

MAINE STATE LEGISLATURE

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ELECTIONS -2006
(NOV.)

**MAINE CITIZEN'S GUIDE TO THE
REFERENDUM ELECTION**

Tuesday, November 7, 2006



**In Accordance with
the September 1, 2006
Proclamation of the Secretary of State and with the
Resolution Passed by the 122nd Legislature
at the Second Regular Session**

**Matthew Dunlap
Secretary of State**

Appropriation 010-29A-4213-012

State of Maine
Office of the Secretary of State
Augusta, Maine 04333

Dear Fellow Citizen,

The information in this booklet is intended to help voters learn about the questions that will appear on the November 7, 2006 General Election ballot. Referendum elections are an important part of the heritage of public participation in Maine. I hope you will help keep our democracy strong by reviewing this information and then casting your ballot.

For information about how or where to vote, please contact your local municipal clerk or call Maine's Division of Elections at 624-7650. Information is also available online at www.maine.gov/sos.

Inside this booklet, you will find:

- ♦ each of the two referendum questions;
- ♦ the legislation each question represents;
- ♦ a summary of the intent and content of the legislation;
- ♦ an explanation of the significance of a "yes" or "no" vote;
- ♦ an estimate of the fiscal impact of each referendum question on state revenues, appropriations and allocations; and
- ♦ public comments filed in support or in opposition to each ballot measure.

The Department of the Secretary of State, the Attorney General and the Office of Fiscal and Program Review have worked together to prepare this booklet. We hope you find it helpful and we encourage you to vote.

Sincerely,



Matthew Dunlap
Secretary of State

New Features in this Guide

The Maine Citizen's Guide to the November 7, 2006 Referendum Election contains several new features to assist Maine voters in becoming knowledgeable about the questions that will appear on November's ballot.

Chapter 316 of the Public Laws of 2005, passed by the First Special Session of the 122nd Legislature, added several new features to the Guide.

In addition to the Intent and Content summaries prepared by the Office of the Attorney General, this Guide also includes an estimate of the fiscal impact of each constitutional resolution or statewide referendum on state revenues, appropriations and allocations. The fiscal impact estimate must summarize the aggregate impact that the ballot measure will have on the General Fund, the Highway Fund, Other Special Revenue Funds and the amounts distributed by the state to local units of government.

In addition, beginning with this election and every election thereafter, the Guide will also include public comments in support for or in opposition to each ballot measure. As required by this new law, a person filing a public comment for publication must pay a fee of \$500 to the Secretary of State. Fees filed with public comments will be deposited in the Public Comment Publication Fund. The money in this fund must be used for the purpose of publishing the Secretary of State's Guide to the Referendum Election.

Pursuant to Chapter 316 of the Public Laws of 2005, the Secretary of State adopted rules regarding the publication of public comment by proponents and opponents of ballot measures. Chapter 520, Rules Regarding Publication of Public Comments on Statewide Referenda, are available on the Secretary of State's web site at:
<http://www.maine.gov/sos/cec/elec/2006elec.html>.

These rules provide, in part, that:

- Any individual, corporation, political action committee or other organization may file only one public comment per ballot measure.
- Public comments for publication will be limited in number to three public comments in support and three public comments in opposition to each ballot measure.
- Public comments are limited to 300 words or less.
- Public comments will be published in the Citizen's Guide verbatim; no grammatical, spelling or textual changes will be made to the public comments.
- The Secretary of State shall reject any public comments which contain any obscene, profane or defamatory language; incite or advocate hatred, abuse or violence toward any person or group; or contain any language which may not be legally circulated through the mail.
- A disclaimer in substantially the following form:
 - “The printing of this public comment does not constitute an endorsement by the State of Maine, nor does the State warrant the accuracy or truth of any statements made in the public comment.”

STATE OF MAINE
Referendum Election, November 7, 2006
LISTING OF REFERENDUM QUESTIONS

Question 1: Citizen Initiative

Do you want to limit increases in state and local government spending to the rate of inflation plus population growth and to require voter approval for all tax and fee increases?

Question 2: Constitutional Amendment

Do you favor amending the Constitution of Maine to state that a citizens' initiative or people's veto petition must be submitted to local or state officials by the constitutional deadline in order to be certified and, in the case of a citizens' initiative, must be filed with the Secretary of State within 18 months?

Question 1: Citizen Initiative

Do you want to limit increases in state and local government spending to the rate of inflation plus population growth and to require voter approval for all tax and fee increases?

STATE OF MAINE

“An Act to Create the Taxpayer Bill of Rights”

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

Sec. 1. 5 MRSA §1507, last ¶, as enacted by PL 1997, c. 24, Pt. C, §2, is repealed.

Sec. 2. 5 MRSA §1511, as amended by PL 2003, c. 451, Pt. X, §1, is repealed.

Sec. 3. 5 MRSA §1513, as amended by PL 2003, c. 451, Pt. X, §§2 to 4, is repealed.

Sec. 4. 5 MRSA §1517, as amended by PL 2003, c. 451, Pt. X, §6, is repealed.

Sec. 5. 5 MRSA §§1521 and 1522 are enacted to read:

§1521. Maine Budget Stabilization Fund

1. Establishment. The Maine Budget Stabilization Fund, referred to in this section as "the fund," is established and must be administered for the purposes identified in this section.

2. Transfers to fund; limits. The fund may receive transfers by the State Controller of unappropriated surplus at the close of a fiscal year as provided in section 1995 and any other funds identified by law. The fund may not exceed 10% of the total General Fund revenues received in the immediately preceding fiscal year and may not lapse, but remains in a continuing carrying account to carry out the purposes of this section. The limit at the close of a fiscal year is based on the total General Fund revenues received in the fiscal year being closed.

3. Use of fund. The Legislature may authorize transfers, appropriations and allocations from the fund only to fund the costs of State Government up to the expenditure limit calculated under section 1994 in years when state revenues are less than the amount necessary to finance the level of expenditure permitted under section 1994.

4. Investment of funds; proceeds. The money in the fund may be invested as provided by law, with the earnings credited to the fund. At the close of every month during which the fund is at the 10% limitation described in subsection 2, the State Controller shall transfer the excess to the Tax Relief Reserve Fund established under section 1995.

§1522. Maine Highway Budget Stabilization Fund

1. Establishment. The Maine Highway Budget Stabilization Fund, referred to in this section as "the fund," is established and must be administered for the purposes identified in this section.

