

# MAINE STATE LEGISLATURE

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

**AS PASSED BY THE**

**ONE HUNDRED AND TWENTY-SECOND LEGISLATURE**

**SECOND SPECIAL SESSION**

**July 29, 2005**

**SECOND REGULAR SESSION**

**January 4, 2006 to May 24, 2006**

**THE GENERAL EFFECTIVE DATE FOR**

**SECOND SPECIAL SESSION**

**NON-EMERGENCY LAWS IS**

**OCTOBER 28, 2005**

**THE GENERAL EFFECTIVE DATE FOR**

**SECOND REGULAR SESSION**

**NON-EMERGENCY LAWS IS**

**AUGUST 23, 2006**

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

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**Penmor Lithographers**

**Lewiston, Maine**

**2006**

public utilities or the Department of Transportation to maintain its right-of-way clear of unwanted vegetation in the absence of an agreement.

**Sec. 25. Rules.** Nothing in this Act repeals or is intended to repeal or substantively affect any rules of the Department of Agriculture, Food and Rural Resources, Board of Pesticides Control in effect on the effective date of this Act.

See title page for effective date.

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## CHAPTER 621

### H.P. 1350 - L.D. 1909

#### An Act To Make Minor Technical Changes to Maine's Spending Growth Benchmarks

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

**Sec. 1. 5 MRSA §1531, sub-§2,** as enacted by PL 2005, c. 2, Pt. A, §5 and affected by §14, is amended to read:

**2. Average real personal income growth.** "Average real personal income growth" means the average for the prior 10 calendar years, ending with the most recent calendar year for which data is available, of the percent change in personal income in this State, as estimated by the United States Department of Commerce, Bureau of Economic Analysis, less the percent change in the Consumer Price Index for the calendar year. For purposes of this subsection, "Consumer Price Index" has the same meaning as in Title 36, section 5402, subsection 1. The average real personal income growth is determined by October 1st, annually, by the Director of the State Planning Office within the Executive Department.

**Sec. 2. 5 MRSA §1531, sub-§3,** as enacted by PL 2005, c. 2, Pt. A, §5 and affected by §14, is amended to read:

**3. Baseline General Fund revenue.** "Baseline General Fund revenue" means the recommended General Fund revenue forecast reported by the Revenue Forecasting Committee in its December 1st report of even-numbered years, increased by ~~the estimated amount of net General Fund revenue decrease, if any, for all enacted changes reducing state and local tax burden included in that forecast~~ the net reduction of General Fund revenue, if any, for all enacted changes affecting state and local tax burden since the previous December 1st report of even-numbered years of the Revenue Forecasting Committee.

**Sec. 3. 5 MRSA §1534, sub-§1,** as enacted by PL 2005, c. 2, Pt. A, §5 and affected by §14, is amended to read:

**1. Establishment of General Fund appropriation limitation.** As of December 1st of each even-numbered year, there must be established a General Fund appropriation ~~limit~~ limitation for the ensuing biennium. The General Fund appropriation ~~limit~~ limitation applies to all General Fund appropriations, except that the additional cost for essential programs and services for kindergarten to grade 12 education under Title 20-A, chapter 606-B over the fiscal year 2004-05 appropriation for general purpose aid for local schools is excluded from the General Fund appropriation limitation until the state share of that cost reaches 55% of the total state and local cost.

A. For the first fiscal year of the biennium, the General Fund appropriation limitation is equal to the biennial base year appropriation multiplied by one plus the growth limitation factor in subsection 2.

B. For the 2nd year of the biennium, the General Fund appropriation ~~limit~~ limitation is the General Fund appropriation limitation of the first year of the biennium biennial base year appropriation multiplied by one plus the growth limitation factor in subsection 2.

**Sec. 4. 5 MRSA §1535,** as amended by PL 2005, c. 519, Pt. VV, §3, is further amended to read:

#### **§1535. General Fund transfers to stabilization fund**

Baseline General Fund revenue, as recommended by the Revenue Forecasting ~~Commission~~ Committee and authorized in accordance with chapter 151-B, and other available budgeted General Fund resources that exceed the General Fund appropriation limitation established by section 1534 plus the additional cost for essential programs and services for kindergarten to grade 12 education under Title 20-A, chapter 606-B over the fiscal year 2004-05 appropriation for general purpose aid for local schools until the state share of that cost reaches 55% of the total state and local cost must be transferred to the stabilization fund.

