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

Staff:
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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, <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:

| CARRIED OVER | Bill Carried Over to Second Regular Session |
|--|--|
| CON RES XXX | Bill Carried Over to Second Regular Session Chapter # of Constitutional Resolution passed by both Houses |
| CONF CMTE UNABLE TO AGREE | |
| | House & Senate disagree; bill died |
| DIED IN CONCURRENCE One be | ody accepts ONTP report; the other indefinitely postpones the bill |
| DIED ON ADJOURNMENT | |
| 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 | |
| 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 | |
| OTP ND/NT | |
| P&S XXX | |
| PUBLIC XXX | |
| RESOLVE XXX | |
| 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 1066

An Act To Repeal the Homestead Property Tax Exemption and Redirect Property Tax Relief Funds to the Maine Residents Property Tax Program **ONTP**

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| TURNER | ONTP | _ |

LD 1066 proposed to repeal the homestead property tax exemption and expand the Maine Residents Property Tax Program, commonly known as the "circuit breaker" program by reducing the property tax to income thresholds from 4% and 8% to 3% and 6%, respectively, and by increasing the maximum benefit payment from \$2,000 to \$3,000.

See also LD 1, Public Law 2005, chapter 2, Parts E and F summarized under the Joint Select Committee on Property Tax Reform.

LD 1068

An Act To Strengthen Maine's Small Business Economy

ONTP

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| BROMLEY | ONTP | _ |
| SMITH N | | |

LD 1068 proposed to deappropriate 10% of amounts identified as necessary for the Business Equipment Tax Reimbursement program and use those fund for various small business development infrastructure programs administered by the Department of Economic and Community Development and the Department of Labor.

The bill also proposed to authorize the InforME program to generate revenue through fees or surcharges on premium services and to accept funds from all sources, including General Fund appropriations.

See also LD 1691, Public Law 2005, chapter 457, Part BBB which reduced BETR by 10% for the 2006 application year only.

See also LD 1400 and LD 1557.