



115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1963

S.P. 767

In Senate, June 26, 1991

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27. Reference to the Committee on State and Local Government suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator CLARK of Cumberland

Cosponsored by Senator CLEVELAND of Androscoggin and Representative GWADOSKY of Fairfield.

STATE OF MAINE

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

An Act to Implement Constitutional Provisions Restricting the Imposition of Unfunded State Mandates.

(AFTER DEADLINE)

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	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 30-A MRSA §5684, as enacted by PL 1989, c. 922, is
4	repealed.
6	Sec.2. 30-A MRSA §5685 is enacted to read:
8	§5685. Funding for state-mandated programs
10	<u>1. Definitions. As used in this section and in Article IX,</u> Section 21 of the Constitution of Maine, unless the context
12	otherwise indicates, the following terms have the following meanings.
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	A. "Local revenue" means revenues generated by local units
16	of government, including property taxes, other locally levied taxes and user fees, and revenues, such as excise
18	taxes, collected and retained by local government pursuant to statutory authority.
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22	B. "Local units of government" means municipalities, school districts, counties and special districts.
24	C. A law that "promotes equal justice" means the Maine
26	Human Rights Act.
20	D. "Routine obligation" means administrative activities
28	performed as a normal function of government, the aggregate
30	<u>cost of which for all local units of government is less than</u> <u>\$100,000 per year.</u>
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32	2. Scope of mandates. Mandates imposed on local units of government include but are not limited to statutes or rules that:
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• •	A. Reduce a local unit of government's ability to generate
36	taxes or revenues;
38	B. Are enacted or adopted to comply with a federal
40	<u>requirement, to the extent that the statute or rule exceeds</u> <u>the requirements of the federal law; or</u>
42	<u>C. Reduce any state aid program and necessitate the</u>
	expenditure of additional local revenues by local units of
44	government unless the Legislature suspends or modifies other
46	<u>specific mandates at the same time and the suspension or modification results in a savings at least equal to the</u>
	additional local expenditures, except that this paragraph
48	<u>does not require the State to pay more than the amount</u> provided in Article IV, Part Third, Section 23 for property
50	tax éxemptions.

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2 3. Funding. Funds to implement mandates must come from revenues appropriated by the State. The State's obligation to 4 fund mandates is not met through state authorization to local units of government to levy fees or taxes not previously levied by local government. 6

8 If a local unit of government receives any funds from the sale or disposition of any real or personal property purchased with state funds provided to implement a mandate, it must forward the 10 proceeds to the State after deducting the costs of the sale or 12 disposition.

4. Amendments. This section implements Article IX, Section 14 21 of the Constitution of Maine and pursuant to that section may not be amended except by a proper enactment upon 2/3 votes of the 16 elected members of both the Senate and the House of Representatives. Amendments may include but are not limited to 18 legislation establishing a process to determine the projected 20 costs of state mandates, the level of funds necessary for the State to pay for its share of funding by measuring the mandate's 22 combined impact on local units of government on a statewide basis or a mechanism to disburse the funds in a fair and reasonable 24 manner. . -

26 Nothing in this subsection prevents the Legislature from enacting a law by which a single local unit of government may demonstrate 28 that circumstances unique to that unit require the appropriation of additional funds in order for the mandate to be funded at the 30 90% level established by Article IX, Section 21 of the Constitution of Maine.

section requiring the funding of state mandates.

34 by the Governor that a majority of the legal voters of the State

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STATEMENT OF FACT

are in favor of amending the Constitution of Maine to include a

Sec. 3. Effective date. This Act takes effect upon proclamation

This bill provides enabling legislation to implement the provisions of the constitutional amendment proposed by L.D. 66 as amended.

46 The bill defines some of the terms used in the proposed constitutional amendment; requires that if the Legislature 48 reduces any state aid programs it must also suspend or modify existing mandates to allow similar cost savings at the local 50 level; requires the State to fund mandates through state funding sources, rather than the authorization of local fees or taxes;

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and requires that if local units of government sell property purchased with funds provided from the State to meet a mandate, the proceeds from the sale must be returned to the State.

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The proposed constitutional amendment prohibits the Legislature from amending the statutory provisions of this bill except by a 2/3 vote of all members elected to each House.

The provisions of this bill will take effect only if the voters approve the proposed constitutional amendment.

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