

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
123<sup>RD</sup> 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 123<sup>rd</sup> Maine  
Legislature coming from the

**JOINT STANDING COMMITTEE ON TAXATION**

May 2008

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**STATE OF MAINE**  
123<sup>RD</sup> LEGISLATURE  
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**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 123<sup>rd</sup> 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 &amp; 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&amp;S XXX</i> .....	<i>Chapter # of enacted Private &amp; 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.<sup>1</sup> 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 123<sup>rd</sup> Legislature.

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

## Joint Standing Committee on Taxation

impacts of tree growth enrollments, rather than adjusting each municipality's individual reimbursement as is done under the current system. Second, chapter 639 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.

### **LD 2276** An Act To Improve the Administration of State-Municipal Revenue Sharing

**PUBLIC 662**

Sponsor(s)

Committee Report

Amendments Adopted

OTP-AM

H-951

This bill clarifies and changes the timing of the various data inputs that in combination determine each municipality's share of the state-municipal revenue sharing distribution, including municipal population, full-value mill rates and consumer price indices, so that the Treasurer of State can post the projected revenue sharing distribution in a timely manner for the purposes of municipal budget development. The bill also requires the Treasurer of State to post the revenue sharing projections on the Treasurer of State's website no later than April 15th of each year.

This bill also makes several changes to laws related to state-municipal revenue sharing as it relates to the Fund for the Efficient Delivery of Local and Regional Services and the system of calculating a municipality's property tax levy limit. This bill:

1. Permanently establishes legislative practice by dedicating \$500,000 of state-municipal revenue sharing funds each year to the Fund for the Efficient Delivery of Local and Regional Services rather than 2% of receipts of the Local Government Fund as originally enacted;
2. Changes the administration of the Local Government Efficiency Fund to require dollar-for-dollar matching requirements for planning grants and limits the overall distribution of planning grants in any year to no more than 10% of all grants as measured by value;
3. Clarifies with respect to the calculation of a municipality's property tax levy limit that "net new funds" refers to municipal revenue sharing and that the net new funding analysis applies to the previous calendar year's receipts rather than current projected fiscal year receipts; and
4. Allows "net new funds" adjustments to the property tax levy limit to operate either as a negative or a positive adjustment in response to revenue sharing increases or decreases.

#### **Committee Amendment "A" (H-951)**

This amendment removes provisions from the bill regarding distributions from the Fund for the Efficient Delivery of Local and Regional Services.

#### **Enacted Law Summary**

Public Law 2007, chapter 662 clarifies and changes the timing of the various data inputs that in combination determine each municipality's share of the state-municipal revenue sharing distribution, including municipal population, full-value mill rates and consumer price indices, so that the Treasurer of State can post the projected revenue sharing distribution in a timely manner for the purposes of municipal budget development. Chapter 662 also requires the Treasurer of State to post the revenue sharing projections on the Treasurer of State's website no later than April 15th of each year.

Chapter 662 also provides, with respect to the calculation of a municipality's property tax levy limit, that "net new funds" refers to municipal revenue sharing and that the net new funding analysis applies to the previous calendar year's receipts rather than current projected fiscal year receipts; and allows "net new funds" adjustments to the property tax levy limit to operate either as a negative or a positive adjustment in response to revenue sharing increases or decreases.