSION  
of the  
ONE HUNDRED AND THIRTEENTH LEGISLATURE  
1987

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representatives all documents relating to the hazardous materials transported by the registrant during the period of registration.

**Sec. 6.** 38 MRSA §1319-I, sub-§7, as enacted by PL 1981, c. 478, §7, is repealed.

**Sec. 7. Allocation.** The following funds are allocated from the Maine Hazardous Waste Fund to carry out the purposes of this Act.

<u>1988-89</u>	
<u>DEFENSE AND VETERANS' SERVICES, DEPARTMENT OF</u>	
Maine Emergency Management Agency	
All Other	\$ 30,000
<p>Provides funds for the training of local and state officials to safely respond to discharges and threatened discharges of hazardous materials. The funds are to be spent under the direction of the State Emergency Response Commission.</p>	

<u>1988-89</u>	
<u>ENVIRONMENTAL PROTECTION, DEPARTMENT OF</u>	
Bureau of Oil and Hazardous Materials Control	
Positions	(5)
Personal Services	\$142,798
All Other	14,737
Capital Expenditures	5,000
Total	<u>\$162,535</u>

Provides funds for one Oil and Hazardous Materials Specialist II position; 2 Oil and Hazardous Materials Specialist I positions; 2 Environmental Specialist III positions; general operating expenses to respond to hazardous materials spills; and to carry out inspection and enforcement activities.

<u>PUBLIC SAFETY, DEPARTMENT OF</u>	
State Police	
Positions	(1)
Personal Services	\$ 38,435
<p>Provides funds for one State Police Trooper to inspect vehicles carrying hazardous materials in Maine.</p>	

<u>SECRETARY OF STATE, DEPARTMENT OF THE</u>	
Division of Motor Vehicles	
Positions	(2)
Personal Services	\$37,104
All Other	5,000
Capital Expenditures	3,000

Total	<u>\$ 45,104</u>
<p>Provides a one-time allocation from the Maine Hazardous Waste Fund for the division's start-up cost of the licensing program for those vehicles which carry hazardous materials.</p>	

Division of Motor Vehicles	
Positions	(2)
Personal Services	\$ 37,104
All Other	5,000
Capital Expenditures	3,000

Total	<u>\$ 45,104</u>
<p>Provides funds for 2 Clerk Typist II positions to administer the licensing program for vehicles transporting hazardous materials.</p>	

TOTAL \$321,178

**Sec. 8. Allocation.** The following funds are allocated from the Maine Coastal and Inland Surface Oil Clean-up Fund to carry out the purposes of this Act.

<u>1988-89</u>	
<u>PUBLIC SAFETY, DEPARTMENT OF</u>	
State Police	
All Other	\$11,105
Capital Expenditures	16,465
Total	<u>\$27,570</u>

Provides funds for costs related to vehicle registration inspections involving the highway transportation of oil into Maine and the purchase of a vehicle to be used in the inspection program.

Effective August 4, 1988.

## CHAPTER 751

S.P. 992 — L.D. 2625

**AN ACT Concerning the Authority of the Maine Municipal Bond Bank to Issue Certain Bonds and to Establish and Administer a Revolving Loan Fund.**

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

Whereas, this legislation is immediately necessary in order to provide a smooth transition from the federal loan program to the state revolving loan fund program established in this legislation; 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 §5154 is enacted to read:

§5154. Refinancing of the United States Farmers Home Administration loans

For the period beginning January 1, 1988, and ending December 31, 1988, the municipal officers of any municipality or plantation may refinance any debt owed to the United States Farmers Home Administration without the approval of the municipality's or plantation's legislative body as long as the refinancing will result in a net savings to the municipality or plantation.

Sec. 2. 30 MRSA §5163, sub-§§4-A, 4-B, 7-A and 7-B are enacted to read:

4-A. Capital reserve fund. "Capital reserve fund" means any capital reserve fund created or established as provided in section 5171, subsection 1-A.

4-B. Median household income. "Median household income" shall be computed based on the most current census information available, as provided by the State Planning Office.

