

State Of Maine 120th Legislature

Second Regular Session

Bill Summaries

Joint Standing Committee on Taxation

May 2002

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

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Maine State Legislature

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120th Legislature Second Regular Session

Summary Of Legislation Before The Joint Standing Committees May 2002

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session. 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 considered by the committees. It is arranged alphabetically by committee name 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, <u>History and Final Disposition of Legislative Documents</u>, 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).

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 |
|----------------------------------|---|
| | 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 |
| | Enacted law takes effect sooner than 90 days |
| FAILED EMERGENCY ENACTMENT/FINAL | L PASSAGE Emergency bill failed to get 2/3 vote |
| FAILED ENACTMENT/FINAL PASSAGE | Bill failed to get majority vote |
| FAILED MANDATE ENACTMENT | |
| | |
| INDEF PP | Bill Indefinitely Postponed |
| ONTP | Ought Not To Pass report accepted |
| <i>OTP ND</i> | 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 |
| PASSED | Joint Order passed in both bodies |
| PUBLIC XXX | Chapter # of enacted Public Law |
| RESOLVE XXX | |
| | Bill held by Governor |
| | |

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is July 25, 2002.

Patrick T. Norton, Interim Director Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Taxation

LD 2110 An Act to Establish Municipal Cost Components for Unorganized Territory Services to be Rendered in Fiscal Year 2002-2003

P&S 64 EMERGENCY

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| | OTP-AM | H-914 |

LD 2110 proposed to establish municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory.

Committee Amendment "A" (H-914) proposed to make changes to the amount authorized for county services in Somerset County and Piscataquis County to reflect decreases for capital reserves for certain airports and an increase in Somerset County for ambulance services.

Enacted Law Summary:

Private and Special Law 2001, chapter 64 establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory. This bill was enacted as an emergency measure and took effect April 2, 2002.

| LD 2122 | An Act to Fairly | y Assess Sales Tax on Vehicles | INDEF PP |
|---------|------------------|--------------------------------|----------|

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| DUNLAP | OTP-AM | H-1013 |
| CATHCART | | |

LD 2122 proposed to provide that casual sales of certain vehicles would be exempt from sales tax when sold to a corporation, partnership, limited liability company or limited liability partnership when the seller is the owner of less than a majority of common stock of the corporation or has an ownership interest in the partnership, limited liability company or limited liability partnership or the seller is the spouse of an owner or a person with an ownership interest. The bill proposed to apply this change retroactively to January 1, 2001.

Committee Amendment "A" (H-1013) proposed to restrict the application of the bill by extending the sales tax exemption for certain casual sales only to sales by the spouse of an owner of the majority interest in a corporation, limited liability company or limited liability partnership to the corporation, company or partnership.

This bill was indefinitely postponed when removed from the Special Appropriations Table.