

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE

FIRST REGULAR SESSION
December 3, 2008 to June 13, 2009

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 12, 2009

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

Augusta, Maine
2009

4. Transfer of insurance policy. The settlement provider shall designate an independent escrow agent and instruct the viator to send the executed documents required to effect the change in ownership or assignment or change in beneficiary directly to the independent escrow agent. Within 3 business days after the date the escrow agent receives the document, or from the date the settlement provider receives the documents, if the viator erroneously provides the documents directly to the provider, the settlement provider shall pay or transfer the proceeds of the settlement into an escrow or trust account maintained in a state or federally chartered financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or its successor. Upon payment of the settlement proceeds into the escrow account, the escrow agent shall deliver the original change in ownership or assignment or change in beneficiary forms to the settlement provider or related provider trust. Upon the escrow agent's receipt of the acknowledgment of the properly completed transfer of ownership or assignment or designation of beneficiary from the insurance company, the escrow agent shall pay the settlement proceeds to the viator.

Sec. 14. 24-A MRSA §6812, sub-§6 is enacted to read:

6. Protection of policyholder's rights. An insurer may not engage in a transaction, act, practice or course of business or dealing that restricts, limits or impairs in any way the lawful transfer of ownership, change of beneficiary or assignment of a policy. This subsection does not prohibit a lawful contract provision granting irrevocable rights to a beneficiary or lawfully prohibiting assignment.

Sec. 15. 24-A MRSA §6812-A is enacted to read:

§6812-A. Inquiries and optional disclosures by life insurers

1. Permitted inquiries regarding premium financing. In addition to any other information a life insurer may lawfully request in an application for insurance, the insurer may ask whether the proposed owner intends to pay premiums with the assistance of financing from a lender that will use the policy as collateral to support the financing, and if so, whether:

A. The applicant has entered into any agreement or arrangement providing for the future sale of this life insurance policy;

B. The loan arrangement for the policy provides funds sufficient to pay for some or all of the premiums, costs and expenses associated with obtaining and maintaining the applicant's life insurance policy;

C. The applicant has entered into any agreement by which the applicant is to receive consideration in exchange for procuring the policy; and

D. The borrower has an insurable interest in the insured.

2. Prohibited transactions. If the information obtained by the life insurer demonstrates that the loan provides funds that can be used for a purpose other than paying for the premiums, costs and expenses associated with obtaining and maintaining the life insurance policy and loan or that the transaction otherwise violates this chapter, the insurer shall reject the application.

3. Optional disclosures by the life insurer. The insurer may make disclosures to the applicant, the insured and other affected persons, either on the application, an amendment to the application or a separate document, in the following form:

"If you have entered into a loan arrangement in which the policy is used as collateral and the policy does change ownership at some point in the future in satisfaction of the loan, the following may be true:

A. A change of ownership could lead to a stranger owning an interest in the insured's life;

B. Your ability to purchase future insurance on the insured's life could be limited because there is a limit to how much coverage insurers will issue on one life;

C. Should there be a change of ownership and should you wish to obtain more insurance coverage on the insured's life in the future, the insured's higher issue age, a change in health status or other factors may reduce the ability to obtain coverage or may result in significantly higher premiums; and

D. You should consult a professional advisor because a change in ownership in satisfaction of the loan may result in tax consequences to the owner, depending on the structure of the loan."

See title page for effective date.

**CHAPTER 377
H.P. 464 - L.D. 650**

**An Act To Create a Funding
Structure for Sustainable
Investment in Public Water
and Wastewater Infrastructure
in the State**

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

Sec. 1. 22 MRSA §2610 is enacted to read:

§2610. Maine Drinking Water Fund

1. Establishment; administration. The Maine Drinking Water Fund, referred to in this section as "the fund," is established as provided in this section.

A. The fund is established as a nonlapsing fund to provide financial assistance, in accordance with subsection 2, for the acquisition, planning, design, construction, reconstruction, enlargement, repair, protection and improvement of public water systems, drinking water supplies and water treatment facilities.

B. The department shall administer the fund. The fund must be invested in the same manner as permitted for investment of funds belonging to the State or held in the State Treasury. The fund must be established and held separate from any other funds and used and administered exclusively for the purpose of this section. The fund consists of the following:

- (1) Sums that are appropriated by the Legislature or transferred to the fund from time to time from the State Water and Wastewater Infrastructure Fund, pursuant to Title 30-A, section 6006-H;
- (2) Interest earned from the investment of fund balances; and
- (3) Other funds from any public or private source received for use for any of the purposes for which the fund has been established.

