

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1235

H. P. 1165 Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 25. Sent up for concurrence and 2,000 ordered printed. EDWIN H. PERT, Clerk

Presented by Mr. Tierney of Lisbon Falls.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-SEVEN

AN ACT to Extend to April 14th the Time Limit for Decision on State Funding Levels for Education and on the State Property Tax Rate, to Delay any Municipal Tax Commitments until April 28th, and to Extend the School Budget Adoption Date until May 15th.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, current statute now requires the Legislature to annually, prior to April 1st, set the basic level of state funding for schools and to set the uniform property tax rate; and

Whereas, the Legislature is currently acting upon proposals for far-reaching changes in the areas of state funding for schools and of the uniform property tax; and

Whereas, any determination, prior to April 1, 1977, of next year's state funding level for schools and of next year's uniform property tax rate may be negated by legislative change in these 2 areas, a negation which could cause great confusion for local government; and

Whereas, it is therefore vital that the setting of the state funding level for schools and of the uniform property tax rate be delayed until April 14th, by which time the Legislature will have acted on these proposals for change; and

Whereas, the Legislature is also considering proposals to provide municipalities with alternate sources of funding for the inventory tax, which is to be abolished by March 31, 1977; and

Whereas, in order to provide the Legislature with additional time to consider these proposals, municipal tax commitments must be delayed until April 28th; and Whereas, in order to permit school administrative units to adopt budgets based upon legislative action on school financing the date for adoption of school budgets must be extended until May 15th; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 20 MRSA § 3747, 1st sentence, as enacted by PL 1975, c. 660, § 2, is amended to read:

The Legislature shall annually, prior to April 15t 14th enact legislation which shall:

Sec. 2. 20 MRSA § 3754, first and last sentences, as enacted by PL 1977, c. 10, are amended to read:

Notwithstanding any provisions of statute or charter to the contrary, municipalities, School Administrative District and community school districts may adopt their respective annual budgets at any time prior to May \pm , 15, 1977.

If a municipal charter provides that a budget proposed by a municipal official or body becomes effective when the municipal legislative body fails to adopt a budget by a specified date or within a specified period of time and that date falls prior to May 15t May 15th that date shall be governed by the provisions of this section for the calendar year 1977.

Sec. 3. 36 MRSA § 451, sub-§ 2, 2nd sentence, as repealed and replaced by PL 1976, c. 660, § 5, is amended to read:

The Legislature shall annually, prior to April 15t 14th, enact legislation establishing the uniform property tax rate.

Sec. 4. 36 MRSA § 452, 2nd ¶, 1st sentence, as repealed and replaced by PL 1975, c. 660, § 5, is amended to read:

As soon as practicable after April 154 14th annually, the State Tax Assessor shall certify to each municipality the amount of state tax due under section 451 in the current calendar year.

Sec. 5. 36 MRSA § 709-B, is enacted to read :

§ 709-B. Extension of commitment time limit for 1977

Notwithstanding the provisions of Title 36, section 709, during 1977, the assessors shall not commit any municipal taxes, nor their due portion of any state or county tax payable during the municipal year for which municipal taxes are being raised, until on or after May 1st, 1977.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

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STATEMENT OF FACT

This bill amends the school funding statute to give the Legislature until April 14th, instead of until April 1st, to set the level of state funding for education and to set the uniform property tax rate. There are now several proposals for change in these 2 areas pending before the Legislature and an extension of time is needed to permit further consideration of these proposals.

The bill also provides that assessors shall not commit their tax assessments until on or after April 28th, in order to permit any changes in tax laws to be reflected in those commitments, and in addition extends to May 15th the date for school administrative units to adopt their school budgets, in order to permit their budgets to take into account any changes in educational funding enacted by the Legislature.