MAINE STATE LEGISLATURE

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4	DATE: June 3, 1999 (Filing No. S-430)
6	Reproduced and distributed under the direction of the Secretary of the Senate.
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10	STATE OF MAINE SENATE 119TH LEGISLATURE
12	FIRST REGULAR SESSION
14	
16	SENATE AMENDMENT "A" to S.P. 846, L.D. 2246, Bill, "An Act to Amend the Nutrient Management Laws"
18	Amend the bill by inserting after the title and before the emergency preamble the following:
20	
22	'Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does
24	not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21,
26	two thirds of all of the members elected to each House have determined it necessary to enact this measure.'
28	Further amend the bill by striking out all of section 12 and
30	inserting in its place the following:
32	'Sec. 12. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.
34	2000-01
36	
38	ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
40	Waste Facility Tax Reimbursement
42	Achibursement
	All Other \$5.650

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Provides funds to reimburse municipalities for 50% of the property tax revenue lost as a result of the new property tax exemption for qualified animal waste storage facilities.

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES TOTAL

\$5,650'

12 FISCAL NOTE

This amendment strikes the additional General Fund appropriations of \$246,600 and \$250,793 in fiscal years 1999-00 and 2000-01, respectively, for the Department of Agriculture, Food and Rural Resources. As amended, this bill has total General Fund costs of \$20,095 in fiscal year 1999-00 and \$26,549 in fiscal year 2000-01.

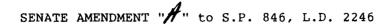
This bill creates a property tax exemption for qualifying animal waste storage facilities. Pursuant to the Constitution of Maine, the State is required to reimburse municipalities for 50% of the lost property tax revenue due to new or expanded exemptions. Additional General Fund appropriations of \$5,650 will be required in fiscal year 2000-01 for these reimbursements. These reimbursements will increase to \$11,300 in fiscal year 2001-02 and \$16,950 in fiscal year 2002-03.

In addition to the reimbursement for the revenue lost, the additional administrative costs that will be incurred by municipalities to implement these changes to the property tax assessments for certain farms require reimbursement as a state mandate pursuant to the Constitution of Maine. The additional costs of this state mandate are expected to be minor. Pursuant to the Mandate Preamble, the two-thirds vote of all members elected to each House exempts the State from the constitutional requirement to fund 90% of the additional local costs.

The new sales tax exemption for qualifying animal waste storage facilities will decrease sales and use tax collections by \$21,175 in fiscal year 1999-00 and \$22,022 in fiscal year 2000-01. The reduction of these tax collections will decrease the amounts transferred to the Local Government Fund for state-municipal revenue sharing in those years by \$1,080 and \$1,123, respectively. The resulting net reductions of General Fund revenue will be \$20,095 in fiscal year 1999-00 and \$20,899 in fiscal year 2000-01.

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SENATE AMENDMENT





The Bureau of Revenue Services will incur some minor additional costs to implement these tax changes. These costs can be absorbed within the bureau's existing budgeted resources.

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The Department of Environmental Protection will incur some minor additional costs to enter into a certain memorandum of understanding with the Department of Agriculture, Food and Rural Resources. These costs can be absorbed within the department's existing budgeted resources.

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12 **SUMMARY**

14 This amendment adds a mandate preamble. This amendment eliminates the appropriation of \$246,600 in fiscal year 1999-00 16 and \$250,793 in fiscal year 2000-01 to fund 2 positions to administer certain nutrient management laws.

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Michael Phekart 22 (Senator MICHAUD

24 COUNTY: Penobscot

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