

MAINE STATE LEGISLATURE

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1 (New Draft of H.P. 1163, L.D. 1661)
2 (New Title)
3 FIRST SPECIAL SESSION
4

5 ONE HUNDRED AND TWELFTH LEGISLATURE
6

7 Legislative Document

No. 1667

9 H.P. 1171

House of Representatives, November 13, 1985

10 Reported by the Minority from the Committee on Taxation and printed
11 under Joint Rule 2. Original bill sponsored by Representative Cashman of
12 Old Town. Cosponsored by Senator Twitchell of Oxford and Representative
Masterman of Milo.

EDWIN H. PERT, Clerk

13
14 STATE OF MAINE
15

16 IN THE YEAR OF OUR LORD
17 NINETEEN HUNDRED AND EIGHTY-FIVE
18

19 AN ACT Making Adjustments and Appropriations
20 to Provide for Refunding Maine Forest
21 Fire Suppression Taxes Paid and for
22 the Repeal of the Forest Fire
23 Suppression Tax.
24

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

27 Sec. 1. 5 MRSA §1511, as amended by PL 1981, c.
28 192, §1, is further amended to read:

29 §1511. Reserve for General Fund Operating Capital

30 The State Controller is authorized, at the close
31 of each fiscal year, to transfer from the Unappropri-
32 ated Surplus of the General Fund to the Reserve for
33 General Fund Operating Capital such amounts as may be
34 available from time to time up to an amount of
35 \$1,000,000 per year until a maximum of \$25,000,000

1 shall be achieved, except for fiscal years June 30,
2 1986, 1987, 1988, 1989 and 1990, the amount shall be
3 up to \$1,883,000. Further, the State Controller is
4 authorized, at the close of each fiscal year, to
5 transfer from the General Fund to the Guarantee Re-
6 serve Fund such additional amounts as may be availa-
7 ble from time to time up to an amount of \$1,000,000
8 per year until a maximum of \$10,000,000 is achieved
9 in that fund.

10 Sec. 2. 36 MRSA c. 366, as amended, is re-
11 pealed.

12 Sec. 3. Transfer; Guarantee Reserve Fund. The
13 sum of \$3,401,020 is transferred from the Guarantee
14 Reserve Fund to the General Fund Unappropriated Fund
15 Equity.

16 Sec. 4. Transfer; General Fund Operating Capi-
17 tal Fund. The sum of \$4,415,000 is transferred from
18 the Reserve for General Fund Operating Capital Fund
19 to the General Fund Unappropriated Fund Equity.

20 Sec. 5. Budget reduction. Notwithstanding any
21 other provisions of law, all General Fund appropria-
22 tions made at the First Regular Session of the 112th
23 Legislature for the fiscal year ending June 30, 1987,
24 shall be reduced by 0.5%.

25 The State Budget Officer shall cause all such
26 programs and allotments to be reduced in accordance
27 with this section. Funds derived from this section
28 shall revert to the General Fund Unappropriated Sur-
29 plus.

30 Sec. 6. Report; Maine Forest Fire Advisory
31 Council. The Maine Forest Fire Advisory Council is
32 directed to meet for the purpose of long-term fire
33 suppression planning and to develop and report recom-
34 mendations to the Second Regular Session of 112th
35 Legislature. That report is to be made no later than
36 January 15, 1986, and include effectiveness, cost ef-
37 ficiency and possible alternatives for long-term
38 planning to meet forest fire suppression needs of the
39 State.

1

1985-86

2 FINANCE AND ADMINISTRATION,
3 DEPARTMENT OF

4 Bureau of Taxation

5 All Other \$6,000

6 Provides funds
7 for Fire Sup-
8 pression Tax
9 refund admin-
10 istration.

11 Sec. 7. Appropriation. The following funds are
12 appropriated from the General Fund to carry out the
13 purposes of this Act.

14

1985-86

15 FINANCE AND ADMINISTRATION,
16 DEPARTMENT OF

17 Bureau of Taxation -
18 Fire Suppression Tax Refunds

19 All Other \$7,222,000

20 Provides Funds
21 for Fire Sup-
22 pression Tax
23 refunds for
24 1983 and 1984.
25 Any funds not
26 used for this
27 purpose shall
28 lapse to the
29 General Fund.

30

FISCAL NOTE

31 This new draft has the following effect on reve-
32 nues and appropriations:

1 This appropriation eliminates the confusion and
2 possible legal challenge that a credit would have
3 created.

4 The Legislature has appropriated a biennium bud-
5 get increase of \$340,000,000 which is a 21% increase
6 in new and expanded spending. To help balance the
7 General Fund, this new draft will provide a reduction
8 of 1/2 of 1% of the 1986-87 budget containing
9 \$1,004,737,942 in the General Fund appropriations
10 across the board to the various state departments and
11 agencies. The individual departments will have 7 1/2
12 months prior to the fiscal year beginning July 1,
13 1986, to make the necessary adjustments.

14 This slight slowing of the scheduled increase
15 for the 2nd year of the biennium will balance the
16 fund and allow needed forest fire suppression ser-
17 vices without a tax increase.

18 This new draft also directs the Maine Forest
19 Fire Advisory Council, whose members are appointed by
20 the Governor, to meet and report no later than Janu-
21 ary 15, 1986, its findings for long-term fire sup-
22 pression planning. These meetings will provide rec-
23 ommendations for effectiveness, cost efficiency and
24 possible alternatives for long-term planning of fire
25 suppression in Maine.

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