

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

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

with a firearm to include the statement prescribed in section 3-A.

Sec. 3. Effective date. Section 2 of this Act takes effect on January 1, 1994.

See title page for effective date, unless otherwise indicated.

CHAPTER 460

H.P. 716 - L.D. 967

An Act Concerning Amendments to the Laws Affecting the Finance Authority of Maine

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

Whereas, the unemployment rate in the State is high, requiring special efforts to stimulate the economy and create jobs; and

Whereas, this legislation will help retain and create jobs within the State by expanding the ability of the Finance Authority of Maine to insure loans and to encourage lenders to make more commercial loans; 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 §963-A, sub-§24-B is enacted to read:

24-B. Insured certificate. "Insured certificate" means a certificate evidencing fractional undivided ownership interest in a pool of mortgage loans, each of which is insured by the authority pursuant to this chapter, that is insured by the authority pursuant to and subject to the limitations of section 1026-E.

Sec. 2. 10 MRSA §963-A, sub-§27-A is enacted to read:

27-A. Loan insurance agreement; mortgage insurance agreement; mortgage insurance contract. "Loan insurance agreement," "mortgage insurance agreement" or "mortgage insurance contract" means an agreement pursuant to which the authority insures payment of a mortgage loan pursuant to chapter 110, subchapter II, and also means an agreement pursuant to which the au-

thority insures or guarantees an insured certificate, if the authority's loan insurance liability for insuring an insured certificate is in lieu of and not in addition to its liability for insuring that portion of a mortgage loan represented by the insured certificate.

Sec. 3. 10 MRSA §973, as amended by PL 1989, c. 698, §8, is further amended to read:

§973. Conflicts of interest

Notwithstanding Title 5, section 18, subsection 1, paragraph B, each member of the authority, each member of the Natural Resource Financing and Marketing Board, each member of the Maine Veterans' Small Business Loan Board, each member of the Maine Education Assistance Board and each employee, contractor, agent or other representative of the authority is deemed an "executive employee" solely for purposes of Title 5, section 18, and for no other purpose, provided that the chief executive officer ~~shall~~ in addition ~~be~~ is deemed an "executive employee" for purposes of Title 5, section 19. ~~In addition; Title 17, section 3104, shall be applicable, in accordance with its provisions; does not apply to all any of such those representatives of the authority.~~

Sec. 4. 10 MRSA §1021, as amended by PL 1985, c. 344, §41, is further amended to read:

§1021. Credit of State pledged

The authority may insure the payment of mortgage loans, secured by eligible projects, and may insure or guaranty insured certificates, and to this end the faith and credit of the State is pledged, consistent with the terms and limitations of the Constitution of Maine, Article IX, Sections 14-A and 14-D and such further limitations as may be provided by this subchapter.

Sec. 5. 10 MRSA §1024, sub-§2, ¶B, as amended by PL 1987, c. 846, §7, is further amended to read:

B. In the amount required, but not exceeding in the aggregate at any one time outstanding the amount set forth in:

(1) The Constitution of Maine, Article IX, Section 14-A, as it may be from time to time amended, except that bonds issued under that section and this subsection ~~shall~~ may not exceed in the aggregate at any one time outstanding the principal amount of \$87,500,000 \$90,000,000; and

(2) The Constitution of Maine, Article IX, Section 14-D, as it may be from time to time amended, except that bonds issued under that section and this subsection ~~shall~~ may not ex-

ceed in the aggregate at any one time outstanding the principal amount of \$4,000,000;

Sec. 6. 10 MRSA §1026-E, sub-§1 is enacted to read:

1. Secondary market pool insurance. Notwithstanding the first paragraph in connection with the creation and operation of a secondary market program for mortgage loans and the insured portions of mortgage loans, in addition to its other powers under this chapter, the authority may insure or guarantee payment, including timely payment, of principal and interest due to holders of insured certificates, if each such insured certificate evidences a fractional undivided ownership interest in a separate and identifiable pool consisting only of that portion of individual mortgage loans that, at origination of the pool, is insured by the authority pursuant to one or more applicable provisions of this chapter. Any such insurance or guaranty of an insured certificate must be in lieu of and not in addition to its insurance of that portion of the individual mortgage loan evidenced by the insured certificate.

Sec. 7. 10 MRSA §1032, sub-§6, as amended by PL 1989, c. 552, §15, is further amended to read:

6. Obligations outstanding. The authority shall ~~may~~ not have at any one time outstanding obligations to which this section is stated in ~~any~~ an agreement of the authority to apply in principal amount exceeding ~~\$75,000,000~~ \$150,000,000, less the amount of revenue obligation securities to which section 1053 is stated in the trust agreement or other document to apply. Amounts of revenue obligations securities ~~which~~ that are not taken into account pursuant to section 1053, subsection 6, ~~shall~~ may not be taken into account for purposes of determining the amount ~~which~~ that may be outstanding under this section.

Sec. 8. 10 MRSA §1053, sub-§6, as amended by PL 1989, c. 552, §18, is further amended to read:

6. Securities outstanding. The authority ~~shall~~ may not have at any one time outstanding revenue obligation securities to which subsection 5 is stated in the trust agreement or other document to apply in principal amount exceeding an amount equal to ~~\$75,000,000~~ \$150,000,000 less the aggregate outstanding balance of mortgage loans secured by capital reserve funds pursuant to section 1032. The amount of revenue obligation securities issued to refund securities previously issued ~~shall~~ may not be taken into account in determining the principal amount of securities outstanding, provided that proceeds of the refunding securities are applied as promptly as possible to the refunding of the previously issued securities. In computing the total amount of revenue obligation securities of the authority ~~which~~ that may at any time be outstanding for any purpose, the ~~amount~~ amounts of the outstanding revenue obligation securities that have been is-

sued as capital appreciation bonds or as similar instruments ~~shall be~~ are valued as of any date of calculation at their then current accreted value rather than their face value.

Sec. 9. Retroactivity. Section 3 applies retroactively to September 19, 1985.

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

Effective July 13, 1993.

CHAPTER 461

S.P. 457 - L.D. 1424

An Act to Ensure Prompt and Equitable Payment for Construction Services

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.

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

Sec. 1. 10 MRSA c. 201-A is enacted to read:

CHAPTER 201-A

CONSTRUCTION CONTRACTS

§1111. Definitions

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

1. Billing period. "Billing period" means the time period for payment agreed to by 2 parties or, in the absence of an agreement, the calendar month within which work is performed.

2. Construction contract. "Construction contract" means any agreement, whether written or oral, to perform or to supply materials for work on any real property.

3. Contractor. "Contractor" means a person or entity that contracts with an owner to perform work on real property.