

MAINE STATE LEGISLATURE

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STATE OF MAINE
118TH LEGISLATURE

SECOND REGULAR SESSION
AND
SECOND SPECIAL SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
TAXATION

MAY 1998

MEMBERS:

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Sen. Beverly C. Daggett

Sen. S. Peter Mills

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ONE HUNDRED EIGHTEENTH LEGISLATURE
SECOND REGULAR AND SECOND SPECIAL SESSIONS

Summary Of Legislation Before The Joint Standing Committees
May 1998

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. 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 handled by the joint standing 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:

- 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
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....Emergency bill failed to get 2/3 vote
- FAILED ENACTMENT/FINAL PASSAGE*.....Bill failed to get majority vote
- FAILED MANDATE ENACTMENT*.....Bill imposing local mandate failed to get 2/3 vote
- 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 Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9, 1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEAL	ONTP MAJ OTP-AM MIN	H-1043

LD 2074 proposed to provide reimbursement under the business equipment tax reimbursement program for cable television companies whose eligibility was repealed retroactively in 1997. This bill would not restore ongoing eligibility but would provide reimbursement for property acquired before the enactment of the exclusion.

Committee Amendment "A" (H-1043) restricted reimbursement for cable television companies to claims that were filed in a timely manner based on the 1996 property tax year. The amendment also added an appropriation section and a fiscal note to the resolve.

Enacted law summary

Resolve 1997, chapter 125 provides for reimbursement under the business equipment tax reimbursement program for certain cable television companies whose eligibility was retroactively repealed in 1997. Reimbursement is restricted to claims that were filed in a timely manner based on the 1996 property tax year.

LD 2077

Resolve, to Establish the Task Force to Increase Primary and Secondary Forest Product Manufacturing

RESOLVE 127

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BELANGER D KIEFFER	OTP-AM	H-917 S-763 MICHAUD

LD 2077 proposed to establish the Northern Aroostook Enterprise Zone to be administered by the Northern Aroostook Enterprise Zone Development Board to promote economic development in the zone. As incentives for development, the bill would create for eligible businesses a raw materials credit, a utility credit and a job creation credit and provide for partial state reimbursement for property tax abatements granted by municipalities to eligible new businesses.

Committee Amendment "A" (H-917) replaced the original bill. The amendment proposes to create the Task Force to Increase Primary and Secondary Forest Product Manufacturing for the purpose of exploring and recommending ways to improve the competitive position of the forest products industry in this State. The amendment also adds a fiscal note to the bill.

Senate Amendment "A" to Committee Amendment "A" (S-751) (not adopted) would have provided that the Task Force to Increase Primary and Secondary Forest Product Manufacturing would hold 4 public meetings and that the meetings would be held in certain specified counties. It also would have eliminated the General Fund appropriation for the costs of the task force, authorizes a transfer from the Bureau of Revenue Services to fund \$1,000 of the costs for legislative members and requires the Department of Economic and Community Development to absorb other task force expenses.

Senate Amendment "B" to Committee Amendment "A" (S-763) is the same as Senate Amendment "A" (S-751) except that it makes a technical correction.

Enacted law summary

Resolve 1977, chapter 127 creates a Task Force to Increase Primary and Secondary Forest Product Manufacturing for the purpose of exploring and recommending ways to improve the competitive position of the forest products industry.

LD 2087 **An Act to Clarify the Tax-exempt Status of the Maine School of Science and Mathematics** **PUBLIC 772**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEAL	OTP-AM	H-843 H-928 TRIPP

LD 2087 proposes to clarify the tax-exempt status of the Maine School of Science and Mathematics as a public entity by expressly satisfying certain Internal Revenue Service criteria for the interest on the school's borrowings to be exempt from federal taxation. The bill also proposes to give the school's board of trustees express authority to enter into leases and lease-purchase agreements with terms not to exceed 10 years.

Committee Amendment "A" (H-843) adds a fiscal note to the bill.

House Amendment "A" (H-928) removes the emergency preamble and emergency clause from the bill.

Senate Amendment "A" (S-777) (not adopted) is the same as House Amendment "A" (H-928).

Enacted law summary

Public Law 1997, chapter 772 clarifies the tax-exempt status of the Maine School of Science and Mathematics as a public entity by expressly satisfying certain Internal Revenue Service criteria for the interest on the school's borrowings to be exempt from federal taxation. The bill also gives the school's board of trustees express authority to enter into leases and lease-purchase agreements with terms not to exceed 10 years.

LD 2100 **An Act to Permit a Local Development Commission to Assess a User Fee** **ONTP**

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

LD 2100 was intended to provide that a local development commission formed pursuant to an interlocal agreement may assess a user fee against a property owner for the cost of municipal services provided to that owner's property by one of the municipalities participating in the agreement. This fee would have the same priority as, and could be enforced in the same manner as, a real estate tax lien.

LD 2120 **An Act Concerning Technical Changes to the Tax Laws** **PUBLIC 668
EMERGENCY**