2. Transfers to fund; limits. The fund may receive transfers by the State Controller of unallocated Highway Fund surplus at the close of a fiscal year as provided in section 1996 and any other funds identified by law. The fund may not exceed 10% of the total Highway Fund revenues received in the immediately preceding fiscal year and may not lapse, but remains in a continuing carrying account to carry out the purposes of this section. The limit at the close of a fiscal year is based on the total Highway Fund revenues received in the fiscal year being closed.

3. Use of fund. The Legislature may authorize transfers, appropriations and allocations from the fund only to fund the costs of the Highway Fund budget up to the expenditure limit calculated under section 1994 in years when Highway Fund revenues are less than the amount necessary to finance the level of expenditures permitted under section 1994.

4. Investment of funds; proceeds. The money in the fund may be invested as provided by law with the earnings credited to the fund. At the close of every month during which the fund is at the 10% limitation described in subsection 2, the State Controller shall transfer the excess to the Highway Fund Reserve Fund established under section 1996.

Sec. 6. 5 MRSA §1664, last ¶, as enacted by PL 2003, c. 451, Pt. X, §8, is amended to read:

~~The total General Fund appropriation for each fiscal year of the biennium in the Governor's budget submission to the Legislature may not exceed the General Fund appropriation of the previous fiscal year multiplied by one plus the average real personal income growth rate, as defined in section 1665, subsection 1, plus the average forecasted inflation rate. For purposes of this paragraph, "average forecasted inflation rate" means the average forecasted change in the Consumer Price Index underlying the revenue projections developed by the Revenue Forecasting Committee pursuant to chapter 151-B. This appropriation limitation may be exceeded only by the amount of the additional costs or the lost federal revenue from the following exceptional circumstances: unfunded or under-funded new federal mandates; losses in federal revenues or other revenue sources; citizens' initiatives or referenda that require increased state spending; court orders or decrees that require additional state resources to comply with the orders or decrees; and sudden or significant increases in demand for existing state services that are not the result of legislative changes that increased eligibility or increased benefits. The Governor may designate exceptional circumstances that are not explicitly defined in this paragraph but meet the intent of this paragraph. For purposes of this paragraph, "exceptional circumstances" means an unforeseen condition or conditions over which the Governor and the Legislature have little or no control. Exceptional circumstances do not apply to new programs or program expansions that go beyond existing program criteria and operation population adjustment factor plus the inflation adjustment factor as those terms are defined in section 1992, subsections 5 and 3, respectively.~~

Sec. 7. 5 MRSA §1665, sub-§1, as amended by PL 2003, c. 451, Pt. X, §9, is further amended to read:

1. Expenditure and appropriation requirements. On or before September 1st of the even-numbered years, all departments and other agencies of the State Government and corporations and associations receiving or desiring to receive state funds under the provisions of law shall prepare, in the manner prescribed by and on blanks furnished them by the State Budget

Officer, and submit to the officer estimates of their expenditure and appropriation requirements for each fiscal year of the ensuing biennium contrasted with the corresponding figures of the last completed fiscal year and the estimated figures for the current fiscal year. The total General Fund appropriation requests submitted by each department and agency for each fiscal year may not exceed the General Fund appropriation of the previous fiscal year multiplied by one plus the average real personal income growth rate. For purposes of this subsection, "average real personal income growth rate" means the average for the prior 10 calendar years, ending with the most recent calendar year for which data is available, of the percent change in personal income in this State for a calendar year, as estimated by the United States Department of Commerce, Bureau of Economic Analysis, less the percent change in the Consumer Price Index for that calendar year. For purposes of this subsection, "Consumer Price Index" has the same meaning as in Title 36, section 5402, subsection 1 inflation adjustment factor as defined in section 1992. The expenditure estimates shall must be classified to set forth the data by funds, organization units, character and objects of expenditure. The organization units may be subclassified by functions and activities, or in any other manner, at the discretion of the State Budget Officer.

Sec. 8. 5 MRSA c. 165 is enacted to read:

CHAPTER 165

THE TAXPAYERS' BILL OF RIGHTS

§1991. Expenditure and revenue requirements; construction of chapter

The following provisions of this section apply, notwithstanding any other provision of law.

1. Expenditure limitations. Annual state and local expenditures may not exceed the limits provided in this chapter.

2. Revenue increases. An increase in revenue may only be adopted as provided in section 1993.

3. Construction. It is the intent of the Legislature that this chapter be interpreted liberally to restrain excess growth of state and local government.

§1992. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Election officer. "Election officer" means:

A. In a statewide, county or municipal election, the municipal registrar of voters; or

B. In an election by the voters of a local district that is not a municipality, the official with responsibility for managing the list of voters of the local district.

2. Increase in revenue. "Increase in revenue" means any legislation, local ordinance or tax levy that causes a net gain in revenue and:

A. Enacts a new tax or fee;

B. Increases the rate or expands the base of an existing tax or fee;

C. Reduces benefits or eligibility under the Business Equipment Tax Refund program established in Title 36, chapter 915 without providing the same level of benefits and eligibility under a comparable program or without providing a 100% property tax exemption for property eligible for reimbursement under Title 36, chapter 915;

D. Repeals or reduces any tax exemption, credit or refund; or

E. Extends an expiring tax or fee increase.

3. Inflation adjustment factor. "Inflation adjustment factor" means the increase in the Consumer Price Index for the most recently available calendar year as calculated by the United States Department of Labor, Bureau of Labor Statistics.

4. Local district. "Local district" means any county, municipality or other substate governmental entity with the authority to collect revenue.

5. Population adjustment factor. "Population adjustment factor" means the increase or decrease in population for the preceding calendar year over the prior calendar year as determined annually by the Executive Department, State Planning Office statewide and for each municipality based on federal census estimates.

6. Quasi-governmental agency. "Quasi-governmental agency" means any separate legal entity for which the State is financially accountable and that is included in the financial statements of the State for financial reporting purposes under guidelines established by generally accepted accounting principles mandated by a governmental accounting standards board.

7. Revenue. "Revenue" means taxes and fees collected by the State, a quasi-governmental agency or a local district pursuant to the statutes of the State, including those collected under Title 36, Part 2. It includes money received from the sale of goods and services only to the extent that the receipts exceed the cost of providing the goods or services.

§1993. Approval of revenue increases

1. Approval of increases. The following forms of approval are required to adopt an increase in revenue:

A. The measure must be approved by a vote of 2/3 of all the members of each House of the Legislature or 2/3 of the members of the legislative body of a quasi-municipal agency or a local district; and

B. Except as provided in subsection 2, the measure must be approved by a majority of the voters in the jurisdiction as described in subsection 3.

