

STATE OF MAINE

.

ONE HUNDRED AND TWELFTH LEGISLATURE SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON

STATE GOVERNMENT

BILL SUMMARY



MAY 1986

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> JOINT STANDING COMMITTEE BILL SUMMARIES MAY 1986

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

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

| OTP | Ought to Pass | | |
|-----------|---------------------------------------|--|--|
| OTP-ND | Ought to Pass in New Draft | | |
| OTP-ND-NT | Ought to Pass in New Draft, New Title | | |
| OTP-AM | Ought to Pass as Amended | | |
| ONTP | Ought Not to Pass | | |
| LVWD | Leave to Withdraw | | |
| INDEF PP | Indefinitely Postponed | | |
| | | | |

LD AN ACT CONCERNING THE DAY-CARE PROGRAM AT 2089 AUGUSTA MENTAL HEALTH INSTITUTE

Sponsor: BUSTIN, Hickey, Paradis, P., Kany Committee Report: OTP-ND-NT

SUMMARY: LD 2089 proposed to waive the utility and rent fees charged to the Southern Kennebec Child Development Corporation (SKDC) for previous use of the Greenlaw building at AMHI for daycare services. The bill also proposed to waive future charges for utility services required by the SKDC.

The bill was found to be unconstitutional by the Attorney General. The bill violated the special legislation provision (Article IV, Part Third, Section 13 of the Maine Constitution) and the "equal protection clause" of the Maine and U.S. Constitutions.

The bill was completely rewritten, and the new draft, LD 2291, established a basic policy for the rent or lease of State owned buildings or surplus space within state-owned buildings. According to the new draft, the Director of the Bureau of Public Improvements will lease any available space in state-owned buildings. The director is required to give first option to state agencies and then to not-for-profit organizations.

If an available facility is leased to a not-for-profit organization, the activities and uses of the facility must be compatible with and conducive to the activities and programs of the agency of jurisdiction as determined by the agency of jurisdiction.

Lease arrangements may not exceed 2 years unless an extended period of time is in the best interest of the State. Leases are to be awarded by competitive bid. The lease may be terminated by the State or the lessee on 60 days' notice.

The State is not liable for any death, personal injury or property damages resulting from the lease of available state facilities to not-for-profit organizations.

The new draft also provides that lease agreements cover the operating costs incurred as a result of the activities of the lessee. In addition, a monthly rental charge is required which can be waived or reduced depending upon the benefits realized or services provided to the State.

Office of Policy and Legal Analysis State Government The Departments of Conservation, Marine Resources, Inland Fisheries and Wildlife, and Transportation along with the Baxter State Park Authority are exempt from the provisions of the bill. As a result of the provisions of federal law and federal grants as well as special needs and facilities, these agencies were excluded from the bill.

LDAN ACT PROVIDING FOR THE 1986 AMENDMENTS TO THEPL 19852105FINANCE AUTHORITY OF MAINE ACTc. 714

Sponsor: MARTIN, J., McBreairty, Andrews, Pray Committee Report: OTP-AM

| H-613 | CA | н | S |
|-------|--------|---|---|
| H-638 | CARTER | H | S |

SUMMARY: LD 2105 proposed to:

A. Establish a Loan Insurance Reserve Fund under FAME control to fund default payments and other obligations. A total of \$3,686,000 would be transferred from the Guarantee Reserve Fund (over which FAME does <u>not</u> have exclusive control) to the Loan Insurance Fund by July 1, 1988.

1) The Committee Amendment requires that \$3,700,000 be transferred by June 17, 1986.

B. Increase maximum amount of loan insurance for "small businesses" (less than 20 employees and \$2,500,000 in gross sales) from \$100,000 to \$500,000. Increase maximum additional loan insurance for veterans' small business from \$100,000 to \$250,000.

1) The Committee Amendment established a \$600,000 cap for any person or firm which qualifies under both programs.

C. Permit second lien or security interest as private collateral for an insured loan where loan insurance does not exceed \$1,000,000.

D. Amend Maine Natural Resource Capital Company (MNRCC) enabling legislation to enhance the marketability of company stock by increasing flexibility of use of tax credit for investment in the Company.

E. Permit action to be taken by the greater of five members, present and voting, or a majority of those members present and voting, with quorum remaining at seven.

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