

# MAINE STATE LEGISLATURE

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**LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED BY THE

ONE HUNDRED AND TWELFTH LEGISLATURE

**FIRST REGULAR SESSION**

December 5, 1984 to June 20, 1985  
Chapters 384-End

AND AT THE

**FIRST SPECIAL SESSION**

November 13, 1985

PUBLISHED BY THE DIRECTOR OF REVISOR OF STATUTES IN  
ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,  
TITLE 3, SECTION 163-A, SUBSECTION 4.

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J.S. McCarthy Co., Inc.  
Augusta, Maine  
1985

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**PUBLIC LAWS**  
OF THE  
**STATE OF MAINE**  
AS PASSED AT THE  
FIRST REGULAR SESSION  
CONTINUED  
and  
FIRST SPECIAL SESSION  
of the  
ONE HUNDRED AND TWELFTH LEGISLATURE  
1985

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State and any municipal police officer may issue a permit to an owner of a motor vehicle which is not inspected to enable him to operate the vehicle to an inspection station for the purpose of complying with this law. This section does not apply to reconstructable motor vehicles as defined in Title 10, section 1471.

Sec. 25. Transition provision. The Maine Revised Statutes, Title 29, section 245-A shall not impair or limit the duration of validity or any registration issued under that section prior to the effective date of section 11. Any registration issued prior to the effective date of section 11, to a corporation organized under the laws of this State, shall be deemed to be a registration issued to a resident of this State as of the date of the issuance. Any registration issued to a foreign corporation, prior to the effective date of section 11, shall be deemed to be a registration issued to a resident of this State as of the date of the issuance if, at any time prior to or after the effective date of section 11, the foreign corporation has registered to do business in this State pursuant to the Maine Revised Statutes, Title 13-A, chapter 12.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective June 25, 1985.

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## CHAPTER 430

S.P. 579 - L.D. 1521

### AN ACT to Provide for Greater Tax Expenditure Accountability.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 1 MRSA §2601, sub-§1, as enacted by PL 1979, c. 687, §1, is repealed.

Sec. 2. 1 MRSA §2603, sub-§1, as repealed and replaced by PL 1983, c. 777, §1, is amended to read:

1. Report. The report prepared as a result of the review required by section 2601, ~~subsections~~ subsection 1 and 2 shall include:

- A. A description of the purpose of the exemption;
- B. A determination of the groups or individuals which benefit from the exemption;
- C. An evaluation of the past effectiveness of the provision;
- D. An evaluation of the future need for the exemption;
- E. An estimate of the cost of retaining the provision;
- F. A recommendation of the committee as to the amendment, repeal, replacement or retention of the exemption;
- G. Any other recommendation of the committee relating to the provisions subject to review.

The committee may choose to include in its report only the information, with regard to the provisions reviewed, which has changed since the previous report.

Sec. 3. 36 MRSA c. 9 is enacted to read:

#### CHAPTER 9

#### JUSTIFICATION OF TAX EXPENDITURES

##### §195. Purpose

Tax expenditures are enacted by the Legislature for numerous purposes, including administrative efficiency, providing incentives to business or other activities or encouraging socially desirable behavior. These tax expenditures constitute a permanent reduction in tax revenues of the State and result in an increased tax burden on taxpayers who are not benefited. Tax expenditures which are enacted without expiration dates rarely receive effective review to determine the continuing need for the expenditure or the effectiveness of the provision in meeting its original objective. The purpose of this chapter is to establish a system for periodic review of these tax expenditures.

##### §196. Tax expenditure

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Tax expenditure. "Tax expenditure" means provisions of state law which result in a reduction of tax revenue due to special exclusions, exemptions, deductions, credits, preferential rates or deferral of tax liability.

§197. Review

The joint standing committee of the Legislature having jurisdiction over taxation shall review tax expenditures according to the schedule provided in section 198. The committee shall devote at least part of one public hearing to each provision being reviewed. The Bureau of Taxation shall provide the committee with information, other than information which is protected from disclosure under section 191, which is requested by the committee when conducting the review provided by this section.

§198. Schedule for review

1. Group 1. Tax expenditures which are contained in the following provisions of law shall be reviewed by January 1, 1986, and every 4 years thereafter:

- A. Section 1752;
- B. Section 1760, subsections 1 to 9-C; and
- C. Chapter 357.

2. Group 2. Tax expenditures which are contained in the following provisions of law shall be reviewed by January 1, 1987, and every 4 years thereafter:

- A. Section 1760, subsections 31 through the end of that section;
- B. Section 1811-A;
- C. Section 1862;
- D. Section 1863;
- E. Section 2012;
- F. Section 2013; and
- G. Section 2014.

3. Group 3. Tax expenditures which are contained in the following provisions of law shall be reviewed by January 1, 1988, and every 4 years thereafter:

- A. Section 1760, subsections 11 to 30.

4. Group 4. Tax expenditures which are contained in the following provisions of law shall be reviewed by January 1, 1989, and every 4 years thereafter:

- A. Section 5122;
- B. Section 5127;
- C. Section 5130;
- D. Section 5146;
- E. Section 5200-A;
- F. Section 5202-A;
- G. Section 5215; and
- H. Section 5216.

§199. Report

1. Report. The committee shall submit a report to the Legislature by the date specified in section 198 for the completion of its review. The report shall contain at least the following:

- A. A description of the purpose of the tax expenditure;
- B. A determination of the groups or individuals likely to benefit from the tax expenditure;
- C. An evaluation of the effectiveness of the tax expenditure;
- D. An estimate of the annual cost of the tax expenditure;
- E. A recommendation of the committee as to the amendment, repeal, replacement or retention of the tax expenditure or any other matters relating to the provisions subject to review; and
- F. An evaluation of the effectiveness of the procedures required by this chapter and any recommendations for change.

The committee may choose to include in its report only the information with regard to the provisions reviewed which has changed since the previous review of that provision.

2. Legislation. The committee shall report to the Legislature, with its report, any legislation which is necessary to accomplish its recommendations.

Effective September 19, 1985.

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## CHAPTER 431

S.P. 642 - L.D. 1656

### AN ACT to Correct an Error and an Omission in the Workers' Compensation Law.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, certain technical errors and inconsistencies exist in the workers' compensation law; and

Whereas, these errors and inconsistencies create uncertainties and confusion in interpreting legislative intent; and

Whereas, it is vitally necessary that these uncertainties and this confusion be resolved in order to prevent any injustice or hardship to the citizens of Maine; and

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

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 24-A MRSA §2357, as enacted by PL 1985, c. 372, Pt. B, §5, is amended to read:

#### §2357. Nonseverability

In the event that any portion of this subchapter, except section 2355, subsections 2 and 6, is held invalid, it is the intent of the Legislature that this entire subchapter, except section 2355 and this