

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTIETH LEGISLATURE

FIRST SPECIAL SESSION
November 13, 2002 to November 14, 2002

ONE HUNDRED AND TWENTY-FIRST LEGISLATURE

FIRST REGULAR SESSION
December 4, 2002 to June 14, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
FEBRUARY 13, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 13, 2003

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Penmor Lithographers
Lewiston, Maine
2003

Sec. 1. P&SL 1951, c. 108, §4, first sentence, as amended by P&SL 1957, c. 78, §2, is further amended to read:

To procure funds for the purposes of this act, and for such other expenses as may be necessary to carry out said purposes, the said district, by its trustees, is hereby authorized from time to time to borrow money and to issue its bonds or notes therefor, but shall not incur a total indebtedness at any one time outstanding exceeding the sum of ~~\$100,000~~ \$600,000.

See title page for effective date.

CHAPTER 8

S.P. 535 - L.D. 1575

An Act To Assist Brascan, the Successor to Great Northern Paper, in Paying the Property Taxes Due to the Towns of Millinocket and East Millinocket

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

Whereas, Great Northern Paper, Inc., the owner of 2 large paper mills in the towns of Millinocket and East Millinocket, is currently in bankruptcy; and

Whereas, the bankruptcy of Great Northern Paper, Inc., is causing substantial economic hardship to the towns of Millinocket and East Millinocket, to the employees and suppliers of Great Northern Paper, Inc., and to the economy of the region; and

Whereas, part of the economic hardship occasioned by the insolvency of Great Northern Paper, Inc., is that \$7.8 million of property taxes due to the towns of Millinocket and East Millinocket for the 2002-03 property tax year have not been paid, and the assets of the bankrupt estate will not be sufficient to pay the taxes; and

Whereas, Brascan Corporation, or its designee, has agreed to purchase the mills and has also offered to alleviate the hardship by paying the property taxes, and these payments will be made, in part, by applying loan proceeds secured by Business Equipment Tax Reimbursement program payments related to the mills; and

Whereas, the Business Equipment Tax Reimbursement program payments are not payable by the State until after August 1, 2004, which will delay the payment of taxes to the towns, and this delay can be alleviated by this Act; and

Whereas, in order to facilitate the foregoing, this legislation must be enacted prior to the purchase of the assets of Great Northern Paper, Inc. by Brascan Corporation; 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. Definitions. As used in this Act, unless the context otherwise indicates, the following terms have the following meanings.

1. "Acquiring business" means a business that acquires substantially all of the assets of Great Northern Paper, Inc.
2. "Authority" means the Finance Authority of Maine.
3. "BETR" means the Business Equipment Tax Reimbursement program established under the Maine Revised Statutes, Title 36, chapter 915.
4. "Bureau" means the Department of Administrative and Financial Services, Bureau of Revenue Services.
5. "Great Northern" means Great Northern Paper, Inc., Chapter 11 Debtor in Possession.
6. "Millinocket and East Millinocket mills BETR reimbursement" means the amount of the BETR reimbursement relating to the 2nd installment of property taxes assessed against Great Northern by Millinocket and East Millinocket for the 2002-03 property tax year, as certified by the bureau.

Sec. 2. Millinocket and East Millinocket BETR reimbursement loan program. Upon purchase by a business of substantially all of the assets of Great Northern, the authority shall provide a loan to the acquiring business in the amount of the Millinocket and East Millinocket mills BETR reimbursement, but not to exceed \$1,550,000, on the following terms and conditions.

1. The loan must be made at the closing of the purchase of the Great Northern assets by the acquiring business.
2. The loan proceeds must be used to pay property taxes due the Town of Millinocket or the Town of East Millinocket for the 2002-03 property tax year at the closing of the purchase of the assets of Great Northern.

3. Interest may not be charged on the loan. The authority may charge an origination fee not to exceed 1% of the loan amount. The loan terms must provide for repayment at the time the acquiring business receives the Millinocket and East Millinocket mills BETR reimbursement.

4. Prior to the closing of the purchase of the assets of Great Northern, the bureau shall certify to the authority the amount of the Millinocket and East Millinocket mills BETR reimbursement. Upon request by the acquiring business, the bureau shall process and deliver this certificate to the authority prior to closing.

5. The bureau shall pay the Millinocket and East Millinocket mills BETR reimbursement up to the amount of the loan to the acquiring business and the authority as copayees. Any amount of Millinocket and East Millinocket mills BETR reimbursement in excess of the loan must be paid to the acquiring business.

6. The authority may establish prudent terms and conditions for the loan, including a first lien on the Millinocket and East Millinocket mills BETR reimbursement.

Sec. 3. Source of fund. Notwithstanding any other provision of law to the contrary, the loan described in section 2 may be made by the authority out of the Economic Recovery Program Fund established in the Maine Revised Statutes, Title 10, section 1023-I.

Sec. 4. Payment of BETR claims. Notwithstanding any provision of the Maine Revised Statutes, Title 36, chapter 915 to the contrary, the acquiring business is entitled to receive reimbursement under BETR of all property taxes assessed against Great Northern for 2002-03 and the subsequent property tax years that qualify for reimbursement under BETR, as long as such taxes are paid and were not previously reimbursed, regardless of whether the taxes are paid by Great Northern or the acquiring business.

Notwithstanding any provision of the Maine Revised Statutes, Title 36, chapter 915 to the contrary, the acquiring business may file a reimbursement claim and receive reimbursement under BETR with respect to property tax payments made to the towns of Millinocket and East Millinocket in 2003 for the 2002-03 property tax year, but which payments were due from Great Northern to the towns of Millinocket and East Millinocket in 2002, as if the payments had been made in 2002.

Any BETR reimbursement made to the acquiring business must exclude any costs or interest associated with late payment of tax. Unless a provision of this Act provides otherwise, the provisions of Title 36, chapter 915 apply to any reimbursement made to the

acquiring business, including, but not limited to Title 36, sections 6657 and 6658.

With respect to the Millinocket and East Millinocket mills BETR reimbursement claim, in no event may more than one person receive reimbursement for the same property tax payment.

Sec. 5. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Business Equipment Tax Reimbursement Program 0886

Initiative: Provides funds in fiscal year 2003-04 instead of fiscal year 2004-05 to reflect a change in the timing of reimbursement for certain property taxes.

General Fund	2003-04	2004-05
All Other	\$1,563,355	(\$1,563,355)
General Fund Total	\$1,563,355	(\$1,563,355)

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

Effective April 25, 2003.

CHAPTER 9

H.P. 886 - L.D. 1212

An Act To Create the Bayside Utilities District

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

Sec. 1. Territorial limits; corporate name. Pursuant to the Maine Revised Statutes, Title 35-A, chapter 64, that part of the Town of Northport described as follows:

Beginning on the shore of the west side of Penobscot Bay at a point marking the southerly line of the property identified on the Town of Northport tax map U-9 as lot 2; thence southwesterly in a straight line to the intersection of U.S. Route 1 and the Pound Hill Road; thence northwesterly in a straight line to the intersection of the Rocky Road and the Bog Road; thence southwesterly by the center of the Bog Road 500 feet; thence northwesterly following a line 500 feet west of Rocky Road to the Belfast town line; thence following the town boundaries to the shore of the west side of Penobscot Bay; thence northeasterly, southeasterly and southerly by said bay to point of beginning and its inhabitants constitute a standard