

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 355

H.P. 285

House of Representatives, January 25, 2007

**Resolve, To Establish a Committee To Examine Issues Relating to
the Administration and Distribution of Municipal Revenue Sharing**

(EMERGENCY)

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BROWNE of Vassalboro.
Cosponsored by Senator DAMON of Hancock and
Representatives: AUSTIN of Gray, BLANCHARD of Old Town, CEBRA of Naples, FLOOD
of Winthrop, HOTHAM of Dixfield, PLUMMER of Windham, RICHARDSON of Warren,
SCHATZ of Blue Hill.

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

3 **Whereas,** this legislation needs to take effect before the expiration of the 90-day
4 period in order to provide sufficient time for meetings and for the preparation of the
5 report of the committee; and

6 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
7 the meaning of the Constitution of Maine and require the following legislation as
8 immediately necessary for the preservation of the public peace, health and safety; now,
9 therefore,

10 **Sec. 1. Revenue sharing committee established. Resolved:** That the
11 Treasurer of State shall convene a municipal revenue sharing committee, referred to in
12 this resolve as "the committee," composed of 6 municipal officials interested in the
13 administration and distribution of municipal revenue sharing, with 3 of those officials
14 recommended by the Maine Service Centers Coalition and 3 of those officials
15 representing rural and suburban municipalities and recommended by the Maine
16 Municipal Association; and be it further

17 **Sec. 2. Committee duties. Resolved:** That the committee shall examine and
18 make recommendations regarding the following issues:

19 1. The reasons for the general reductions in the distribution of municipal revenue
20 sharing in fiscal year 2007 and the effect of those reductions on compliance with the
21 municipal property tax levy limitation established in the Maine Revised Statutes, Title
22 30-A, section 5721-A;

23 2. The reasons for the volatility in the distribution of municipal revenue sharing in
24 fiscal year 2007, including but not limited to the legislative adjustments to the Revenue
25 Sharing I and Revenue Sharing II distribution pools, the legislative reductions to the
26 Revenue Sharing I distribution pool, the definition of "disproportionate tax burden" and
27 annual adjustments to state valuation;

28 3. The reasons the Fund for the Efficient Delivery of Local and Regional Services
29 has failed to be properly capitalized from the Local Government Fund as directed by the
30 voters on June 8, 2004; and

31 4. The obstacles to efficiently administering the municipal property tax levy
32 limitation established in the Maine Revised Statutes, Title 30-A, section 5721-A,
33 particularly with respect to the net new funding calculation, that are related to the
34 administration and distribution of municipal revenue sharing; and be it further

35 **Sec. 3. Reports. Resolved:** That the committee shall submit a report of its
36 findings and recommendations no later than December 15, 2007 to the Joint Standing
37 Committee on Appropriations and Financial Affairs. Following receipt and review of the
38 final report, the joint standing committee may submit legislation based on the report to
39 the Second Regular Session of the 123rd Legislature.

