

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND SEVENTEENTH LEGISLATURE

SECOND SPECIAL SESSION
September 5, 1996 to September 7, 1996

ONE HUNDRED AND EIGHTEENTH LEGISLATURE

FIRST REGULAR SESSION
December 4, 1996 to March 27, 1997

FIRST SPECIAL SESSION
March 27, 1997 to June 20, 1997

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
JUNE 26, 1997

FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 19, 1997

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

J.S. McCarthy Company
Augusta, Maine
1997

B. One member from the Maine Technical College System, appointed by the President of the Maine Technical College System;

C. One member from the Maine Maritime Academy, appointed by the President of the Maine Maritime Academy;

D. One member from the Maine Science and Technology Foundation, appointed by the President of the Maine Science and Technology Foundation;

E. Two members from the Department of Economic and Community Development, the Department of Marine Resources or the State Planning Office, appointed by the Governor;

F. One member appointed by the President of the Senate; and

G. One member appointed by the Speaker of the House of Representatives.

3. Appointments. All appointments must be made no later than 30 days following the effective date of this Act. The appointing authorities shall notify the Executive Director of the Legislative Council upon making their appointments. When the appointment of all members is complete, the Chair of the Legislative Council shall call and convene the first meeting of the task force no later than November 1, 1997. The task force shall select a chair from among its members.

4. Duties. The task force shall review and summarize the current policies and programs in support of research and development within the State. The task force also shall review the policies and programs that are employed by other states. The task force shall create a plan to coordinate and maximize these policies and programs throughout the State.

5. Staff assistance. The task force shall request staffing and clerical assistance from the Maine Science and Technology Foundation, which must be provided within available resources.

6. Compensation. The legislative members of the task force are entitled to legislative per diem as defined in the Maine Revised Statutes, Title 3, section 2 and reimbursement for travel and other necessary expenses for attendance at meetings of the task force. Other members are not entitled to compensation.

7. Report. The task force shall submit its findings and plan to the Second Regular Session of the 118th Legislature by January 1, 1998. If the task force requires an extension of time to make its report it may

apply to the Legislative Council, which may grant the extension.

See title page for effective date.

CHAPTER 557

H.P. 1350 - L.D. 1897

An Act Concerning Tax Relief

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

Whereas, changes affecting the Maine Residents Property Tax Program need to go into effect prior to 90 days after adjournment; and

Whereas, changes to certain sales tax and income tax provisions need to be implemented with specific effective dates, some of which occur prior to 90 days after adjournment; and

Whereas, there is a need to continue the study of tax relief and tax reform measures beginning as soon as possible after adjournment; 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:

PART A

Sec. A-1. 36 MRSA §6201, sub-§12, as enacted by PL 1987, c. 516, §§3 and 6, is amended to read:

12. Year for which relief is requested. "Year for which relief is requested" means the calendar year preceding that in which the claim is filed. For a claim filed in January of any year, "year for which relief is requested" means the calendar year 2 years preceding that in which the claim is filed.

Sec. A-2. 36 MRSA §6204, as amended by PL 1989, c. 534, Pt. A, §5, is further amended to read:

§6204. Filing date

~~No~~ A claim may not be paid unless the claim is filed with the Bureau of Taxation on or after ~~August~~ October 1st and on or before the following ~~December~~ January 31st.

Sec. A-3. 36 MRSA §6207, as amended by PL 1995, c. 639, §32, is further amended to read:

§6207. Income limitations for nonelderly households

A claimant representing a nonelderly household ~~shall qualify~~ qualifies for the following benefits subject to the following income limitations.

1. Benefit calculation. For claimants representing a nonelderly household, the benefit is calculated as follows:

A-1. Fifty percent of that portion of the benefit base that exceeds ~~5.0%~~ 4% but does not exceed ~~10.0%~~ 8% of income plus 100% of that portion of the benefit base that exceeds ~~10%~~ 8% of income to a maximum payment of ~~\$700~~ \$1,000.

2. Income eligibility. Single-member households with household incomes in excess of ~~\$25,000~~ \$25,700 and households with 2 or more members with a household income in excess of ~~\$35,000~~ \$40,000 are not eligible for a benefit.