7-A. Municipal bond. "Municipal bond" means a bond or note or evidence of debt issued by a municipality and payable from taxes or from rates, charges or assessments, but shall not include any bond or note or evidence of debt issued under chapter 235 or Title 10, chapter 110, subchapter IV.

7-B. Municipality. "Municipality" means any city, town, special district, county, plantation or municipal village corporation within the State.

Sec. 3. 30 MRSA §5163, sub-§10, as enacted by PL 1971, c. 558, is amended to read:

10. Required debt service reserve. "Required debt service reserve" means the amount required to be on deposit in the reserve fund as prescribed by section 5171, subsection 1.

Sec. 4. 30 MRSA §5163, sub-§§10-A and 12-A are enacted to read:

10-A. Required minimum reserve. "Required minimum reserve" means the amount required to be on deposit in a capital reserve fund as prescribed by section 5171, subsection 2.

12-A. Revolving loan fund. "Revolving loan fund" means that revolving loan fund created pursuant to section 5171-A.

Sec. 5. 30 MRSA §5165-A is enacted to read:

§5165-A. Loans from revolving loan fund

1. Loan application. A municipality may apply for a loan from the revolving loan fund, the proceeds of which shall be used to acquire, design, plan, construct, enlarge, repair or improve a publicly-owned sewage system, sewage treatment plant or to implement a related management program.

The bank may prescribe any form of application or procedure required of a municipality for a loan under this section. The application shall include such information as the bank determines necessary for the purpose of implementing this section and section 5171-A.

2. Loan; loan agreements. Loans are subject to this subsection.

A. The bank may make loans from the revolving loan fund to a municipality for one or more of the purposes set forth in subsection 1. Each of the loans shall be made subject to the following conditions and limitations:

(1) The total amount of loans outstanding at any one time from the revolving loan fund shall not exceed the balance of the fund, provided that the proceeds of bonds or notes of the bank deposited in the fund and binding financial commitments of the United States to deposit money in the fund are included in determining the fund balance;

(2) The loan shall be evidenced by a municipal bond, payable by the municipality over a term not to exceed 20 years with annual principal and interest payments commencing not later than one year after completion of the project being financed;

(3) The rate of interest charged for the loans shall be at or below market interest rates; and

(4) Subject to the limitations of subparagraph (3), the rate of interest charged for the loans made to municipalities under this section, or the manner of determining the same, shall be established from time to time by direction of the bank, taking into consideration the current average rate on outstanding marketable obligations, as well as the policies of the Department of Environmental Protection.

B. Loans made to a municipality by the bank under this section shall be evidenced by and made in accordance with the terms and conditions specified in a loan agreement to be executed by the bank and the municipality. The loan agreement shall specify the terms and conditions of disbursement of loan proceeds. The loan agreement shall state the term and interest rate of the loan, the scheduling of loan repayments, and such other terms and conditions as determined necessary or desirable by the bank.

3. Eligibility certification. No loan to a municipality may be made under this section until such time as:

A. The applicant certifies to the bank that it has secured all permits, licenses and approvals necessary to construct the improvements to be financed by the loan;

B. The applicant demonstrates to the bank that it has established a rate, charge or assessment schedule which will generate annually sufficient revenue to pay, or has otherwise provided sufficient assurances that it will pay, the principal of and interest on the municipal bond or other debt instrument which evidences the loan made by the bank to the municipality under this section and to pay reasonably anticipated costs of operating and maintaining the financed project and the system of which it is a part;

C. The applicant certifies to the bank that it has created a dedicated source of revenue, which may constitute general revenues of the applicant through a general obligation pledge of the applicant, for repayment of the loan;

D. The applicant and the project to be financed by the proceeds of the loan have been designated by the Department of Environmental Protection as eligible to participate in a construction or implementation program funded wholly or in part by the State and from the proceeds of the revolving loan fund;

E. The Department of Environmental Protection certifies to the bank that any management program to be financed is in conformance with all applicable state and federal laws and all rules and regulations promulgated under those laws; and

F. The Department of Environmental Protection certifies to the bank that the loan eligibility priority established under section 5171-A, subsection 3, entitles the applicant to immediate financing or assistance under this section.

