

MAINE STATE LEGISLATURE

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L.D. 2209

STATE OF MAINE (Filing No. S-630)
SENATE
108TH LEGISLATURE
FIRST SPECIAL SESSION

SENATE AMENDMENT "H" to S.P. 772, L.D. 2209, RESOLUTION, Proposing an Amendment to the Constitution to Limit the Amount of Government Spending and Taxes which may be Made without Voter Approval.

Amend the resolution by striking out all of the title and inserting in its place the following:

'RESOLUTION, Proposing an Amendment to the Constitution to Limit the Amount of Government Spending and to Limit Tax Increases to a One-year Period to Require Further Legislation and Economic Impact Analysis for the Further Continuation of any Tax Increase and to Require a Two-thirds Vote of Each House to Extend the Tax.'

Further amend the resolution by striking out everyting after the first paragraph and inserting in its place the following:

' Constitution, Art. I, §22 is amended to read:

Section 22. Taxes. No tax or duty shall be imposed without the consent of the people or of their representatives in the Legislature.

An increase by the Legislature in any tax on income or real or personal estate, whether tangible or intangible, shall remain in effect for not more than one year. The Legislature may, by a two-thirds vote of the members elected to each House, extend an increase for any further period if the Governor prepares a report on the economic and inflationary effects of an increase and the Legislature reviews that report prior to the extension.

The Legislature shall enact no later than June 30, 1979, statutes which will accomplish the following purposes:

1. Establish limits on state spending consistent with the cost of living or level of Maine personal income whichever is less; and
2. Adjust tax rates to minimize the overcollection of taxes.

Constitutional referendum procedure; form of question; effective date. Resolved: That the city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, at the next general election in the month of November or special statewide election on the Tuesday following the first Monday of November following the passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by voting upon the following question:

"Shall the Constitution be amended, as proposed by the first special session of the 108th Legislature, to limit the Amount of government spending and to limit tax increases to a one-year period to require further legislation and economic impact analysis for the further continuation of any tax increase and to require a two-thirds vote of each House to extend the tax?"

The legal voters of each city, town and plantation shall vote by ballot on this question, and shall designate their choice by a cross or check mark placed within the corresponding square below the words "Yes" or "No." The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns, and, if it appears that a majority of the legal votes are in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment shall become part of the Constitution on the date of the proclamation.

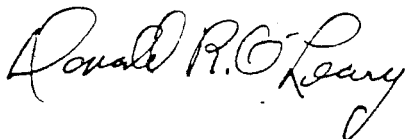
Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purpose of this referendum.

Statement of Fact

The purpose of this amendment is to protect citizens of the State from the unanticipated long-term inflationary and economic consequences of increases in taxation and to avoid placing the State in an economically uncompetitive and inflationary position with respect to other states. It also limits the amount of government spending by establishing state spending limits consistent with the cost of living or level of Maine personal income, whichever is less, and adjusts tax rates to minimize the overcollection of taxes.

NAME: (O'Leary)

JNTY: Oxford



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September 13, 1978

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