

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE
FIRST SPECIAL SESSION

(Filing No. H-1013)

COMMITTEE AMENDMENT "B" to H.P. 2022, L.D. 2201, Bill,
"AN ACT to Establish a Division of Travel Information."

Amend said Bill by striking out all of section 2 and
inserting in place thereof the following:

'Sec. 2. 5 MRSA §7002, sub-§2, ¶F, as enacted by PL 1975,
c. 481, §3, is repealed and the following enacted in place thereof:

F. The director shall, through the Division of Travel
Information, develop policy and planning as will meet the
present and future needs of the vacation-travel industry;
implement a program designed to promote and develop vacation
travel and to attract visitors to the State; expand existing
vacation-travel activities within and outside the State and
coordinate vacation-travel activities between the private
and public sector whenever feasible. The director shall
authorize such expenditures as may be necessary to fulfill
the purposes of the Division of Travel Information.'

Further amend said Bill by striking out all of sections 3
and 4.

Further amend said Bill by striking out all of section 5
and inserting in place thereof the following:

'Sec. 3. 5 MRSA §7002, sub-§3, is enacted to read:

3. Division of Travel Information.
Division of Travel Information.

A. /There is established to carry out the purposes of this
subsection a Division of Travel Information, hereafter in

in this chapter called "division," within the State Development Office which shall be directly responsible to the Director of the State Development Office.

B. Travel Information Chief.

(1) Director. The executive head of the division shall be appointed by the director after consultation with the Vacation-Travel Advisory Council. The chief shall be appointed for a term coterminous with that of the director, subject to removal for cause by the director. The chief shall be paid a salary fixed by the director, subject to the approval of the State Personnel Board.

(2) Powers and duties. The chief shall have the following powers and duties:

(a) Subject to the State Personnel Law, to appoint and remove the staff of the division and prescribe their duties as may be necessary to implement the purposes of this subsection. In all other respects, the employees of the division shall be subject to the State Personnel Law;

(b) To employ or engage such outside technical or professional consultants as may be necessary or appropriate to assist the division in carrying out its functions. He may enter into contracts with other boards, commissions, departments and divisions of the State, the University of Maine or with the State of Maine Publicity Bureau to assist him in

carrying out his duties under this subsection;

(c) To develop policy and planning as will meet the present and future needs of the vacation-travel industry; implement a program designed to promote and develop vacation travel and to attract visitors to the State; expand existing vacation-travel activities within and outside the State, including, but not limited to, information centers; coordinate vacation-travel activities between the public and private sectors, including assistance to local communities and regions in their development efforts; extend technical assistance to new and existing vacation-travel related industries seeking expansion within the State; utilize trade missions, exhibits, brochures, technical assistance and expertise as may be necessary to develop and promote vacation travel; and prepare and print, or have printed, such brochures, pamphlets, books, booklets, films, photos, maps, exhibits, all like materials and media advertising as may be deemed necessary to the division's activities;

(d) To accept for the State any federal funds appropriated under any federal law relating to the authorized program of the division and to do such acts as are necessary for the purposes of carrying out such federal law; and to accept from any other agency of government, individual, group or

corporation, such funds as may be available to carry out this subsection, including such fees as the director may designate for books, booklets, brochures, pamphlets, films, photos, maps, exhibit all like materials and all media advertising. The Commissioner of Transportation is authorized and directed to do such acts as are necessary to assist the chief in seeking, obtaining and using such federal funds relating to the authorized programs of the division; and

(e) Subject to the approval of the director, authorize such expenditures as may be necessary to fulfill the purposes of the division.

The several officers, boards, commissions, departments and divisions of the State, and city and town officials may consult with the division and furnish or make available to it data and information within their knowledge or control.

C. Vacation-Travel Advisory Council. A Vacation-Travel Advisory Council shall be appointed by the Governor to review, advise, recommend and guide the division's operation. It shall consist of 8 members who shall serve for a term of 3 years provided that of the members first appointed, 2 shall be appointed for a term of one year, 3 for a term of 2 years and 3 for a term of 3 years. Not more than one member shall come from any one county. The council shall annually elect a chairman. A vacancy in office of a member, other than by expiration, shall be filled in like manner as an original

appointment, but only for the term of the retiring member.
Members may be removed by the Governor for cause. The
council shall meet at least 4 times a year and not more
than 12 times a year at the call of the chairman or at the
request of 3 members of the advisory council. Members shall
serve without pay and shall be reimbursed for actual expenses,
not to exceed \$25 a day.