2. Exceptions. Voter approval under subsection 1, paragraph B is not required if:

A. Annual state or local revenue is less than annual payments on general obligation bonds, required payments related to pensions and final court judgments;

B. The measure is an emergency tax and the provisions of section 1999 are followed; or

C. The increase in revenue applies to a quasi-governmental agency that does not have a body of voters.

For the purposes of this subsection, "emergency" does not include economic conditions, revenue shortfalls or district salary or fringe benefits increases.

3. Approval by voters; emergency approval. The question of whether to adopt legislation to impose an increase in revenue of the State must be submitted to the voters for approval at the next general election as defined in Title 21-A, section 1. If the Legislature determines by a 2/3 vote that legislation to increase taxes or fees should take effect sooner than the next general election, the Legislature may provide for submission of the question to the voters at any regular or special election as defined in Title 21-A, section 1. The question of whether to adopt an increase in revenue of a local district must be submitted to the voters of the district at the next general or special districtwide election.

4. Revenue estimates. A measure submitted to the voters under this section must include an estimate of the amount to be raised by the measure for the first 4 fiscal years of its implementation.

5. Notice. At least 30 days before an election required under this chapter, the election officer shall mail at the least cost a titled notice or set of notices addressed to "All Registered Voters" at each address of every active registered voter. Notices must include the following information and may not include any additional information:

A. The election date, hours, ballot title and text and local election office address and telephone number;

B. For each proposed revenue increase, the estimated or actual total of fiscal year spending for the current year and each of the past 4 years and the overall percentage and dollar change;

C. For the first full fiscal year of each proposed revenue increase, estimates of the maximum dollar amount of each increase and of fiscal year spending without the increase; and

D. Two summaries, up to 500 words each, one in support of and one in opposition to each proposal, of written comments filed with the election officer by 45 days before the election. A summary may not mention names of persons or private groups, nor any endorsements of or resolutions against the proposal. Measure representatives following these rules shall write this summary for their proposal. The election officer shall maintain and accurately summarize all other relevant written comments.

Except by later voter approval, if an increase in revenue exceeds any estimate prepared under paragraph C for the same fiscal year, the tax increase is thereafter reduced in proportion to the amount of the excess, and the excess revenue that was collected must be refunded in the next fiscal year. Ballot questions for revenue increases must begin: "Shall (specify district) revenues be increased (amount of first or, if phased in, full fiscal year dollar increase) annually...?"

6. Costs. The State shall reimburse municipalities for the following costs:

A. The costs of any election under this section and providing the notice required under subsection 5 if the election provides for a state tax increase; and

B. The cost of one local district election per year under this section if that election occurs during a regular election.

§1994. Expenditure limitations

1. State expenditure limitation. Beginning with the first fiscal year that begins after this section takes effect, the maximum annual percentage change in state fiscal year spending in the categories specified in this subsection equals the inflation adjustment factor plus the population adjustment factor and any increases attributable to measures approved under section 1993. This limitation must be calculated separately for the following categories:

A. General Fund;

B. Highway Fund;

C. Quasi-governmental agencies and Other Special Revenue funds, for which separate individual limitations must be applied. For quasi-governmental agencies whose primary purpose is providing educational programs, the limitation must be calculated by substituting for the population adjustment factor a factor based on changes in student enrollment.

2. Local expenditure limitation. Beginning with the first fiscal year that begins after the effective date of this section, the maximum annual percentage change in fiscal year spending for a local district that is a school administrative unit equals the inflation adjustment factor plus the change in its student enrollment and any increases attributable to measures approved under section 1993. The maximum annual percentage change in fiscal year spending for a local district that is not a school administrative unit for a fiscal year may not exceed:

A. The amount of revenue for the local district for the previous fiscal year adjusted by the change in the assessed value of taxable real and personal property in the local district, or the amount of revenue for the local district for the previous fiscal year adjusted by the inflation adjustment factor plus the population adjustment factor, whichever is lower; plus

B. Any increases attributable to measures approved under section 1993.

3. Exceptions. The following may not be counted in calculating expenditure limitations under this section:

A. Amounts returned to taxpayers as refunds of amounts exceeding the expenditure limitation in a prior year;

B. Amounts received from the Federal Government;

C. Amounts collected on behalf of another level of government;

D. Pension contributions by employees and pension fund earnings;

E. Pension and disability payments made to former government employees;

F. Amounts received as grants, gifts or donations that must be spent for purposes specified by the donor;

G. Amounts paid pursuant to a court award; or

H. Reserve transfers or expenditures.

4. Exceeding expenditure limitation. If revenues are projected to exceed the expenditure limitations in this section, the amount of revenues exceeding the expenditure limitations may be spent if approved in the same manner as required for a revenue increase under section 1993.

§1995. Transfers and refund of unappropriated General Fund surplus

1. Fund created. The Tax Relief Reserve Fund, referred to in this section as "the fund," is created for the purposes set forth in this chapter. The fund may not lapse, but remains in a continuing carrying account to carry out the purposes of this section.

2. Transfer. At the close of each fiscal year, the State Controller shall identify the amount of General Fund unappropriated surplus and make the following transfers:

A. Eighty percent of the unappropriated surplus must be transferred to the fund; and

B. Twenty percent of the unappropriated surplus must be transferred to the Maine Budget Stabilization Fund established in section 1521.

3. Notification. By September 15th annually, the State Controller shall notify the Legislature and the State Tax Assessor of the amount in the fund as a result of the transfers required by subsection 2.

4. Refund through legislative action. If the amount in the fund exceeds \$25,000,000, the Legislature shall, by October 15th, enact legislation to provide for the refund to taxpayers of amounts in the fund. Refunds may take the form only of temporary or permanent broad-based tax credits, rebates or rate reductions.

5. Refund in case of legislative inaction. If the Legislature does not enact legislation by October 15th to provide refunds pursuant to subsection 4, then the State Controller shall, by October 30th, notify the State Tax Assessor of the amount in the fund. The State Tax Assessor shall calculate a one-time bonus personal exemption refund. The amount of the personal exemption refund must be calculated by dividing the amount in the fund identified by the State Controller under subsection 3 by the number of personal exemptions claimed on income tax returns filed for tax years beginning in the previous calendar year and rounded down to the nearest \$5 increment. The State Tax Assessor shall issue a refund by November 30th to a taxpayer who filed an income tax return by April 15th of the same calendar year based on the number of personal exemptions claimed on the taxpayer's return without regard to the taxpayer's tax liability for the year.