Sec. 6. 30 MRSA §5168, first & 2nd ¶¶, as enacted by PL 1971, c. 558, are amended to read:

The bank shall have the power and is authorized from time to time to issue its bonds in such principal amounts as it shall deem necessary to provide funds for any purposes authorized by this Act, including the making of loans, making of deposits to the revolving loan fund, the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds issued by it whether the bonds or interest to be funded or refunded have or have not become due or subject to redemption prior to maturity in accordance with their terms, the establishment or increase of such reserves to secure or to pay such bonds or interest thereon and all other costs or expenses of the bank incident to and necessary or convenient to carry out its corporate purposes and powers.

Except as may be otherwise expressly provided in this Act or by the bank, every issue of bonds shall be general obligations of the bank payable out of any revenues or funds of the bank, subject only to any agreements with the holders of particular bonds pledging any particular revenues or funds. Bonds that are not general obligations of the bank shall be special obligations of the bank payable solely from any revenues or funds of the bank pledged therefor and subject only to any agreements with the holders of particular notes and bonds pledging any particular revenues or funds. Any such bonds may be additionally secured by a pledge of any grants, subsidies, contributions, funds or moneys money from the United States of America or the State or any governmental unit or any person, firm or corporation or a pledge of any income or revenues, funds or moneys money of the bank from any source whatsoever.

Sec. 7. 30 MRSA §5168, as enacted by PL 1971, c. 558, is amended by adding at the end a new paragraph to read:

The bank may covenant and consent, at or prior to the time of issuance of its bonds or notes, to the inclusion of interest on any of such bonds or notes, under the United States Internal Revenue Code of 1986 or any subsequent corresponding internal revenue law of the United States, in the gross income of the holders of any such bonds or notes 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 of the bonds or notes under the Internal Revenue Code or any such subsequent law.

Sec. 8. 30 MRSA §5171, as enacted by PL 1971, c. 558, is amended to read:

§5171. Reserve fund and capital reserve funds

1. Reserve fund. The bank shall establish and maintain a reserve fund called the "Maine Municipal Bond Bank Reserve Fund" in which there shall be deposited all ~~moneys~~ money appropriated by the State for the purpose of such fund, all proceeds of bonds required to be deposited therein by terms of any contract between the bank and its bondholders or any resolution of the bank with respect to such proceeds of bonds, any other ~~moneys~~ money or funds of the bank which it determines to deposit therein and any other ~~moneys~~ money made available to the bank only for the purposes of such fund from any other source or sources. ~~Moneys~~ Money in the reserve fund shall be held and applied solely to the payment of the interest on and principal of bonds secured by the reserve fund and sinking fund payments mentioned in this Act with respect to bonds secured by the reserve fund as the same shall become due and payable and for the retirement of bonds, including payment of any redemption premium required to be paid when any bonds are redeemed or retired prior to maturity and shall not be withdrawn therefrom if such withdrawal would reduce the amount in the reserve fund to an amount less than the required debt service reserve, as defined, ex-

cept for payment of interest then due and payable on bonds and the principal of bonds then maturing and payable and sinking fund payments mentioned in this Act with respect to bonds and for the retirement of bonds in accordance with the terms of any contract between the bank and its bondholders and for the payments on account of which interest or principal or sinking fund payments or retirement of bonds other moneys money of the bank are not then available in accordance with the terms of any such contract. As used in this Act, "required debt service reserve" means, as of any date of computation, the amount or amounts required to be on deposit in the reserve fund as provided by resolution of the bank. Required debt service reserve shall be, as of any date of computation, an aggregate amount equal to at least the largest amount of money, required by the terms of all contracts between the bank and its bondholders of bonds secured by the reserve fund to be raised in the then current or any succeeding calendar year for the payment of interest on and maturing principal of that portion of outstanding bonds secured by the reserve fund the proceeds of which were applied solely to the purchase of municipal securities and sinking fund payments required by the terms of any such contracts to sinking funds established for the payment or redemption of such bonds, all calculated on the assumption that such bonds will cease to be outstanding after the date of such computation by reason of the payment of such bonds at their respective maturities and the payments of such required moneys money to sinking funds and the application thereof in accordance with the terms of all such contracts to the retirement of such bonds.

