

MAINE STATE LEGISLATURE

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STATE OF MAINE
119TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
APPROPRIATIONS AND FINANCIAL AFFAIRS

AUGUST 1999

MEMBERS:

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Sen. Mary R. Cathcart
Sen. Philip E. Harriman

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Rep. Tom J. Winsor
Rep. Joseph Bruno
Rep. Richard A. Nass

Staff:

J. Timothy Leet, Senior Legislative Analyst

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MEMORANDUM

To: Members, Joint Standing Committee on Appropriations and Financial Affairs

From: J. Timothy Leet, Senior Legislative Analyst

Date: August, 1999

Re: Bill Summaries, 119th Legislature, 1st Regular Session

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the Joint Standing Committee on Appropriations and Financial Affairs during the 1st Regular Session of the 119th Legislature. The summary describes each bill or order and relevant amendments as well as the final action. Also included is a statistical summary of bill activity by the committee. Please note the effective date for all non-emergency legislation enacted in the 1st Regular Session (unless a later date is specified in a particular law) is September 18, 1999. Joint orders are effective when passed.

The document is organized for convenient reference to information on bills handled by the committee this session. It is organized by bill (LD) number and two indices are located at the back of the document that group bills by subject and by LD number. 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:

CARRIED OVER *Bill carried over to Second Regular Session*
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*
NOT PROPERLY BEFORE THE BODY *Ruled out of order by the presiding officers; bill died*
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*
READ AND PASSED..... *Joint Order passed by the House and Senate*
PASSED AS AMENDED *Joint Order passed as amended by the House and Senate*

A complete summary of bills for all committees will be available in the very near future. Copies will be on file in the Law and Legislative Reference Library and Senate and House offices. You will also soon be able to access these bill summaries from our website.

I hope you find this information useful. If you have any questions or suggestions, please do not hesitate to contact this office.

Best wishes for an enjoyable summer.

because operating revenues, which were primarily derived from 3rd-party payors of health services, were frequently insufficient to maintain many essential services. The bill was carried over to the Second Regular Session of the 119th Legislature.

LD 943

An Act Regarding Tobacco Manufacturers

INDEF PP

Sponsor(s)
TOWNSEND

Committee Report
OTP-AM

Amendments Adopted

LD 943 proposed to enact the Tobacco Liability Act. The Attorney General negotiated and settled Maine's legal claims against the major national tobacco manufacturers. In consummation of that settlement, Maine, together with 45 other states, 5 territories and the District of Columbia, entered into a Master Settlement Agreement (MSA) with those national tobacco manufacturers, participating manufacturers. This bill was intended to enact the model legislation contained in the MSA.

The MSA contains economic provisions that obligate the participating manufacturers to pay Maine a portion of the State's cost associated with the tobacco companies' misrepresentations and distributions of cigarettes in Maine. In addition, the participating manufacturers have agreed to certain noneconomic terms that restrict their advertising and marketing practices and control their corporate behavior. Although the MSA made great strides in ensuring the accountability of the tobacco manufacturers, if Maine is to ensure the long-term public health and financial gains in the MSA, it is critical that all manufacturers of cigarettes marketed in Maine be made accountable for the potential costs associated with their Maine cigarette sales.

The goal of this legislation was to provide assurance that all companies that sell cigarettes in Maine, including those companies that have not entered into the MSA, nonparticipating manufacturers, are financially capable of fulfilling their economic obligations, if any, to Maine and its citizens.

In addition, passage of this legislation was intended to protect Maine's annual payments from a potential dramatic nonparticipating manufacturers adjustment. This legislation was the subject of extensive and difficult negotiations, including discussions on whether the legislation would survive legal challenges. The legislation was reviewed by a number of antitrust and constitutional law experts who opined that this legislation would survive legal challenge.

The Department of the Attorney General would have been responsible for enforcing the Act. Rulemaking would have been required of the Department of Administrative and Financial Services, Bureau of Revenue Services.

Committee Amendment "A" (H-448) proposed to replace the bill. Except for a few minor changes to conform to Maine statutory conventions, Part A is identical to the model statute provided in Exhibit T of the MSA. Although this bill as amended by this amendment was indefinitely postponed off the Special Appropriations Table, this model statute of the MSA was included in the "Part 2" budget bill, Public Law 1999, chapter 401, Part U.

Part B proposed to create the Tobacco Settlement Fund to receive any award or settlement amount due the State from a tobacco company pursuant to any action brought against cigarette manufacturers. The fund would also receive any other funds due the State as a result of any action involving the tobacco industry. Although this bill as amended by this amendment was indefinitely postponed off the Special Appropriations Table, the "Part 2" budget bill, Public Law 1999, chapter 401, Part V contains provisions establishing funds into which tobacco settlement money will be deposited.

Senate Amendment "A" to Committee Amendment "A" (S-247) proposed to require that proceeds from the Tobacco Settlement Fund must be expended for health-related purposes only. Although this bill as amended by this amendment was indefinitely postponed off the Special Appropriations Table, the "Part 2" budget bill, Public Law 1999, chapter 401, Part V contains provisions establishing funds into which tobacco settlement money will be deposited.