§1996. Transfers and refund of unallocated Highway Fund surplus

1. Fund created. The Highway Fund Reserve Fund, referred to in this section as "the fund," is created for the purposes set forth in this chapter.

2. Transfer. At the close of each fiscal year, the State Controller shall identify the amount of Highway Fund unallocated surplus and make the following transfers:

A. Eighty percent of the unallocated surplus must be transferred to the fund; and

B. Twenty percent of the unallocated surplus must be transferred to the Maine Highway Budget Stabilization Fund established in section 1522.

3. Notification. By September 15th annually, the State Controller shall notify the Legislature of the amount in the fund as a result of the transfers required by subsection 2.

4. Refund through legislative action. If the amount in the fund exceeds 10% of Highway Fund expenditures for the previous fiscal year, the State Tax Assessor shall calculate, based on the amount in the fund, a proportional reduction in the taxes on motor fuels under Part 5 to become effective the following January 1st and remain in effect for one calendar year.

§1997. Revenues of quasi-governmental agencies and Other Special Revenue funds accounts

By September 15th annually, each quasi-governmental agency or state agency that manages an Other Special Revenue funds account shall submit an annual report to the Legislature identifying revenues received in the preceding fiscal year that exceed the expenditure limitation established in section 1994 and any other uncommitted revenues received during the previous fiscal year and proposing a plan for refunding the amount identified that exceeds 10% of the previous fiscal year's expenditure.

§1998. Refund of excess local revenues

If a local district receives revenues in a fiscal year in excess of the expenditure limitation under section 1994, the local district must use the amount of the unprotected excess to reduce the amount of property tax assessed in the succeeding year. For purposes of this section, "unprotected excess" means the amount in excess of an amount set aside in a reserve account for unanticipated contingencies, which may not exceed 10% of the previous fiscal year's expenditure.

§1999. Emergency taxes

1. Emergency taxes permitted; conditions. The State or a local district may impose emergency taxes only in accordance with this section:

A. The tax must be approved for a specified time period by a 2/3 majority of the members of each House of the Legislature or by a 2/3 majority of the legislative body of a local district;

B. Emergency tax revenue may be spent only after other available reserves are depleted and must be refunded 180 days after the emergency ends if not spent on the emergency; and

C. The tax must be submitted for approval by the voters at the next statewide or districtwide election.

2. Absence of approval. If not approved by the voters as provided in this section, an emergency tax expires 30 days following the election.

Individual or class action lawsuits may be filed to enforce this chapter and must be given the highest civil priority for resolution. Successful plaintiffs are allowed costs and reasonable attorney's fees, but a district is not unless a suit against it is ruled frivolous. Revenue collected, kept or spent in conflict with this chapter for 4 full fiscal years before a suit is filed must be refunded with 10% annual simple interest from the initial conduct.

Sec. 9. 36 MRSA §3321, sub-§5 is enacted to read:

5. Voter approval. Beginning on the July 1st following the effective date of this subsection, a change in the rate of excise tax resulting from the adjustment required in subsection 1 may only take effect if approved by a majority of the voters at a regular or special election.

Sec. 10. Maine Budget Stabilization Fund. The Maine Budget Stabilization Fund established in the Maine Revised Statutes, Title 5, section 1521 is the successor in every way to the Maine Budget Stabilization Fund established under Title 5, section 1513 that is repealed in this Act. All funds in the Maine Budget Stabilization Fund established under Title 5, section 1513 are transferred to the Maine Budget Stabilization Fund established in Title 5, section 1521 on the effective date of this Act.

Sec. 11. Legislative intent; relationship to private and special laws. It is the intent of the Legislature that the provisions of this Act supersede any conflicting provisions of private and special law relating to the determination of revenue, fees and expenditures.

Sec. 12. Legislative intent; relationship to county tax and budget laws. It is the intent of the Legislature that the provisions of this Act supersede any conflicting provisions of the Maine Revised Statutes, Title 30-A, chapter 3 relating to the assessment of county taxes and county expenditures.

SUMMARY

The bill proposes to restrain the growth in state and local government by imposing expenditure limitations on state and local government and by requiring a procedure of voter approval of tax and fee increases.

Under this bill, growth in annual expenditures of the General Fund, the Highway Fund, quasi-governmental organizations, Other Special Revenue funds and local district governments are limited according to increases in population and inflation. Growth in budgets of school administrative units and state-level educational institutions is limited according to increases in inflation and student enrollment. For the General Fund and Highway Fund budgets, revenues exceeding the expenditure limitation must be distributed by directing 20% of that excess to a budget stabilization fund and 80% of that excess to a tax relief fund. The budget stabilization funds may be used only in years when revenues are not sufficient to fund the level of expenditure permitted by the growth limits. The tax relief funds must be used to provide tax relief through refunds proportional to individual income tax personal exemptions claimed in the previous tax year or a decrease in motor fuels taxes. For quasi-governmental agencies and state agencies that manage Other Special Revenue funds, the managers of those funds must report excess surpluses to the Legislature with a plan for refund of those revenues.

Under this bill, an increase in revenue would be possible only by a 2/3 vote of each House of the Legislature or the legislative body of a local district or the governing body of a quasi-governmental agency and the approval of the voters of the jurisdiction, if applicable.

Intent and Content
Prepared by the Office of the Attorney General

This citizen-initiated legislation would establish revenue and expenditure limits for state and local government. It also specifies conditions under which those limits could be exceeded.

State government: At the state level, any increase in revenue would require the approval of 2/3 of the members of each body of the Legislature, as well as the approval of a majority of the voters at a statewide election. Voter approval would not be required, however, if annual state revenue were less than the sum of payments on general obligation bonds, required payments related to pensions and final court judgments. An increase in revenue is defined to include legislation that causes a net gain in revenue and enacts any new tax or new fee, increases or expands the base of an existing tax or fee, extends an expiring tax or fee increase, repeals any tax exemption, credit or refund, or reduces benefits or eligibility under the Business Equipment Tax Refund program. An emergency tax could take effect after enactment by a 2/3 vote of each body of the Legislature, but it would remain in effect only if approved by a majority of the voters at the next statewide election. If disapproved by the voters, the tax would expire 30 days after the election. Revenues from an emergency tax could be spent only after available reserves were depleted, and would have to be refunded 180 days after the emergency ended if not spent on the emergency. Emergency, for these purposes, does not include economic conditions or revenue shortfalls.