1-A. Capital reserve fund. The bank may establish and maintain one or more special funds called "capital reserve funds" in which there shall be deposited all money appropriated by the State for the purpose of those funds, all proceeds of bonds required to be deposited in those funds by the terms of any contract between the bank and its bondholders or any resolution of the bank with respect to the proceeds of bonds, any other money or funds of the bank which it determines to deposit in those funds and any other money made available to the bank only for the purposes of the fund from any other source or sources. Money in any capital reserve fund shall be held and applied solely to the payment of the interest on and principal of bonds secured by the capital reserve fund and sinking fund payments mentioned in this Act with respect to bonds secured by the capital reserve fund as the same shall become due and payable and for the retirement of bonds secured by the capital reserve fund, including payment of any redemption premium required to be paid when any such bonds are redeemed or retired prior to maturity. The minimum amount of any capital reserve fund shall be equal to the amounts required under the resolutions pursuant to which the bonds secured by the capital reserve fund are issued, the amounts being referred to as the "required minimum reserve." Required minimum reserve, with respect to bonds secured by a capital reserve fund for which the resolution authorizing the issuance of those bonds states that the provisions of subsection 6 shall ap-

ply, shall be, as of any date of computation, an aggregate amount equal to at least the largest amount of money required by the terms of all contracts between the bank and its bondholders of the bonds to be raised in the then current or any succeeding calendar year for the payment of interest on and maturing principal of that portion of the outstanding bonds, the proceeds of which were applied solely to the purchase of municipal securities or municipal bonds and sinking fund payments required by the terms of any such contracts to sinking funds established for the payment or redemption of the bonds, all calculated on the assumption that the bonds will cease to be outstanding after the date of the computation by reason of the payment of the bonds at their respective maturities and the payments of the required money to sinking funds and the application thereof in accordance with the terms of all such contracts to the retirement of the bonds. Money in any capital reserve fund shall not be withdrawn if the withdrawal would reduce the amount in the capital reserve fund to an amount less than the required minimum reserve for all such bonds issued and to be issued which will be secured by the capital reserve fund, except for payment of interest then due and payable on bonds secured by the capital reserve fund and the principal of bonds secured by the capital reserve fund then maturing and payable and sinking fund payments required by the terms of any such contracts to sinking funds established for the payment or redemption of the bonds, and for the retirement of bonds secured by the capital reserve fund in accordance with the terms of any contract between the bank and its bondholders and for the payments on account of which interest or principal or sinking fund payments or retirement of bonds secured by the capital reserve fund other money of the bank are not then available in accordance with the terms of any such contract.

2. Transfer. Moneys Money in said the reserve fund at any time in excess of the required debt service reserve, whether by reason of investment or otherwise, may be withdrawn at any time by the bank and transferred to any other fund or account of the bank.

Money in any capital reserve fund at any time in excess of the required minimum reserve, whether by reason of investment or otherwise, may be withdrawn at any time by the bank and transferred to any other fund or account of the bank.

3. Investment. Moneys Money at any time in the reserve fund or any capital reserve fund may be invested in the same manner as permitted for investment of funds belonging to the State or held in the treasury.

