

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

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ONE HUNDRED AND TENTH LEGISLATURE

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**Legislative Document**

**No. 1366**

H. P. 1115

House of Representatives, March 18, 1981

Speaker laid before the House and on Motion of Representative Pearson of Old Town, referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Livesay of Brunswick

Cosponsors: Representative Bell of Paris, Representative L. Higgins of Scarborough and Senator Collins of Knox.

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STATE OF MAINE

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

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**AN ACT to Prohibit State Mandates and Tax Shifts.**

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

30 MRSA c. 241, sub-c. IV is enacted to read:

**SUBCHAPTER IV**

**PROHIBITION OF STATE MANDATES AND TAX SHIFTS**

**§ 5315. Definitions**

As used in this subchapter, unless the context otherwise indicates, the following words have the following meanings.

1. **Expenditure.** "Expenditure" means local appropriations financed by the property tax, the motor vehicle excise tax, the state-municipal revenue sharing program or any state reimbursements for revenues lost due to property tax exemptions.
2. **Local unit of government.** "Local unit of government" means any city, town, plantation, county or school administrative unit.
3. **Rule.** "Rule" has the meaning set out in Title 5, section 8002, subsection 9.

4. State. "State" means the legislative or executive departments of the State and any agency as defined by Title 5, section 8002.

§ 5316. Prohibition of state mandates

The State may not repeal, amend or enact any law or rule which would impose a new or expanded requirement on any local unit of government if that requirement would cause an expenditure by any combination of local units of government or any single local unit of government in excess of \$20,000 per year.

§ 5317. Reimbursement of certain state mandates

Local units of government shall be reimbursed for any expenditures caused by any law or rule repealed, amended or enacted after November 1, 1980 and before the effective date of this subchapter which imposed a new or expanded requirement upon any combination of local units of government, including any single local unit of government, in excess of \$20,000 per year.

§ 5318. Enforcement

Any rule which is adopted, repealed or amended in violation of this subchapter shall be void. The determination of whether any rule is in violation of this subchapter shall be made during any rule-making proceeding pursuant to Title 5, chapter 375, subchapter II.

Any Act of the Legislature repealing, amending or enacting any law shall be void if it is in violation of this subchapter, unless that Act clearly states without ambiguity that this subchapter does not apply to the Act. Any local unit of government aggrieved by an Act which is in violation of this subchapter may commence an action for declaratory judgment in the Superior Court, pursuant to Title 14, section 5951, for a determination of whether or not the Act is in violation of this subchapter, and, if so found, the court shall declare the Act void.

The State Controller shall generally administer this subchapter and make all necessary determinations pursuant to section 5317.

#### STATEMENT OF FACT

This bill prohibits future state actions that would increase the property tax burden. The State is prevented from requiring local units of government to finance from their existing revenue base any new or expanded program or function.