

# MAINE STATE LEGISLATURE

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*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, 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:

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

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 2161**

### **An Act to Conform the Maine Tax Laws for 2001 With the United States Internal Revenue Code**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GREEN GAGNON	ONTP	

LD 2161 proposed to update references to the United States Internal Revenue Code contained in the Maine Revised Statutes, Title 36 as amended through December 31, 2001 for tax years beginning on or after January 1, 2001.

Partial conformity with the United State Internal Revenue Code as of March 15, 2002 was included in Part GG of the Supplemental Budget Bill. See LD 2080, in the summaries of the Joint Standing Committee on Appropriations and Financial Affairs.

**LD 2162**

### **An Act to Supplement Maine's Academic Attainment and to Retain Talent**

**PUBLIC 700**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAXL BENNETT	OTP-AM MAJ ONTP MIN	H-1055 S-616

LD 2162 was jointly referred to the Joint Standing Committee on Education and Cultural Affairs and the Joint Standing Committee on Taxation. The bill proposed to establish a tax credit for a portion of contributions to a qualified scholarship organization whose purpose is to provide 95% of the contribution it receives to award need-based student financial assistance to Maine residents to attend institutions of higher education and to repay educational loans of persons who are employed by a business in the State or who reside in the State and are unemployed. The bill also proposed to require the advisory council established to address policies related to higher education attainment in the State to review and report on the policy alternatives available to the Legislature in creating an endowment fund for the benefit of eligible residents of the State to meet the high cost of attending an institution of higher education. The joint standing committee of the Legislature having jurisdiction over education matters would be authorized to report out a bill to the Second Regular Session of the 121st Legislature.

**Committee Amendment "A" (H-1055)** is the majority report of the Joint Standing Committee on Education and Cultural Affairs and the Joint Standing Committee on Taxation. The committee amendment proposed to replace the bill to clarify the proposed tax credits as follows.

The amendment proposed to provide tax credits against the income tax and the insurance premium tax equal to a portion of the amount contributed by an individual or corporation to a qualified scholarship organization and for a portion of the amount paid by an employer to a creditor on behalf of certain employees for the purpose of repaying the employees' outstanding postsecondary education loans. The proposed total tax credit could not exceed \$2,000 for an individual taxpayer or \$10,000 for each taxpayer who is a corporation or an employing unit and would not be refundable.

The amendment also proposed to require the advisory council established to address policies related to higher education attainment in the State to review and report on the policy alternatives available to the