



127th MAINE LEGISLATURE

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Legislative Document

No. 980

H.P. 677

House of Representatives, March 18, 2015

An Act To Restore Revenue Sharing

(EMERGENCY)

Reference to the Committee on Taxation suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative TEPLER of Topsham. Cosponsored by Senator BREEN of Cumberland and Representatives: ALLEY of Beals, BLUME of York, DEVIN of Newcastle, GILLWAY of Searsport, GOODE of Bangor, McCABE of Skowhegan, STANLEY of Medway, Senator: LIBBY of Androscoggin.

- 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,** state-municipal revenue sharing is used to stabilize the municipal property 4 tax burden and to aid in financing all municipal services; and
- 5 **Whereas,** transfers to municipalities are required to be made by the 20th of each 6 month; for fiscal year 2015-16, the first transfer is required to be made by July 20, 2015; 7 and
- 8 Whereas, the 90-day period required for nonemergency legislation may not 9 terminate until after this date; and
- 10 **Whereas,** in the judgment of the Legislature, these facts create an emergency within 11 the meaning of the Constitution of Maine and require the following legislation as 12 immediately necessary for the preservation of the public peace, health and safety; now, 13 therefore,
- 14 Be it enacted by the People of the State of Maine as follows:
- 15 Sec. 1. 30-A MRSA §5681, sub-§5-C, as amended by PL 2013, c. 368, Pt. J, §1,
 16 is further amended to read:
- 17 5-C. Transfers to General Fund. For the months beginning on or after July 1, 18 2009, \$25,383,491 in fiscal year 2009-10, \$38,145,323 in fiscal year 2010-11, 19 \$40,350,638 in fiscal year 2011-12, \$44,267,343 in fiscal year 2012-13, \$73,306,246 in 20 fiscal year 2013-14 and, \$85,949,391 in fiscal year 2014-15, \$64,462,043 in fiscal year 2015-16, \$42,974,695 in fiscal year 2016-17 and \$21,487,348 in fiscal year 2017-18 from 21 22 the total transfers pursuant to subsection 5 must be transferred to General Fund 23 undedicated revenue. The amounts transferred to General Fund undedicated revenue 24 each fiscal year pursuant to this subsection must be deducted from the distributions 25 required by subsections 4-A and 4-B based on the percentage share of the transfers to the 26 Local Government Fund pursuant to subsection 5. The reductions in this subsection must 27 be allocated to each month proportionately based on the budgeted monthly transfers to 28 the Local Government Fund as determined at the beginning of the fiscal year.
- Emergency clause. In view of the emergency cited in the preamble, this
 legislation takes effect when approved.

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SUMMARY

Currently, for the fiscal year ending June 30, 2015, the amount transferred to municipalities under state-municipal revenue sharing is decreased by approximately \$86,000,000. This bill restores state-municipal revenue sharing by the fiscal year beginning July 1, 2018 by transferring from state-municipal revenue sharing each fiscal year for the next 3 fiscal years an increasingly lesser amount than the fiscal year 2014-15 amount.