

LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FOURTEENTH LEGISLATURE

FIRST REGULAR SESSION

December 7, 1988 to July 1, 1989

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> J.S. McCarthy Company Augusta, Maine 1989

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PUBLIC LAWS

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1. Payment or denial of claim. An explanation of the payment or denial of any claim filed on behalf of the insured minor;

2. Change in terms and conditions. An explanation of any proposed change in the terms and conditions of the policy; or

3. Notice of lapse. Reasonable notice that the policy may lapse, but only if the parent has provided the insurer with the address at which the parent may be notified.

In addition, any parent who is able to provide the information necessary for the insurer to process a claim shall be permitted to authorize the filing of any claims under the policy.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved, except that Parts B, C and D shall take effect 90 days after adjournment of the First Regular Session of the 114th Legislature.

Effective July 10, 1989, unless otherwise indicated.

CHAPTER 557

H.P. 538 - L.D. 735

An Act to Improve the Cost-of-living Adjustment Under the Maine State Retirement System

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

5 MRSA §17806, sub-§1, ¶B, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

B. Whenever the annual percentage change increase in the Consumer Price Index from July 1st to June 30th exceeds 4%, the board shall make whatever adjustments in the retirement benefits are necessary to reflect an annual increase or decrease of 4% and shall report that adjustment and submit a supplemental budget request to the Governor for the additional funds that would be required to make adjustments in the retirement benefits to reflect the actual increase or decrease in the Consumer Price Index to the Legislature during the month of February of the following year. The request shall include a report stating the cost of the 4% increase, the actual percentage increase in the Consumer Price Index and the percentage adjustments granted during the previous 5 years. The board shall make an additional adjustment in the retirement benefits in the month following the appropriation only in that amount.

See title page for effective date.

CHAPTER 558

H.P. 794 - L.D. 1106

An Act to Allow Municipal Clerks to Inspect Sample Ballots before Election Day

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

Sec. 1. 21-A MRSA §606, sub-§2-A is enacted to read:

2-A. Sample ballots. The Secretary of State shall affix a sealed envelope containing samples of each type of ballot packed inside to the outside of every package or box of ballots sent to a voting place. The Secretary of State shall authorize preparation of the sample ballots which shall be printed concurrently with the regular ballots. A sample ballot must be substantially the same as the type of ballot it exemplifies, except that:

> A. The words "SAMPLE BALLOT" in bold type and the name of the voting district must be printed on each sample ballot;

> B. The facsimile of the signature of the Secretary of State must not be printed on a sample ballot; and

C. A sample ballot must be incapable of being cast using a voting machine or electronic voting system.

Sec. 2. 21-A MRSA §606, sub-§3, as enacted by PL 1985, c. 161, §6, is repealed and the following enacted in its place:

3. Receipt issued; inspection of sample ballots. The clerk shall immediately send the Secretary of State a receipt for the ballots the clerk receives. Upon receipt of a package or box containing ballots, the clerk shall, in the presence of one or more witnesses, open the sealed envelope containing sample ballots described in subsection 2-A affixed to that package or box. The clerk shall immediately notify the Secretary of State if a sample ballot differs materially from the appropriate specimen ballot, described in section 603.

See title page for effective date.

CHAPTER 559

H.P. 837 - L.D. 1169

An Act to Provide Comprehensive, Consolidated Student Financial Assistance Services

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

Whereas, students who are attending or planning to attend institutions of higher education and who are residents of the State or are attending these institutions in the State, and families of these students are in need of financial assistance; and

Whereas, it is desirable for the State to improve the methods of delivery of this financial assistance; and

Whereas, it is desirable to provide for a comprehensive, consolidated system of delivering this financial assistance immediately so that students and their families will have access to improved methods of delivery as soon as possible; 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 §962, sub-§§4 and 5, as enacted by PL 1983, c. 519, §6, are amended to read:

4. Small businesses and veteran-owned small businesses. Encourage the making of mortgage loans to small businesses and veteran-owned small businesses; and

5. Natural resource financing. Provide natural resource financing. ; and

Sec. 2. 10 MRSA §962, sub-§6 is enacted to read:

6. Student financial assistance programs. Provide and administer a comprehensive, consolidated system of student financial assistance programs.

