# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

### FIRST REGULAR SESSION-1990

#### Legislative Document

No. 84

S.P. 54

In Senate, December 31, 1990

Reference to the Committee on State and Local Government suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator VOSE of Washington.

Cosponsored by Senator CLARK of Cumberland, Representative TOWNSEND of Eastport and Representative LOOK of Jonesboro.

#### STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY

RESOLUTION, Proposing an Amendment to the Constitution of Maine to Define "Just Value".



Constitutional amendment. RESOLVED: Two thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of Maine be proposed:

Constitution, Art. IX, §8, as amended by CR 1983, c. 5, is further amended by adding after the first paragraph a new paragraph to read:

б

"Just value" for real property is defined as the most recent sale price of the real property adjusted by the Consumer Price Index for each year since that sale. If the real property is transferred by operation of law, gift or other than a reasonable arms-length transaction, then the just value must be set according to the sale prices for comparable real estate sales.

; and be it further

Constitutional referendum procedure; form of question; effective date. Resolved: That the city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, at a statewide election, on the Tuesday following the first Monday of November following the passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by

26 voting upon the following question:

"Shall the Constitution of Maine be amended to define 'just value' as the most recent sale price of real property adjusted by the Consumer Price Index for each year since that sale?"

The legal voters of each city, town and plantation shall vote by ballot on this question, and shall designate their choice by a cross or check mark placed within the corresponding square below the word "Yes" or "No." The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns and, if it appears that a majority of the legal voters are in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment shall become part of the Constitution on the date of the proclamation; and be it further

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purpose of this referendum.

### STATEMENT OF FACT

4	The Maine Supreme Court has defined "just value" as
	equivalent to fair market value as determined by reasonable
6	arms-length transactions. This means that when one property or group of properties is sold at what may be an inflated price, all
8	properties in a town are increased in assessed valuation. This resolution proposes an amendment to the Constitution of Maine to
10	define "just value" as the price someone paid for property plus an inflation adjustment. In this way, the assessed value of
12	one's home would not change just because someone else paid an inflated or unrealistic price for a home.
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