D. State of Maine Publicity Bureau. The State of Maine
Publicity Bureau shall operate the Maine information
centers. In planning, establishing and supporting such
centers subsequent to establishment, the director, chief
and State of Maine Publicity Bureau shall give first
priority to centers located at or near the major border
points of access to the State of Maine used by vacationers
and travelers, as indicated by traffic-flow surveys and
other evidence. It is the intent of the Legislature that
the State of Maine Publicity Bureau be employed on a
contractual agreement by the division to assist in the
coordination of the vacation-travel activities of the private
and public sector, including but not limited to publications,
mailings and information centers. As part of the contract,
the State of Maine Publicity Bureau shall not solicit
membership fees or dues from cities, towns or counties
throughout the State.

E. Maine Travel Information Fund.

(1) Definition. To provide funds for the operation
of the division, there is established a fund to be

known as the Maine Travel Information Fund. The fund shall include revenues received by a tax imposed upon living quarters rental charges which shall be known as the Maine Travel Information Tax and shall be included in the general sales tax rate imposed upon living quarters rental charges as provided in Title 36, section 1811. Unexpended balances of the Maine Travel Information Fund shall be deemed nonlapsing carrying accounts.

(2) Limitations or use. Revenues credited to the Maine Travel Information Fund shall not be expended for any purpose other than to support the operations of the Division of Travel Information and the division in turn shall not cause these funds to be expended for any purpose other than as specified in this subsection. The State Development Office is authorized to establish activity accounts as needed for the effective fiscal management of moneys in the Maine Travel Information Fund. Moneys may be transferred between the division's accounts but not to the State Development Office's other accounts.

(3) Submission of budget for legislative information. Not later than the close of the 2nd week of the first and 2nd regular sessions of the Legislature, the

director shall approve and submit a budget to the Legislature, to provide to the Legislature information on the programs and financing of the division. Such budget shall include, for the current, past and next fiscal years of the division, the following:

(a) Revenues. Actual and estimated amounts of all revenues available to the division by sources;

(b) Expenditures. Actual and estimated amounts of expenditures, shown by object of expenditure and by program; and

(c) Program information. A list of division programs and the objectives of each, and a description and evaluation of activities to attain such objectives.

Budgets.

(4) As part of such budget, there shall be separate budgets for each contract entered into or expected to be entered into for the current, past and next fiscal years of the division, showing for each contract:

(a) Contractor. The name and address of each contractor and subcontractor, for contracts not yet entered into, a description of the nature of the contractor's or subcontractor's business and the services to be provided by each may be substituted, if the names and addresses are not known;

(b) Description. A description of the terms of each contract, including a description of services to be provided, indicating when they are to be performed, and to whom the final product or services have been or will be provided; and

(c) Financing. A listing of the total amount to be paid under the contract, and the times and conditions of payment. '

Further amend said Bill by striking out all of section 6 and inserting in place thereof the following:

'Sec. 4. 36 MRSA §1811, first ¶, as last amended by PL 1969, c. 295, §2, is repealed and the following enacted in place thereof:

A tax is imposed at the rate of 5% on the value of all tangible personal property and telephone and telegraph service sold at retail in this State and at a rate of 7% upon the rental charged for living quarters in hotels, rooming houses, tourist or trailer camps, measured by the sale price, except as in chapters 211 to 225 provided. Two-sevenths of the tax imposed upon living quarters rental charges shall be known as the Maine Travel Information Tax. The State Tax Assessor shall distribute all revenues derived from the Maine Travel Information Tax as follows. An amount not to exceed \$50,000 shall be available to the Division of Taxation for administration of the tax, all additional revenue, not to exceed \$1,100,000, shall be credited to the Maine Travel Information Fund, as provided in Title 5, section 7002. All revenues not available to the Division of Taxation or credited to the Maine Travel Information Fund shall revert to the General Fund of the State of Maine. Retailers shall pay such tax at the

time and in the manner provided and it shall be in addition to
.11 other taxes.'

Further amend said Bill in section 7 by striking out ~~at~~ the beginning of the first line of the amending clause the underlined figure and abbreviation "Sec. 7." and inserting in place thereof the underlined figure and abbreviation 'Sec. 5.'