Expenditures from the General Fund, the Highway Fund, and Other Special Revenue funds would be limited to the “maximum annual percentage change in state fiscal year spending” in each of these fund categories, plus any revenue increases that were approved by 2/3 of each body of the Legislature and by a majority of the voters in the manner described above. The “maximum annual percentage change in state fiscal year spending” equals the increase in the Consumer Price Index for the most recently available calendar year plus the increase or decrease in the population of the state for the preceding calendar year over the prior calendar year. These spending limits may be exceeded only if approved by the Legislature and the voters in the same manner as for an increase in revenue.

If there is an unappropriated surplus in the state General Fund at the close of the fiscal year, 80% of it would be transferred to a newly created Tax Relief Reserve Fund. In the event the amount in the Tax Relief Reserve Fund reached a level exceeding \$25,000,000, the Legislature would be directed to enact legislation to provide for a refund to taxpayers of amounts in the Fund. If the Legislature failed to do so, the State Tax Assessor would be required to calculate a one-time personal exemption refund to distribute the funds.

Similarly, 80% of any unallocated surplus in the Highway Fund would be transferred to a new Highway Fund Reserve Fund. If the amount in that reserve fund exceeded 10% of Highway Fund expenditures in the previous fiscal year, the State Tax Assessor would be directed to calculate a proportional reduction in motor fuel taxes for the following calendar year.

The remaining 20% of any unappropriated General Fund surplus would be transferred to the Maine Budget Stabilization Fund, while the remaining 20% of the unallocated surplus in the Highway Fund would go into a Maine Highway Budget Stabilization Fund. Monies held in these two stabilization funds could be used to finance expenditures up to the spending limits applicable to the General Fund and Highway Fund, respectively, when revenues in those funds are insufficient.

Each quasi-governmental agency or state agency that manages an Other Special Revenue funds account would be required to submit an annual report to the Legislature identifying revenues that exceeded the spending limit, together with any uncommitted revenues received during the previous fiscal year, and to propose a plan for refunding the amount that exceeded 10% of the previous fiscal year's expenditure. Quasi-governmental agencies affected by this legislation include: the Child Development Services System, the Finance Authority of Maine, the Governor Baxter School for the Deaf, the Loring Development Authority, the Maine Community College System, the Maine Educational Loan Authority, Maine Maritime Academy, the Maine Port Authority, the Maine Municipal Bond Bank, the Maine State Housing Authority, the Northern New England Passenger Rail Authority, the University of Maine System, the Maine State Retirement System, the Maine Health and Higher Educational Facilities Authority and the Maine Governmental Facilities Authority.

Local government: A local ordinance or tax levy that increases revenue (using the same definition of increase in revenue as described above for state government) may not be enacted by a county, municipality, school administrative unit, or other governmental unit with authority to collect revenues unless it is approved by 2/3 of the members of the legislative body of that local governmental entity as well as by a majority of the voters at a local election in that jurisdiction. Voter approval is not required if annual revenue is less than the sum of payments on general obligation bonds, required payments related to pensions, and final court judgments, or if the local governmental unit does not have a body of voters. The provisions for enacting emergency taxes are the same as at the state level, except that approval by a majority of the voters refers to voters within the relevant local district. Emergency is defined to exclude economic conditions, revenue shortfalls and increases in district salary or fringe benefits.

This initiative would limit local government spending to the “maximum annual percentage change in fiscal year spending.” For *local school districts*, that is calculated to be the Consumer Price Index for the most recently available year, plus any increase or decrease in student enrollment, plus any increases in revenue approved by 2/3 of the district's legislative body and by a majority of the voters in the manner described above.

For *local governmental units other than school districts*, the “maximum annual percentage increase in fiscal year spending” is defined as the amount of revenue for the local district for the previous fiscal year, adjusted by *either* the change in assessed value of taxable real and personal property in the local district *or* by the Consumer Price Index for the most recently available year plus any increase or decrease in population for the preceding calendar year over the prior calendar year, whichever produces the lower number, plus any increases in revenue approved by 2/3 of the local unit's legislative body and by a majority of the voters in the manner described above.

Exceeding these spending limits would require approval by the local legislative body and the voters in the same manner as for an increase in revenue.

If a local district received revenues in a fiscal year in excess of this spending limit, the local district would be allowed to set aside in a reserve account for unanticipated contingencies an amount up to 10% of the previous fiscal year's expenditures and would be required to use the remainder of that excess to reduce the amount of property tax assessed in the succeeding year.

The initiative requires election officials to mail notices containing certain specified information to all active registered voters in advance of any statewide or local election to consider exceeding applicable spending limits or approving an increase in revenue. It also requires the state to reimburse municipalities for certain costs associated with those elections.

A “YES” vote approves the initiated legislation.

A “NO” vote disapproves the initiated legislation.

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

If approved by the voters in November of 2006, it is assumed that this measure would take effect and apply to State fiscal year 2007-08.

Using current estimates of inflation and population change, the State spending limit is estimated to allow growth of approximately 3.4% from the prior fiscal year's expenditures in both fiscal year 2007-08 and fiscal year 2008-09. Based on the assumption that the spending limit will use fiscal year 2006-07 spending, which is assumed to equal appropriations and allocations, the General Fund spending limit is projected to be below projections of General Fund revenue. For the Highway Fund, the spending limit based on current projections and fiscal year 2006-07 allocations would be above projections of Highway Fund revenue in each year of the 2008-09 biennium. The actual spending limitations for fiscal year 2007-08 will not be established until final expenditures for each of the funds are determined after the close of fiscal year 2006-07.

Based on the projected growth under current law of some of the General Fund major programs including General Purpose Aid for Local Schools, Teacher's Retirement and Medicaid/Maine Care, the 123rd Legislature will need to reduce funding from current projections and implement the statutory program changes necessary to adjust funding needs to stay within the spending limits.

This initiative has the effect of suspending the annual indexing of certain fuel taxes. The total revenue loss is estimated to be \$7,130,000 in fiscal year 2007-08 and \$14,260,000 in fiscal year 2008-09. The impact by fund is expressed in the table below.