3. Subsidized housing. A claim may not be granted under this section to claimants:

A. Whose housing costs for the year for which relief is requested were subsidized by government programs that limit housing costs to a percentage of household income; ~~and~~

~~B. Who are receiving Aid to Families with Dependent Children and are eligible for the housing special needs payment pursuant to Title 22, section 3760-D.~~

4. Minimum benefit. ~~No~~ A claim of less than \$10 may not be granted.

Sec. A-4. 36 MRSA §6210, as enacted by PL 1987, c. 516, §§3 and 6, is amended by adding at the end a new paragraph to read:

The State Tax Assessor shall include a checkoff to request an application for the Maine Residents Property Tax Program on the individual income tax form. The assessor shall also provide for the option of filing an application for the Maine Residents Property Tax Program using the telefile system established by the assessor.

Sec. A-5. Application date. That section of this Part that amends the Maine Revised Statutes, Title 36, section 6207 applies to applications for relief filed on or after October 1, 1997.

Sec. A-6. Allocation. The following funds are allocated from the Tax Relief Fund for Maine Residents to carry out the purposes of this Part.

	1997-98	1998-99
ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF		
Maine Residents Property Tax Program		
All Other	\$5,153,253	\$5,835,620
Provides funds for additional claims under the Maine Residents Property Tax Program.		
Bureau of Taxation		
All Other	\$108,105	\$8,527
Provides funds for computer programming, printing and mailing expenses resulting from changes to the Maine Residents Property Tax Program.		
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES		
TOTAL	\$5,261,358	\$5,844,147

PART B

Sec. B-1. 36 MRSA §1752, sub-§1-E is enacted to read:

1-E. Custom computer software program. "Custom computer software program" means any computer software that is written or prepared exclusively for a particular customer. "Custom computer software program" does not include a "canned" or prewritten program that is held or exists for a general or repeated sale, lease or license, even if the program was initially developed on a custom basis or for in-house use. An existing prewritten program that has been modified to meet a particular customer's needs is a "custom computer software program" to the extent of the modification, and to the extent that the amount charged for the modification is separately stated.

Sec. B-2. 36 MRSA §1752, sub-§17, as amended by PL 1989, c. 871, §7, is further amended to read:

17. Tangible personal property. "Tangible personal property" means personal property ~~which~~ that may be seen, weighed, measured, felt, touched or in any other manner perceived by the senses, but does not include rights and credits, insurance policies, bills of exchange, stocks and bonds and similar evidences

of indebtedness or ownership. "Tangible personal property" includes electricity. "Tangible personal property" includes any computer software that is not a custom computer software program.

Sec. B-3. 36 MRSA §1752, sub-§17-A, ¶F, as amended by PL 1993, c. 701, §3, is repealed.

Sec. B-4. 36 MRSA §5122, sub-§1, ¶G, as amended by PL 1995, c. 641, §1 and affected by §7, is further amended to read:

G. Pick-up contributions paid by the taxpayer's employer on the taxpayer's behalf to the Maine State Retirement System as defined in Title 5, section 17001, subsection 28-A; ~~and~~

Sec. B-5. 36 MRSA §5122, sub-§1, ¶H, as amended by PL 1995, c. 641, §2 and affected by §7, is further amended to read:

H. The absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 1989, but before January 1, 1993, that arises from an S Corporation with total assets for the year of at least \$1,000,000 and that, pursuant to the United States Internal Revenue Code, Section 172, is being carried back for federal income tax purposes to the taxable year by the taxpayer; and

Sec. B-6. 36 MRSA §5122, sub-§1, ¶J is enacted to read:

J. The amount claimed as a business expense that is included in the investment credit for the high-technology investment tax credit.

Sec. B-7. 36 MRSA §5200-A, sub-§1, ¶H, as amended by PL 1995, c. 641, §4 and affected by §7, is further amended to read:

H. The absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 1989 but before January 1, 1993 that, pursuant to the United States Internal Revenue Code, Section 172, is being carried back for federal income tax purposes to the taxable year by the taxpayer; ~~and~~

Sec. B-8. 36 MRSA §5200-A, sub-§1, ¶I, as amended by PL 1995, c. 641, §5 and affected by §7, is further amended to read:

I. Interest or dividends on obligations or securities of any state or of a political subdivision or authority, other than this State and its political subdivisions and authorities; ~~and~~

Sec. B-9. 36 MRSA §5200-A, sub-§1, ¶K is enacted to read:

K. The amount claimed as a business expense that is included in the investment credit for the high-technology investment tax credit.

