

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

THIRD SPECIAL SESSION

October 1, 1992 to October 6, 1992

FOURTH SPECIAL SESSION

October 16, 1992

ONE HUNDRED AND SIXTEENTH LEGISLATURE

FIRST REGULAR SESSION

December 2, 1992 to July 14, 1993

THE GENERAL EFFECTIVE DATE FOR

FIRST REGULAR SESSION

NON-EMERGENCY LAWS IS

OCTOBER 13, 1993

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

J.S. McCarthy Company
Augusta, Maine
1993

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
FIRST REGULAR SESSION

of the
ONE HUNDRED AND SIXTEENTH LEGISLATURE

1993

Whereas, the State continues to experience financial difficulties; and

Whereas, under these circumstances it is of vital importance that a committee of the Legislature meet to provide a consistent review of all financial orders submitted by the Bureau of the Budget requesting the transfer of unexpended appropriations or increases to certain allotments; 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. 3 MRSA §522, as enacted by PL 1981, c. 702, Pt. S, is amended to read:

§522. Purpose and powers

The joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs shall oversee the transfer of funds in accordance with Title 5, section 1585, the transfer of funds in accordance with any other provision of law, block grant changes in accordance with Title 5, section 1670 and any other related fiscal matters. The committee shall also review all other financial orders that have been submitted to the Office of Fiscal and Program Review since the last meeting. The committee may meet monthly or as often as is deemed determined necessary by the chairmen chairs. Members of the committee ~~shall~~ may not be paid per diem and expenses for each day of attendance ~~as authorized by the Legislative Council.~~

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

Effective July 12, 1993.

CHAPTER 422

S.P. 385 - L.D. 1166

An Act to Improve the Assessment and Collection of Municipal Property Taxes

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

Sec. 1. 29 MRSA §354, sub-§5, as amended by PL 1977, c. 479, §8, is further amended to read:

5. Certificate for mobile homes. ~~No~~ A mobile home, as defined in Title 36, section 1481, ~~shall~~ may not be moved over the highways of this State unless the op-

erator of the vehicle hauling ~~such~~ the mobile home ~~has in his possession~~ possesses a written certificate from the tax collector of the municipality in which the mobile home is situated on the day of the move, identifying the mobile home and stating that all property taxes applicable to the mobile home, including those for the current tax year, have been paid or that the mobile home is exempt from such taxes. The tax year ~~shall be the period~~ is from April 1st through March 31st. For purposes of this subsection, taxes for the current tax year must include taxes not yet committed. If the amount of these taxes can not then be determined, the amount must be presumed to be the same as the previous year's taxes until the current year's taxes are finally assessed. Notwithstanding Title 36, section 506, the tax collector may accept prepayment of these taxes, and shall repay any amount paid in excess of that finally assessed, with interest on that amount as provided in Title 36, section 506-A. If a mobile home was moved into the municipality after April 1st so that no tax was assessed in the previous year and is to be moved from the municipality before the commitment of the current year's taxes but after April 1st, the term "previous year's taxes" means a tax to be estimated using the prior year's tax rate.

Sec. 2. 36 MRSA §506 is amended to read:

§506. Prepayment of taxes

Municipalities at any properly called meeting may authorize their tax collectors or treasurers to accept prepayment of taxes not yet ~~due or assessed~~ committed and to pay ~~thereon~~ interest on these prepayments, if any is authorized, at not exceeding the a rate of not exceeding 8% per year; municipalities are not obligated to authorize the payment of interest on taxes prepaid under this section. Any excess paid in over the amount finally ~~assessed shall~~ committed must be repaid, with the interest due on the whole transaction, at the date that the tax finally ~~assessed~~ committed is due and payable.

Sec. 3. 36 MRSA §557-A, as enacted by PL 1987, c. 617, is amended to read:

§557-A. Assessment; unknown owner

In the case of real property for which no owner is known to the assessors for at least the preceding 20 tax years and for which the assessor has, with reasonable diligence, attempted to determine ownership, the following assessment procedure, ~~in its entirety, may~~ must be used.

Property of an unknown owner is ~~to be~~ assessed as other property, except that the owner ~~shall~~ must be indicated as "unknown." Additionally, the assessing ~~shall~~ must be advertised once a week for 3 consecutive weeks in a newspaper of general circulation in the county in which the property is located. The notice ~~shall~~ must describe the real estate ~~which that is to be~~ being assessed so that a reasonable person may know, with probable

certainty, what premises are ~~to be~~ subject to the tax, together with a statement that the property is ~~to be~~ assessed to an unknown owner as the result of the failure of a reasonable search to ascertain an owner of record. This newspaper publication ~~shall be~~ is sufficient legal notice of that assessment. At the time of this publication, a copy of the same notice ~~shall~~ must be sent by certified mail, return receipt requested, to each abutting property owner.

~~When this notice procedure is used for assessment purposes and if~~ If the owner of property is still unknown, after use of this notice procedure for assessment purposes, the tax collector and treasurer shall use the same procedure for those notices required under sections 942 and 943.