Further amend said Bill in section 7 by striking out in the first line of subsection 1 of that part designated "§1812." the underlined words "food products or"

Further amend said Bill in section 7 by inserting after subsection 2 of that part designated "§1812." the following:

'3. Computation of tax; over \$2. When the sale price exceeds \$2, the tax to be added to the price shall be 11¢ for each unit of \$2, plus the amount indicated above for each fractional part of \$2.

4. Computation of tax; combined purchases. When several articles are purchased together and at the same time, the tax under subsections 1 and 2 shall be computed on the total amount of the several items.'

Further amend said Bill in section 7 by striking out all of subsections 3, 4, 5 and 6 of that part designated "§1812." and inserting in place thereof the following:

'5. Rental living quarters. Every person who retails rental living quarters, as set forth in the first paragraph of section 1811, shall add the sales tax imposed by section 1811 on rental living quarters to the sale price of the rental living quarters retailed, except as otherwise provided, and when added the

tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid and shall be recoverable at law in the same manner as the purchase price. When the sale price shall involve a fraction of a dollar, the tax shall be added to the sale price upon the following schedules:

<u>Amount of Sale Price</u>	<u>Amount of Tax</u>
<u>\$0.01 to \$0.10, inclusive</u>	<u>0¢</u>
<u>.11 to .21, inclusive</u>	<u>1¢</u>
<u>.22 to .35, inclusive</u>	<u>2¢</u>
<u>.36 to .49, inclusive</u>	<u>3¢</u>
<u>.50 to .64, inclusive</u>	<u>4¢</u>
<u>.65 to .78, inclusive</u>	<u>5¢</u>
<u>.79 to .92, inclusive</u>	<u>6¢</u>
<u>.93 to .99, inclusive</u>	<u>7¢</u>

A. Computation of tax over 99¢. When the sale price exceeds 99¢, the tax to be added to the price shall be 7¢ for each unit of \$1, plus the amount indicated above for each fractional part of \$1; and

B. Computation of tax; combined purchases. When several rental living quarters are rented together and at the same time, the tax under this subsection shall be computed on the total amount of the several items.

6. Breakage. Breakage under this section shall be retained by the retailer as compensation for the collection.'

Further amend said Bill by inserting at the end of section 7 the following:

'Sec. 6. 36 MRSA §1952, last ¶, is amended to read:

The Tax Assessor shall pay over all receipts collected to the Treasurer of State daily and such receipts shall be credited to the General Fund, except as otherwise provided.'

Further amend said Bill in section 8 by striking out at the beginning of the first line the underlined figure and abbreviation "Sec. 8." and inserting in place thereof the underlined figure and abbreviation 'Sec. 7.'

Further amend said Bill by striking out the emergency clause and inserting in place thereof the following:

'Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect upon approval, except sections and 5 which shall take effect July 1, 1976.'

Further amend said Bill by striking out all of the Fiscal Note and inserting in place thereof the following:

'Fiscal Note

It is estimated that this Act will generate approximately \$1,100,000 annually. Two new positions will be created within the division, a director and one secretary. Any amount contracted to the State of Maine Publicity Bureau will be coordinated with the bureau's revenues to avoid duplication of effort on behalf of the private and public sectors for the vacation-travel industry. In return, the bureau will not solicit or receive dues or membership fees from towns, cities and counties. A projected budget for the division is:

	<u>Tax</u>
Division Operating Expenses	\$ 75,000
*Operation of Information Centers	75,000
Building Fund (Future Information Centers)	40,000
Contingency	40,000

Advertising and Promotion	500,000
*Publications	250,000
*Postage and Services	<u>120,000</u>
	\$1,100,000
*Contracted services to State of Maine Publicity Bureau.'	

Statement of Fact

The purpose of this amendment is to:

1. Establish a Division of Travel Information within the State Development Office.
2. Provide financing through an additional 2% sales tax on transient lodging facilities and camping facilities, the revenues received are to be used as follows: First, \$50,000 available to the Division of Taxation for administration of the tax; 2nd, an amount not to exceed \$1,100,000 available to the Division of Travel Information; and 3rd, the remainder to revert to the General Fund; and
3. Provide administrative and financing safeguards for the program.

Reported by the Minority of the Committee on State Government.

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3/22/76

(Filing No. H-1013)