

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)

**STATE OF MAINE
120TH LEGISLATURE**

FIRST REGULAR SESSION

**BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
TAXATION**

AUGUST 2001

Staff:

Julie S. Jones, Legislative Analyst

**Office of Fiscal and Program Review
5 State House Station
Augusta, ME 04333-0005
(207) 287-1635**

MEMBERS:

**Sen. Kenneth T. Gagnon, Chair
Sen. Kenneth F. Lemont
Sen. Richard Kneeland**

**Rep. Bonnie Green, Chair
Rep. Stephen S. Stanley
Rep. Rosita Gagne
Rep. Joseph C. Perry
Rep. Bernard E. McGowan
Rep. Janet L. McLaughlin
Rep. Eleanor M. Murphy
Rep. John T. Buck
Rep. Randall L. Bumps
Rep. David E. Bowles**



MAINE STATE LEGISLATURE
OFFICE OF FISCAL AND PROGRAM REVIEW

5 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0005
Telephone: (207) 287-1635
FAX: (207) 287-6469

MEMORANDUM

To: Members, Joint Standing Committee on Taxation

From: Julie S. Jones, Legislative Analyst

Date: August 22, 2001

Re: Bill Summaries, 120th 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 Taxation during the 1st Regular Session of the 120th 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 21, 2001. 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 the 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*

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.

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 interim.

Joint Standing Committee on Taxation

LD 970

Resolve, Establishing an Education Funding Reform Committee to Make Recommendations to Reduce the State's Reliance on the Property Tax as a Funding Source for Education

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCGOWAN LEMONT	OTP-AM	

LD 970 was a concept draft that proposed to cap the mill rate on property taxes earmarked for education at 4 mills for primary residences and business properties. The intent of this bill was to equalize the levy of property taxes, sales taxes and the personal income tax. The revenues lost by implementing this change would be made up by increasing the sales tax and eliminating selected exemptions as recommended by the Joint Standing Committee on Taxation or by an alternative plan to be recommended by the Joint Standing Committee on Taxation.

The changes proposed by the bill would be phased in over a 3-year period by decreasing the property tax rate 1/3 of its present rate each year for 3 years.

A commission to study the issues presented by this bill was enacted in the Part 2 Budget Bill. See LD 855, Public Law 2001, chapter 439, Part SSS, summarized under the Joint Standing Committee on Appropriations and Financial Affairs.