Sec. 3. 10 MRSA §964, sub-§1, ¶¶G and H, as enacted by PL 1985, c. 344, §9, are amended to read:

G. Maine Job-start Program; and

H. Such other programs as the authority may by law be authorized to administer. ; and

Sec. 4. 10 MRSA §964, sub-§1, ¶I is enacted to read:

I. Student financial assistance programs.

Sec. 5. 10 MRSA §965, sub-§1, ¶A, as amended by PL 1985, c. 344, §11, is further amended to read:

A. Two veterans who shall be selected by the Governor from the at-large members of the Maine Veterans' Small Business Loan Board; and

Sec. 6. 10 MRSA §965, sub-§1, ¶B, as enacted by PL 1983, c. 519, §6, is amended to read:

B. Two members who shall be selected by the Governor from the public members of the Natural Resources Financing and Marketing Board₇; and

Sec. 7. 10 MRSA §965, sub-§1, ¶C is enacted to read:

C. Two members who shall be selected by the Governor from the public members of the board established to advise the authority on the administration of student financial assistance programs.

Sec. 8. 10 MRSA c. 110, sub-c. I-D is enacted to read:

SUBCHAPTER I-D

STUDENT FINANCIAL ASSISTANCE PROGRAMS

§1013. Program established

The authority shall administer a program of comprehensive, consolidated student financial assistance for Maine students and their families. In carrying out its responsibilities the authority shall be responsible for administering:

<u>1. Maine Student Incentive Scholarship Program.</u> The Maine Student Incentive Scholarship Program;

2. Blaine House Scholars and Financial Assistance Program. The Blaine House Scholars and Financial Assistance Program;

3. State Osteopathic Loan Program. The State Osteopathic Loan Program;

4. Postgraduate Medical Education Program. The Postgraduate Medical Education Program;

5. Stafford Loan Program. The Stafford Loan Program;

6. Robert C. Byrd Honors Scholarship Program. The Robert C. Byrd Honors Scholarship Program;

7. Paul Douglas Teacher Scholarship Program. The Paul Douglas Teacher Scholarship Program;

8. Supplemental Loan Program. The Supplemental Loan Program; and

9. Student Financial Assistance Counseling and Outreach Program. The Student Financial Assistance Counseling and Outreach Program.

Sec. 9. 20-A MRSA c. 419 is repealed.

Sec. 10. 20-A MRSA c. 419-A is enacted to read:

CHAPTER 419-A

STUDENT INCENTIVE SCHOLARSHIP PROGRAM

§11611. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Academic year and in attendance. "Academic year" and "in attendance" have the same meanings as in the definitions of these terms contained in the Higher Education Act of 1965, Section 1201, as amended, United States Code, Title 20, Section 1141; and the Higher Education Act of 1965, Section 491, as amended, United States Code, Title 20, Section 1088; and the regulations, guidelines and procedures promulgated by the Secretary of Education and published in the Federal Register pursuant to these sections of federal law.

2. <u>Authority.</u> The "authority" means the Finance Authority of Maine.

3. Eligible program of study. "Eligible program of study" means a certificate program of at least one year, an associate degree program or a baccalaureate degree program.

4. Expected family contribution. "Expected family contribution" means the amount which the family of a student may be reasonably expected to contribute toward post-secondary education for the academic year for which the student is seeking a student incentive scholarship.

5. Institution of higher education. "Institution of higher education" means an institution of higher education located within this State, or within another state with which this State has a reciprocal agreement. The institutions shall meet the requirements of and conform to the definitions contained in the Higher Education Act of 1965, Section 1201, as amended, United States Code, Title 20, Section 1141; and the Higher Education Act of 1965, Section 491, as amended, United States Code, Title 20, Secti

§11612. Eligibility

The scholarships shall be given only to residents of the State who:

1. Graduated. Have graduated from an approved secondary school or matriculated at a post-secondary school prior to high school graduation, or have successfully completed a general educational development examination or its equivalent;

2. Accepted as undergraduate. Have been accepted for enrollment as undergraduates or are in good standing as undergraduates at institutions of higher education in an eligible program of study and have not received a previous baccalaureate degree;

3. Applied for scholarships. Have applied for a student incentive scholarship according to schedules and procedures and on forms developed by the authority;

4. Demonstrate financial need. Have been determined by the authority to have a financial need according to the criteria set forth in section 11613; and

5. State residency requirements. Meet the state residency requirements that may be established by rules adopted by the authority in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375.

