

# MAINE STATE LEGISLATURE

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

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

FIRST REGULAR SESSION

December 5, 1990 to July 10, 1991

Chapters 1 - 590

THE GENERAL EFFECTIVE DATE FOR  
NON-EMERGENCY LAWS IS  
OCTOBER 9, 1991

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

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J.S. McCarthy Company  
Augusta, Maine  
1991

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

**AS PASSED AT THE**  
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**of the**  
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**1991**

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**CHAPTER 110****H.P. 601 - L.D. 861****An Act to Repeal the Restriction on Investments in Loans Secured by First Mortgages on Real Estate by State-chartered Credit Unions**

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

**Sec. 1. 9-B MRSA §855, sub-§3**, as repealed and replaced by PL 1985, c. 94, is repealed.

**Sec. 2. 9-B MRSA §855, sub-§4** is enacted to read:

**4. Loan policy.** The board of directors shall establish a policy addressing real estate mortgage loans, including home equity loans. At a minimum, this policy must address the following:

A. Aggregate limitation on total real estate mortgage loans as a percentage of total loans and total assets;

B. Maximum loan-to-value standards;

C. Types of property eligible for loans;

D. Guidelines for selecting real estate appraisers;

E. Maximum debt-to-income ratios for borrowers; and

F. All other standards essential to the prudent management of real estate lending including the responsibility of 3rd-party contractors who prepare documentation for loans on behalf of the credit union.

This policy must be reviewed and ratified by the board of directors at least annually.

See title page for effective date.

**CHAPTER 111****H.P. 470 - L.D. 664****An Act to Increase the Fees for Local Registration of Motor Vehicles**

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

**29 MRSA §52-A, first ¶**, as amended by PL 1987, c. 588, is further amended to read:

With the approval of the municipal officers of a municipality, the Secretary of State may appoint municipal tax collectors, or ~~such~~ other persons as a municipality may designate to collect excise taxes on vehicles, as agents to receive applications for the registration and the renewal of registra-

tions of motor vehicles, trailers and semitrailers. Municipal agents ~~se~~ appointed may be authorized to issue both registrations and renewals of registrations, or their authority may be limited to the issuance of renewals only. Those agents authorized to issue both registrations and renewals may issue registrations for trucks not registered for over 6,000 pounds g.v.w., automobiles, trailers, semitrailers and farm tractors, and may issue renewals for automobiles, trailers, semitrailers, trucks and farm tractors in which there is no change from the previous registration in the status of the vehicle to include the registered gross weight, axles or any other change in the status defined by the Secretary of State, provided these vehicles are not for hire. Those agents authorized to issue new registrations may also register trucks of greater gross weight after having satisfactorily participated in special training as prescribed by the Secretary of State. Agents authorized to issue renewals only may issue renewals for automobiles, trailers, semitrailers, trucks and farm tractors in which there is no change from the previous registration in the status of the vehicle to include the registered gross weight, axles or any other change in status defined by the Secretary of State, provided these vehicles are not for hire. Agents may also issue renewals for school buses operated by school administrative units or private contractors. The agents may charge any applicant a fee not to exceed ~~\$2~~ **\$3** over and above the required registration fee for each renewal issued and a fee not to exceed ~~\$2~~ **\$4** in the case of each new registration issued, the service charges to be retained by the municipality. In any municipality ~~which~~ that provides agents who issue new registrations or renewals of registrations for applicants from another municipality or from unorganized territory, the agent may charge those applicants \$1 in addition to the fees enumerated in this paragraph for each new registration or renewal issued, the service charge to be retained by the municipality.

See title page for effective date.

**CHAPTER 112****S.P. 324 - L.D. 880****An Act to Provide for Notice of Termination of an Insurance Agency Appointment**

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

**Sec. 1. 24-A MRSA §1535, sub-§1**, as amended by PL 1973, c. 585, §12, is repealed and the following enacted in its place:

**1. Subject to the general lines agent's contract obligations and rights, if any, an insurer or agent may terminate an agency appointment at any time. If the appointment is by written agreement and the insurer intends to terminate the written agreement with the agent or modify the agreement to delete that agent's authority to represent the insurer for any line of business, the insurer shall provide 90 days advance written notice of the termination or modification to the agent. A notice is not required when:**

A. The agent is subject to suspension or revocation of license under section 1539;

B. The agency fails to pay money due the company;

C. There is a sale or a merging of the agency;

D. There is an insolvency or bankruptcy of the agency;

E. The agent holds a limited license under section 1531, subsection 1; or

F. The agent is an employee of an insurer or the agent by contractual agreement represents only one insurer or group of affiliated insurers, if the property rights in the renewal are owned by the insurer or group of affiliated insurers. Cancellation or termination of the agent's contract under this paragraph may not result in the cancellation or nonrenewal of the policies.

The list of appointments not being continued under section 1534 constitutes notice to the superintendent of the terminations listed. The superintendent may require of the insurer reasonable proof that the insurer has given notice to the agent.

**Sec. 2.** 24-A MRSA §1535, sub-§3 is enacted to read:

3. The termination of an agent appointment under this section does not affect the rights of insureds pursuant to chapters 39 and 41.

See title page for effective date.

## CHAPTER 113

H.P. 516 - L.D. 744

### An Act to Enable Retail Stores to Bottle and Sell Water on the Premises

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

**22 MRSA §2613, sub-§3** is enacted to read:

3. Exemption for water distillers in retail stores. A retail store that distills and bottles water from a public water system and sells the water on the premises is exempt from state water rules except:

A. The distiller must be inspected annually by the Department of Agriculture, Food and Rural Resources; and

B. A bacteriological sample of the distilled water must be submitted to the Department of Human Services at least every 3 months. If the distiller has a one-year history of no coliform bacteria contamination, the

Department of Human Services may reduce the frequency of sampling to one sample per year.

See title page for effective date.

## CHAPTER 114

H.P. 501 - L.D. 695

### An Act to Amend the Uniform Fraudulent Transfer Act

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

**14 MRSA §3578, sub-§1, ¶C**, as enacted by PL 1985, c. 641, §3, is amended to read:

C. Subject to applicable principles of equity and in accordance with applicable civil rules of procedure:

(1) An injunction against further disposition by the debtor or a transferee, or both, of the asset transferred or of other property;

(2) Appointment of a receiver to take charge of the asset transferred or of other property of the transferee; or

(3) Damages in an amount not to exceed double the value of the property transferred or concealed; or

(~~3~~) (4) Any other relief the circumstances may require.

See title page for effective date.

## CHAPTER 115

H.P. 444 - L.D. 634

### An Act to Exempt Municipal Vehicles from Overweight Penalties

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

**Sec. 1. 29 MRSA §1657** is enacted to read:

#### **§1657. Exemptions**

1. Emergency maintenance vehicle. Any vehicle engaged in emergency maintenance of a public way is exempt from the weight limits imposed by this chapter.

2. Fire-fighting vehicle. Any fire-fighting vehicle with its proper equipment that meets the National Fire Protection Association standards is exempt from the gross axle weight limits imposed by this chapter.