

MAINE STATE LEGISLATURE

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L.D. 959

DATE: 5/31/95

(Filing No. H-336)

TAXATION

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

COMMITTEE AMENDMENT "A" to H.P. 701, L.D. 959, Bill, "An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 1995-96"

Amend the bill by inserting after the enacting clause the following:

'Sec. 1. 36 MRSA §1605, sub-§3, as enacted by PL 1977, c. 698, §8, is amended to read:

3. Balance carried forward. Any unexpended balance shall may not lapse but shall must be carried forward to the same fund for the next fiscal year and shall must be available for the purposes authorized by this chapter. Any unexpended balance remaining in the fund at the end of the year, not including amounts set aside in any capital reserve accounts, that is in excess of 10% of the amount of expenditures for that year must be used to reduce the amount to be collected in taxes during the next year.'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

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

FISCAL NOTE

This bill establishes the state costs for administering the

Ad

2 unorganized territory in fiscal year 1995-96, but does not affect
3 General Fund revenues or appropriations. The revenues and
4 appropriations associated with the municipal cost component of
5 the unorganized territory are already accounted for in the
6 Governor's proposed current services budget. The costs
7 established in this bill are incorporated into the tax assessment
8 for the unorganized territory.

9
10 The 10% limit on the unexpended balance in the Unorganized
11 Territory Education and Services Fund may reduce future property
12 tax assessments on the unorganized territory, which are deposited
13 as dedicated revenue into the fund. The amounts of any future
14 reductions can not be determined at this time.'

16 **STATEMENT OF FACT**

18 This amendment allows the Unorganized Territory Education
19 and Services Fund to keep a surplus of 10% of annual
20 expenditures. Any excess funds above this surplus must be used
21 to reduce taxes in the next year. The amendment also adds a
22 fiscal note to the bill.

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