§11613. Determination of need

The authority shall establish the need of a student for a student incentive scholarship for an academic year for which the student applies. A student shall be considered to have a need to qualify for a student incentive scholarship if the total of the expected family contribution, together with a Pell Grant established pursuant to the Higher Education Act of 1965, Title IV, as amended, United States Code, Title 20, and a student incentive scholarship grant does not exceed 75% of the cost of attendance at the institution the student attends.

1. Rules. The authority shall establish standard methods by rules adopted in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, to determine:

A. The parental contribution; and

B. The student and spouse contribution.

These standard methods shall consider all income, assets and any other resources available to the parents, student and spouse.

2. Expected family contribution. The expected family contribution is the sum of the parental contribution and the student and spouse contribution. The method of determining the expected family contribution shall be established by rule of the authority adopted in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, and shall be uniformly applied to all students.

3. Cost of attendance. In determining the cost of attendance to determine eligibility under this chapter, the authority shall include the following:

A. Tuition and required fees charged to all full-time students;

B. Standard room and board costs charged by the University of Maine to calculate room and board costs of applicants; and

C. Books and personal expenses or other amounts determined by the authority to be appropriate.

§11614. Determination of scholarships

Scholarships to eligible students shall be determined as follows, subject to the limitations set forth in section 11613. 1. Priority for awards of scholarships. Full-time students with the lowest expected family contributions shall be given priority over all other eligible students for the awards of scholarships.

2. Minimum amount. It is the intent of the Legislature that scholarships awarded under this chapter, except as provided in subsections 4, 5 and 6, shall be no less than \$500, provided that amounts less than \$500 may be awarded to meet a need of less than \$500 determined under section 11613. In no event may the authority grant awards of less than \$200 to a full-time student.

3. Scholarships for students attending private institutions. Scholarships for students attending private institutions of higher education shall be 2 times the amount of scholarships awarded to students attending public institutions of higher education.

4. Prorated scholarships. A scholarship recipient whose course load is reduced from full time shall receive a scholarship prorated for that term of the recipient's enrollment.

5. Withdrawal. If a recipient of a scholarship withdraws from an institution and the student is entitled to a refund of tuition, fees or other charges, the institution shall make a refund payment directly to the authority in accordance with the institution's refund policy.

6. Safety net. Notwithstanding the provisions of this section, the authority shall not allocate less in scholarship grants under this chapter for students attending the University of Maine System, the Maine Maritime Academy, the Vocational-Technical Institute System and private post-secondary institutions than was allocated for students in each of those institutions or groups of institutions of higher education in 1988-89.

§11615. Publication of scholarship amounts

<u>Prior to March 1st of each year, the authority shall</u> <u>publish scholarship amounts for the succeeding academic</u> <u>year.</u>

§11616. Length of scholarship; period of study

1. Length of scholarship. A scholarship shall be for a period not to exceed one academic year. A student may apply for a new scholarship for each year during the period required for completion of an eligible program of study being pursued by that student. A scholarship recipient who remains eligible shall be considered in the succeeding award year.

2. Period of study. An eligible student may receive a scholarship for a period not to exceed 8 semesters or its equivalent for a full-time student and 16 semesters or 120 credit hours, whichever is completed first, for a part-time student. The period may be extended for not more than one additional academic year, if: A. The student is pursuing a course of study leading to a first degree in a program of study which is designed by the institution offering it to extend over 5 academic years; or

B. The student will be unable to complete a course of study within 4 academic years because of a requirement of the institution that the student enroll in a noncredit remedial course of study. "Noncredit remedial course of study" means a course of study for which no credit is given toward an academic degree and which is designed to increase the ability of the student to engage in an undergraduate course of study leading to that degree.

