

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND SIXTEENTH LEGISLATURE

SECOND REGULAR SESSION

January 5, 1994 to April 14, 1994

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JULY 14, 1994

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

**DEPARTMENT OF
ENVIRONMENTAL
PROTECTION
TOTAL**

\$155,992

Sec. 5. Effective date. This Act takes effect on July 1, 1994.

Effective July 1, 1994.

CHAPTER 501

S.P. 569 - L.D. 1610

**An Act to Clarify the State's
Implementing Regulations to Provide
for Schedules of Compliance**

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

Sec. 1. 38 MRSA §414-A, sub-§2, as repealed and replaced by PL 1991, c. 66, Pt. A, §7 and affected by §43, is repealed and the following enacted in its place:

2. Schedules of compliance. Within the terms and conditions of a license, the department may establish a schedule of compliance for a final effluent limitation based on a water quality standard adopted after July 1, 1977. When a final effluent limitation is based on new or more stringent technology-based treatment requirements, the department may establish a schedule of compliance consistent with the time limitations permitted for compliance under the Federal Water Pollution Control Act, Public Law 92-500, as amended. A schedule of compliance may include interim and final dates for attainment of specific standards necessary to carry out the purposes of this subchapter and must be as short as possible, based on consideration of the technological, economic and environmental impact of the steps necessary to attain those standards.

See title page for effective date.

CHAPTER 502

S.P. 548 - L.D. 1573

**An Act Governing Special Purpose
Investment Subsidiaries**

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

Sec. 1. 24-A MRSA §605, sub-§1, as amended by PL 1989, c. 502, Pt. A, §93, is further amended to read:

1. Payment by the insurer of the taxes as required by Title 25, section 2399 and Title 36, chapter 357 ~~shall be~~ is in lieu of all taxes imposed by the State upon the insurer, or any subsidiary referred to in section 1157, subsection 5, paragraph B, subparagraph (1), upon premiums or upon income, and of any franchise, privilege or other taxes measured by income of the insurer or the subsidiary.

Sec. 2. 24-A MRSA §605, sub-§2, as enacted by PL 1969, c. 132, §1, is amended to read:

2. The State ~~hereby~~ preempts the field of regulating, or of imposing excise, privilege, franchise, income, license, permit, registration and similar taxes, licenses and fees upon, insurers ~~and, any subsidiary referred to in section 1157, subsection 5, paragraph B, subparagraph (1),~~ their general agents, agents and other representatives as such; and on the intangible property of insurers, any subsidiary referred to in section 1157, subsection 5, paragraph B, subparagraph (1) or such representatives; and all political subdivisions or agencies thereof in this State are prohibited from regulating insurers, any subsidiary referred to in section 1157, subsection 5, paragraph B, subparagraph (1) or their general agents, agents and other representatives as such, and from imposing upon them any such tax, license, or fee. ~~Except that this~~ This provision shall does not prohibit the imposition by political subdivisions of taxes upon real and tangible personal property.

Sec. 3. 24-A MRSA §1157, sub-§5, ¶B, as enacted by PL 1987, c. 399, §14, is amended to read:

B. Investments made directly or indirectly in the following subsidiaries are not subject to the limitations contained in paragraph A; or in section 1155 or 1156, nor are these investments to be counted in determining compliance with those limitations:

(1) Subsidiaries, all of whose stock is owned by one or more insurers, engaged or organized to engage exclusively in the ownership or management of assets authorized under this chapter as investments for the insurer; and

(2) Subsidiaries engaged or organized to engage in the kinds of business in which the insurer may engage, provided that the aggregate net cost of the insurer's investments in all such subsidiaries may not exceed 50% of its surplus as to policyholders.

~~Any~~ An investment described in section 3415 ~~shall~~ may not be counted as an investment in a subsidiary in determining compliance with the limitations of this subsection.

Sec. 4. 36 MRSA §5102, sub-§6, as amended by PL 1985, c. 783, §18, is further amended to read:

6. Corporation. "Corporation" means any business entity subject to income taxation as a corporation under the laws of the United States, ~~excepting corporations either a corporation~~ subject to tax under sections 2512 to 2522 and section 5206 or a business entity referred to in Title 24-A, section 1157, subsection 5, paragraph B, subparagraph (1).

Sec. 5. Application. This Act applies to tax years beginning on or after January 1, 1994.

See title page for effective date.

CHAPTER 503

S.P. 588 - L.D. 1648

An Act to Amend Conditions of the Supervised Community Confinement Program

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

Sec. 1. 34-A MRSA §3036-A, sub-§8, as enacted by PL 1991, c. 845, §4, is amended to read:

8. Funding. Funds generated pursuant to this section must be deposited into the Supervised Community Confinement Account established by the department, ~~which may not lapse except that where authorized by the department, a person participating in the supervised community confinement program may be required to pay fees directly to a provider of electronic monitoring, drug testing or other services.~~ Funds from this account, ~~which may not lapse~~, must be used to pay for the costs of the supervised community confinement program.

See title page for effective date.

CHAPTER 504

S.P. 604 - L.D. 1702

An Act to Conform the Maine Tax Laws for 1993 With the United States Internal Revenue Code

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

Whereas, the 90-day period would delay the processing of the 1993 income tax returns; and

Whereas, legislative action is immediately necessary to ensure continued and efficient administration of the Maine Income Tax Law and certain other state taxes; 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. 36 MRSA §111, sub-§1-A, as amended by PL 1993, c. 107, §1 and affected by §2, is further amended to read:

1-A. Code. "Code" means the United States Internal Revenue Code of 1986 and amendments to that Code as of December 31, ~~1992~~ 1993.

Sec. 2. Application. This Act applies to tax years beginning on or after January 1, 1993.

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

Effective March 9, 1994.

CHAPTER 505

S.P. 579 - L.D. 1623

An Act to Amend the Credit Reporting Laws

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

Sec. 1. 10 MRSA §1320, sub-§2-C is enacted to read:

2-C. Consumer mortgage reports. In any consumer credit transaction involving a consumer report relating to a loan to be secured by a first mortgage on an owner-occupied dwelling, whenever a user has requested such a report and because or partly because of information contained in the report adverse action is taken, the user shall provide a copy of the report to the consumer. This subsection does not