	Projections 2007-08	Projections 2008-09
General Fund	(\$7,778)	(\$15,570)
Highway Fund	(\$6,985,960)	(\$13,971,670)
Other Special Revenue Funds	(\$136,262)	(\$272,760)

This initiative amends the year-end transfers from the unappropriated surplus of the General Fund. It repeals the transfers to the State Contingent Account of up to \$350,000 and the Loan Insurance Reserve within the Finance Authority of Maine of up to \$1,000,000. It also repeals transfers to the Retirement Allowance Fund within the Maine State Retirement System and the Reserve for General Fund Operating Capital. For the General Fund and the Highway Fund, it requires at the close of each fiscal year that 80% of any state surplus must be transferred to a fund for the exclusive purpose of tax relief, and the remaining 20% must go to General Fund and Highway Fund Budget Stabilization Funds and only be used if revenues are not sufficient to fund the level of expenditure permitted by the spending limits.

This initiative requires a 2/3 vote of legislative bodies for all tax and fee increases followed by a majority approval by voters in a referendum election. The cost of preparing ballots and conducting a statewide referendum election on any tax or fee increase is estimated to be \$139,560 per election. Each such election would also require the expenditure of approximately \$824,547 to mail out required notices to each active registered voter in the state. The State would also be required to reimburse municipalities for the cost of administering any

statewide referendum election on a state tax increase, as well as for the cost of one local election per district that occurs during a regular election. Local election costs will depend on the size of the district involved and could range from \$150 to \$41,000. There would be additional costs ranging from \$19 to \$48,562 associated with mailing notices to active registered voters for each local election as well.

The impact of this measure on the amount of funding available to individual school administrative units to support the cost of providing education cannot be determined at this time. It is also not clear how the required approval of the legislative body and the voters in a jurisdiction, in order to raise additional revenue or exceed the expenditure limitation, will affect a local unit's ability to meet its required local share of funding K-12 education. Current law requires that, if a local school administrative unit does not raise its required local share, its State subsidy will be proportionately reduced.

PUBLIC COMMENT IN SUPPORT

Comment submitted by:
Tom Zimmerman
141 William Street
Portland, ME 04103-4840

FIVE REASONS TO VOTE YES ON QUESTION 1

1. High taxes – Maine has ranked #1 in the nation every year since 1997.

2005: Mainers paid \$130 of every \$1000 in earnings for state and local govt.
The US average was \$101.

2. Young people are leaving Maine.

Maine's median age of 40.7 is the oldest in the US.
18-20 year-olds declined by 13% in the '90s... 21-34 year-olds by 23%.
Maine's 2005 birth rate ranked 50th in the US.
Maine schools had over 225,000 K-12 students in 1996; now less than 200,000.

3. High taxes have created a poor job climate - Parent-age adults can't get decent jobs, so they leave – The remaining population is comprised more and more of grandparents.

Forbes Report of Best States For Business ranks Maine 46th.
Federal Reserve Bank of Boston: Maine and Louisiana only states to lose jobs 2005.

4. The Taxpayer Bill of Rights breaks the stranglehold that high taxes have on Maine by limiting the growth of spending at each level of government.

Spending can increase by population and inflation, about 3 to 3.5% each year. **CUTS NEVER REQUIRED!** Increases beyond this annual limit require a 2/3 approval by the legislative body and simple majority voter approval at the next election.

5. This Bill of Rights does not “devastate” any services.

CUTS ARE NEVER REQUIRED. It's a “velvet glove” that simply nudges the growth of government toward the mainstream of spending levels that the rest of the US enjoys.

The rest of the states have fire, police, schools, and aid for the needy and elderly. It's not reasonable that we spend almost 30% more to do these things, all the while strangling our ability to have a decent tomorrow in this beautiful state.

Vote “YES” on Question 1.

The printing of this public comment does not constitute an endorsement by the State of Maine, nor does the State warrant the accuracy or truth of any statements made in the public comment.
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PUBLIC COMMENT IN SUPPORT

Comment submitted by:
Bill Becker, President and CEO
The Maine Heritage Policy Center
P.O. Box 7829
Portland, ME 04103

The Taxpayer Bill of Rights: A Reasonable and Effective policy solution.

With the Taxpayer Bill of Rights Maine voters have the opportunity to lower their tax burden, have a greater say over how much money politicians spend, and have the final approval of new, or increased, taxes and fees.

Currently, Mainers pay some of the highest—the highest by some measures—taxes in the entire United States. This level of taxation not only affects people's ability to provide for their families, but limits the level of economic and job creation activity in Maine.

The first step in addressing the high level of taxation is to control the growth in government spending because the level government of spending determines the level of taxation. The Taxpayer Bill of Rights provides the spending restraint necessary to lower taxes while allowing for a reasonable growth allowance for state and local governmental spending based on inflation plus population growth. However, it is important to note that the growth allowance is simply a target and if they choose, the voters of a town, or the state, can exceed that growth allowance by simply approving any increase above the growth allowance.

In addition to providing for annual growth allowances, the Taxpayer Bill of Rights gives voters the final say over what new, or increased, taxes and fees are imposed by politicians. This provision provides taxpayers with the added security of knowing what tax is being raised or created. It is a reasonable for voters, not politicians, have the final say over what new taxes or fees are imposed on them.

The Taxpayer Bill of Rights is a reasonable and effective tool to begin lowering Maine's tax burden, which will allow for the emergence of strong and vibrant local economies that provide good paying jobs for Mainers.

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PUBLIC COMMENT IN SUPPORT

Comment submitted by:
Brian Parke, Treasurer
TaxpayerBillofRights.com PAC
P.O. Box 5271
Augusta, ME 04332

Why do we need THE TAXPAYER BILL OF RIGHTS now?

We need THE TAXPAYER BILL OF RIGHTS now because for years elected officials have increased spending faster than our ability to pay for it. In fact, Maine "enjoys" the reputation of being one of the highest taxed states in the union. Not only does this put a burden on taxpayers, but it also discourages business growth in Maine, which translates into fewer jobs. THE TAXPAYER BILL OF RIGHTS puts politicians on a budget and puts more money in your pocket. And because THE TAXPAYER BILL OF RIGHTS makes it more difficult to raise taxes, government will be encouraged to become more efficient and better utilize the funds it does have.

What are the four most important things you should know about the Taxpayer Bill of Rights?

