

# MAINE STATE LEGISLATURE

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# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 133

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H.P. 115

House of Representatives, January 17, 2019

**An Act To Fully Restore State-Municipal Revenue Sharing for  
Fiscal Year 2018-19**

(EMERGENCY)

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative EVANGELOS of Friendship.  
Cosponsored by Representative PLUECKER of Warren, Senator MIRAMANT of Knox and  
Representatives: BRENNAN of Portland, DEVIN of Newcastle, DOORE of Augusta,  
MAXMIN of Nobleboro, RISEMAN of Harrison, STANLEY of Medway, ZEIGLER of  
Montville.

1           **Emergency preamble. Whereas,** acts and resolves of the Legislature do not  
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3           **Whereas,** state-municipal revenue sharing was decreased for fiscal years 2015-16,  
4 2016-17, 2017-18 and 2018-19 from 5% to 2%; and

5           **Whereas,** the decrease in funds shared with municipalities has had a drastic effect  
6 on municipalities and their ability to provide services to their residents; and

7           **Whereas,** although the percentage of revenue sharing is scheduled to return to 5%  
8 beginning July 1, 2019, it is necessary that these funds be restored as soon as possible to  
9 avoid further damage to municipalities; and

10           **Whereas,** in the judgment of the Legislature, these facts create an emergency within  
11 the meaning of the Constitution of Maine and require the following legislation as  
12 immediately necessary for the preservation of the public peace, health and safety; now,  
13 therefore,

14           **Be it enacted by the People of the State of Maine as follows:**

15           **Sec. 1. 30-A MRSA §5681, sub-§5,** as amended by PL 2015, c. 267, Pt. K, §1, is  
16 further amended to read:

17           **5. Transfers to funds.** No later than the 10th day of each month, the State  
18 Controller shall transfer to the Local Government Fund 5% of the receipts during the  
19 previous month from the taxes imposed under Title 36, Parts 3 and 8, and Title 36,  
20 section 2552, subsection 1, paragraphs A to F and L, and credited to the General Fund  
21 without any reduction, except that for fiscal years 2015-16, 2016-17, and 2017-18 ~~and~~  
22 ~~2018-19~~ the amount transferred is 2% of the receipts during the previous month from the  
23 taxes imposed under Title 36, Parts 3 and 8, and Title 36, section 2552, subsection 1,  
24 paragraphs A to F and L, and credited to the General Fund without any reduction, and  
25 except that the postage, state cost allocation program and programming costs of  
26 administering state-municipal revenue sharing may be paid by the Local Government  
27 Fund. A percentage share of the amounts transferred to the Local Government Fund each  
28 month must be transferred to the Disproportionate Tax Burden Fund and distributed  
29 pursuant to subsection 4-B as follows:

30           C. For months beginning on or after July 1, 2009 but before July 1, 2010, 15%;

31           D. For months beginning on or after July 1, 2010 but before July 1, 2011, 16%;

32           E. For months beginning on or after July 1, 2011 but before July 1, 2012, 17%;

33           F. For months beginning on or after July 1, 2012 but before July 1, 2013, 18%;

34           G. For months beginning on or after July 1, 2013 but before July 1, 2014, 19%; and

35           H. For months beginning on or after July 1, 2014, 20%.

36           **Sec. 2. Retroactivity.** This Act applies retroactively to July 1, 2018.

1           **Emergency clause.** In view of the emergency cited in the preamble, this  
2 legislation takes effect when approved.

3   **SUMMARY**

4           This bill restores state-municipal revenue sharing to 5% from 2% for the entire fiscal  
5 year 2018-19. The law currently requires revenue sharing to revert to 5% beginning July  
6 1, 2019.