

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
SECOND REGULAR AND FIRST SPECIAL SESSIONS



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

JOINT STANDING COMMITTEE ON TAXATION

May 2008

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STATE OF MAINE
123RD LEGISLATURE
SECOND REGULAR & FIRST SPECIAL SESSIONS



**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 Second Regular or First Special Sessions of the 123rd Maine Legislature.

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:

<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 & 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; bill died</i>
<i>ONTP (or Accepted ONTP report)</i>	<i>Ought Not To Pass report accepted; bill died</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</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>

The effective date for non-emergency legislation enacted in the Second Regular Session (R2) is June 30, 2008. The effective date for non-emergency legislation enacted in the First Special Session (S1) is July 18, 2008.¹ The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills. Any bill summarized in this document having an LD number less than 1932 was a bill carried over from the First Regular Session of the 123rd Legislature.

¹ The session in which each law was enacted or finally passed (R2 or S1) is included in Appendix C.

Joint Standing Committee on Taxation

This amendment requires the fiscal administrator of the unorganized territory to include information about economic development districts in the unorganized territory in the administrator's annual report. The amendment also corrects an error in the amount of county reimbursement for services requested by Aroostook County.

Enacted Law Summary

Public Law 2007, chapter 636 establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory. The resolve requires the fiscal administrator of the unorganized territory to include information about economic development districts in the unorganized territory in the administrator's annual report. The amendment also corrects an error in the amount of county reimbursement for services requested by Aroostook County.

Public Law 2007, chapter 636 was enacted as an emergency measure effective April 16, 2008.

LD 2270 An Act To Change the Formula for Calculation of the Motor Vehicle Excise Tax

**ACCEPTED ONTP
REPORT**

Sponsor(s)

Committee Report

Amendments Adopted

ONTP MAJ
OTP-AM MIN

This bill reduces the motor vehicle excise tax in the first year and the 8th and subsequent years, increases the tax in the 2nd to 7th year and lengthens the schedule for reduction of the tax to recognize that motor vehicles have a longer useful life on average than when the current formula was adopted.

LD 2274 An Act To Amend the Municipal Tree Growth Reimbursement Formula

PUBLIC 639

Sponsor(s)

Committee Report

Amendments Adopted

OTP-AM

H-952

This bill amends in 2 ways the law regarding the distribution of reimbursement to the municipalities to partially cover the property tax losses they experience as a result of the tree growth tax program. First, the bill adjusts the statewide appropriation for reimbursement purposes to reflect the education subsidy impacts of tree growth enrollments, rather than adjusting each municipality's individual reimbursement as is done under the current system. Second, the bill establishes each municipality's share of the total municipal reimbursement appropriation on the basis of 3 data inputs:

1. The number of acres enrolled in the program in the municipality;
2. The difference between the tree growth acreage rates and the local or regional undeveloped acreage; and
3. The municipality's full value mill rate.

Committee Amendment "A" (H-952)

This amendment deletes language that is inconsistent with the changes in the bill and inserts language in the definition of "reduced tree growth valuation" that was inadvertently omitted.

Enacted Law Summary

Public Law 2007, chapter 639 amends in 2 ways the law regarding the distribution of reimbursement to municipalities to partially cover the property tax losses they experience as a result of the tree growth tax program. First, chapter 639 adjusts the statewide appropriation for reimbursement purposes to reflect the education subsidy