

MAINE STATE LEGISLATURE

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**STATE OF MAINE
119TH LEGISLATURE**

FIRST REGULAR SESSION

**BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BUSINESS AND ECONOMIC DEVELOPMENT**

JULY 1999

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Sen. Bruce W. MacKinnon*

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ONE HUNDRED NINETEENTH LEGISLATURE
FIRST REGULAR SESSION

Summary Of Legislation Before The Joint Standing and Select Committees
August 1999

We are pleased to provide this summary of all bills that were considered by the Joint Standing and Select Committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing and select committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER.....Bill carried over to Second Regular Session
CON RES XXX..... Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE.....Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES.....House & Senate disagree; bill died
DIED IN CONCURRENCE..... One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT.....Action incomplete when session ended; bill died
EMERGENCY..... Enacted law takes effect sooner than 90 days
ENACTMENT FAILED..... Bill failed to get vote required for enactment or final passage
NOT PROPERLY BEFORE THE BODY..... Ruled out of order by the presiding officers; bill died
INDEF PP.....Bill Indefinitely Postponed
ONTP..... Ought Not To Pass report accepted
OTP ND..... Committee report Ought To Pass In New Draft
OTP ND/NT..... Committee report Ought To Pass In New Draft/New Title
P&S XXX..... Chapter # of enacted Private & Special Law
PUBLIC XXX..... Chapter # of enacted Public Law
RESOLVE XXX..... Chapter # of finally passed Resolve
UNSIGNED.....Bill held by Governor
VETO SUSTAINED.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 18, 1999.

LD 1948

An Act Relating to Unfair Competition Between Nonprofit Organizations and Small Businesses

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TRIPP	ONTP	

LD 1948 proposed to prevent nonprofit organizations from using their nonprofit status to compete with small businesses with 25 or fewer employees. Nonprofit organizations would have been prevented from providing goods or services to the general public at a price that is at least 15% less than the price at which those goods or services are available through a small business. A violation of these provisions would have resulted in the loss of tax exemptions and may have subjected the violator to a civil penalty of \$5,000.

LD 1962

An Act to Establish the State Revolving Loan Fund for Small Business Initiatives

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SHOREY		

LD 1962 is being carried over to the Second Regular Session of the 119th Legislature. The bill proposes to establish the State Revolving Loan Fund for Small Business Initiatives within the Department of Economic and Community Development. The fund will be established initially as a pilot project in Washington County and Hancock County to be administered by the Eastern Maine Development Corporation. The bill proposes to appropriate \$2,100,000 from the General Fund as initial funding, divided evenly between the counties. Approximately \$100,000 of the initial funding represents anticipated administration charges for the first year to cover the cost of lending. The bill proposes to establish a maximum loan of \$175,000 that may be used for capital expenditures and training expenses. It also establishes reporting deadlines and includes a repeal provision.

LD 1966

An Act to Require Disclosures in Connection with Transfers of Residential Property

PUBLIC 476

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CAMERON DAGGETT	OTP-AM	H-712

LD 1966 proposed to require the owner of real estate consisting of one to four dwelling units to make certain disclosures to prospective buyers of the property similar to what is currently required of a real estate broker for the seller. The bill proposed to require the disclosure of any material defects in the property, the type of water system used, the type of insulation and whether there are or were any hazardous materials on the property. If an owner failed to make the required disclosures, the purchase contract could be rescinded by the purchaser.

Committee Amendment “A” (H-712) proposed to provide that the disclosure requirements for residential real property transactions are applicable when the transaction is without the assistance of a person licensed to practice real estate brokerage. The amendment changed the term “material defect” to “known defect” and changed the term “owner” to “seller.” The amendment added corrective deeds to the list of exemptions from the disclosure requirements. It also deleted specific language of notices that the bill required the owner to give to the purchaser. The amendment also deleted the specific delivery requirements in the bill and it deleted the one-year statute of limitation for action for violations.

Enacted law summary

Public Law 1999, chapter 476 requires the owner of real estate consisting of one to four dwelling units to make certain disclosures to prospective buyers of the property when the transaction is without the assistance of a person licensed to practice real estate brokerage.

LD 1981

An Act to Revise the Accountancy Laws

PUBLIC 245

<u>Sponsor(s)</u> HARRIMAN		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> S-126
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LD 1981 proposed to make the following changes to the accountancy laws:

1. It created new defined terms: "defined service" and "substantial equivalency."
2. It made changes in the composition of the Board of Accountancy by permitting, but no longer requiring, that one of the professional members may be a public accountant and by adding a second public member to the board.
3. It revised the education requirements for those eligible to sit for the certified public accountant examination by allowing applicants to sit for the examination up to 120 days prior to completion of their education requirements.
4. It authorized the Board of Accountancy to establish a process for granting licenses to and regulating licensees from other states or countries that have licensing requirements substantially equivalent to those in Maine.
5. It established provisions concerning Maine licensees who offer or render services in other states.
6. It prohibited or restricted the ability of accountants to accept commissions, referral fees and contingency fees when performing a defined service.
7. It made changes to continuing education requirements.

Committee Amendment "A" (S-126) proposed to delete the changes to the membership of the Board of Accountancy and the accompanying transition provision. This amendment renumbered the sections to read consecutively and added a fiscal note.

Enacted law summary

Public Law 1999, chapter 24 made the following changes to the accountancy laws:

1. It creates new defined terms: "defined service" and "substantial equivalency."
2. It revises the education requirements for those eligible to sit for the certified public accountant examination by allowing applicants to sit for the examination up to 120 days prior to completion of their education requirements.
3. It authorizes the Board of Accountancy to establish a process for granting licenses to and regulating licensees from other states or countries that have licensing requirements substantially equivalent to those in Maine.
4. It establishes provisions concerning Maine licensees who offer or render services in other states.
5. It prohibits or restricts the ability of accountants to accept commissions, referral fees and contingency fees when performing a defined service.