

MAINE STATE LEGISLATURE

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A of S

L.D. 746

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DATE: 5/11/95

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MINORITY
TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 550, L.D. 746, Bill, "An Act to Amend the Law Relating to Municipal Service Fees and to Modify the Reimbursement Policy for Hospitals to Recover Service Fees Paid"

Amend the bill by striking out the title and substituting the following:

'Resolve, to Create the Commission to Study the Growth of Tax-exempt Property in Maine's Towns, Cities, Counties and Regions and its Impact on those Budgets'

Further amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

'Emergency preamble. Whereas, Acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, nonprofit agencies need a variety of services from municipal governments; and

Whereas, most nonprofit agencies are not required to pay service fees or make payments in lieu of taxes; and

Whereas, municipal budgets are being strained by continued growth in tax-exempt property without concomitant growth in service fees or payments in lieu of taxes or without the capacity for any local revenue options; and

COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to H.P. 550, L.D. 746

2 **Whereas**, in the judgment of the Legislature, these facts
3 create an emergency within the meaning of the Constitution of
4 Maine and require the following legislation as immediately
5 necessary for the preservation of the public peace, health and
6 safety; now, therefore, be it

7 **Sec. 1. Commission established. Resolved:** That the Commission
8 to Study the Growth of Tax-exempt Property in Maine's Towns,
9 Cities, Counties and Regions, referred to in this resolve as the
10 "commission," is established; and be it further

11 **Sec. 2. Commission membership. Resolved:** That the commission
12 consists of 21 members as follows:

13 1. Two members of the Senate, one from the Joint Standing
14 Committee on Taxation and one from the Joint Standing Committee
15 on State and Local Government, appointed by the President of the
16 Senate;

17 2. Four members of the House of Representatives, 2 from the
18 Joint Standing Committee on Taxation and 2 from the Joint
19 Standing Committee on State and Local Government, appointed by
20 the Speaker of the House of Representatives;

21 3. The President of the Maine Municipal Association or a
22 designee;

23 4. Four municipal officials appointed by the Governor as
24 follows: one from a municipality with less than 1,000 in
25 population; one from a municipality with greater than 1,000 and
26 less than 10,000 in population; and 2 from municipalities with
27 greater than 10,000 in population;

28 5. Four representatives of nonprofit agencies, including
29 one from a hospital, one from an educational institution, one
30 from a charitable and benevolent institution and one from an
31 environmental organization with significant land holdings;

32 6. The State Tax Assessor or a designee;

33 7. A member of the Maine Association of Assessing Officers;

34 8. A member of the Maine Tax Collectors Association; and

35 9. Three members of the general public who pay property
36 taxes, appointed by the Governor; and be it further

37 **Sec. 3. Convening of commission. Resolved:** That all
38 appointments must be made no later than 30 days after the

COMMITTEE AMENDMENT

A. of S.

COMMITTEE AMENDMENT "A" to H.P. 550, L.D. 746

2 effective date of this resolve. The chair of the Legislative
3 Council shall call the first meeting of the commission within 14
4 days after all appointments are made. The commission shall elect
5 a chair from among the members; and be it further

6 **Sec. 4. Duties. Resolved:** That the commission shall study the
7 following issues:

8
9 1. The rate of growth in tax-exempt property as a
10 percentage of all taxable property in a town, city, county or
11 region;

12
13 2. The use of service charges and payments in lieu of taxes
14 and their impact on nonprofit entities;

15
16 3. The history and rationale for each property tax
17 exemption and whether that rationale continues to be valid; and

18
19 4. Any other issues that are related to tax-exempt property
20 in Maine's communities that the commission determines
21 appropriate; and be it further

22
23 **Sec. 5. Report. Resolved:** That the commission shall prepare a
24 written report of its findings and submit the report, together
25 with any necessary implementing legislation, within 30 days after
26 the convening of the Second Regular Session of the 117th
27 Legislature; and be it further

28
29 **Sec. 6. Staff assistance. Resolved:** That the commission shall
30 request staffing assistance from the Legislative Council; and be
31 it further

32
33 **Sec. 7. Reimbursement. Resolved:** That the members of the
34 commission who are Legislators are entitled to the legislative
35 per diem, as defined in the Maine Revised Statutes, Title 3,
36 section 2, for each day's attendance at meetings of the
37 commission. All members are entitled to reimbursement for travel
38 and other necessary expenses upon application to the Legislative
39 Council. The Executive Director of the Legislative Council shall
40 administer the commission's budget; and be it further

41
42 **Sec. 8. Appropriation. Resolved:** That the following funds are
43 appropriated from the General Fund to carry out the purposes of
44 this resolve.

45
46 **1995-96**

47
48 **LEGISLATURE**

R. of S.

COMMITTEE AMENDMENT "A" to H.P. 550, L.D. 746

**Commission to Study the Growth of
Tax-exempt Property in Maine's Towns,
Cities, Counties and Regions**

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Personal Services \$1,650
All Other 6,750

Provides funds for the expenses of the
Commission to Study the Growth of Tax-exempt
Property in Maine's Towns, Cities, Counties
and Regions.

LEGISLATURE
TOTAL \$8,400

Emergency clause. In view of the emergency cited in the
preamble, this resolve takes effect when approved.'

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

FISCAL NOTE

1995-96

APPROPRIATIONS/ALLOCATIONS

General Fund \$8,400

The Legislature will require a General Fund appropriation of
\$8,400 in fiscal year 1995-96 for the Commission to Study the
Growth of Tax-exempt Property in Maine's Towns, Cities, Counties
and Regions for per diem and expenses of legislative members,
expenses of public members and printing and public hearing
expenses. Costs associated with staffing and serving on the
commission can be absorbed within existing resources of the
agencies involved.'

STATEMENT OF FACT

This amendment replaces the bill by creating a study
commission to review tax-exempt property issues. The amendment
also adds a fiscal note to the bill.