

# MAINE STATE LEGISLATURE

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*State Of Maine  
121st Legislature*

*First Regular Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Taxation*

*July 2003*

**Members:**

*Sen. Stephen S. Stanley, Chair  
Sen. Ethan Strimling  
Sen. Richard A. Nass*

*Rep. David G. Lemoine, Chair  
Rep. Joseph C. Perry  
Rep. Bernard E. McGowan  
Rep. Deborah L. Simpson  
Rep. Arthur L. Lerman  
Rep. Edward J. Suslovic  
Rep. Harold A. Clough  
Rep. Jonathan T. E. Courtney  
Rep. Earle L. McCormick  
Rep. Joshua A. Tardy*

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# Maine State Legislature



## Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

### 121st Maine Legislature First Regular Session

#### Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint 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, 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](http://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:

<i>CARRIED OVER PURSUANT TO HP 1212</i> .....	<i>Bills carried over to the 2<sup>nd</sup> Regular Session</i>
<i>CON RES XXX</i> .....	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i> .....	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i> .....	<i>House &amp; Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i> .....	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i> .....	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i> .....	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i> .....	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i> .....	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i> .....	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i> .....	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i> .....	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i> .....	<i>Ought Not To Pass report accepted</i>
<i>OTP-ND</i> .....	<i>Committee report Ought To Pass In New Draft</i>
<i>P&amp;S XXX</i> .....	<i>Chapter # of enacted Private &amp; Special Law</i>
<i>PASSED</i> .....	<i>Joint Order passed in both bodies</i>
<i>PUBLIC XXX</i> .....	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i> .....	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i> .....	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i> .....	<i>Legislature failed to override Governor's Veto</i>

Please note that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

**David C. Elliott, Director**  
Offices located in Room 215 of the Cross Office Building

**LD 1071****An Act To Encourage the Use of Clean Fuel Vehicles****ONTP**

<u>Sponsor(s)</u> EDER	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1071 proposed to exempt from the sales tax 100% of the sale or lease price of a new hybrid gasoline-electric, fuel-cell or hydrogen-fueled vehicle and 100% of the cost allocated to the cost of conversion of a converted gasoline or diesel-fueled motor vehicle.

This bill also proposed to place a 5% surcharge on the purchase or lease for more than one year of a vehicle that did not attain at least 27.5 miles per gallon, as found in the so-called "CAFE standards." The surcharge would not apply to commercial motor vehicles.

**LD 1080****An Act To Impose a Municipal Services Fee on Tax-exempt Property****ONTP**

<u>Sponsor(s)</u> PELLON	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1080 proposed to allow a municipality to charge an entity that is exempt from property tax for "direct benefit services" provided in that municipality, such as: fire and police protection; water and sewer services; trash collection and disposal; and public works department services, including sidewalk and road construction and maintenance. Only a tax-exempt entity that derives at least 50% of its annual revenue from charges such as service fees, rents, rates or tuitions imposed on a client group served by that tax-exempt entity, regardless of the source of those charges, would be charged for direct benefit services.

A tax-exempt entity otherwise subject to charges would be exempt if that tax-exempt entity expends 50% or more of its annual revenues to provide temporary housing, food, clothing or other services to individuals and families at or below the federal poverty level.

**LD 1094****An Act To Replace the Sales Tax with a Gross Receipts Tax****ONTP**

<u>Sponsor(s)</u> GAGNON	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1094 was a concept draft that proposed to replace the State's sales tax with a gross receipts tax that had the following characteristics:

1. The tax would be modeled on the New Mexico gross receipts tax, but without the exemptions contained in that tax.