Sec. 4. 36 MRSA §652, sub-§1, ¶C is amended to read:

C. Further conditions to the right of exemption under paragraphs A and B are that:

(1) Any corporation claiming exemption under paragraph A ~~shall~~ must be organized and conducted exclusively for benevolent and charitable purposes;

(2) ~~No~~ A director, trustee, officer or employee of ~~any~~ an organization claiming exemption ~~shall~~ is not entitled to receive directly or indirectly any pecuniary profit from the operation ~~thereof of that organization,~~ excepting reasonable compensation for services in effecting its purposes or as a proper beneficiary of its strictly benevolent or charitable purposes; ~~and that~~

(3) All profits derived from the operation ~~thereof of an organization claiming exemption~~ and the proceeds from the sale of its property are devoted exclusively to the purposes for which it is organized; ~~and that~~

(4) The institution, organization or corporation claiming exemption under this subsection shall file with the tax assessors upon their request a report for its preceding fiscal year in such detail as the tax assessors may reasonably require;

(5) ~~No~~ An exemption ~~shall be~~ is not allowed under this subsection in favor of an agricultural fair association holding parimutuel racing meets unless it has qualified the next preceding year as a recipient of the "Stipend Fund" provided in Title 7, section 62; and

(6) Real or personal property owned, occupied or used to provide residential rental

housing that is used on other than a transient basis and during or before tax year 1993 was not exempt under paragraph A or B, is not exempt in any tax year after 1993.

For purposes of this subparagraph, "residential rental housing" does not include property used as a nonprofit nursing home, boarding home or boarding care facility licensed by the Department of Human Services pursuant to Title 22, chapter 1665 or community living facilities as defined in Title 30-A, section 4357, subsection 2, paragraph B or any property of a nonprofit organization licensed as a mental health facility by the Department of Mental Health and Mental Retardation pursuant to Title 34-B, section 1203-A.

This subparagraph does not apply to property conveyed to a nonprofit corporation on or before September 1, 1993.

This subparagraph is repealed March 31, 1994.

Sec. 5. 36 MRSA §652, as amended by PL 1991, c. 420, is further amended by adding at the end a new paragraph to read:

An organization or institution that desires to secure exemption under this section shall make written application and file written proof of entitlement for each parcel to be considered on or before the first day of April in the year in which the exemption is first requested with the assessors of the municipality in which the property would otherwise be taxable. If granted, the exemption continues in effect until the assessors determine that the organization or institution is no longer qualified. Proof of entitlement must indicate the specific basis upon which exemption is claimed.

Sec. 6. 36 MRSA §942, 4th ¶, as amended by PL 1977, c. 630, §8, is further amended to read:

At the time of the recording of the tax lien certificate in the registry of deeds, in all cases the tax collector shall file with the municipal treasurer a true copy of the tax lien certificate and shall hand deliver or send by certified mail, return receipt requested, to each record holder of a mortgage on ~~said~~ that real estate, to ~~his~~ the holder's last known address, a true copy of the tax lien certificate. If the real estate has not been assessed to its record owner, the tax collector shall send by certified mail, return receipt requested, a true copy of the tax lien certificate to the record owner.

Sec. 7. 36 MRSA §943, 5th ¶, as amended by PL 1983, c. 407, §4, is further amended to read:

The municipal treasurer shall notify the party named on the tax lien mortgage and each record holder of a mortgage on the real estate not more than 45 days nor less than 30 days before the foreclosing date of the tax lien mortgage, in a writing signed by the treasurer or bearing the treasurer's facsimile signature and left at his the holder's last and usual place of abode or sent by certified mail, return receipt requested, to his the holder's last known address of the impending automatic foreclosure and indicating the exact date of foreclosure. For sending this notice, the municipality ~~shall be~~ is entitled to receive \$3 plus all certified mail, return receipt requested, fees. These costs ~~shall must~~ be added to and become a part of the tax. If notice is not given in the time period specified in this section to the party named on the tax lien mortgage or to any record holder of a mortgage, the person not receiving timely notice ~~shall have the right to may~~ redeem the tax lien mortgage until 30 days after the treasurer does provide notice in the manner specified in this section.

See title page for effective date.

CHAPTER 423

H.P. 1162 - L.D. 1560

An Act Requiring Public Schools to Purchase Insurance through a Competitive Bidding Process

Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, two thirds of all of the members elected to each House have determined it necessary to enact this measure.

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

Whereas, adoption of a competitive bidding process for the purchase of insurance for school buses, school buildings and other school needs will lead to immediate savings to schools statewide in fiscal year 1993-94; 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. 20-A M.R.S.A. §1001, sub-§14 is enacted to read:

14. Insurance purchase by competitive bidding.

Except as otherwise provided by waiver, a school board shall purchase insurance by competitive bidding. On each insurance policy, a competitive bid must be sought at least once every 5 years. To take advantage of commercial package policies in the marketplace, a school board shall group qualifying lines of insurance into a single competitive bid process. Each policy secured by competitive bidding must be issued with a 3-year policy term or, if this is not possible, a commitment for 3 one-year policy terms must be secured with an option for 2 additional one-year policy terms, subject to annual review and adjustment.

A. The requirement of competitive bidding may be waived by a school board when:

(1) In the opinion of the school board, an emergency exists that requires the immediate procurement of insurance. The emergency may include the premature cancellation of an existing policy or acquisition of a risk that can not be added to an existing policy, including the signing of a lease. However, at the next renewal of the policy, procurement of insurance is subject to competitive bidding;

(2) After reasonable investigation by the school board, it appears that the required insurance is procurable from only one source;

(3) It appears to be in the best interest of the school board to negotiate for the procurement of an excess insurance line;

(4) The line of insurance is workers' compensation or an employee benefit such as life, disability or health insurance in accordance with subsection 5; or

(5) The school board is in a municipal school unit and school insurance and municipal insurance are purchased as a package through competitive bidding by the municipal government.

B. A registry of bidders must be maintained by the school board. Invitations to bid or proposals must be sent to a registry of bidders on file with the school board. Insurance agents or brokers licensed by the Bureau of Insurance and risk pools authorized under Title 24-A or Title 30-A, chapter 117 desiring to have their names entered on a registry of bidders shall submit to the school board in writing a request for such action. The name of a bidder entered in a registry who fails to submit a bid on 3 consecutive proposals or invitations to bid may be removed from the registry at the discretion of the school board.