

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-FIFTH LEGISLATURE

FIRST REGULAR SESSION
December 1, 2010 to June 29, 2011

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Augusta, Maine
2011

**CHAPTER 97
H.P. 796 - L.D. 1061**

**An Act To Amend the Lien
Process for Unpaid Water
Rates**

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

Sec. 1. 35-A MRSA §6111-A, sub-§1, as en-
acted by PL 2005, c. 7, §2, is amended to read:

1. Liens for unpaid rates; water utilities. A
~~consumer-owned~~ water utility has a lien on real estate
served by that ~~consumer-owned~~ water utility to secure
the payment of unpaid rates.

Sec. 2. 35-A MRSA §6111-A, sub-§4, as en-
acted by PL 2009, c. 490, §1, is amended to read:

4. Waiver of water lien foreclosure. The treas-
urer of a ~~consumer-owned~~ water utility, when author-
ized by the trustees or directors of the utility, may
waive the foreclosure of a lien mortgage created pur-
suant to this section by recording in the registry of
deeds a waiver of foreclosure before the period for the
right of redemption from the lien mortgage has ex-
pired. The lien mortgage remains in full effect after
the recording of a waiver. Other methods established
by law for the collection of any unpaid rate, toll, rent
or other charges are not affected by the filing of a
waiver under this section. The waiver of foreclosure
must be substantially in the following form:

The foreclosure of the water lien mortgage on real
estate for charges against (NAME) to
(NAME OF WATER UTILITY) dated and re-
corded in the County Registry of Deeds in
Book, Page is hereby waived.

The form must be dated, signed by the treasurer of the
water utility and notarized. A copy of the form must
be provided to the party named on the lien mortgage
and each record holder of a mortgage on the real es-
tate.

See title page for effective date.

**CHAPTER 98
H.P. 575 - L.D. 768**

**An Act To Amend the Laws
Relating to Group Trusts
Established by Group
Self-insurers of Workers'
Compensation Benefits**

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

Sec. 1. 39-A MRSA §403, sub-§3, ¶C, as
amended by PL 2005, c. 98, §2, is further amended to
read:

C. A self-insurer may establish an actuarially de-
termined fully funded trust, funded at a level suf-
ficient to discharge those obligations incurred by
the employer pursuant to this Act as they become
due and payable from time to time, as long as the
Superintendent of Insurance requires that the
value of trust assets be at least equal to the present
value of ultimate expected incurred claims and
claims settlement costs, plus required safety mar-
gins and, if determined necessary by the superin-
tendent, administrative costs for the operation of
the plan of self-insurance. For the purpose of de-
termining whether an actuarially determined fully
funded trust has a surplus of funds in excess of
that required by this subsection, the superinten-
dent shall consider, based upon the group's audit
for all completed plan years, only the following
assets held outside the trust account: cash up to
\$10,000; accounts receivable, limited to amounts
collected and deposited in the trust account by the
date of the surplus distribution; accrued interest
on trust account assets that will be collected and
deposited in the trust account within 6 months
from the date of the surplus determination; tangi-
ble assets that will be converted to cash and de-
posited in the trust account prior to the distribu-
tion date of any surplus; and a letter of credit to
be used to partially fund the trust to the extent al-
lowed under this section and rules adopted by the
superintendent, as supported in the actuarial re-
view. The superintendent shall consider cash held
outside the trust account in excess of \$10,000 if
the self-insurer provides, to the superintendent's
satisfaction, documentation regarding why the
money is being held outside the trust account. An
actuarially determined fully funded trust must be
funded as follows, as determined by the superin-
tendent.

(1) For individual and group self-insurers,
the amount of security must be determined
based upon an actuarial review. The actuarial
review must take into consideration the use
by a group self-insurer of any irrevocable
standby letter of credit. Except as provided in
subparagraph (3), initial funding for each plan
year must be maintained at the 90% or higher
confidence level. Funding after the comple-
tion of the initial plan year may be estab-
lished no lower than the 75% confidence
level if the following has occurred:

- (a) A year considered for reduction is
completed;
- (b) The supporting actuarial review in-
cludes an evaluation of the completed