

# MAINE STATE LEGISLATURE

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

**AS PASSED BY THE**

**ONE HUNDRED AND EIGHTEENTH LEGISLATURE**

**SECOND REGULAR SESSION**  
**January 7, 1998 to March 31, 1998**

**SECOND SPECIAL SESSION**  
**April 1, 1998 to April 9, 1998**

**THE GENERAL EFFECTIVE DATE FOR**  
**SECOND REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JUNE 30, 1998**

**SECOND SPECIAL SESSION**  
**NON-EMERGENCY LAWS IS**  
**JULY 9, 1998**

**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**  
**1997**

This compact does not authorize or permit the use of military force by the National Guard of a state at any place outside that state in any emergency for which the President is authorized by law to call the militia into federal service or for any purpose for which the use of the Army or the Air Force would in the absence of express statutory authorization be prohibited under 18 United States Code, Section 1385.

**Sec. 3. Legislative intent.** This Act is the enactment of the Emergency Management Assistance Compact approved by Joint Resolution of Congress, Public Law 104-321. The text and numbering of the compact have been changed to conform to Maine statutory conventions. The changes are technical in nature and it is the intent of the Legislature that this Act be interpreted as substantively the same as the original compact.

See title page for effective date.

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## CHAPTER 781

### S.P. 818 - L.D. 2204

#### An Act to Extend the Electric Rate Stabilization Program

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

**Whereas,** pursuant to current law, no certificates of approval for electric rate stabilization projects may be issued after February 1, 1998; and

**Whereas,** there continues to be a need for the approval of electric rate stabilization projects; 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 §1053, sub-§6,** as repealed and replaced by PL 1997, c. 489, §7 and c. 492, §1 and affected by §7, is repealed and the following enacted in its place:

**6. Securities outstanding.** The principal amount of revenue obligation securities the authority may have outstanding at any one time, to which subsection 5 is stated to apply in the trust agreement or other document, may not exceed an aggregate principal amount equal to \$657,000,000 as follows:

A. The sum of \$330,000,000 consisting of not more than \$275,000,000 for loans and up to \$55,000,000 for use of bond proceeds to fund capital reserve funds for revenue obligation securities issued pursuant to this subchapter relating to loans for electric rate stabilization projects;

B. The sum of \$120,000,000 consisting of not more than \$100,000,000 for loans and up to \$20,000,000 for use of bond proceeds to fund capital reserve funds for revenue obligation securities issued pursuant to this subchapter relating to loans for major business expansion projects;

C. The sum of \$57,000,000 consisting of not more than \$45,000,000 for loans and up to \$12,000,000 for use of bond proceeds to fund capital reserve funds for revenue obligation securities issued pursuant to this subchapter relating to workers' compensation residual market mechanism projects; and

D. The sum of \$150,000,000 less the aggregate outstanding balance of mortgage loans secured by capital reserve funds pursuant to section 1032 for all other revenue obligation securities issued pursuant to this subchapter.

The amount of revenue obligation securities issued to refund securities previously issued 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 that may at any time be outstanding for any purpose, the amounts of the outstanding revenue obligation securities that have been issued as capital appreciation bonds or as similar instruments are valued as of any date of calculation at their then current accreted value rather than their face value.

**Sec. 2. 35-A MRSA §3156, last ¶,** as amended by PL 1997, c. 492, §3 and affected by §7, is further amended to read:

A certificate may not be issued under this section after ~~February 1~~ July 31, 1998.

**Sec. 3. PL 1993, c. 712, §8,** as amended by PL 1997, c. 492, §4 and affected by §7, is further amended to read:

**Sec. 8. Loans authorized.** The Finance Authority of Maine may make loans to electric utilities or to municipal solid waste facilities financed by industrial development or exempt facility bonds, if those facilities are qualifying facilities as defined in

the Maine Revised Statutes, Title 35-A, section 3303, for electric rate stabilization projects as defined in Title 10, section 963-A from up to \$275,000,000 of the proceeds of revenue obligation securities secured by capital reserve funds pursuant to Title 10, section 1053. Notwithstanding any provision of Title 10, chapter 110, loans may aggregate up to \$275,000,000 plus an amount determined by the Finance Authority of Maine of up to an additional aggregate of \$55,000,000 to fund any capital reserve fund established by the authority for these loans. Revenue obligation securities secured by capital reserve funds pursuant to Title 10, section 1053 relating to such loans may not be issued for an electric rate stabilization agreement as defined in Title 35-A, section 3156, executed after ~~February 1~~ July 31, 1998. Any revenue obligation securities issued for electric rate stabilization projects secured by capital reserve funds pursuant to Title 10, section 1053 are limited obligations of the Finance Authority of Maine payable from revenues from borrowers and any capital reserve funds pledged for those securities as those funds are administered under Title 10, chapter 110, subchapter III and are not payable from any other assets or funds of the Finance Authority of Maine. In addition to all other applicable provisions, the requirements of Title 10, section 1045-A apply to loans for electric rate stabilization projects.

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

Effective April 16, 1998.

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**CHAPTER 782**

**S.P. 814 - L.D. 2196**

**An Act to Expand the Maine Seed Capital Tax Credit Program**

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

**Sec. 1. 10 MRSA §1100-T, sub-§2, ¶C**, as amended by PL 1991, c. 854, Pt. A, §8, is further amended to read:

C. Aggregate investment eligible for tax credits may not be more than ~~\$600,000~~ \$1,000,000 for any one business as of the date of issuance of a tax credit certificate.

**Sec. 2. 10 MRSA §1100-T, sub-§2, ¶D**, as amended by PL 1995, c. 424, §2, is further amended to read:

D. The investment with respect to which any individual is applying for a tax credit certificate

may not be more than an aggregate of ~~\$100,000~~ \$200,000 in any one business in any 3 consecutive calendar years, except that this paragraph does not limit other investment by any applicant for which that applicant is not applying for a tax credit certificate.

**Sec. 3. 10 MRSA §1100-T, sub-§2, ¶E**, as amended by PL 1995, c. 658, §3, is further amended to read:

E. The business receiving the investment must have annual gross sales of ~~\$2,000,000~~ \$3,000,000 or less and the operation of the business must be the full-time professional activity of the principal owner, as determined by the authority. The principal owner and the principal owner's spouse are not eligible for a credit for investment in that business. A tax credit certificate may not be issued to a parent, brother, sister or child of a principal owner if the parent, brother, sister or child has any existing ownership interest in the business.

**Sec. 4. 10 MRSA §1100-T, sub-§4**, as amended by PL 1995, c. 424, §4, is further amended to read:

**4. Total of credits authorized.** The authority may issue tax credit certificates to investors eligible pursuant to subsection 2 in an aggregate amount not to exceed \$2,000,000 up to and including calendar year 1996, \$3,000,000 up to and including calendar year 1997, ~~\$4,000,000 and \$5,500,000~~ up to and including calendar year 1998, ~~\$5,000,000 up to and including~~ calendar year 1999, ~~\$6,000,000 up to and including~~ calendar year 2000, and not to exceed \$7,000,000 thereafter. In addition, the authority may issue tax credit certificates to investors eligible pursuant to subsection 2-A in an aggregate amount not to exceed \$1,000,000.

See title page for effective date.

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**CHAPTER 783**

**S.P. 823 - L.D. 2212**

**An Act to Amend the Authority of the Adjutant General to Sell Armories, to Increase the Authorized Size of the Veterans' Memorial Cemetery and to Authorize the Department of Administrative and Financial Services to Purchase Land in Houlton for a New Public Safety Facility**

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