2. Uses. The fund may be used for one or more of the following purposes:

A. To make grants to public water systems, pursuant to this section, for the acquisition, planning, design, construction, reconstruction, enlargement, repair, protection or improvement of public water systems, drinking water supplies or water treatment facilities;

B. To forgive loans held by public water systems for the acquisition, planning, design, construction, reconstruction, enlargement, repair, protection or improvement of public water systems, drinking water supplies or water treatment facilities;

C. To provide a state match for federal funds provided to the Safe Drinking Water Revolving Loan Fund, pursuant to Title 30-A, section 6006-B;

D. To invest available fund balances and to credit the net interest income on those balances to the fund; and

E. To pay the costs of the department associated with the administration of the fund, as long as no more than 5% of the aggregate of the highest fund

balance in any fiscal year is used for these purposes.

3. Rules. The department shall adopt rules necessary to implement this section, including rules to establish one or more grant programs in accordance with subsection 2, paragraph A. Rules adopted by the department pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. 30-A MRS §6006-H is enacted to read:

§6006-H. State Water and Wastewater Infrastructure Fund

1. Establishment; purposes. The State Water and Wastewater Infrastructure Fund, referred to in this section as "the fund," is established as provided in this section.

A. The fund is established in the custody of the bank as a special fund to provide financial assistance for capital investment in public water and wastewater infrastructure. For the purposes of this section, "public water and wastewater infrastructure" includes, but is not limited to public water systems, drinking water supplies and treatment facilities, public wastewater systems and treatment facilities and water pollution abatement systems.

B. The bank shall administer the fund. The fund must be invested in the same manner as permitted for investment of funds belonging to the State or held in the State Treasury. The fund must be established and held separate from any other funds or money of the State or the bank and used and administered exclusively for the purpose of this section. The fund consists of the following:

- (1) Sums that are appropriated by the Legislature or transferred to the fund from time to time by the Treasurer of State;
- (2) Principal and interest received from the repayment of loans made from the fund;
- (3) The proceeds of notes or bonds issued by the State for the purpose of deposit in the fund;
- (4) Interest earned from the investment of fund balances;
- (5) Private gifts, bequests and donations made to the State for any of the purposes for which the fund is established; and
- (6) Other funds from any public or private source received for use for any of the purposes for which the fund has been established.

2. Uses. The fund may be used for one or more of the following purposes:

A. To guarantee or insure, directly or indirectly, the payment of notes or bonds issued or to be issued by the State for the purpose of financing capital investment in water and wastewater infrastructure through the fund;

B. To provide funds for capital investment in water and wastewater infrastructure through the Maine Drinking Water Fund, established in Title 22, section 2610, and the Maine Clean Water Fund, established in Title 38, section 411-C. Transfers to these funds must be made in consultation with the agencies administering those funds and must be secondary to the repayment of notes or bonds issued pursuant to paragraph A;

C. To provide a state match for federal funds provided to the State Revolving Loan Fund established in section 6006-A and the safe drinking water revolving loan fund established in section 6006-B;

D. To invest available fund balances and to credit the net interest income on those balances to the fund;

E. To invest as a source of revenue or security for the payment of principal and interest on general or special obligations of the bank if the proceeds of the sale of the obligations have been deposited in the fund; and

F. To pay the costs of the bank associated with the administration of the fund and projects financed by it as long as no more than 2% of the aggregate of the highest fund balance in any fiscal year is used for these purposes.

3. Establishment of accounts. The bank may establish accounts and subaccounts within the fund as it determines desirable to effectuate the purposes of this section, including, but not limited to, accounts to segregate a portion of the fund for grants and as security for bonds issued by the bank for deposit in the fund and to be invested for the benefit of specified projects receiving financial assistance from the fund.

Sec. 3. 38 MRSA §411-C is enacted to read:

§411-C. Maine Clean Water Fund

1. Establishment; administration. The Maine Clean Water Fund, referred to in this section as "the fund," is established as provided in this section.

A. The fund is established as a nonlapsing fund to provide financial assistance, in accordance with subsection 2, for the acquisition, planning, design, construction, reconstruction, enlargement, repair, protection and improvement of public wastewater systems and treatment facilities and water pollution abatement systems.

B. The department shall administer the fund. The fund must be invested in the same manner as per-

mitted for investment of funds belonging to the State or held in the State Treasury. The fund must be established and held separate from any other funds and used and administered exclusively for the purpose of this section. The fund consists of the following:

(1) Sums that are appropriated by the Legislature or transferred to the fund from time to time from the State Water and Wastewater Infrastructure Fund pursuant to Title 30-A, section 6006-H;

(2) Interest earned from the investment of fund balances; and

(3) Other funds from any public or private source received for use for any of the purposes for which the fund has been established.