1. **REASONABLE SPENDING LIMITS AND NO CUTS REQUIRED:** Government spending will still be able to grow at a **reasonable** rate, around 3% a year, **BUT** any money above the limit will be used to help reduce taxes.
2. **VOTERS HAVE THE FINAL SAY ON TAXES AND FEES:** The Taxpayer Bill of Rights will require a **2/3 vote of any governing body to raise a tax or fee AND a majority vote of the voters**.
3. **RAINY DAY FUND FOR EMERGENCIES:** The Taxpayer Bill of Rights creates a **Budget Stabilization Fund**—which is a savings account designed to make sure that the bureaucracy will be forced to save money for a rainy day to help governments get through difficult financial times.
4. **RETURNS MONEY BACK TO YOU:** The Taxpayer Bill of Rights creates a **Taxpayer Relief Fund** to make sure excess tax dollars are returned BACK to the taxpayer

To learn more go to: www.TaxpayerBillofRights.com

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PUBLIC COMMENT IN OPPOSITION

Comment submitted by:
Donald Strout, Town Manager
P.O. Box 309
Corinth, Maine

My name is Donald Strout, I am the Town Manager for Cornith, a former State Representative and a Republican and I am voting no on Question 1.

I've been involved in Maine Politics for a very long time. I've seen all kinds of quick-fix ideas come and go. The best solution to Maine's problems is Maine's people. Mainers are a very resilient lot. We know how to weather any kind of storm.

I understand that some people feel that taxes are too high and need to be controlled. The issue is who should be in control. Question 1 puts a state law in charge of these decisions.

I'd rather trust Mainers in their town meetings to make good choices on the things that matter to their communities and their pocketbooks. I believe they know best how to balance the need to make sound public investments and the need to manage taxes.

TABOR is artificial. It cuts where there shouldn't be cuts and it allows too much growth where there should be restraint. That is what happens when you put a formula in charge and not Maine people.

Trust Maine People - Please Vote No on Question 1.

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PUBLIC COMMENT IN OPPOSITION

Comment submitted by:
Donnell P. Carroll, Executive Director
Southern Maine Emergency Medical Services Council
496 Ocean Street
South Portland, ME 04016

“Public Comment In Opposition” to Question 1

Question 1 hurts public safety, schools, and seniors – Vote No.

Question 1 will lead to cuts in education for our children, our public safety network and the health care services we need.

Question 1 is a mandate from Augusta. Instead of allowing each community to make decisions for themselves, Question 1 imposes a one-size-fits-all restriction on everybody. Local communities are prohibited from changing or amending TABOR’s restrictions.

Question 1 gives the politicians in Augusta all the control to make changes, including making the restrictions tougher – home rule will suffer.

Question 1 is a copy of a Colorado law, which hurt Colorado’s communities so much that the voters suspended it last year.

Question 1 is worded in a misleading way. Of course taxes are too high and need to be controlled but Question 1 doesn’t do what we want. It doesn’t force the politicians to spend more wisely. Also, Question 1 wouldn’t cut taxes, close a single loophole nor eliminate exemptions.

Question 1 will make tax reform impossible – and real tax reform should be our highest priority.

Are you willing to risk the communities we’ve built to educate our future generation; care for our parent’s generation; and assure public safety preparedness in an ever more unpredictable world?

Protect Schools, Seniors and Public Safety - Vote No on Question 1.

Signed,
Donnell P. Carroll
Executive Director,
Southern Maine Emergency Medical Services Council

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PUBLIC COMMENT IN OPPOSITION

Comment submitted by:
Jud Dolphin, State Director
AARP-Maine
1685 Congress Street
Portland, ME 04102

AARP opposes Question 1 and urges Mainers to vote NO.

Maine's ability to meet the needs of its citizens depends upon a strong economy and wise tax and spending decisions. AARP opposes arbitrary tax and spending limits that cannot maintain health and educational services or respond to emergency needs.

AARP rejects TABOR:

- **TABOR's inflation-plus-population formula is flawed.** It does not account for rapidly increasing energy and health care costs that are growing much faster than the rate of inflation. And it does not account for the 50+ population growing three times faster than the general population.
- **TABOR starves the things we care about.** Each year, the TABOR formula produces a maximum expenditure level and state and local priorities must compete within this inadequate level of funding. The effect of annual reductions over a number of years is devastating to educating our young, providing emergency services and caring for our older citizens.
- **TABOR limits the flexibility of the state to deal with an economic downturn or natural disaster.** The process of having the citizenry vote on any tax or fee increase is extremely cumbersome, expensive, and in the case of emergencies, potentially fatal.

Maine needs leaders who will spend our tax dollars wisely and provide essential state and local services. TABOR is not the answer.

- TABOR is 13 pages of legal fine print containing details that will not work for Maine. It sounds too good to be true because it is.
- TABOR doesn't deliver what we want—lower taxes, efficient government and control over wasteful spending.
- TABOR will hurt the things we care about like health care, public safety, and education.
- TABOR will burden voters with an expensive and cumbersome referendum process.

AARP urges you to Vote NO on Question 1.

The printing of this public comment does not constitute an endorsement by the State of Maine, nor does the State warrant the accuracy or truth of any statements made in the public comment.

Question 2: Constitutional Amendment

Do you favor amending the Constitution of Maine to state that a citizens' initiative or people's veto petition must be submitted to local or state officials by the constitutional deadline in order to be certified and, in the case of a citizens' initiative, must be filed with the Secretary of State within 18 months?

STATE OF MAINE
CHAPTER 2
CONSTITUTIONAL RESOLUTIONS OF 2006
APPROVED MAY 25, 2006

**RESOLUTION, Proposing an Amendment to the Constitution of Maine Regarding
Procedures for the People's Veto and Direct Initiative**

Constitutional amendment. Resolved: Two thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of Maine be proposed:

Constitution, Art. IV, Pt. Third, §18, sub-§1 is amended to read:

1. Petition procedure. The electors may propose to the Legislature for its consideration any bill, resolve or resolution, including bills to amend or repeal emergency legislation but not an amendment of the State Constitution, by written petition addressed to the Legislature or to either branch thereof and filed in the office of the Secretary of State by the hour of 5:00 p.m., on or before the 50th day after the date of convening of the Legislature in first regular session or on or before the 25th day after the date of convening of the Legislature in second regular session, except that the written petition may not be filed in the office of the Secretary of State later than 18 months after the date the petition form was furnished or approved by the Secretary of State. If the ~~50th or 25th day, whichever applies,~~ is applicable deadline falls on a Saturday, Sunday, or legal holiday, the period runs until the hour of 5:00 p.m., of the next day which is not a Saturday, Sunday, or legal holiday.