4. Reserve. Notwithstanding any other provision contained in this Act, no bonds to be secured by the reserve fund or by a capital reserve fund for which the resolution authorizing the issuance of those bonds states that the provisions of subsection 6, shall apply bonds shall may be issued by the bank unless, if the bonds are to be secured by the reserve fund, there is in the reserve fund the required debt service reserve for all bonds then is-

sued and outstanding which are secured thereby and the bonds to be issued which will be secured thereby, or if the bonds are to be secured by a capital reserve fund for which the resolution authorizing the issuance of the bonds states that the provisions of subsection 6 shall apply, there is in the capital reserve fund the required minimum reserve for all bonds secured by the capital reserve fund then issued and outstanding and the bonds to be issued which will be secured by the capital reserve fund, provided that nothing in this Act shall may prevent or preclude the bank from satisfying the foregoing requirement by depositing so much of the proceeds of the bonds to be issued, upon their issuance, as is needed to achieve the required debt service reserve or required minimum reserve, as applicable. The bank may at any time issue its bonds or notes for the purpose of providing any amount necessary to increase the amount in the reserve fund to the required debt service reserve, to increase the amount in any capital reserve fund to the required minimum reserve or to meet such higher or additional reserve as may be fixed by the bank with respect to such fund.

5. Restoration. In order to assure the maintenance of the required debt service reserve in the reserve fund, there shall be annually appropriated and paid to the bank for deposit in said fund, such sum, if any, as shall be certified by the chairman of the bank to the Governor, as necessary to restore said fund to an amount equal to the required debt service reserve. The chairman shall annually, on or before December 1st, make and deliver to the Governor his certificate stating the sum, if any, required to restore said fund to the amount aforesaid, and the sum or sums so certified shall be appropriated and paid to the bank during the then current state fiscal year.

In order to assure the maintenance of the required minimum reserve in any capital reserve fund to which, at the direction of the bank pursuant to the resolution establishing the capital reserve fund, this provision applies, there shall be annually appropriated and paid to the bank for deposit in the fund, the sum, if any, as shall be certified by the chairman of the bank to the Governor, as necessary to restore the fund to an amount equal to the required minimum reserve. The chairman shall annually, by December, make and deliver to the Governor his certificate stating the sum, if any, required to restore the fund to the amount equal to the required minimum reserve, and the sum or sums so certified shall be appropriated and paid to the bank during the then current state fiscal year.

6. Valuation. In computing the amount of the required debt service reserve or the required minimum reserve, investments held as a part thereof shall be valued in the manner provided in the applicable bond resolution.

7. Exclusions. The bank may provide from time to time by resolution for the issuance of its bonds or notes which are not secured by the reserve fund or any capital reserve fund, as set forth in the resolution authorizing its bonds or notes. The bank may, pursuant to a

resolution or other agreement, establish the security for any of its bonds, including, but not limited to, policies of insurance and letters of credit, as it in its discretion determines necessary, desirable or convenient to further the accomplishment of the purposes of the bank. The security may, if so provided by a resolution or other agreement of the bank, to the extent set forth in the resolution or agreement, satisfy the provisions of the resolution or agreement with respect to any required debt service reserve, required minimum reserve or other reserve.

Sec. 9. 30 MRSA §5171-A is enacted to read:

§5171-A. Revolving loan fund

1. Establishment; administration. A revolving loan fund is established pursuant to this section.

A. There is established in the custody of the bank a special fund to be known as the revolving loan fund which shall be used to provide loans to municipalities for acquiring, designing, planning, constructing, enlarging, repairing or improving publicly owned sewage systems and sewage treatment plants as provided in Title 38, section 411, and for implementing related management programs.

B. This fund shall be administered by the bank, and the fund shall be invested in the same manner as permitted for investment of funds belonging to the State or held in the State Treasury. The fund shall be established and held separate and apart from any other funds or money of the State or the bank and shall be used and administered exclusively for the purpose of this section and section 5165-A. The fund shall consist of the following:

- (1) Such sums as may be appropriated by the Legislature or transferred thereto from time to time by the Treasurer of State;
- (2) Principal and interest received from the repayment of loans made from the fund;
- (3) Capitalization grants and awards made to the State or an instrumentality of the State by the United States for any of the purposes for which the fund has been established, which amounts shall be paid directly into the fund without need for appropriation by the State;
- (4) Interest earned from the investment of fund balances;
- (5) Private gifts, bequests and donations made to the State for any of the purposes for which the fund has been established;
- (6) The proceeds of notes or bonds issued by the bank for the purpose of deposit in the fund; and



(7) Other funds from any public or private source received for use for any of the purposes for which the fund has been established.