2. Uses. The fund may be used for one or more of the following purposes:

A. To make grants to public wastewater systems under sections 411 and 412;

B. To forgive loans held by public wastewater systems for the acquisition, planning, design, construction, reconstruction, enlargement, repair, protection or improvement of public wastewater systems and treatment facilities and water pollution abatement systems;

C. To provide a state match for federal funds allocated to the state revolving loan fund established in Title 30-A, section 6006-A;

D. To invest available fund balances and to credit the net interest income on those balances to the fund; and

E. To pay the costs of the department associated with the administration of the fund as long as no more than 5% of the aggregate of the highest fund balance in any fiscal year is used for these purposes.

Sec. 4. Stakeholder group; authority for legislation. The Department of Health and Human Services and the Department of Environmental Protection shall convene a stakeholder group to develop recommendations regarding the funds created in this Act. The stakeholder group shall, at a minimum, review and make recommendations regarding funding needs and sources for the State Water and Wastewater Infrastructure Fund, established in the Maine Revised Statutes, Title 30-A, section 6006-H, taking into account the intent to use that fund as a state match for federal funds and to transfer funds from that fund to the Maine Drinking Water Fund, established in Title 22, section 2610, and the Maine Clean Water Fund, established in Title 38, section 411-C. No later than February 1, 2010, the Department of Health and Human Services

and the Department of Environmental Protection shall jointly submit a report to the Joint Standing Committee on Utilities and Energy regarding the findings and recommendations of the stakeholder group. Following receipt and review of the report, the committee may submit legislation related to the report to the Second Regular Session of the 124th Legislature.

See title page for effective date.

CHAPTER 378
H.P. 896 - L.D. 1293

**An Act To Require Citizen
Notification of Pesticide
Applications Using Aerial
Spray or Air-carrier
Application Equipment**

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

Sec. 1. 22 MRSA §1471-Y is enacted to read:

§1471-Y. Notification of outdoor pesticides application using aircraft or air-carrier equipment

A land manager may not apply pesticides using aircraft or air-carrier equipment unless the notification requirements of this section are met.

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

A. "Air-carrier equipment" means any application equipment that uses a mechanically generated airstream to propel spray droplets. "Air-carrier equipment" does not include air-assisted application equipment in which the airstream is directed downward into the target canopy.

B. "Land manager" means the owner of the land, a person leasing the land, or a person, firm, company or other legal entity designated by the owner to manage the land, vegetation on the land or pests occurring on the land.

C. "Neighbor" means an owner, lessee or occupant of a property that abuts or lies within 1,320 feet of an area.

2. Mandatory notification. A land manager intending to conduct application of pesticides using aircraft or air-carrier equipment shall provide written notification to residents and managers of buildings on abutting property at least 90 days prior to the first date of pesticides application. The notification must be provided in accordance with subsection 5 and include:

A. A general description of the method of application that is likely to occur;

B. The pesticides application schedule and circumstances under which the application is likely to take place;

C. The commercial and scientific names of pesticides likely to be applied; and

D. Reference to the registry of citizens developed and maintained by the board under section 1471-Z and a description of how to be placed on the registry.

Notification in compliance with this subsection fulfils the notification requirement for 3 years unless the information provided under paragraph A, B or C changes.

3. Obligations to provide information. A land manager intending to conduct an outdoor application of pesticides using aircraft or air-carrier equipment shall access the registry of citizens under section 1471-Z to determine any neighbors on the registry of citizens and shall provide those neighbors with notification in accordance with subsection 5 and at least 24 hours but not more than 7 days in advance of the application of:

A. The date and approximate time of application;

B. The type of equipment to be used and the manner in which the pesticides will be applied;

C. The commercial and scientific names and the United States Environmental Protection Agency's registration numbers for the pesticides to be used and, upon request, the material safety data sheets for the pesticides or copies of pesticides labels; and

D. Contact information for the land manager.

4. Records maintained. A land manager shall maintain records of communications with neighbors regarding an outdoor application of pesticides using aircraft or air-carrier equipment and the dates and means by which the notification required under subsection 2 was provided. The board shall supply forms for recording this information and the land manager shall use these forms. A land manager shall maintain a list of people receiving notification under subsection 2 or information under subsection 3 who ask not to be contacted in the future. A land manager may refrain from sending future notifications to these individuals.

5. Means of notification. A land manager conducting or contracting for a pesticides application using aircraft or air-carrier equipment shall make a good faith effort to convey the information required in subsections 2 and 3. Acceptable means of notification include:

A. Personal delivery of notification forms;

B. Mailing notification forms through the United States Postal Service; or