

MAINE STATE LEGISLATURE

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M
R. of S.

L.D. 1909

DATE: 4/27/06

(Filing No. H-1063)

APPROPRIATIONS AND FINANCIAL AFFAIRS

Majority

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
122ND LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1350, L.D. 1909, Bill, "An Act To Make Minor Technical Changes to Maine's Spending Growth Benchmarks"

Amend the bill by striking out all of sections 4 and 5 and inserting in their place the following:

'Sec. 4. 5 MRSA §1535, as amended by PL 2005, c. 519, Pt. VV, §3, is further amended to read:

§1535. General Fund transfers to stabilization fund

Baseline General Fund revenue, as recommended by the Revenue Forecasting Commission Committee and authorized in accordance with chapter 151-B, and other available budgeted General Fund resources that exceed the General Fund appropriation limitation established by section 1534 plus the additional cost for essential programs and services for kindergarten to grade 12 education under Title 20-A, chapter 606-B over the fiscal year 2004-05 appropriation for general purpose aid for local schools until the state share of that cost reaches 55% of the total state and local cost must be transferred to the stabilization fund.'

Further amend the bill by striking out all of section 10.

Further amend the bill by striking out all of section 15 and inserting in its place the following:

COMMITTEE AMENDMENT

'Sec. 15. 30-A MRSA §5721-A, sub-§4, as amended by PL 2005, c. 515, §1, is further amended to read:

4. Adjustment for new state funding. If the State provides net new funding to a municipality for existing services funded in whole or in part by the property tax levy, other than required state mandate funds pursuant to section 5685 that do not displace current property tax expenditures, the municipality shall lower its property tax levy limit in that year in an amount equal to the net new funds. For purposes of this subsection, "net new funds" means the amount of funds received by the municipality from the State in that fiscal year, with respect to services funded in whole or in part by the property tax levy, less the product of the following: the amount of such funds received in the prior fiscal year multiplied by the growth limitation factor described in subsection 3. "Net new funds" does not include changes in state funding for general assistance under Title 22, section 4311 or in state funding under the Urban-Rural Initiative Program under Title 23, section 1803-B if those changes are the result of the operation of the formula for calculation of state funding under that section but does include changes in funding that are the result of a statutory change in the formula for calculation of state funding under that section. If a municipality receives net new funds in any fiscal year for which its property tax levy limit has not been adjusted as provided in this subsection, the municipality shall adjust its property tax levy limit in the following year in an amount equal to the net new funds.'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment amends section 4 of the bill to include changes made to the Maine Revised Statutes, Title 5, section 1535 by Public Law 2005, chapter 519.

This amendment also removes section 5 of the bill because that section was rendered unnecessary by Public Law 2005, chapter 519; removes section 10 of the bill, which amends the county spending limitations provisions; and replaces section 15 to provide that municipal spending limitations do not need to be adjusted for changes in state reimbursement for urban-rural road assistance expenses if those changes are the result of the operation of the statutory formula for that program.