Constitution, Art. IV, Pt. Third, §18, sub-§2 is amended to read:

2. Referral to electors unless enacted by the Legislature without change; number of signatures necessary on direct initiative petitions; dating signatures on petitions; competing measures. For any measure thus proposed by electors, the number of signatures shall not be less than 10% of the total vote for Governor cast in the last gubernatorial election preceding the filing of such petition. The date each signature was made shall be written next to the signature on the petition, ~~and no signature older than one year from the written date on the petition shall be valid.~~ A signature is not valid if it is dated more than one year prior to the date that the petition was filed in the office of the Secretary of State. The measure thus proposed, unless enacted without change by the Legislature at the session at which it is presented, shall be submitted to the electors together with any amended form, substitute, or recommendation of the Legislature, and in such manner that the people can choose between the competing measures or reject both. When there

are competing bills and neither receives a majority of the votes given for or against both, the one receiving the most votes shall at the next statewide election to be held not less than 60 days after the first vote thereon be submitted by itself if it receives more than 1/3 of the votes given for and against both. If the measure initiated is enacted by the Legislature without change, it shall not go to a referendum vote unless in pursuance of a demand made in accordance with the preceding section. The Legislature may order a special election on any measure that is subject to a vote of the people.

Constitution, Art. IV, Pt. Third, §20 is amended to read:

20. Meaning of words "electors," "people," "recess of Legislature," "statewide election," "measure," "circulator," and "written petition"; written petitions for people's veto; written petitions for direct initiative. As used in any of the 3 preceding sections or in this section the words "electors" and "people" mean the electors of the State qualified to vote for Governor; "recess of the Legislature" means the adjournment without day of a session of the Legislature; "statewide election" means any election held throughout the State on a particular day; "measure" means an Act, bill, resolve or resolution proposed by the people, or 2 or more such, or part or parts of such, as the case may be; "circulator" means a person who solicits signatures for written petitions, and who must be a resident of this State and whose name must appear on the voting list of the city, town or plantation of the circulator's residence as qualified to vote for Governor; "written petition" means one or more petitions written or printed, or partly written and partly printed, with the original signatures of the petitioners attached, verified as to the authenticity of the signatures by the oath of the circulator that all of the signatures to the petition were made in the presence of the circulator and that to the best of the circulator's knowledge and belief each signature is the signature of the person whose name it purports to be, and accompanied by the certificate of the official authorized by law to maintain the voting list or to certify signatures on petitions for voters on the voting list of the city, town or plantation in which the petitioners reside that their names appear on the voting list of the city, town or plantation of the official as qualified to vote for Governor. The oath of the circulator must be sworn to in the presence of a person authorized by law to administer oaths. Written petitions for a people's veto pursuant to Article IV, Part Third, Section 17 must be submitted to the appropriate officials of cities, towns or plantations, or state election officials as authorized by law, for determination of whether the petitioners are qualified voters by the hour of 5:00 p.m., on the 5th day before the petition must be filed in the office of the Secretary of State, or, if such 5th day is a Saturday, a Sunday or a legal holiday, by 5:00 p.m., on the next day which is not a Saturday, a Sunday or a legal holiday. Written petitions for a direct initiative pursuant to Article IV, Part Third, Section 18 must be submitted to the appropriate officials of cities, towns or plantations, or state election officials as authorized by law, for determination of whether the petitioners are qualified voters by the hour of 5:00 p.m., on the 10th day before the petition must be filed in the office of the Secretary of State, or, if such 10th day is a Saturday, a Sunday or a legal holiday, by 5:00 p.m., on the next day which is not a Saturday, a Sunday or a legal holiday. Such officials must complete the certification of ~~such~~ only those petitions submitted by these deadlines and must return them to the circulators or their agents within 2 days for a petition for a people's veto and within 5 days for a petition for a direct initiative, Saturdays, Sundays and legal holidays excepted, of the date on which such petitions were submitted to them. Signatures on petitions not submitted to the appropriate local or state officials by these deadlines may not be certified. The petition shall set forth the full text of the measure requested or proposed. Petition forms shall be furnished or approved by the Secretary of State upon written application signed ~~in~~ and notarized and submitted to the office of the Secretary of State by a resident of this State whose name must appear on the voting list of the city, town or plantation of that resident as

qualified to vote for Governor. The full text of a measure submitted to a vote of the people under the provisions of the Constitution need not be printed on the official ballots, but, until otherwise provided by the Legislature, the Secretary of State shall prepare the ballots in such form as to present the question or questions concisely and intelligibly.

; and be it further

Constitutional referendum procedure; form of question; effective date. Resolved: That the municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a general election, at the next general election in the month of November following passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by voting upon the following question:

"Do you favor amending the Constitution of Maine to state that a citizens' initiative or people's veto petition must be submitted to local or state officials by the constitutional deadline in order to be certified and, in the case of a citizens' initiative, must be filed with the Secretary of State within 18 months?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within the corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns and, if it appears that a majority of the legal votes are cast in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment becomes part of the Constitution of Maine on the date of the proclamation; and be it further

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purposes of this referendum.

Intent and Content
Prepared by the Office of the Attorney General

This proposal would authorize an amendment to the Constitution of Maine to clearly establish certain time frames applicable to the direct citizens' initiative and people's veto referendum process. The first change contained in this amendment specifies that signed petitions for a direct initiative must be filed with the Secretary of State's office within 18 months after the date the petition is approved by the Secretary for circulation. The second change clarifies that, to be valid, signatures on initiative petitions may not be older than one year at the time the petitions are filed with the Secretary of State. The one-year requirement exists in the Constitution now, but the amendment clarifies that the one-year period runs from the date the petition is filed with the Secretary.

The amendment also provides that signatures on petitions for a direct initiative or people's veto referendum must be submitted to local registrars (or state election officials, if authorized by law to perform certification) by the existing deadlines set forth in the Constitution, for a determination as to whether the signatures on the petitions are those of registered voters. Under this amendment, local and state officials would have no authority to make that determination with respect to any petition signatures after the deadlines currently specified in the Constitution, which are: 5:00 p.m. on the 5th day before the petition must be filed with the Secretary of State, for a people's veto referendum, and 5:00 p.m. on the 10th day before the petition must be filed with the Secretary of State for a direct initiative.

A "YES" vote approves the constitutional amendment.

A "NO" vote disapproves the constitutional amendment.

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

Passage of this constitutional amendment will not affect state and local expenditures.

PUBLIC COMMENTS

No Public Comments were filed in support or in opposition to Question 2.