

# 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 1625**                      **An Act To Fully Fund the Homestead Exemption**                      **CARRIED OVER**

<u>Sponsor(s)</u> COWGER BOWLES	<u>Committee Report</u> OTP-AM    MAJ ONTP        MIN	<u>Amendments Adopted</u> S-306
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LD 1625 proposed to increase state reimbursement to municipalities for property taxes foregone due to the homestead property tax exemption to 100%.

**Committee Amendment "A" (S-306)** proposed to fund the increase in state reimbursement for the homestead exemption by a transfer of funds that are projected to be available in the Maine Budget Stabilization Fund and statewide deappropriations. The Commissioner of Administrative and Financial Services would be directed to present legislation to implement the deappropriations. If none were presented, the Governor would be directed to make curtailments consistent with the deappropriations.

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 122<sup>nd</sup> Legislature.

**LD 1634**                      **An Act To Impose a Real Estate Transfer Tax Based on the Value of the Property**                      **ONTP**

<u>Sponsor(s)</u> KOFFMAN PERRY J	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1634 proposed to change the rate of the real estate transfer tax imposed on the buyer and seller of real property and the manner of imposition. The buyer of property would be charged a flat tax of \$2 per \$1,000 of value of the property being purchased. The seller of the property would be charged a tax rate dependent on the value of the property being sold, starting at \$2 per \$1,000 of value of the property for property valued at less than \$300,000, increased for every \$100,000 in property value by \$1 per \$1,000 of the value of the property being sold. A maximum tax rate of 1% of the value of the property being sold would be reached for property valued at \$1,000,000 or more. The revenue from the tax would be credited to the so-called circuit breaker reserve to fund the Maine Residents Property Tax Program except for 10%, which is retained by the county collecting the tax.

**LD 1636**                      **Resolve, To Study the Cost of the Provision of Certain Governmental Services in the Unorganized Territories**                      **RESOLVE 125 EMERGENCY**

<u>Sponsor(s)</u> DUPLESSIE MARTIN	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> H-587
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LD 1636 proposed to establish the Commission To Study the Cost of Providing Certain Services in the Unorganized Territories to study and report to the Legislature on the cost and funding for providing fire

