

MAINE STATE LEGISLATURE

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3/16/18
R.O.F.S

L.D. 1746

Date: 3/16/2018

(Filing No. S- 390)

ENERGY, UTILITIES AND TECHNOLOGY

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

128TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 645, L.D. 1746, Bill, "An Act To Ensure That Low-income Residents of the State Have Access to Telephone Services"

Amend the bill by inserting after section 6 the following:

'Sec. 7. 36 MRSA §1752, sub-§14, ¶B, as repealed and replaced by PL 2015, c. 494, Pt. A, §44, is amended to read:

B. "Sale price" does not include:

(1) Discounts allowed and taken on sales;

(2) Allowances in cash or by credit made upon the return of merchandise pursuant to warranty;

(3) The price of property returned by customers, when the full price is refunded either in cash or by credit;

(4) The price received for labor or services used in installing or applying or repairing the property sold, if separately charged or stated;

(5) Any amount charged or collected, in lieu of a gratuity or tip, as a specifically stated service charge, when that amount is to be disbursed by a hotel, restaurant or other eating establishment to its employees as wages;

(6) The amount of any tax imposed by the United States on or with respect to retail sales, whether imposed upon the retailer or the consumer, except any manufacturers', importers', alcohol or tobacco excise tax;

(7) The cost of transportation from the retailer's place of business or other point from which shipment is made directly to the purchaser, provided that those charges are separately stated and the transportation occurs by means of common carrier, contract carrier or the United States mail;

(8) Any amount charged or collected by a person engaged in the rental of living quarters as a forfeited room deposit or cancellation fee if the prospective

COMMITTEE AMENDMENT

1 occupant of the living quarters cancels the reservation on or before the scheduled
2 date of arrival;

3 (9) Any amount charged for the disposal of used tires;

4 (10) Any amount charged for a paper or plastic single-use carry-out bag; or

5 (11) Any charge, deposit, fee or premium imposed by a law of this State; or

6 (12) Federal universal service support funds that are paid directly to the seller
7 pursuant to 47 Code of Federal Regulations, Part 54.'

8 Amend the bill by striking out all of section 10 and inserting the following:

9 **'Sec. 10. Commission may adjust fee.** Notwithstanding the prohibitions under
10 the Maine Revised Statutes, Title 35-A, section 7104, subsection 3-A and Title 35-A,
11 section 7104-B, subsection 2-A on the Public Utilities Commission's adjusting the
12 prepaid wireless telecommunications service fee more than once every 24 months, the
13 Public Utilities Commission may adjust the prepaid wireless telecommunications service
14 fee if needed to conform to this Act.'

15 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
16 section number to read consecutively.

17 **SUMMARY**

18 This amendment amends the sales and use tax laws to specify that federal universal
19 service support funds paid directly to the seller are not included in the definition of "sale
20 price." It removes language regarding rulemaking by the Public Utilities Commission,
21 and it clarifies language regarding adjusting the prepaid wireless telecommunications
22 service fee.

FISCAL NOTE REQUIRED
(See attached)



Approved: 03/14/18 *MAC*

128th MAINE LEGISLATURE

LD 1746

LR 2616(02)

An Act To Ensure That Low-income Residents of the State Have Access to Telephone Services

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-390)

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$0	\$299,880	\$290,700	\$290,700
Revenue				
General Fund	\$0	(\$299,880)	(\$290,700)	(\$290,700)
Other Special Revenue Funds	\$0	(\$6,120)	(\$15,300)	(\$15,300)

Fiscal Detail and Notes

This bill would reduce General Fund revenue by an estimated \$299,880 and reduce Local Government Fund revenue by \$6,120 in fiscal year 2018-19.

Any additional costs to the Public Utilities Commission as a result of clarifications to the rules regarding their adjustment of the prepaid wireless telecommunications service fee and specifications that federal universal support funds paid directly to sellers are not subject to sales taxes are anticipated to be minor and can be absorbed within existing budgeted resources.