

# MAINE STATE LEGISLATURE

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

**AS PASSED BY THE**  
**ONE HUNDRED AND NINETEENTH LEGISLATURE**

**FIRST REGULAR SESSION**  
**December 2, 1998 to June 19, 1999**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 18, 1999**

**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**  
**1999**

**Whereas**, this legislation would amend Maine law so that Maine's Superintendent of Banking may waive certain requirements that predate these changes to Maine's banking code; and

**Whereas**, without this legislation Maine-based lenders would continue to see loan business move to out-of-state financial organizations; 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. 9-B MRSA §439-A, sub-§2**, as amended by PL 1997, c. 398, Pt. I, §25, is further amended to read:

**2. Limitations.** A financial institution subject to this Title or a service corporation established pursuant to section 445 may not make loans or extensions of credit outstanding at one time to a person in excess of 20% of its total capital. Total Except as provided in paragraph A, total loans or other extensions of credit in excess of 10% of total capital must be approved by a majority of the governing body or the executive committee of that institution or corporation. Any loan made in violation of this section is subject to the remedies prescribed in section 465-A.

A. The superintendent may grant a partial or full waiver of the voting requirement for loans or other extensions of credit in excess of 10% of total capital for good cause shown. In granting this waiver, the superintendent shall consider capital, management and resources of the financial institution or other relevant factors as determined by the superintendent.

B. Any waiver granted pursuant to paragraph A may be withdrawn by the superintendent upon written notice to the financial institution.

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

Effective May 17, 1999.

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## CHAPTER 206

S.P. 349 - L.D. 1053

**An Act to Clarify the Laws Relating  
to Nonstate-funded School**

## Construction Projects Approved by the Commissioner of Education that Replace Existing School Buildings

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

**Sec. 1. 20-A MRSA §1407, sub-§1**, as amended by PL 1983, c. 364, §5, is further amended to read:

**1. Vote; cost of election.** An elementary school in a member municipality of a school administrative district may not be closed pursuant to section 4102, subsection 3 unless the voters in the member town vote on the following article in accordance with the procedure set forth in sections 1351 to 1354.

"Article : Shall the board of directors of  
School Administrative District No. be  
authorized to close ?

(name of school)

Yes No "

(The election ~~shall~~ must be conducted only within that member municipality, and the costs of the election ~~shall be~~ are borne by the district.)

**Sec. 2. 20-A MRSA §1751, sub-§5**, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

**5. Closing elementary school.** If a community school district includes elementary grades, the closing of an elementary school in a member municipality ~~shall~~ pursuant to section 4102, subsection 3 must follow the procedures established in section 1407 for closing an elementary school in a member municipality in a school administrative district.

**Sec. 3. 20-A MRSA §4102, sub-§1**, as enacted by PL 1983, c. 422, §17, is amended to read:

**1. Replaced by new building.** The school building has been replaced by other school buildings as part of a school construction project ~~which that~~ has been approved by the ~~State Board of Education~~ state board or the commissioner in accordance with chapter 609.

See title page for effective date.

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## CHAPTER 207

S.P. 715 - L.D. 2037

**An Act to Revise the Lienholder  
Notification Law**

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

**Sec. 1. 10 MRSA §9093, sub-§4**, as enacted by PL 1995, c. 365, §1, is amended to read:

**4. Rental payments.** A mobile home park owner or operator may establish a park rule to require that all rental payments and other fees due to the mobile home park owner or operator be paid in full before the home is removed from the park, sold or occupied by a new tenant or owner. If the owner or occupant is a lienholder who has informed the mobile home park owner or operator of its lien on the home pursuant to section 9097, subsection ~~2-A~~ 2-B, the terms of that subsection apply.

**Sec. 2. 10 MRSA §9097, sub-§2-A**, as enacted by PL 1995, c. 365, §2, is repealed.

**Sec. 3. 10 MRSA §9097, sub-§2-B** is enacted to read:

**2-B. Responsibilities of park operator and lienholder.** The responsibilities of the mobile home park operator and the holder of a lien on the tenant's mobile home are as follows.

A. In the event the park operator moves to evict a tenant and there is a lien on the tenant's home, if the holder of the lien has provided the park operator with a notice of the lien and the notice includes the lienholder's mailing address, then prior to evicting the tenant who resides in that mobile home, the park operator shall give notice of the eviction in writing by certified mail to the lienholder at the time the park operator serves the tenant with a notice to quit. Following receipt of this notice from the park operator, the lienholder shall:

(1) Declare, in writing and by certified mail, to the park operator that the lienholder intends to take possession of the mobile home and assume tenancy in the park. The lienholder shall pay to the park operator:

(a) Any arrearage for rent and other recurring monthly fees owed the park operator by the tenant at the time of issuance of the notice to quit;

(b) Rent and other charges that become due subsequent to issuance of the notice to quit. Rent and charges imposed pursuant to this division may not exceed 3 months of those rents and charges; and

(c) Rent and other charges that become due subsequent to the issuance of a forcible entry and detainer or, if no forcible entry and detainer is issued, following abandonment by the tenant or possession of the home by the lienholder; or

(2) Declare, in writing and by certified mail, to the park operator that the lienholder intends to take possession of the mobile home but not assume tenancy in the park. The lienholder also shall:

(a) Pay to the park operator any arrearage for rent and other recurring monthly fees owed the park operator by the tenant at the time of issuance of the notice to quit; and

(b) Remove the mobile home from the mobile home park.