Sec. B-10. 36 MRSA §§5219-L and 5219-M are enacted to read:

§5219-L. Super credit for substantially increased research and development

1. Super credit allowed for substantial expansions of research and development. A taxpayer qualifying for a research expense tax credit under section 5219-K is allowed an additional credit against the tax due equal to the excess, if any, of the qualified research expenses for the taxable year over the super credit base amount. For purposes of this section, "super credit base amount" means the average amount spent on qualified research expenses by the taxpayer in the 3 taxable years immediately preceding the effective date of this section, increased by 50%. The super credit allowed under this subsection applies only to the expenditures for research conducted in this State. The term "qualified research expenses" has the same meaning as under Section 41 of the Code, as amended and in effect on December 31, 1994.

2. Amount of super credit allowed. The credit allowed under this section is limited to 50% of the taxpayer's tax due after the allowance of any other credits taken pursuant to this chapter.

3. Carry over to succeeding years. A taxpayer entitled to a credit under this section for any taxable year may carry over and apply to the tax due for any one or more of the next succeeding 5 taxable years the portion, as reduced from year to year, of any unused credit, but in no event may the credit applied in any single year exceed 50% of the taxpayer's tax due after the allowance of any other credits taken pursuant to this chapter.

4. Limitation. The credit provided by this section may not be used to reduce the taxpayer's tax liability under this Part to less than the amount of the taxpayer's tax due in the preceding taxable year after the allowance of any credits taken pursuant to this chapter.

5. Corporations filing combined returns. In the case of corporations filing a combined return, a credit generated by an individual member corporation under the provisions of this section must first be applied against the tax due attributable to that company under this Part. A member corporation with an excess research and development credit may apply its excess credit against the tax due of another group member to the extent that that other member corporation can use additional credits under the limitations of subsection 4. Unused, unexpired credits generated by a member corporation may be carried over from year

to year by the individual corporation that generated the credit, subject to the limitation in subsection 3.

§5219-M. High-technology investment tax credit

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "High-technology activity" means:

(1) The design, creation and production of computer software, computer equipment, supporting communications components and other accessories that are directly associated with computer software and computer equipment; and

(2) The provision of Internet or electronic communications access services or support access to electronic media and data and associated communications support, or advanced telecommunications capability as that term is defined in the federal Telecommunications Act of 1996, Section 706 (c) (1).

B. "Investment credit base of equipment" means the total original basis of the eligible equipment for federal income tax purposes of the taxpayer for equipment that was placed into service for the first time in the State by the taxpayer or other person during the tax year for which the credit is claimed.

C. "Eligible equipment" means all computer equipment, electronics components and accessories, communications equipment, as defined in paragraph A, subparagraph (2), and computer software placed into service in the State.

2. Purchaser of eligible equipment; credit allowed. A taxpayer that purchases and uses eligible equipment or purchases and leases eligible equipment to a person for use by that person in the provision of high-technology activity may claim a credit in the amount of the investment credit base of the eligible equipment, net of any lease payments received for the eligible equipment in the taxable year.

3. Lessor of eligible equipment; credit allowed. A taxpayer that leases and uses eligible equipment or leases and subleases eligible equipment to a person for use by that person in the provision of high-technology activity may claim a credit in the amount of the lease payments made on the eligible equipment, net of sublease payments received in the taxable year.

4. Limitation. The credit provided by this section may not be used to reduce the taxpayer's tax

liability under this Part to less than the amount of the taxpayer's tax due in the preceding taxable year after the allowance of any credits taken pursuant to this chapter. The credit allowed under this section for any taxable year may not reduce the tax due to less than zero.

5. Carry over to succeeding years. A taxpayer entitled to a credit under this section for any taxable year may carry over and apply to the tax due for any one or more of the next succeeding 5 taxable years the portion, as reduced from year to year, of any unused credits.

6. Corporations filing combined return. In the case of corporations filing a combined return, a credit generated by an individual member corporation under the provisions of this section must first be applied against the tax due attributable to that company under this Part. A member corporation with an excess high-technology investment tax credit may apply its excess credit against the tax due of another group member to the extent that that other member corporation can use additional credits under the limitations of subsection 4. Unused, unexpired credits generated by a member corporation may be carried over from year to year by the individual corporation that generated the credit, subject to the limitation in subsection 5.

