

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON APPROPRIATIONS AND
FINANCIAL AFFAIRS**

July 2007

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STATE OF MAINE

123RD LEGISLATURE

FIRST REGULAR SESSION

LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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
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 (or Accepted ONTP report).....	Ought Not To Pass report accepted
OTP-ND.....	Committee report Ought To Pass In New Draft
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.....	Chapter # of finally passed Resolve
UNSIGNED.....	Bill held by Governor
VETO SUSTAINED.....	Legislature failed to override Governor's Veto

Please note that the effective date for non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Appropriations and Financial Affairs

efficiency in the provision of services and eliminating duplication.

Part B of this bill establishes the Maine Government Efficiency Fund, which consists of that portion of undedicated General Fund revenues that is certified by the Office of Program Evaluation and Government Accountability to be directly attributable to savings resulting from reductions in spending in state and local government recommended by the Maine Government Efficiency Commission.

Part C of this bill authorizes the issuance of bonds for competitive grants for collaborative research and development activities with the goal of stimulating the State's economic development.

Part D of this bill establishes the Maine Cluster Development Fund within the Office of Innovation in the Department of Economic and Community Development for the purpose of providing cluster development grants to be used for competitive grants to industry-led coalitions in the targeted technology sectors and the Innovation Jobs Fund within the Office of Innovation within the Department of Economic and Community Development. Part D also transfers funds from the Government Efficiency Fund, if sufficient funds exist and in this order of priority, to the Maine Cluster Development Fund, the Innovation Jobs Fund and the Fund for the Efficient Delivery of Local and Regional Services. Part D also requires that, when sufficient funds are available in the Government Efficiency Fund to fund the changes, the State Tax Assessor shall submit legislation to reduce the highest tax rate applicable to income from 8.5% to 8.0% and to increase by 20% the threshold for applying that rate.

Part E of this bill:

1. Establishes the Maine Community Enhancement Fund for the purposes of providing resources to towns and municipalities for community planning and facilitating and implementing comprehensive plans;
2. Authorizes, until December 31, 2012, a surcharge of \$20 per transaction for all documents that are recorded in the registry of deeds and transfers revenue from this surcharge for deposit into the Maine Community Enhancement Fund;
3. Directs the Executive Department, State Planning Office to establish a pilot project for a regional planning initiative involving multiple political subdivisions of the State;
4. Allocates funds from the Maine Community Enhancement Fund to the Maine Downtown Center, to the State Planning Office for assisting municipalities in implementing any applicable statewide building code, and to the State Planning Office for a pilot project for a regional planning initiative involving multiple political subdivisions of the State.

Part F of this bill directs the Department of Administrative and Financial Services, Bureau of Revenue Services to implement a program to reimburse service center communities for property taxes lost by reason of the nontaxable status of property of regional significance located within that community.

This bill was carried over to any special or regular session of the 123rd Legislature by joint order, H.P. 1369. The Joint Standing Committee on Appropriations and Financial Affairs requested the Joint Select Committee on Prosperity consider this bill in the conduct of their deliberations.

LD 1852

An Act To Provide Taxpayer Relief

CARRIED OVER

Sponsor(s)

LANSLEY

Committee Report

Amendments Adopted

Joint Standing Committee on Appropriations and Financial Affairs

This bill proposes to restrain the growth in state and local government by imposing expenditure limitations on state and local government and by requiring a procedure of voter approval of certain tax and fee increases.

Under this bill, growth in annual expenditures of the General Fund, the Highway Fund and Other Special Revenue Funds are limited according to increases in population and inflation. For the General Fund and Highway Fund budgets, revenues exceeding the expenditure limitation must be distributed by directing 20% of that excess to a budget stabilization fund and 80% of that excess to a tax relief fund. The budget stabilization funds may be used only in years when revenues are not sufficient to fund the level of expenditure permitted by the growth limits. The tax relief funds must be used to provide tax relief through refunds proportional to individual income tax personal exemptions claimed in the previous tax year or a decrease in motor fuels taxes. For state agencies that manage Other Special Revenue Funds, the managers of those funds must report excess surpluses to the Legislature with a plan for refund of those revenues.

State expenditure limits contained in this bill could be exceeded by a 2/3 vote of each House of the Legislature and approval by the voters. Local district expenditure limits could be exceeded by a majority vote of the voters of the local district.

Under this bill, an increase in state revenue would be possible only by a 2/3 vote of each House of the Legislature and the approval of the voters.

This bill was carried over to any special or regular session of the 123rd Legislature by joint order, H.P. 1369.