MAINE STATE LEGISLATURE

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State Of Maine 120th Legislature

Second Regular Session

Bill Summaries

Joint Standing Committee on Judiciary

May 2002

Members:

Sen. Anne M. Rand, Chair Sen. Michael J. McAlevey Sen. Norman K. Ferguson, Jr.

Rep. Charles C. LaVerdiere, Chair
Rep. Thomas D. Bull
Rep. Patricia T. Jacobs
Rep. Charles E. Mitchell
Rep. Christopher T. Muse
Rep. Deborah L. Simpson
Rep. David R. Madore
Rep. G. Paul Waterhouse
Rep. Stavros J. Mendros
Rep. Roger L. Sherman
Rep. Donna M. Loring

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120th Legislature Second Regular Session

Summary Of Legislation Before The Joint Standing Committees May 2002

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing 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 committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name 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, <u>History and Final Disposition of Legislative Documents</u>, 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:

CON RES XXX	
CONF CMTE UNABLE TO AGREE	
	House & Senate disagree; bill died
DIED IN CONCURRENCE	One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL	PASSAGE Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
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	
P&S XXX	Chapter # of enacted Private & Special Law
PASSED	Joint Order passed in both bodies
PUBLIC XXX	
RESOLVE XXX	
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 Second Regular Session (unless otherwise specified in a particular law) is July 25, 2002.

Joint Standing Committee on Judiciary

- 6. Preserve the application of existing Maine law, Title 13-A, sections 611-A and 910 to the acquisition of a significant interest in publicly held Maine corporations; and
- 7. Continue Maine practices and rules regarding the filing and content of annual reports.

The amendment also proposed to repeal the current Professional Service Corporation Act and replace it with a revised Professional Services Corporation Act, based on language developed by the American Bar Association as a supplement to the Model Business Corporation Act. The revised Act proposed to clarify which professions are subject to the Act and which professions may elect to be subject to the Act. It also proposed to allow the formation of corporations by members of more than one profession, if the licensing authorities of those professions allow such practices. The Act proposed to retain the same provisions regarding shareholder liability as in current law and allow a minority of director positions to be held by nonprofessionals. The Act also proposed rules for foreign professional corporations that perform professional services in the State and proposed to allow mergers with domestic or foreign professional service corporations and business entities under certain circumstances.

Enacted law summary

Public Law 2001, chapter 640 repeals Title 13-A, the current Maine Business Corporation Act enacted in 1971, and replaces it with a new Title 13-C, also entitled the "Maine Business Corporation Act." It also repeals the current Professional Service Corporation Act and replaces it with a revised Professional Service Corporation Act.

The new business corporation act, Title 13-C, was developed by a revision committee of the Maine State Bar Association in association with the Office of the Secretary of State. The new act consists primarily of the 1984 Model Business Corporation Act developed by the American Bar Association, updated and modified by the revision committee as necessary to preserve important unique aspects of Maine law. Changes to corporate law are too numerous to summarize; please refer to OPLA Bill Summaries or a copy of the public law itself for additional information.

The revised Professional Service Corporation Act was also developed by the revision committee and is based on language developed by the American Bar Association as a supplement to the Model Business Corporation Act. The revised Act clarifies which professions are subject to the Act, allows multi-profession corporations if the licensing authorities of those professions allow such practices and allows a minority of director positions to be held by nonprofessionals. The Act also provides rules for foreign professional corporations and allows mergers with domestic or foreign professional service corporations and business entities under certain circumstances.

LD 1573

An Act to Enact the Uniform Principal and Income Act of 1997

PUBLIC 544

Sponsor(s)	Committee Report	Amendments Adopted
NORBERT	OTP-AM	H-851
RAND		

LD 1573 proposed to enact the Uniform Principal and Income Act of 1997, adopted by the National Conference of Commissioners on Uniform State Laws in 1997. It proposed to provide rules for handling trust principal, income, receipts and disbursements.

Joint Standing Committee on Judiciary

Committee Amendment "A" (H-851), in addition to other changes, proposed to set out specific rules for allocating income from harvesting timber.

This amendment proposed to include Maine Comments to explain deviations from NUPIA.

Enacted law summary

Public Law 2001, chapter 544 enacts the Uniform Principal and Income Act of 1997, adopted by the National Conference of Commissioners on Uniform State Laws in 1997. It provides rules for handling trust principal, income, receipts and disbursements. The Act takes effect January 1, 2003, and it applies to trusts and decedent's estates starting with the first fiscal year of the trust or decedent's estate that begins on or after January 1, 2003, unless the terms of the trust or will expressly provide otherwise.

LD 1624 An Act Concerning the Payment of Child Support

ONTP

Sponsor(s)	Committee Report		Amendments Adopted
HAWES	ONTP	MAJ	
O'GARA	OTP-AM	MIN	

LD 1624 proposed to provide an additional child support collection tool for the Department of Human Services. It proposed to require that employers who hire persons on a contract basis for \$2,500 or more report the names, addresses and social security numbers to the Department of Human Services.

In addition, the bill proposed to require that increases in collections of debt owed the department and not owed to anyone else over \$7,406,560 must be used to increase TANF and Parents as Scholars Program cash assistance levels until Maine's maximum level for a family of 3 reaches the New England average.

Committee Amendment "A" (H-830), the minority report of the Joint Standing Committee on Judiciary, proposed to replace the bill. It proposed to require the reporting of the hiring of independent contractors to the Department of Human Services in order to locate people who should be paying child support and to verify their ability to pay. Those required to report would be the State and any employer who contracts with the State to provide services worth more than \$1,000. (Not adopted)

LD 1670 An Act Regarding Child Abandonment

PUBLIC 543

Sponsor(s)	Committee Report	Amendments Adopted
KILKELLY	OTP-AM	S-447
O'BRIEN L		

LD 1670 proposed to create an affirmative defense to the crime of abandonment of a child if the child was 31 days or younger and the person charged delivered the child to a hospital emergency room or to a police officer, firefighter, medical services provider or hospital staff member. This bill also proposed to ensure anonymity for the person delivering the child and to terminate the parental rights and responsibilities of the parent delivering the child.