

MAINE STATE LEGISLATURE

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TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1410, L.D. 1920, Bill, "An Act to Establish the Municipal Cost Component for Unorganized Territory Services to Be Rendered in Fiscal Year 1994-95"

Amend the bill by striking out all of section 1 and inserting in its place the following:

Sec. 1. Municipal cost component for services rendered. In accordance with the Maine Revised Statutes, Title 36, chapter 115, the Legislature determines that the net municipal cost component for unorganized territory services and reimbursements to be rendered in fiscal year 1994-95 is as follows.

Audit - Fiscal Administrator	\$108,207
Education - Operations	9,372,230
Forest Fire Protection	200,000
Human Services - General Assistance	80,000
Property Tax Assessment - Operations	457,570
Legislative Study Commission	9,140
Maine Land Use Regulation Commission - Operations	155,000
TOTAL STATE AGENCIES	\$10,382,147

COMMITTEE AMENDMENT

R. S.

COMMITTEE AMENDMENT "A" to H.P. 1410, L.D. 1920

County reimbursements for services:

2	Aroostook	\$549,320
4	Franklin	270,857
	Hancock	91,120
6	Oxford	184,715
	Penobscot	770,175
8	Piscataquis	323,644
	Somerset	592,590
10	Washington	313,155
12	TOTAL COUNTY SERVICES	\$3,095,576
14	TOTAL REQUIREMENTS	\$13,477,723
16	COMPUTATION OF ASSESSMENT	
18	Requirements	\$13,477,723
20	Less Deductions:	
	General -	
22	State Revenue Sharing	\$145,000
	Miscellaneous Revenues	125,000
24	Transfer from Surplus	709,140
26	TOTAL	\$979,140
28	Educational -	
	Lands Reserve Trust	\$125,000
30	Tuition and Travel	130,000
	Miscellaneous	10,000
32	Special - Retirement	100,000
	Transfer from Surplus	440,834
34	TOTAL	\$805,834
36	TOTAL DEDUCTIONS	(\$1,784,974)
38	TAX ASSESSMENT	\$11,692,749

40 **Sec. 2. Commission established.** The Unorganized Territory
 42 Education and Services Fund Study Commission, referred to in this
 44 section as the "commission," is established.

46 **1. Commission membership.** The commission consists of 11
 46 members:

48 A. Two members of the committee of the Legislature having
 50 jurisdiction over taxation matters appointed jointly by the
 President of the Senate and the Speaker of the House of
 Representatives;

B. Three Legislators whose districts include portions of the unorganized territory appointed jointly by the President of the Senate and the Speaker of the House of Representatives;

C. Two members of the public who are taxpayers of the unorganized territory appointed jointly by the President of the Senate and the Speaker of the House of Representatives; and

D. Four members of the public who are taxpayers in the unorganized territory appointed by the Governor.

2. **Appointments and meetings.** All appointments must be made no later than 30 days following the effective date of this Act.

The Executive Director of the Legislative Council must be notified by the appointing authorities once the selection is made. The Chair of the Legislative Council shall call and convene the first meeting of the commission no later than 30 days after the appointment of all members has been completed. The commission shall select a chair from its members.

3. **Duties.** The commission shall review and analyze all aspects of establishing the municipal cost component for the unorganized territories. The commission shall examine ways to ensure improved legislative oversight as well as review agency accountability to the Unorganized Territory Education and Services Fund including, but not limited to, an examination of county service costs, reporting and auditing, school construction and teacher retirement costs, state agency service costs, unexpended balances and cash flow requirements and overall administration of the program.

The commission shall evaluate the findings of their review and make recommendations to improve the effectiveness and efficiency of establishing and administering the municipal cost component for unorganized territories.

4. **Powers.** In conducting its review, the commission may:

A. Hold public hearings;

B. Meet at such times and places as the commission determines necessary and hold informational sessions for discussions with knowledgeable persons;

C. Establish subcommittees or advisory committees;

2 D. Conduct a literature search and summarize and analyze
the results of this search;

4 E. Conduct a survey of the public or affected persons and
6 groups and tabulate and analyze the results of this survey;

8 F. Procure and analyze relevant data;

10 G. Conduct legal research and prepare opinions on legal
12 questions within the scope of the study; and

14 H. Determine and summarize the legislative actions or
16 governmental programs undertaken in other jurisdictions
related to issues within the scope of the study.

18 **5. Staff assistance.** The commission may request staff
assistance from the Legislative Council. The fiscal
20 administrator of the unorganized territory, the Bureau of
Taxation, the Department of Education and Cultural Services, the
22 Maine Land Use Regulation Commission, the Department of Audit and
the Division of Forest Fire Control of the Maine Forest Service
24 shall provide additional staff support upon request of the
commission.

26 **6. Reimbursement.** The members of the commission who are
Legislators are entitled to the legislative per diem, as defined
28 in the Maine Revised Statutes, Title 3, section 2, for each day's
attendance at commission hearings. All other members are
30 entitled to expenses, as defined in Maine Revised Statutes, Title
5, chapter 379, upon application to the Executive Director of the
32 Legislative Council.

34 **7. Report.** The commission shall submit its report,
together with any necessary implementing legislation, to the
36 First Regular Session of the 117th Legislature and the joint
standing committee of the Legislature having jurisdiction over
38 taxation matters no later than November 15, 1994.

40 **Sec. 3. Appropriation.** The following funds are appropriated
from the General Fund to carry out the purposes of this Act.

1994-95

44 **LEGISLATURE**

46 **Unorganized Territory Education**
48 **and Services Fund Study Commission**

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COMMITTEE AMENDMENT "A" to H.P. 1410, L.D. 1920

Personal Services	\$2,970
All Other	6,170

Provide funds to the Unorganized Territory Education and Services Fund Study Commission for the per diem and expenses of members and miscellaneous committee expenses.

**LEGISLATURE
TOTAL**

\$ 9,140'

Further amend the bill by inserting at the end before the statement of fact the following:

FISCAL NOTE

1994-95

APPROPRIATIONS/ALLOCATIONS

General Fund	\$9,140
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REVENUES

General Fund	\$9,140
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Section 1 of this bill establishes the state costs for administering the unorganized territory in fiscal year 1994-95, but does not affect General Fund revenues or appropriations. The revenues and appropriations associated with the municipal cost component of the unorganized territory are already accounted for in the budget with the exception of the General Fund appropriation in section 3 of this bill. The costs established in this bill are incorporated into the tax assessment for the unorganized territory.

Section 3 of the bill includes a General Fund appropriation of \$9,140 in fiscal year 1994-95 to provide funding for the per diems, travel expenses and operating costs of the Unorganized Territory Education and Services Fund Study Commission. The total cost of the study commission will be reimbursed from the municipal cost component for unorganized territory services as provided by law, increasing General Fund revenues by \$9,140 in fiscal year 1994-95.'

STATEMENT OF FACT

This amendment establishes the Unorganized Territory Education and Services Fund Study Commission that reviews all aspects of the administration, budgeting and assessment of the municipal cost component of the unorganized territory.

This amendment requires that the 1994-95 tax assessment be reduced by another \$700,000 from surplus funds in the account.

This amendment also adds a fiscal note to the bill.