2. Uses. The fund created under this section may be used for one or more of the following purposes:

A. To make loans to municipalities pursuant to section 5165-A and this section;

B. To make loans to refund bonds or notes of a municipality issued after March 7, 1985, for the purpose of financing the construction of any capital improvement or management program described in section 5165-A, subsection 1, and certified under section 5165-A, subsection 3;

C. To guarantee or insure, directly or indirectly, the payment of notes or bonds issued or to be issued by a municipality for the purpose of financing the construction of any capital improvement or management program described in section 5165-A, subsection 1, and certified under section 5165-A, subsection 3;

D. To guarantee or insure, directly or indirectly, funds established by municipalities for the purpose of financing construction of any capital improvement described in section 5165-A, subsection 1;

E. To invest available fund balances and to credit the net interest income on those balances to the revolving loan fund;

F. To invest as a source of revenue or security for the payment of principal and interest on general or special obligations of the bank if the proceeds of the sale of the obligations have been deposited in the fund, or as a source of revenue to subsidize municipal loan payment obligations;

G. To pay the costs of the bank and the Department of Environmental Protection staff associated with the administration of the revolving loan fund and projects financed by it; provided that no more than the lesser of 2% of the aggregate of the highest fund balances in any fiscal year and 4% of any capitalization grants provided by the United States for deposit in the revolving loan fund shall be used for such purposes; and

H. To pay the costs required pursuant to the Federal Water Pollution Control Act, Title VI.

3. Priorities for financial assistance. Periodically, and at least annually, the Department of Environmental Protection shall prepare and certify to the bank a project priority list of those municipalities whose publicly owned projects are eligible for financing or assistance under this section. The factors to be considered in developing the priority list shall include, but not be limited to:

A. Water supply protection;

B. Shellfishery protection;

C. Nuisance conditions;

D. Fisheries protection;

E. Facility needs; and

F. Median household income.

4. Eligibility for financial assistance. No financial assistance for a project may be granted under this section until such time as the Department of Environmental Protection certifies to the bank that the project is eligible for immediate financing under this section and is on the priority list prepared pursuant to subsection 3.

5. Establishment of accounts. The bank may establish accounts and subaccounts within the revolving fund as it determines desirable to effectuate the purposes of this section including, but not limited to, accounts to segregate a portion or portions of the revolving loan fund as security for bonds issued by the bank for deposit in the revolving loan fund and to be invested for the benefit of specified projects receiving financial assistance from the revolving loan fund.

Sec. 10. 30 MRSA §5172, first ¶, as enacted by PL 1971, c. 558, is amended to read:

The bank shall establish and maintain a fund called the "general fund" which shall consist of and in which there shall be deposited fees received or charges made by the bank for use of its services or facilities, any ~~moneys~~ money which the bank shall transfer ~~thereto~~ to the general fund from the reserve fund or any capital reserve fund pursuant to section 5171, subsection 2, ~~moneys~~ money received by the bank as payments of principal of or interest on municipal securities purchased by the bank, or received as proceeds of sale of any municipal securities or investment obligations of the bank, or received as proceeds of sale of bonds or notes of the bank, and required under the terms of any resolution of the bank or contract with the holders of its bonds or notes to be deposited therein, any ~~moneys~~ money required under the terms of any resolution of the bank or contract with the holders of its bonds or notes to be deposited therein, and any ~~moneys~~ money transferred thereto from any other fund or made available for the purpose of the general fund by the State or for the operating expenses of the bank. Any such ~~moneys~~ money in the general fund may, subject to any contracts between the bank and its bondholders or noteholders, be transferred to the reserve fund or any capital reserve fund, or if not so transferred, shall be used for the payment of the principal of or interest on bonds or notes of the bank when the same shall become due and payable, whether at maturity or upon redemption including payment of any premium upon redemption prior to maturity, and any ~~moneys~~ money in the general fund may be used for the purchase of municipal securities and for all other purposes of the bank including payment of its operating expenses.

