

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

STATE OF MAINE  
ONE HUNDRED AND TWELFTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON  
STATE GOVERNMENT  
BILL SUMMARY



JULY, 1985

Prepared by:

Ted Potter, Legislative Assistant  
Office of Legislative Assistants  
State House, Station 13      Augusta, Maine 04333  
(207) 289-1670



STATE LAW LIBRARY  
STATE HOUSE

HELEN T. GINDER, DIRECTOR  
HAVEN WHITESIDE, ASST. DIRECTOR  
GILBERT W. BREWER  
DAVID ELLIOTT  
MARTHA FREEMAN  
CHRISTOS GIANOPOULOS  
WILLIAM T. GLIDDEN, JR.

STATE OF MAINE  
OFFICE OF LEGISLATIVE ASSISTANTS  
ROOM 101  
STATE HOUSE, STATION 13  
AUGUSTA, MAINE 04333  
TEL.: (207) 289-2486

SARAH HOOKE  
JULIE S. JONES  
JOHN B. KNOX  
EDWARD POTTER  
MARGARET J. REINSCH  
LARS RYDELL  
JOHN SELSER  
ANDREA COLNES, RES. ASST.

ONE HUNDRED AND TWELFTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE  
BILL SUMMARIES  
JULY 1985

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees of the Maine Legislature, covering the First Regular Session of the 112th Legislature. The summaries are arranged by LD number and indexed separately by committee.

LD:

774

AN ACT TO RESTRICT CERTAIN AGENCIES WITH RESPECT TO PURCHASES OF REAL PROPERTY

MARTIN J

ND: 4

HOUSE Enacted  
SENATE Enacted  
GOV SIGNED

PUBLIC  
CH # 340

S-125	SA	KANY	H	S
S-198	SA	DOW	H	S

SUMMARY:

LD 4 proposed to prohibit state agencies from purchasing all types of real property including land and buildings. All purchases of property would be conducted by the Bureau of Public Improvements.

According to the Statement of Fact, state purchases of private property removes the property from the municipal tax rolls and thereby reduces local tax revenues.

Currently the State appropriates monies (not an amount equal to actual taxes that a municipality would levy on the property, if privately owned) to municipalities with state owned building facilities. The monies are distributed according to a formula based in part, on square footage of buildings. Buildings of the University of Maine, the Maine Maritime Academy, the Vocational Technical Institutes, and the Bureau of Parks and Recreation are excepted from State service payments.

Total State service payments are appropriated for a biennium and are included in the State Budget. There are no statutory floor or ceiling limits on reimbursement. For Fiscal Year 1984-85, the Legislature appropriated \$500,000.

For Fiscal Year 1984-85, 231 municipalities received State service payments totalling \$484,207. Of the 231 municipalities 17, or 7.3% of the total number of municipalities received \$4,000 or more per municipality for a total of 76.6% of the total service payments. The City of Augusta received 33.3% of the total service payments.

Currently, the Department of Transportation, the Department of Inland Fisheries and Wildlife, the Bureau of Public Lands, and the Bureau of Parks and Recreation are authorized to purchase land and buildings without approval of the Bureau of Public Improvements. With respect to the Bureau of Parks and Recreation, the approval of the Governor is necessary.

The Committee approved a new draft of the bill, LD 774, which limited the purchase restrictions to the Maine State Retirement System (MSRS), the Finance Authority of Maine (FAME) and the Maine State Housing Authority

(MSHA) which are independent state agencies. In addition, these agencies do not rely on state funding for the most part, to operate. As a result, the Maine State Retirement System was able to purchase the Canal Bank building in Augusta despite protests to this action.

The Committee Amendment, as amended by Senate Amendment "A", prohibits FAME, the MSRS, and the MSHA from purchasing property for their office space without approval from the Governor. These agencies, however, could purchase property for investment purposes without approval from the Governor. FAME and the MSHA often acquire property as a result of defaults in loan payments, and gubernatorial approval of these acquisitions could be time consuming and costly.

LD: 787 AN ACT CONCERNING LAND CONVEYED BY THE STATE TWITCHELL  
TO THE TOWN OF BRIDGTON JACKSON

OTP HOUSE Enacted PUBLIC  
SENATE Enacted CH # 153  
GOV SIGNED

SUMMARY:

LD 787 restricts the use of revenues derived from the sale of land originally owned by the State and conveyed to the town of Bridgton at no cost to the town. The bill limits expenditures from the proceeds to income derived from the investment of the land sale monies. As a result, the principal will be kept in tact, and interest monies only, will be used to purchase property for public use.

LD: 803 AN ACT TO RAISE THE AMOUNT OVER WHICH PRAY  
CONTRACTORS MUST SEEK MUNICIPAL BONDING

OTP-AM HOUSE Enacted PUBLIC  
SENATE Enacted CH # 154  
GOV SIGNED

S-56 CA H S

SUMMARY:

LD 803, in its original form, proposed to increase the amount from \$10,000 to \$50,000 over which surety bonds are required of contractors for municipal construction contracts.

The Committee Amendment changed the figure to \$25,000 and over for which surety bonds are required. The bonding companies and private contractors suggested this figure which is also the current of the State for state construction projects.