

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1234

H. P. 1024

House of Representatives, March 10, 1981

Referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Manning of Portland.

Cosponsors: Representative Webster of Farmington and Representative Randall of East Machias.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Permit Municipalities to Charge a Service Fee on the University of Maine.

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

36 MRSA § 652-A is enacted to read:

§ 652-A. **Service fee on University of Maine**

1. **Levy of service charges.** The owners of real property of the University of Maine, which is otherwise exempt from state or municipal taxation, may be subject to service charges when these charges are calculated according to the actual cost of providing municipal services to that real property and to the persons who use that property. A municipality may elect to levy a service charge for the following services:

- A. **Fire protection;**
- B. **Police protection;**
- C. **Road maintenance and construction, traffic control, snow and ice removal, sidewalks and streetlights; and**
- D. **Sanitation services.**

2. Ordinances; appeals. The establishment of service charges is not mandatory, but rather is at the discretion of the municipality in which the exempt property is located. The municipal legislative body shall adopt any necessary ordinances to carry out this section regarding service charges.

With respect to the determination of service charges, appeals shall be made in accordance with an appeals procedure provided in that ordinance.

3. Use of revenue. Municipalities shall use the revenues accrued from the service charge to fund, as much as possible, the cost of those services.

4. Collection of unpaid service charges. The collection of unpaid service charges shall be carried out in the same manner as provided in Title 38, section 1208.

5. Students. Any service charge levied in accordance with this section shall comply with the following standards.

A. The university must receive the benefits of the service for which it is charged.

B. The service charge must reasonably reflect the value of that service.

C. The service charge shall be levied on all exempt property owned by the University of Maine which is located in the municipality.

STATEMENT OF FACT

Under current law property belonging to the University of Maine is exempt from taxation and is not subject to service charges. The taxpayers of a municipality where university property is located must pay proportionately higher taxes to support the tax-exempt property. The university receives the benefits of local municipal services such as fire and police protection and public works services. This bill permits the municipality, if it chooses, to impose a service fee for a portion of the municipal services which the university receives.