§11617. Program administration

1. Responsibility of authority. The authority shall administer the scholarship program, including establishing and maintaining fund accounting and control procedures as required by state law or as necessary for the State to be eligible to receive federal assistance under the Federal Student Assistance Program, Higher Education Act of 1965, Title IV, Part A, Subpart 3, as amended, United States Code, Title 20, Sections 1070c-1, 1070c-2 and 1070c-3.

2. Guidelines and rules. The following provisions shall apply to the program.

A. The authority shall develop rules, procedures, schedules and forms necessary to carry out the purposes of this program, including the adoption of reciprocal agreements with other states.

B. To the maximum extent possible consistent with the need for state control of this program, the authority shall use the guidelines, rules, regulations, procedures, forms and schedules set forth by the Secretary of Education for the administration of the Federal Student Assistance Program, Higher Education Act of 1965, Title IV, Part A, Subpart 1, as amended, United States Code, Title 20, Section 1070c.

§11618. Nonlapsing fund

Any unexpended funds appropriated by the Legislature to carry out the purposes of this program shall not lapse, but shall be carried forward for continued use in the program.

Sec. 11. Application. Notwithstanding the establishment in this Act of a comprehensive, consolidated system of student financial assistance to be administered by the Finance Authority of Maine, the authority shall not undertake the administration of any student financial assistance services or programs until further implementing legislation is enacted as provided in section 13 of this Act which shall occur on or before January 15, 1990.

Sec. 12. Transition. The Student Financial Aid Transition Advisory Committee is created to advise the Legislature, the Governor and the Finance Authority of Maine on the implementation of the comprehensive, coordinated student financial aid services program established by this Act and the transition from the current method of providing student financial aid services to that program.

1. Responsibilities. The committee may review national studies on the provision of student financial aid services and changes in the financial aid delivery system proposed by the Federal Government and shall review the report of any independent consultant hired by the Department of Educational and Cultural Services to assess and make recommendations on the department's student financial aid programs and the transition to a comprehensive, consolidated system of providing student financial assistance programs. The committee shall prepare a plan for implementing a comprehensive, coordinated student financial aid program under the authority. Specifically, the committee, in the plan, shall make recommendations on at least the following matters:

A. The name by which the program and the board created to advise the authority on implementation of the program is to be known;

B. The governance of the advisory board, including the number, length of term, qualifications and confirmation requirements for the members of the board;

C. The term, qualifications and confirmation requirements for the director of the advisory board;

D. Specific responsibilities of the authority and the director in providing student financial aid services;

E. Necessary changes in existing law to enhance existing student financial assistance programs and to stimulate new or proposed programs such as the Student Educational Enhancement Deposit Plan, the Trio Program, a loan of last resort program, a student financial assistance counseling and outreach program and the proposed Advanced Study for Educators Program;

F. The appropriate level of oversight of the authority in providing student financial assistance programs;

G. The budgetary needs and projections of the authority and possible sources of funding for providing student financial assistance programs;

H. Additional necessary changes in the authority's authorizing legislation to integrate the new student financial assistance responsibilities established by this Act and to provide the appropriate emphasis for those programs within the overall responsibilities of the authority;

I. Personnel transition provisions, transfer of financial and legal obligations, transfer of personal and real property interests and other transition provisions necessary to accomplish the transfer of student financial assistance responsibilities to the authority from the Department of Educational and Cultural Services and the Maine Educational Loan Authority;

J. The need for continuation of the advisory committee to advise the authority's student financial assistance board and to review additional transitional issues; and

K. Other transition issues determined appropriate by the committee.

2. Members. The transition advisory committee shall consist of 15 members appointed as follows: 5 legislative members who shall be members of the Joint Standing Committee on Education and 2 public members, each appointed jointly by the President of the Senate and the Speaker of the House of Representatives; one representative of the Governor's Office appointed by the Governor: the State Auditor, ex officio; the chief executive officer of the Finance Authority of Maine, ex officio, or the officer's designee; the Director of the Division of Higher Education. ex officio, or the director's designee from the division; one member of the Maine Higher Education Council; one student financial aid administrator at a post-secondary institution in Maine, one guidance counselor at a high school in Maine and one representative of the Maine lending community with a background in student financial aid programs, all appointed by the Governor. The Governor shall appoint the Maine Higher Education Council member from a list of 5 nominees submitted by that organization and the financial aid administrator from a list of 5 nominees submitted by the Maine Association of Student Financial Aid Administrators. Appointment of those 2 members shall be made so that one represents a public and one a private post-secondary educational institution. All appointments shall be made within 15 days of the effective date of this Act.