The arrearage for which the lienholder is responsible may not exceed 3 months rent and recurring fees.

B. In the event that the holder of a lien on a mobile home in a mobile home park intends to repossess that home, the holder of the lien shall provide the park operator with a notice that it holds a lien, which notice must include the lienholder's mailing address and shall:

(1) Give notice in writing and by certified mail to the park operator of the lienholder's intent to repossess and that the lienholder intends to leave the mobile home in the park and assume tenancy in the park. The lienholder also shall pay to the park operator any arrearage for rent and other recurring monthly fees owed the park operator by the tenant at the time it takes possession of the mobile home and all rent and other charges that become due subsequent to the time it takes possession of the mobile home; or

(2) Give notice in writing and by certified mail to the park operator of the lienholder's intent to repossess and that it does not intend to leave the mobile home nor assume tenancy in the park. The lienholder also shall pay to the park operator any arrearage for rent and other recurring monthly fees owed the park operator by the tenant at the time it takes possession of the mobile home and all rent and other charges that become due subsequent to the time it takes possession of the mobile home until the lienholder

physically removes the mobile home from the park.

The arrearage for which the lienholder is responsible may not exceed 3 months rent and other recurring fees.

Notwithstanding this subsection, the lienholder and the park operator may agree to an alternative arrangement if they so choose.

See title page for effective date.

## CHAPTER 208

H.P. 1399 - L.D. 2004

### An Act to Clarify the Duties of the State Auditor

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

**Sec. 1. 5 MRSA §243**, as amended by PL 1989, c. 857, §§16 and 17, is further amended to read:

#### §243. Powers and duties

The Department of Audit ~~shall have~~ has authority:

**1. Audit.** To ~~perform a postaudit of~~ audit all accounts and other financial records of ~~the~~ State Government or any department or agency ~~thereof of~~ State Government, including the judiciary and the Executive Department of the Governor, except the Governor's Expense Account, and to report annually on this audit, and at such other times as the Legislature may require;

**2. Counties.** To ~~install uniform accounting systems and perform annual postaudits~~ audits of all accounts and other financial records of the several counties or any departments or agencies thereof, the expenses of such audits to be paid by the counties ~~and reports~~. Reports of such audits ~~shall~~ must accompany the county estimates submitted to the Legislature as provided by Title 30-A, chapter 3, subchapter I, and ~~shall~~ must be published in the county reports next following the completion of such audits;

**3. Municipalities.** To ~~install uniform accounting systems and~~ perform audits for cities, towns and villages as required by Title 30-A, sections 5821 to 5823. The rate charged by the department to perform audits must include the proportional amount of the State Auditor's duties and be used to offset the General Fund costs of the State Auditor;

**3-A. Municipal cost component.** To ~~install uniform accounting systems and, no~~ No later than

February 1st following the end of each fiscal year, to ensure that an annual audit ~~and postaudit~~ of the municipal cost component and the Unorganized Territory Education and Services Fund in Title 36, chapter 115 is conducted. The expenses of these services are part of the municipal cost component and are paid out of the Unorganized Territory Education and Services Fund;

**4. Accounting systems; probation officers.** To ~~install uniform accounting systems and perform postaudits for probation officers, the expenses of such audits to be paid as follows: 50% by the county where the audit is performed, 30% by the Department of Transportation and 20% by the Department of Inland Fisheries and Wildlife;~~

**5-A. Budget and program review.** To review and study departmental budgets and capital programs for better and efficient management of State Government;

**5-B. Dedicated funds.** To review and study expenditures of the dedicated funds of independent boards and commissions;

**6. Staff agency.** To serve as a staff agency to the Legislature, or any of its committees, or to the Governor in making investigations of any phase of the ~~state's~~ State's finances;

**7. Reports.** To report its findings, with recommendations, on any review or study to the Legislature;

**8. Audit.** To perform ~~postaudits~~ audits of all accounts and financial records of any organization, institution or other entity receiving or requesting an appropriation or grant from ~~the~~ State Government and to issue reports on such audits at such times as the Legislature or the State Auditor may require; and

**9. Single audit.** To conduct financial and compliance audits of financial transactions and accounts kept by or for all state agencies subject to the Single Audit Act Amendments of 1996, 31 United States Code, Sections 7501 to 7507 (1998). The audits must be conducted in accordance with generally accepted governmental auditing standards.

**Sec. 2. 5 MRSA §244**, as amended by PL 1995, c. 651, §1 and affected by §5, is further amended to read:

#### §244. Records and reports

The State Auditor keeps no accounts in the Department of Audit, but shall ~~conduct a continuous postaudit of~~ audit the accounts, books, records and other evidences of financial transactions kept in the Department of Financial and Administrative Services