

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
118TH LEGISLATURE

SECOND REGULAR SESSION  
AND  
SECOND SPECIAL SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
TAXATION

MAY 1998

**MEMBERS:**

*Sen. Richard P. Ruhlin, Chair*  
*Sen. Beverly C. Daggett*  
*Sen. S. Peter Mills*

*Rep. Verdi L. Tripp, Chair*  
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**ONE HUNDRED EIGHTEENTH LEGISLATURE  
SECOND REGULAR AND SECOND SPECIAL SESSIONS**

**Summary Of Legislation Before The Joint Standing Committees  
May 1998**

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet ([www.state.me.us/legis/opla](http://www.state.me.us/legis/opla)).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

*CON RES XXX*..... Chapter # of Constitutional Resolution passed by both Houses  
*CONF CMTE UNABLE TO AGREE*.....Committee of Conference unable to agree; bill died  
*DIED BETWEEN BODIES*.....House & Senate disagree; bill died  
*DIED IN CONCURRENCE*.....One body accepts ONTP report; the other indefinitely postpones the bill  
*DIED ON ADJOURNMENT*.....Action incomplete when session ended; bill died  
*EMERGENCY*.....Enacted law takes effect sooner than 90 days  
*FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....Emergency bill failed to get 2/3 vote  
*FAILED ENACTMENT/FINAL PASSAGE*.....Bill failed to get majority vote  
*FAILED MANDATE ENACTMENT*.....Bill imposing local mandate failed to get 2/3 vote  
*INDEF PP*.....Bill Indefinitely Postponed  
*ONTP*..... Ought Not To Pass report accepted  
*OTP ND*..... Committee report Ought To Pass In New Draft  
*OTP ND/NT*..... Committee report Ought To Pass In New Draft/New Title  
*P&S XXX*..... Chapter # of enacted Private & Special Law  
*PUBLIC XXX*..... Chapter # of enacted Public Law  
*RESOLVE XXX*..... Chapter # of finally passed Resolve  
*UNSIGNED*.....Bill held by Governor  
*VETO SUSTAINED*.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9, 1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAXL M AMERO	ONTP	

LD 2158 would have required the Commissioner of Economic and Community Development to establish a maritime empowerment zone that would allow businesses to be eligible for the Maine Employment Tax Increment Financing Program.

**LD 2171                      Resolve, to Implement the Interim Recommendations of the Task Force on State and Federal Tax Filing                      RESOLVE 128**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM    MAJ	H-867
	ONTP        MIN	S-758   MICHAUD

LD 2171 proposed to extend the reporting date for one year for the Task Force on State and Federal Tax Filing and to authorize expenses for members of the task force appointed to represent the business community. The bill would authorize the task force to meet up to 12 times during 1998.

**Committee Amendment "A" (H-867)** proposed to add to the membership of the Task Force on State and Federal Tax Filing a certified public accountant appointed by the Governor, authorize payment of expenses for the certified public accountant, change the appropriation and add a fiscal note to the resolve.

**Senate Amendment "A" to Committee Amendment "A" (S-758)** would authorize the Task Force on State and Federal Tax Filing to meet up to 4 times in 1998 and adjust the appropriation and fiscal note accordingly.

***Enacted law summary***

Resolve 1997, chapter 128 extends the reporting date for one year for the Task Force on State and Federal Tax Filing, provides for the appointment to the commission of a certified public accountant, authorizes expenses for members of the task force appointed to represent the business community and authorizes the task force to meet up to 4 times during 1998.

**LD 2192                      An Act to Create a Nonlegislative System to Adjust Municipal Valuations in the Circumstance of Sudden and Severe Valuation Disruption                      PUBLIC 688**

Sponsor(s)  
VIGUE  
DAGGETT

Committee Report  
OTP-AM

Amendments Adopted  
H-1019

LD 2192 would provide an administrative mechanism for adjustment of a municipality's state valuation if there is a sudden and severe reduction in value of a single commercial or industrial taxpayer's property that results in a loss of 3% of the municipality's actual property value.

**Committee Amendment "A" (H-1019)** would replace the bill. It would establish an administrative mechanism for adjustment of the state valuation for municipalities that have experienced a disruption in net municipal valuation of at least 2% in 1998 and at least 5% in subsequent years, the disruption is attributable to a single taxpayer, and the municipality's equalized tax rate exceeds the state average. The adjusted valuation is used to calculate the municipality's state education funding and state-municipal revenue sharing. The amendment also adds a fiscal note to the bill.

***Enacted law summary***

Public Law 1997, chapter 688 establishes an administrative mechanism for adjustment of the state valuation if a municipality has experienced a disruption in net municipal valuation of at least 2% in 1998 and at least 5% in subsequent years, the disruption is attributable to a single taxpayer, and the municipality's equalized tax rate exceeds the state average. The adjusted valuation is used to calculate the municipality's state education funding and state-municipal revenue sharing.

**LD 2196**

**An Act to Expand the Maine Seed Capital Tax Credit Program**

**PUBLIC 782**

Sponsor(s)

Committee Report  
OTP-AM

Amendments Adopted  
S-528

LD 2196 proposed to amend the Maine Seed Capital Tax Credit Program by increasing the limits on qualifying investments in a Maine business to \$1,000,000 per business and \$200,000 per investor in any one business in any 3 consecutive calendar years. The bill would expand the field of eligible businesses by requiring that the business receiving the investment have annual gross sales of \$3,000,000 or less. The bill also would increase the amount of tax credit certificates that may be issued by the Finance Authority of Maine to \$5,500,000 through calendar year 1998 and \$7,000,000 thereafter.

**Committee Amendment "A" (S-528)** adds a fiscal note to the bill.

***Enacted law summary***

Public Laws 1997, chapter 782 amends the Maine Seed Capital Tax Credit Program by increasing the limits on qualifying investments in a Maine business to \$1,000,000 per business and \$200,000 per investor in any one business in any 3 consecutive calendar years. The bill expands the field of eligible businesses by requiring that the business receiving the investment have annual gross sales of \$3,000,000 or less. The bill also increases the amount of tax credit certificates that may be issued by the Finance Authority of Maine to \$5,500,000 through calendar year 1998 and \$7,000,000 thereafter.