**Sec. 5. 30-A MRSA §706-A, sub-§1, ¶A,** as enacted by PL 2005, c. 2, Pt. B, §1 and affected by §§2 and 4 and c. 12, Pt. WW, §14, is amended to read:

A. "Average real personal income growth" ~~means the average for the prior 10 calendar years, ending with the most recent calendar year for which data is available, of the percent change in personal income in this State, as estimated by the United States Department of Commerce, Bureau of Economic Analysis, less the percent~~

~~change in the Consumer Price Index for the calendar year. For purposes of this subsection, "Consumer Price Index" has the same meaning as in Title 36, section 5402, subsection 1 has the same meaning as under Title 5, section 1531, subsection 2.~~

**Sec. 6. 30-A MRSA §706-A, sub-§1, ¶C**, as enacted by PL 2005, c. 2, Pt. B, §1 and affected by §§2 and 4 and c. 12, Pt. WW, §14, is amended to read:

~~C. "Forecasted inflation" means the average amount of change of the Consumer Price Index for the calendar years that are part of the ensuing biennium forecasted by the Consensus Economic Forecasting Commission in its November 1st report of even number years has the same meaning as under Title 5, section 1531, subsection 6.~~

**Sec. 7. 30-A MRSA §706-A, sub-§1, ¶E**, as enacted by PL 2005, c. 2, Pt. B, §1 and affected by §§2 and 4 and c. 12, Pt. WW, §14, is amended to read:

~~E. "State and local tax burden" means the total amount of state and local taxes paid by Maine residents per \$1,000 of income, as determined annually by the State Tax Assessor based on data from the United States Department of Commerce, Census Bureau and Bureau of Economic Analysis has the same meaning as under Title 5, section 1531, subsection 9.~~

**Sec. 8. 30-A MRSA §706-A, sub-§2, ¶B**, as enacted by PL 2005, c. 2, Pt. B, §1 and affected by §§2 and 4 and c. 12, Pt. WW, §14, is amended to read:

B. The county assessment limit for subsequent fiscal years is the county assessment limit for the preceding year multiplied by one plus the growth limitation factor pursuant to subsection 3.

**Sec. 9. 30-A MRSA §5721-A, sub-§1, ¶A**, as enacted by PL 2005, c. 2, Pt. C, §1 and affected by §§3 and 5 and c. 12, Pt. WW, §16, is amended to read:

~~A. "Average real personal income growth" means the average for the prior 10 calendar years, ending with the most recent calendar year for which data is available, of the percent change in personal income in this State, as estimated by the United States Department of Commerce, Bureau of Economic Analysis, less the percent change in the Consumer Price Index for the calendar year. For purposes of this subsection, "Consumer Price Index" has the same meaning as in Title 36, section 5402, subsection 1 has the same meaning as in Title 5, section 1531, subsection 2.~~

**Sec. 10. 30-A MRSA §5721-A, sub-§1, ¶B**, as enacted by PL 2005, c. 2, Pt. C, §1 and affected by §§3 and 5 and c. 12, Pt. WW, §16, is amended to read:

~~B. "Forecasted inflation" means the average amount of change of the Consumer Price Index for the calendar years that are part of the ensuing biennium forecasted by the Consensus Economic Forecasting Commission in its November 1st report of even number years has the same meaning as in Title 5, section 1531, subsection 6.~~

**Sec. 11. 30-A MRSA §5721-A, sub-§1, ¶E**, as enacted by PL 2005, c. 2, Pt. C, §1 and affected by §§3 and 5 and c. 12, Pt. WW, §16, is amended to read:

~~E. "State and local tax burden" means the total amount of state and local taxes paid by Maine residents per \$1,000 of income, as determined annually by the State Tax Assessor based on data from the United States Department of Commerce, Census Bureau and Bureau of Economic Analysis has the same meaning as in Title 5, section 1531, subsection 9.~~

**Sec. 12. 30-A MRSA §5721-A, sub-§2, ¶B**, as enacted by PL 2005, c. 2, Pt. C, §1 and affected by §§3 and 5 and c. 12, Pt. WW, §16, is amended to read:

B. The property tax levy limit for subsequent fiscal years is the property tax levy limit for the preceding year multiplied by one plus the growth limitation factor pursuant to subsection 3.