At the time of appointment, the President of the Senate and the Speaker of the House of Representatives shall select a chair from among the legislative members. At the first meeting, a cochair shall also be elected by the commission from among the nonlegislative members.

3. Meetings. The committee shall meet at least 5 times to carry out its responsibilities. The first meeting shall be called by the chair of the committee for not later than July 31, 1989.

4. **Report.** The committee shall submit its written report, including a plan for implementing a comprehensive, coordinated student financial aid program and necessary legislation, to the Joint Standing Committee on Education, the Governor and the authority not later than September 15, 1989.

5. Staffing. The commission may contract with a consultant or research assistant to carry out the responsibilities provided in subsection 1. The consultant or research assistant shall provide clerical assistance to the committee. The chair of the committee, shall coordinate the work of the consultant or research assistant.

6. Compensation. The members of the committee who are Legislators shall receive the legislative per diem as defined in the Maine Revised Statutes, Title 3, section 2, for each day's attendance at committee meetings. All members of the committee shall receive reimbursement for travel and other necessary expenses, upon application to the Executive Director of the Legislative Council.

Sec. 13. Legislation. Following release of the advisory committee report, the Joint Standing Committee on Education shall meet as a committee to discuss the report and shall introduce legislation to any special session or, if no special session is held, to the Second Regular Session of the 114th Legislature to enact a plan for the transfer and operation of a comprehensive, coordinated student financial aid services program. Not later than January 10, 1990, the 114th Legislature shall enact legislation to complete implementation of a comprehensive, coordinated student financial aid services program.

Sec. 14. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

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1000 01

	1989-90	1990-91
FINANCE AUTHORITY OF MAINE		
Student Financial Assistance Programs		
All Other	\$42,345	\$59,980
Provides funds for clerical support, operating costs and computer support for the Finance Authority of Maine to implement student financial assistance programs in addition to the positions and resources which may be transferred from the Division of Higher Education Services and the Maine Education Loan Authority by future legislation.		
FINANCE AUTHORITY OF MAINE TOTAL	\$42,345	\$59,980
LEGISLATURE		
Student Financial Aid Transition Advisory Committee		
Personal Services All Other	\$2,805 22,195	
Provides funds for meetings for the Student Financial Aid Transition Advisory Committee and the Joint Standing Committee on Education. Funding is also provided to hire a consultant or research assistant to staff the advisory committee. Any funds not used for these purposes shall be transferred by future legislation to the Finance Authority of Maine to administer student financial assistance programs.	· · · · · · · · · · · · · · · · · · ·	

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LEGISLATURE TOTAL	\$25,000	
TOTAL APPROPRIATIONS	\$67,345	\$59,980

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved, except that the repeal of the Maine Revised Statutes, Title 20-A, chapter 419 and the enactment of chapter 419-A provided in sections 9 and 10 of this Act shall take effect on July 1, 1990.

Effective July 10, 1989, unless otherwise indicated.

CHAPTER 560

H.P. 942 - L.D. 1310

An Act Regarding the Removal of Hazardous Chemicals from Schools

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

Whereas, there are hazardous chemicals presently in schools; and

Whereas, the program to help schools remove these chemicals should start before the beginning of the next school 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:

20-A MRSA §15613, sub-§14 is enacted to read:

14. Hazardous chemicals. The Commissioner of Educational and Cultural Services shall establish rules governing the purchase and storage of hazardous chemicals in schools. These rules shall be established prior to January 1, 1990.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect on July 1, 1989.

Effective July 1, 1989.

CHAPTER 561

H.P. 1282 - L.D. 1773

An Act Regarding Governmental Ethics