Sec. B-11. 36 MRSA §6651, sub-§1, as amended by PL 1997, c. 24, Pt. C, §13 and affected by §17, is further amended to read:

1. Eligible property. "Eligible property" means qualified business property first placed in service in the State, or constituting construction in progress commenced in the State, after April 1, 1995. "Eligible property" includes, without limitation, repair parts, replacement parts, additions, accessions and accessories to other qualified business property placed in service on or before April 1, 1995 if the part, addition, accession or accessory is first placed in service, or constitutes construction in progress, in the State after April 1, 1995. "Eligible property" also includes inventory parts. "Eligible property" is subject to reimbursement pursuant to this chapter for up to 12 years, but the 12 years must be reduced by one year for each year during which a taxpayer included the same property in its investment credit base under section 5219-E or 5219-M and claimed the credit provided by that in either section on its income tax return.

Sec. B-12. Allocation. The following funds are allocated from the Tax Relief Fund for Maine Residents to carry out the purposes of this Part.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Bureau of Taxation

	1997-98	1998-99
Positions - Legislative Count	(1,000)	(1,000)
Personal Services	\$15,903	\$32,904
All Other	26,600	6,500

Provides funds for one Revenue Agent position, effective January 1, 1998, computer programming and related administrative expenses to administer and enforce the high-technology investment tax credit.

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES

TOTAL	\$42,503	\$39,404
--------------	----------	----------

Sec. B-13. Transfer of funds. The State Controller shall transfer from the Tax Relief Fund for Maine Residents to the General Fund \$2,629,512 in fiscal year 1997-98 to offset the revenue loss associated with the credits and exemptions established in this Part. An amount equal to \$2,195,280 may not lapse but must be carried forward to fiscal year 1998-99 to be used for the same purpose.

PART C

Sec. C-1. Commission established. The Commission to Study the Restructuring of the State's Fiscal Policies to Promote the Development of High-technology Industry in Maine, referred to in this Part as the "commission," is established.

Sec. C-2. Issues. The commission shall study the fiscal, cultural and educational issues associated with the encouragement and development of high-technology industry in the State, including specifically issues affecting providers of computer equipment, computer software, electronic components and accessories, communications equipment and communications services. The scope of the commission's study includes, but is not limited to:

1. An examination and report on the state fiscal policies, laws, regulations and financial incentives for the growth and development of high-technology industry in the State, relative to those of other states;

2. An examination and study of the key fiscal, educational and cultural issues affecting the State's high-technology industry; and

3. An examination and a report outlining specific legislative recommendations for restructuring the State's fiscal, educational and cultural policies and laws and rules to create comparative advantages designed to encourage the beneficial expansion of high-technology industry in the State.

Sec. C-3. Membership. The commission consists of 20 members appointed as follows:

1. Two members of the Senate, appointed jointly by the President of the Senate and the Speaker of the House, one of whom must be a member of the majority party and one of whom must be a member of the minority party;

2. Two members of the House of Representatives, appointed jointly by the President of the Senate and the Speaker of the House, one of whom must be a member of the majority party and one of whom must be a member of the minority party;

3. Thirteen members, 5 of whom must be appointed by the President of the Senate, 5 of whom must be appointed by the Speaker of the House and 3 of whom must be appointed by the Governor. Two of the appointments by the President and 2 of the appointments by the Speaker of the House must be made upon the recommendation of the minority floor leader of the respective chamber. These members must include:

A. Three representatives with practical experience and knowledge of high-technology development, including one person whose background includes significant experience in computer equipment, electronic components and accessories; one person whose background includes significant experience with communication equipment; and one person whose background includes significant experience with computer software;

B. Four representatives from the academic community, including one economist who has practical experience and knowledge of the high-technology industry and its impact on economic development, one representative with knowledge of electronic communications and computer software, one representative with knowledge of electrical engineering, and one representative of the Maine Technical College System; and

C. Six representatives of industries likely to be affected by high-technology development, including one person who represents the health care industry, one person who represents major

manufacturers, one person who represents small businesses, one person who represents the banking and financial services industry, one person who represents the tourism industry and one person who represents a nonprofit organization with an interest in encouraging international trade by Maine concerns; and

4. The Director of the State Planning Office within the Executive Department, the Commissioner of Economic and Community Development and the President of the Maine Science and Technology Foundation, who are ex officio members.