**Sec. 13. 30-A MRSA §5721-A, sub-§4**, as amended by PL 2005, c. 515, §1, is further amended to read:

**4. Adjustment for new state funding.** If the State provides net new funding to a municipality for existing services funded in whole or in part by the property tax levy, other than required state mandate funds pursuant to section 5685 that do not displace current property tax expenditures, the municipality shall lower its property tax levy limit in that year in an amount equal to the net new funds. For purposes of this subsection, "net new funds" means the amount of funds received by the municipality from the State in that fiscal year, with respect to services funded in whole or in part by the property tax levy, less the product of the following: the amount of such funds received in the prior fiscal year multiplied by the growth limitation factor described in subsection 3. "Net new funds" does not include changes in state funding for general assistance under Title 22, section 4311 or in state funding under the Urban-Rural Initiative Program under Title 23, section 1803-B if those changes are the result of the operation of the formula for calculation of state funding under that section but does include changes in funding that are the result of a statutory change in the formula for

calculation of state funding under that section. If a municipality receives net new funds in any fiscal year for which its property tax levy limit has not been adjusted as provided in this subsection, the municipality shall adjust its property tax levy limit in the following year in an amount equal to the net new funds.

See title page for effective date.

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## CHAPTER 622

### H.P. 1218 - L.D. 1711

#### An Act To Make Minor Substantive Changes to the Tax Laws

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

**Sec. 1. 29-A MRSA §525, sub-§14** is enacted to read:

**14. Venue.** A violation of this section is deemed to have been committed in part at the principal office of the Secretary of State. Prosecution under this section may be in the county where the act to which the proceeding relates occurred or in Kennebec County.

**Sec. 2. 36 MRSA §113, sub-§4** is enacted to read:

**4. Recording fees.** The State Controller may transfer from the General Fund amounts authorized by the State Tax Assessor equal to the fees imposed upon the State by a register of deeds pursuant to Title 33, section 751. These amounts transferred must be deposited into a dedicated, nonlapsing account to be used solely for the purpose of paying those fees. Interest earned on balances in the account accrue to the account. The assessor shall notify the State Controller of the amounts to be transferred pursuant to this subsection.

**Sec. 3. 36 MRSA §115** is enacted to read:

#### **§115. Payment by credit card**

The State Tax Assessor may establish procedures permitting payment of taxes by the use of credit cards. The assessor may contract with one or more entities for the purpose of enabling the assessor to accept and process credit card transactions only if under any such contract the State does not incur any charges or fees from accepting payment by credit card, the State does not have any liability to the credit card company or processor from nonpayment of credit card charges by the taxpayer, any fee associated with payment of taxes by credit card is disclosed to the taxpayer prior to

commencement of the transaction and directly charged to the taxpayer and collected by the processor, all credit card payments are electronically transmitted to the State by the processor immediately upon approval of the credit transaction and the processor retains all responsibility for approving or rejecting all proposed credit card payments.

**Sec. 4. 36 MRSA §653, sub-§1, ¶D-1**, as amended by PL 2003, c. 702, §2, is further amended to read:

D-1. The estates up to the just value of ~~\$47,500~~ \$50,000, having a taxable situs in the place of residence, for specially adapted housing units, of veterans who served in the Armed Forces of the United States during any federally recognized war period, including the Korean Campaign, the Vietnam War and the Persian Gulf War, and who are paraplegic veterans within the meaning of 38 United States Code, Chapter 21, Section 2101, and who received a grant from the United States Government for any such housing, or of the unremarried widows or widowers of such veterans. A veteran of the Vietnam War must have served on active duty for a period of more than 180 days, any part of which occurred after February 27, 1961 and before May 8, 1975 in the case of a veteran who served in the Republic of Vietnam during that period and after August 4, 1964 and before May 7, 1975 in all other cases, unless the veteran died in service or was discharged for a service-connected disability after that date. "Vietnam War" means the period between August 5, 1964 and May 7, 1975 and the period beginning on February 28, 1961 and ending on May 7, 1978 in the case of a veteran who served in the Republic of Vietnam during that period. "Persian Gulf War" means service on active duty on or after August 7, 1990 and before or on the date that the United States Government recognizes as the end of that war period. The exemption provided in this paragraph applies to the property of the veteran including property held in joint tenancy with a spouse or held in a revocable living trust for the benefit of that veteran.

**Sec. 5. 36 MRSA §1760, sub-§2**, as amended by PL 1997, c. 729, Pt. A, §1, is further amended to read:

**2. Certain governmental entities.** Sales to the State or any political subdivision of the State, or to the Federal Government, or to any unincorporated agency or instrumentality of either of them or to any incorporated agency or instrumentality of them wholly owned by them. ~~This exemption does not apply where title is held or taken as security for any financing arrangement.~~ This exemption ~~also~~ does not apply to corporations organized under Title IV, Part E of the Farm