

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
119TH LEGISLATURE**

**SECOND REGULAR SESSION**

**BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
TAXATION**

**JULY 2000**

**Staff:**

**Julie S. Jones, Legislative Analyst**

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TO: Members, Joint Standing Committee on Taxation  
FROM: Julie Jones, Legislative Analyst  
DATE: July, 2000  
RE: **BILL SUMMARIES, 119th LEGISLATURE, 2nd 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 Taxation during the 2nd 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 2nd Regular Session (unless a later date is specified in a particular law) is August 11, 2000. 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:

*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 amendment 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.

**LD 2390**

**An Act to Target Public Assistance to Responsible Employers**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DOUGLASS COLWELL	ONTP	

LD 2390 proposed to make it a requirement of receipt of public assistance that a business be certified by the Commissioner of Labor as meeting certain standards related to labor relations and workplace health and safety. See also LDs 2384, 2460, 2501 and 2516.

**LD 2391**

**An Act to Simplify the Approval Process of Existing State Tax Increment Financing Districts**

**PUBLIC 559**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RUHLIN	OTP	

LD 2391 proposed to repeal obsolete language in the state tax increment financing law and to substitute the State Tax Assessor for the Revenue Forecasting Committee as the approval agency for continuing eligibility of state tax increment financing districts.

***Enacted Law Summary:***

Public Law 1999, chapter 559 repeals obsolete language in the state tax increment financing law and substitutes the State Tax Assessor for the Revenue Forecasting Committee as the approval agency for continuing eligibility of state tax increment financing districts.

**LD 2400**

**An Act to Create Employment Opportunities by Clarifying Maine's Tax Laws Regarding Mutual Fund Companies**

**PUBLIC 754**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAXL J	OTP-AM MAJ ONTP MIN	H-867 S-783 MICHAUD

LD 2400 was a concept draft that proposed to address the method of apportioning the income of mutual fund companies with operations in Maine for purposes of the state income tax.

**Committee Amendment "A" (H-867)** proposed to permit a mutual fund service provider to opt to apportion its income for income tax purposes according to the percentage of shares of a regulated investment company owned by shareholders domiciled in Maine. The amendment proposed that a taxpayer electing this method of apportionment would not be required to file a combined report and may not be included in the combined report of another taxpayer. The election to use this method of apportionment would be irrevocable for 5 years.

**Senate Amendment "A" to Committee Amendment "A" (S-783)** proposed a General Fund deappropriation to offset the General Fund revenue loss and to require the Department of Economic and Community Development to reduce its future requests for General Fund appropriations. The Commissioner of Economic and Community Development would be required to report to the joint standing committee having jurisdiction over appropriations and financial affairs by January 5, 2001 and document these reductions and the effect on the department's programs.

See also LD 1064.

***Enacted Law Summary:***

Public Law 1999, chapter 754 provides an alternative method for apportionment of the receipts of mutual fund service providers for purposes of the Maine income tax. A mutual fund service provider may opt to apportion its income according to the percentage of shares of a regulated investment company owned by shareholders domiciled in Maine. A taxpayer electing this method of apportionment is not required to file a combined report and may not be included in the combined report of another taxpayer. The election to use this method of apportionment would be irrevocable for 5 years. The Department of Economic and Community Development is required to reduce its need for appropriations in future years by the amount of revenue loss estimated to result from this law and report the impact of reductions in appropriations on the department's programs.

**LD 2422                      RESOLUTION, Proposing an Amendment to the Constitution of                      CON RES 4**  
**Maine to Allow the Legislature to Provide for Assessment of**  
**Property Used for Commercial Fishing at Current Use**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ETNIER PINGREE	OTP-AM	H-820

LD 2422 proposed a constitutional resolution to allow the Legislature to provide for the assessment of land and structures used primarily of commercial fishing purposes based on the current use of the property.

**Committee Amendment "A" (H-820)** proposed to restrict the scope of the resolution to property used for commercial fishing activities.

***Enacted Law Summary:***

Constitutional Resolution 4 proposes an amendment to the Constitution of Maine to allow the Legislature to provide for the assessment of waterfront land used for commercial fishing purposes based on the current use of the property.