Sec. C-4. Appointments. All appointments must be made no later than 30 days following the effective date of this Part. The appointing authorities shall notify the Executive Director of the Legislative Council upon making their appointments. When the appointment of members is complete, the Chair of the Legislative Council shall call and convene the first meeting of the commission no later than 2 months from the effective date of this Part.

Sec. C-5. Staff assistance. The commission may request staffing assistance from the Legislative Council.

Sec. C-6. Reimbursement. The commission members who are Legislators are entitled to receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, for each day's attendance at the meetings of the commission and reimbursement for travel and other necessary expenses upon application to the Legislative Council. The Executive Director of the Legislative Council shall administer the commission's budget.

Sec. C-7. Chair. The commission shall, at its first meeting select a member to serve as chair. At the first meeting or a subsequent meeting, the commission may select a vice-chair from among its members and establish programmatic and structural committees.

Sec. C-8. Meetings. The commission may meet up to 6 times.

Sec. C-9. Staffing. If funding permits, the commission may employ staff as needed and may contract for administrative, professional, legislative drafting and clerical services.

Sec. C-10. Funding. The commission may seek, accept and expend outside sources of funding to carry out the commission's activities. The Legislative Council shall administer any outside funds acquired for the purposes of this Part.

Sec. C-11. Report. The commission shall present its findings and any recommended legislation

to the Second Regular Session of the 118th Legislature by January 1, 1998.

Sec. C-12. Allocation. The following funds are allocated from the Tax Relief Fund for Maine Residents to carry out the purposes of this Part.

1997-98

LEGISLATURE

Commission to Study the Restructuring of the State's Fiscal Policies to Promote the Development of High-technology Industry in Maine

Personal Services	\$1,320
All Other	7,700
Provides funds for the per diem and expenses of legislative members and miscellaneous costs, including printing, of the Commission to Study the Restructuring of the State's Fiscal Policies to Promote the Development of High-technology Industry in Maine.	

LEGISLATURE

TOTAL \$9,020

Sec. C-13. Allocation. The following funds are allocated from Other Special Revenue funds to carry out the purposes of this Part.

1997-98

LEGISLATURE

Commission to Study the Restructuring of the State's Fiscal Policies to Promote the Development of High-technology Industry in Maine

All Other	\$25,000
Provides an allocation to the commission for contracted staff.	

PART D

Sec. D-1. 36 MRSA §1752, sub-§9-B, as amended by PL 1989, c. 501, Pt. V, §5, is further amended to read:

9-B. Production. "Production" means an operation or integrated series of operations engaged in as a business or segment of a business ~~which that~~ transforms or converts personal property by physical, chemical or other means into a different form, composition or character from that in which it originally existed.

"Production" includes manufacturing, processing, assembling and fabricating operations ~~which that~~ meet the definitional requisites, including biological processes that are part of an integrated process of manufacturing organisms or microorganic materials through the application of biotechnology.

"Production" does not include biological processes except as otherwise provided by this subsection, wood harvesting operations, the severance of sand, gravel, oil, gas or other natural resources produced or severed from the soil or water, or activities such as cooking or preparing drinks, meals, food or food products by a retailer for retail sale. The foregoing are examples of activities that are not included within the term "production."

Sec. D-2. 36 MRSA §1760, sub-§32, as amended by PL 1985, c. 276, §4, is further amended to read:

32. Machinery and equipment for research. Sales of machinery and equipment for use by the purchaser directly and exclusively in research and development in the experimental and laboratory sense and sales of machinery, equipment, instruments and supplies for use by the purchaser directly and primarily in biotechnology applications, including the application of technologies such as recombinant DNA techniques, biochemistry, molecular and cellular biology, immunology, genetics and genetic engineering, biological cell fusion techniques and new bioprocesses using living organisms or parts of organisms to produce or modify products, improve plants or animals, develop microorganisms for specific uses, identify targets for small-molecule pharmaceutical development, transform biological systems and useful processes and products or to develop microorganisms for specific uses. The research Equipment and supplies used for biotechnology include but are not limited to microscopes, diagnostic testing materials, glasswares, chemical reagents, computer software and technical books and manuals. "Research and development" includes testing and evaluation for the purposes of approval and compliance with regulatory standards for biotechnological products or materials.

~~"Research and development" shall not be deemed to does not~~ include the ordinary testing or inspecting of materials or products for quality control, efficiency surveys, management studies, consumer surveys, advertising, promotions or research in connection with literary, historical or similar projects.

