

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND SEVENTEENTH LEGISLATURE

SECOND SPECIAL SESSION
September 5, 1996 to September 7, 1996

ONE HUNDRED AND EIGHTEENTH LEGISLATURE

FIRST REGULAR SESSION
December 4, 1996 to March 27, 1997

FIRST SPECIAL SESSION
March 27, 1997 to June 20, 1997

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
JUNE 26, 1997

FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 19, 1997

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
1997

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect July 1, 1997.

Effective July 1, 1997.

CHAPTER 396

S.P. 367 - L.D. 1226

An Act to Amend the Retirement System as it Pertains to Qualified Survivors

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

Sec. 1. 5 MRSA §17852, sub-§4, ¶A, as amended by PL 1993, c. 387, Pt. A, §11, is further amended by enacting subparagraph (3) to read:

(3) Notwithstanding subparagraph (2), the benefit to which a surviving spouse is entitled under subparagraph (2) may be awarded in whole or in part to another person or persons under a domestic relations order that is determined to be a qualified domestic relations order under section 17059 and, when so awarded, the benefit must be distributed in accordance with the qualified domestic relations order.

Sec. 2. 5 MRSA §17852, sub-§5, ¶C is enacted to read:

C. Notwithstanding paragraph B, the benefit to which a surviving spouse is entitled under paragraph B may be awarded in whole or in part to another person or persons under a domestic relations order that is determined to be a qualified domestic relations order under section 17059 and, when so awarded, the benefit must be distributed in accordance with the qualified domestic relations order.

Sec. 3. 5 MRSA §17852, sub-§6, ¶C is enacted to read:

C. Notwithstanding paragraph B, the benefit to which a surviving spouse is entitled under paragraph B may be awarded in whole or in part to another person or persons under a domestic relations order that is determined to be a qualified domestic relations order under section 17059 and, when so awarded, the benefit must be distributed in accordance with the qualified domestic relations order.

Sec. 4. Application. Notwithstanding the Maine Revised Statutes, Title 1, section 302, this Act

applies to cases in progress where the retiree is still alive and the issue of survivorship has not yet arisen.

See title page for effective date.

CHAPTER 397

S.P. 532 - L.D. 1637

An Act to Authorize Interest-only Interim Financing in the School Construction Funding Process

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

Sec. 1. 20-A MRSA §15905, sub-§7 is enacted to read:

7. Interest-only interim local financing.

Notwithstanding any provision of law or rule to the contrary, the state board may accelerate the dates on which it grants concept approval and funding approval for a school construction project that has been placed on the special priority list of the state board on the condition that the school administrative unit provide interest-only interim local financing for the project in accordance with this subsection. The period of interest-only interim local financing must be determined by the state board at the time concept approval is granted for a project and must be based on the time difference between the date that final funding approval is expected to be granted on an accelerated basis and the date that final funding approval would have been expected to be granted in the normal course. The period of interim local financing for a project may not exceed 5 years.

Notwithstanding any provision of law or rule to the contrary, a school administrative unit, including a school administrative unit established by private and special law, authorized to issue securities for school construction purposes may issue its securities for school construction purposes on an interest-only basis during a period of interest-only interim local financing approved by the state board in accordance with this subsection. The period of interest-only interim local financing must precede, and be in addition to, the periods for interest payments and principal payments otherwise established pursuant to the school construction rules of the state board. The length of the period of interest-only interim local financing and the length of the debt service schedule otherwise established must be clearly stated on the face of the securities.

The interest-only payments made by a school administrative unit during the period of interim financing must be paid from local funds without state participation and may not be included in the unit's

debt service costs for state subsidy purposes under section 15603, subsection 8. Such interest-only payments during the period of interim local financing may not be considered debt service costs as defined in section 15603, subsection 8, paragraph A for purposes of calculating amounts subject to the debt service limit established by section 15905, subsection 1, paragraph A.

The referendum question that is submitted to the voters for a project subject to interest-only interim local financing under this subsection must include, in addition to the information required by section 15904, an informational statement that sets forth the length of the period of interest-only interim financing established by the state board, an estimate of the annual interest cost during the period of interest-only interim local financing and a statement that the interest-only payments during the period of interim local financing is not eligible for inclusion in the debt service allocation of the school administrative unit for purposes of calculating state school construction subsidy to the unit.

The maximum period that securities for a school construction project may be outstanding under any applicable statute or rule must be extended by the length of the period of interest-only interim local financing approved by the state board under this subsection.

If the voters of a school administrative unit do not vote to approve a school construction project subject to interest-only interim local financing under this subsection, the unit's school construction project remains eligible for concept and funding approval from the state board at the time that the project would be eligible for such approval without interest-only interim location funding.

See title page for effective date.

CHAPTER 398

H.P. 1319 - L.D. 1869

An Act to Create a Universal Bank Charter

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

Whereas, the majority of Maine's banking assets are in state-chartered financial institutions and it is essential to the economy of Maine that its state banking charter be kept competitive, granting Maine financial institutions the powers and flexibility to effectively compete with other federally chartered and

state-chartered financial institutions as well as other nonbank providers of financial services; and

Whereas, effective June 1, 1997, nationwide interstate banking and branching will be permitted for federally chartered financial institutions and, as a result, Maine's community banks will be confronted by new interstate competitors; 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:

PART A

Sec. A-1. 9-B MRSA §131, sub-§3, as amended by PL 1995, c. 628, §2, is further amended to read:

3. Branch. "Branch" means any office or facility of a financial institution where the business of banking is conducted other than the institution's main office. A branch includes an office or vehicle that is not permanent and that is capable of being moved or transferred from one location to another.

Sec. A-2. 9-B MRSA §131, sub-§6, as enacted by PL 1975, c. 500, §1, is amended to read:

6. Capital. "Capital account" or "total capital" for a stock financial institution means the sum of its paid in capital stock, paid in capital surplus, reduction surplus, if any, undivided profits, capital notes and debentures, and other capital reserves: following:

A. For financial institutions organized as corporations, "capital" means the sum of common stock, paid-in common stock surplus, perpetual preferred stock, undivided profits and other capital reserves;

B. For financial institutions organized as limited liability companies, limited partnerships or limited liability partnerships, "capital" means the sum of members' or partners' contributions and undistributed earnings of the company or partnership; and

C. For financial institutions organized as mutual or cooperative institutions, "capital" means the sum of capital deposits, surplus and undivided earnings.

Sec. A-3. 9-B MRSA §131, sub-§6-A is enacted to read: