

# MAINE STATE LEGISLATURE

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DEPARTMENT OF THE ATTORNEY GENERAL  
AUGUSTA, MAINE 04333

September 30, 1977

To: Leighton Cooney, State Treasurer  
From: Kate Flora, Assistant Attorney General  
Re: Reimbursement of Municipalities for Inventory  
Tax Revenue Loss

You have asked whether the intent of the Legislature with regard to disbursement of Federal and State funds under P.L. 1977, c. 98, § 7 and 10 can be ascertained. It is my conclusion that while in the debates reference is made to quarterly periods for receipt of Federal funds, there is no clear indication of legislative intent available from the Legislative Record regarding disbursements, and that, therefore, subject to the December 15th deadline specified in Title 30 M.R.S.A. § 5056\*, the decision as to when the funds must be disbursed lies within your discretion.

In ascertaining legislative intent, it is necessary to look first to the language of the statute. In Re Spring Valley Development, 300 A.2d 736, (Me., 1973). In this case, of course, the statute is silent as to the time for disbursement. Looking beyond the statute itself to the 1977 Legislative Record, there are two relevant discussions of funding under the Public Works Act of 1976. On page 521, Senator Conley described his proposal for inventory tax reimbursement to the Senate and

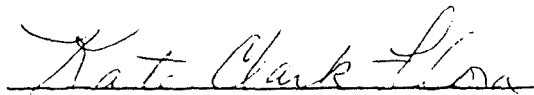
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\* "The Treasurer of state shall reimburse each municipality on or before December 15th, annually, for any revenue loss due to personal property exempted under Title 36, section 655, subsection 1, paragraphs A, B, C and D. . . . "

indicated that payments to the State of Title II funds, which could be utilized to reimburse municipalities, were made in July, October, January and April. A subsequent debate concerning the effective date of funding a reimbursement program again gave evidence of the Legislature's recognition of the quarterly nature of Title II payments (L.R. at 523). However, in neither instance was the timing of payments to municipalities discussed.

The notation on the bottom of the second Committee of Conference Report to the effect that the designated 50% of Title II funds dedicated for reimbursement are to be transferred for reimbursement "immediately" might be construed as some intention to distribute funds with dispatch. It cannot, however, without more be construed as an expression of legislative intent sufficiently clear to require disbursement of funds any particular schedule other than "on or before December 15th." Even coupled with the Legislature's recognition of the quarterly nature of receipts of Federal funds, the record is not sufficiently strong to infer from it a requirement of quarterly disbursements.

I therefore conclude that while you are free to consider the knowledge and desires of the Legislature insofar as they appear from the record and the Committee of Conference Report, there is no clearly indicated legislative intent on the record and the decision regarding disbursement therefore lies within your discretion.

  
KATE CLARK FLORA  
Assistant Attorney General

KCF:jg