Sec. D-3. Transfer of funds. The State Controller shall transfer from the Tax Relief Fund for Maine Residents to the General Fund \$118,720 in fiscal years 1997-98 to offset the revenue loss associated with the sales tax exemption established in this Part. An amount equal to \$74,022 may not lapse but must be carried forward to fiscal year 1998-99 to be used for the same purpose.

PART E

Sec. E-1. 36 MRSA §5219-N is enacted to read:

§5219-N. Low-income tax credit

1. Generally. Except as otherwise provided by this section, an individual whose state taxable income is \$2,000 or less is allowed a credit equal to the amount of the tax otherwise imposed on that individual by this Part. In no case may the credit allowed by this section reduce an individual's state income tax liability to less than zero.

2. Exceptions. The following individuals are not eligible for the credit allowed by this section:

A. An individual who is claimed as a dependent on another individual's income tax return; and

B. An individual who is subject to the state minimum tax imposed by section 5203-A.

3. Returns not required. Notwithstanding section 5220 or any other provision of law, an individual who is eligible for this credit is not required to file a state income tax return.

Sec. E-2. Application date. This Part applies to tax years beginning on or after January 1, 1997.

Sec. E-3. Transfer of funds. The State Controller shall transfer from the Tax Relief Fund for Maine Residents to the General Fund \$2,382,939 in fiscal year 1997-98 to offset the revenue loss associated with the credit established in this Part. An amount equal to \$982,215 may not lapse but must be carried forward to fiscal year 1998-99 to be used for the same purpose.

PART F

Sec. F-1. Study tax relief and tax reform.

The Joint Standing Committee on Taxation shall study tax relief and tax reform. The study must include, but is not limited to, the following issues: broadening the sales tax base by eliminating current exemptions or exclusions. Specific focus must be made on the "rent-to-own" industry, income tax and revenue targeting.

1. Staff assistance. The committee shall request staffing assistance from the Legislative Council.

2. Reimbursement. The committee members are entitled to receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, for each day's attendance at meetings of the committee. All members of the committee are entitled to reimbursement for travel and other necessary expenses upon application to the Legislative Council. The Executive Director of the Legislative Council shall administer the committee budget.

3. Meetings. The committee may meet up to 4 times.

4. Report. The committee shall present its findings and any recommended legislation to the Second Regular Session of the 118th Legislature.

Sec. F-2. Allocation. The following funds are allocated from the Tax Relief Fund for Maine Residents to carry out the purposes of this Part.

1997-98

LEGISLATURE

Tax Committee Study

All Other	\$5,460
Provides funds for the per diem of legislative members, expenses and miscellaneous costs of the Joint Standing Committee on Taxation to study a number of remaining tax reform issues.	

PART G

Sec. G-1. Contingent effective date. This Act is effective only if the State Controller certifies that the transfer to the Tax Relief Fund for Maine Residents at the end of fiscal year 1996-97 is sufficient to make the allocations and transfers required by this Act. This Act is intended to meet the requirements of the Maine Revised Statutes, Title 5, section 1518, subsection 2.

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

Effective June 12, 1997, unless otherwise indicated.

CHAPTER 558

S.P. 674 - L.D. 1899

An Act Regarding the Restructuring of Contracts between Public Utilities and Qualifying Facilities

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

Sec. 1. 35-A MRSA §3204, sub-§1, ¶A, as enacted by PL 1997, c. 316, §3, is amended to read:

A. Contract with a qualifying facility, contract with a party other than a qualifying facility or affiliated interest entered into solely for the purpose of restructuring a contract with a qualifying facility or contract with a demand-side management or conservation provider, broker or host;

Sec. 2. PL 1997, c. 316, §5, 2nd ¶ is amended to read:

All existing electric utilities shall provide each qualifying facility, each party to a contract entered into solely for the purpose of restructuring a contract with a qualifying facility except an affiliated interest and each demand-side management or conservation provider, broker or host with whom it has contracts as of March 1, 2000 the option to have the contract or contracts:

See title page for effective date.

CHAPTER 559

S.P. 677 - L.D. 1901

An Act to Extend the Authorization for Federally Funded Positions to Establish a Military Rebuild Site at the Former Loring Air Force Base

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

Sec. 1. Position authorization. Notwithstanding the Maine Revised Statutes, Title 5, section 1583-A, the Commissioner of Defense and Veterans' Services is authorized to establish by financial order, upon the recommendation of the State Budget Officer