Sec. 11. 30 MRSA §5183-A is enacted to read:

§5183-A. Regulations; reports

1. Rules. The Department of Environmental Protection and the bank may adopt such rules and policies as necessary to implement the provisions of sections 5165-A and 5171-A in order to ensure the self-sustaining nature of the fund created under section 5171-A, and also to ensure compliance with the requirements of the Federal Water Pollution Control Act, Title VI.

2. Contractual authority; reports. The Department of Environmental Protection and the bank may enter into agreements and shall provide notice pursuant to this subsection.

A. The Department of Environmental Protection and the bank may enter into agreements on behalf of the State with agencies of the United States as may be necessary to obtain grants and awards in furtherance of the stated purposes for which the revolving loan fund created under section 5171-A is established and take all other actions necessary to comply with the requirements of the Federal Water Pollution Control Act, Title VI; provided that notification of each of the agreements is made in a timely fashion to the Governor.

B. Annually, the Department of Environmental Protection and the bank shall notify the Governor of the amount of the fund created under section 5171-A anticipated to be available for the next fiscal year.

C. The bank is designated by the State as the instrumentality empowered to administer the revolving loan fund in conjunction with the Department of Environmental Protection to accept capitalization grants made under the Federal Water Pollution Control Act, Title VI, and to manage the revolving loan fund in accordance with the requirements of that Act.

Sec. 12. 38 MRSA §411, first ¶, as amended by PL 1987, c. 502, §1, is further amended to read:

The department may pay an amount not to exceed 45% 80% of the expense of a municipal or quasi-municipal pollution abatement construction program or a pollution abatement construction program in an unorganized township or plantation authorized by the county commissioners. The department may make payments to the Maine Municipal Bond Bank to supply the State's share of the revolving loan fund established by Title 30, section 5171-A. The department may pay up to 90% of the expense of a municipal or quasi-municipal pollution abatement construction program or a pollution abatement construction program in an unorganized township or plantation authorized by the county commissioners in which the construction cost of the project does not exceed \$100,000 ~~so~~ as long as total expenditures for the small projects do not exceed \$1,000,000 in any fiscal year and not more than one grant is made to any applicant

each year, except that the department may pay up to 50% of the expense of individual projects serving seasonal dwellings or commercial establishments. The application for a grant under this paragraph for a project serving a single-family dwelling, including outbuildings, or a single commercial establishment, shall include a signed statement of the financial condition of the owner of the single-family dwelling or commercial establishment describing the need for the grant. That statement will become part of the application record and no further evidence of need will be required.

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

Effective April 21, 1988

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## CHAPTER 752

H.P. 1797 — L.D. 2461

### AN ACT to Prohibit the Sale of Polystyrene Foam Products Containing or Made with Certain Chlorofluorocarbons.

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

Sec. 1. 38 MRSA §1310-K, sub-§1, ¶¶D and E, as enacted by PL 1987, c. 517, §25, are amended to read:

D. The categories of industrial waste which present opportunities for reuse; ~~and~~

E. Opportunities to reduce waste quantities by reducing generation at the source; and

Sec. 2. 38 MRSA §1310-K, sub-§1, ¶F is enacted to read:

F. The impact of nonbiodegradable polystyrene foam products on landfill space.

Sec. 3. 38 MRSA §1603 is enacted to read:

§1603. Polystyrene foam products

1. Prohibition on extruded polystyrene foam sheets. After January 1, 1989, no person may sell or offer to sell in this State any product composed in whole or in part of thermoformed extruded polystyrene foam sheets if the foam is manufactured using any fully halogenated chlorofluorocarbon found by the United States Environmental Protection Agency to be an ozone-depleting chemical.

2. Prohibition on extruded polystyrene foam board. No person may sell or offer to sell in this State any product composed in whole or in part of extruded polystyrene foam board if: