

# MAINE STATE LEGISLATURE

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

**AS PASSED BY THE**

**ONE HUNDRED AND TWENTIETH LEGISLATURE**

**SECOND REGULAR SESSION**  
**January 2, 2002 to April 25, 2002**

**THE GENERAL EFFECTIVE DATE FOR**  
**SECOND REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JULY 25, 2002**

**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**  
**2002**

in excess of \$50. Notwithstanding any other provisions of this subchapter, a covered claim ~~shall~~ does not include any claim filed with the association after the earlier of 24 months after the date of the order of liquidation or the final date set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer. The association, in its discretion, may accept a late filed claim as a covered claim when the claimant demonstrates good cause. The demonstration of good cause by a claimant includes showing that the existence of the claim was not known to the claimant prior to the bar date and that the claimant filed the claim within 60 days of learning of the claim;

**Sec. 9. 24-A MRSA §4438, sub-§2, ¶C,** as enacted by PL 1969, c. 561, is amended to read:

C. Sue or be sued and may intervene as a party before any court in this State that has jurisdiction over an insolvent insurer as defined by this subchapter;

**Sec. 10. 24-A MRSA §4441, sub-§2, ¶A,** as enacted by PL 1969, c. 561, is amended to read:

A. Require that the association notify the insureds of the insolvent insurer and any other interested parties of the ~~determination~~ order of liquidation with a finding of insolvency and of their rights under this subchapter. Such notifications ~~shall~~ must be by mail at their last known addresses, where available, but if required information for notification by mail is not available, notice by publication in a newspaper of general circulation in this State ~~shall be~~ is sufficient. Any notification given under this paragraph must prominently display the date by which all claims must be filed with the association.

**Sec. 11. Application.** This Act applies to the obligations of the Maine Insurance Guaranty Association, established pursuant to the Maine Revised Statutes, Title 24-A, section 4436, under policies of insolvent insurers as these obligations exist on or after the effective date of this Act, except that the first-party exclusion contained in Title 24-A, section 4435, subsection 4; the unearned premium cap and the bar date contained in Title 24-A, section 4438, subsection 1, paragraph A; and the right of intervention contained in Title 24-A, section 4438, subsection 2, paragraph C apply only to new insolvencies occurring on or after the effective date of this Act.

See title page for effective date.

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**CHAPTER 479**

**S.P. 674 - L.D. 1877**

**An Act to Allow Pledging of Medical Education Loans to Secure Bonds to Finance Educational Loans**

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

**Sec. 1. 20-A MRSA §12105, sub-§1,** as enacted by PL 1991, c. 830, §4 and c. 832, §10, is amended to read:

**1. Fund created.** A nonlapsing, interest-earning, revolving fund under the jurisdiction of the authority is created to carry out the purposes of this chapter. Any unexpended balance in the fund carries over for continued use under this chapter. The authority may receive, invest and expend, on behalf of the fund, money from gifts, grants, bequests and donations, or other sources in addition to money appropriated or allocated by the State. Loan repayments under this chapter or other repayments to the authority must be invested by the authority, as provided by law, with the earned income to be added to the fund. Money received by the authority on behalf of the fund, except interest income, must be used for ~~the designated purpose~~ such purposes; interest income may be used for ~~the designated purpose~~ such purposes or to pay student financial assistance administrative costs incurred by the authority.

**Sec. 2. 20-A MRSA §12105, sub-§4,** as enacted by PL 1993, c. 410, Pt. EEEE, §3, is amended to read:

**4. Borrowing permitted.** The authority may borrow funds pursuant to chapter 417-B for application to the fund established in subsection 1 and may pledge all or part of the fund or any assets or revenues of the fund in connection with any such borrowing.

**Sec. 3. Compliance with United States Internal Revenue Code.** The Finance Authority of Maine may purchase education loans from lenders to the extent necessary to ensure compliance with the United States Internal Revenue Code requirements regarding the timeliness of the use of proceeds of tax-exempt bonds.

See title page for effective date.

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**CHAPTER 480**

**S.P. 732 - L.D. 2042**

**An Act to Make Technical Changes to the Maine State Grant Program**

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

**Sec. 1. 20-A MRSA §11613, first ¶**, as amended by PL 2001, c. 70, §7, is further amended to read:

The authority shall establish the need of a student for a Maine State Grant for an academic year for which the student applies. A student is considered to have a need to qualify for a grant if the total of the expected family contribution, together with any Pell Grant established pursuant to the Higher Education Act of 1965, Title IV, as amended, United States Code, Title 20, and a Maine State Grant does not exceed 75% of the cost of attendance at the institution the student attends. This section does not require that a student receive or apply for or be eligible for a Pell Grant but only that a student be eligible for a Pell Grant provided, however, that the amount of any Pell Grant that a student is entitled to receive must be included in calculating the amount of a Maine State Grant whether or not the student receives the Pell Grant.

See title page for effective date.

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**CHAPTER 481**

**S.P. 655 - L.D. 1834**

**An Act to Ensure Continued Reporting of Tax Incentive Recipients**

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

**Sec. 1. 5 MRSA §12004-I, sub-§6-E**, as enacted by PL 1997, c. 761, §1, is repealed.

**Sec. 2. 5 MRSA §13070-J**, as amended by PL 1999, c. 790, Pt. A, §3, is further amended to read:

**§13070-J. Business reporting associated with eligibility for public subsidies and incentives**

**1. Definitions.** As used in this article, unless the context otherwise indicates, the following terms have the following meanings.

A. ~~"Commission" means the Economic Development Incentive Commission established in section 12004-I, subsection 6-E.~~

B. "Commissioner" means the Commissioner of Economic and Community Development.

C. "Department" means the Department of Economic and Community Development.

D. "Economic development incentive" means:

- (1) Assistance from Maine Quality Centers under Title 20-A, chapter 431-A;
- (2) The Governor's Training Initiative Program under Title 26, chapter 25, subchapter IV;
- (3) Municipal tax increment financing under Title 30-A, chapter 207;
- (4) The jobs and investment tax credit under Title 36, section 5215;
- (5) The research expense tax credit under Title 36, section 5219-K;
- (6) Reimbursement for taxes paid on certain business property under Title 36, chapter 915; or
- (7) Employment tax increment financing under Title 36, chapter 917.

E. "Economic development proposal" means proposed legislation that establishes a new program or that expands an existing program that:

- (1) Is intended to encourage significant business expansion or retention in the State; and
- (2) Contains a tax expenditure, as defined in section 1664, or a budget expenditure with a cost that is estimated to exceed \$100,000 per year.

**2. Disclosure.** Each applicant for an economic development incentive described in subsection 1, paragraph D, subparagraphs (1) to (4) and (7) shall at a minimum identify in writing:

A. The public purpose that will be served by the ~~employer~~ business through use of the economic development incentive and the specific uses to which the benefits will be put; and

B. The goals of the ~~employer~~ business for the number, type and wage levels of jobs to be created or retained as a result of the economic development incentive received.

Applications filed under this subsection are public records for purposes of Title 1, chapter 13.

**3. Report.** Annually, ~~an employer~~ a business receiving an economic development incentive, the value of which exceeds \$10,000 in one year, shall submit a written report to the commissioner no later than August 1st of the following year containing but not limited to the following information: