

MAINE STATE LEGISLATURE

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*State Of Maine
122nd Legislature*

*First Regular Session and
First Special Session*

Bill Summaries

*Joint Standing Committee
on
Taxation*

August 2005

Members:

*Sen. Joseph C. Perry, Chair
Sen. Ethan Strimling
Sen. Jonathan T. E. Courtney*

*Rep. Richard G. Woodbury
Rep. Herbert E. Clark
Rep. Deborah J. Hutton
Rep. Raymond G. Pineau
Rep. Thomas R. Watson
Rep. Harold A. Clough
Rep. H. Stedman Seavey, Jr.
Rep. Earle L. McCormick
Rep. Leonard Earl Bierman
Rep. Bruce Q. Hanley*

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Maine State Legislature

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122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

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 organized by committees 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. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included 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).

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

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

Joint Standing Committee on Taxation

LD 2 **RESOLUTION, Proposing an Amendment to the Constitution of Maine To Limit the Rate of Change in Taxable Value of Homestead Land** **CARRIED OVER**

<u>Sponsor(s)</u> PERCY DAMON	<u>Committee Report</u>	<u>Amendments Adopted</u>
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LD 2 proposed to amend the Constitution to authorize a municipality to limit the rate of change in the tax rate applicable to homestead land, defined as land that is exclusively and continuously owned by one or more residents of the State while the land remains the principal home of each owner, to the rate of change in the purchasing power of United States currency as consistently measured by a reliable index adopted by the Legislature.

This bill was originally considered by the Joint Select Committee on Property Tax Reform. It was recommitted to the Joint Standing Committee on Taxation and carried over by H.P. 1203 to the next special or regular session.

LD 4 **RESOLUTION, Proposing an Amendment to the Constitution of Maine To Change the Property Valuation Process** **ONTP**

<u>Sponsor(s)</u> MARLEY	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 4 proposed to amend the Constitution of Maine to repeal the requirement that property be revalued every 10 years for purposes of the property tax.

LD 12 **An Act To Implement the School Finance and Tax Reform Act of 2003** **ONTP**

<u>Sponsor(s)</u> NUTTING J FLETCHER	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 12 proposed to implement the School Finance and Tax Reform Act of 2003, as adopted by the voters on June 8, 2004, and require the State to provide 55% of "the total allocation," for kindergarten to grade 12 public school system beginning in fiscal year 2005-06.

This bill also proposed to create an essential programs and services review panel, made up largely of educational practitioners, that would be charged with annually evaluating the school funding allocation system with respect to the model's accuracy and integrity. In addition, the bill proposed to redesign the 100% special education funding requirement, established as a year-to-year reimbursement system according to the School Finance and Tax Reform Act of 2003, as a current-year state funding requirement that operates through the essential programs and

Joint Standing Committee on Taxation

services allocation system as it pertains to special education. This bill also proposed to establish the system of managing both the Fund for the Efficient Delivery of Educational Services and the Fund for the Efficient Delivery of Local and Regional Services, both of which were created by the School Finance and Tax Reform Act of 2003. By the management systems created in the bill, grants from both funds would be distributed to school administrative units and local or regional governmental units that compete for project financing. The bill proposed to establish the review panels charged with reviewing and awarding the efficiency grants, as well as the funding qualifications and review criteria.

LD 19 An Act To Clarify the Law Regarding Transfer Tax Liability for Deeds between Domestic Partners CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MAZUREK	OTP-AM MAJ ONTP MIN	H-116

LD 19 proposed to include domestic partners, as defined in the Probate Code, as family members for purposes of the real estate transfer tax exemption for deeds between certain family members.

Committee Amendment "A" (H-116) proposed to restrict the exemption proposed by the bill to registered domestic partners.

This bill, and its adopted amendment, were carried over on the Special Appropriations Table by S.P. 640 to the next special or regular session of the 122nd Legislature.

LD 56 RESOLUTION, Proposing an Amendment to the Constitution of Maine To Facilitate the Repeal of the Taxation of Personal Property Valued at \$1,000 or More DIED BETWEEN HOUSES

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BARSTOW COWGER	ONTP MAJ OTP-AM MIN	

LD 56 proposed to amend the Constitution of Maine to provide that the Legislature is not required to reimburse municipalities for new property tax exemptions or credits if the municipality has not assessed property taxes on that type of property in the 10 years preceding enactment of the exemption or credit.

LD 74 An Act To Increase Eligibility for the Property Tax Exemption for Veterans' CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAVIS G	OTP-AM	H-529