

MAINE STATE LEGISLATURE

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STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

July 2011

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STATE OF MAINE
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LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

CARRIED OVER carried over to a subsequent session of the Legislature
CON RES XXX..... chapter # of constitutional resolution passed by both houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; legislation died
DIED BETWEEN HOUSES..... House & Senate disagreed; legislation died
DIED IN CONCURRENCE..... defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT..... action incomplete when session ended; legislation died
EMERGENCY..... enacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW..... sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX..... chapter # of enacted public Law
RESOLVE XXX..... chapter # of finally passed resolve
VETO SUSTAINED..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125th Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Taxation

This bill proposes to ensure that future applicants for classification of land under the Maine Tree Growth Tax Law are eligible only if they are actually engaged in harvesting timber and not using the land as a property tax shelter without harvesting.

This bill was carried over to any special and/or regular session of the 125th Legislature by joint order, H.P. 1190.

LD 1535 An Act Relating to Fiscal Notes on Proposed Legislation

Carried Over

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT TRAHAN		

This bill requires the Department of Administrative and Financial Services, Bureau of Revenue Services and the Office of Fiscal and Program Review to prepare a dynamic fiscal note for any legislation that involves a tax expenditure or an increase or decrease in tax revenue resulting in a projected direct annual revenue impact of more than \$1,000,000. The dynamic fiscal note must include an analysis of the anticipated effects of any significant behavioral changes expected as a result of the legislation, excluding those reflected in the standard fiscal note, and must analyze any significant secondary and indirect economic effects of the legislation, including the effects on jobs, incomes and capital investment as well as the overall effect on the State's economy. Dynamic fiscal notes are for informational purposes only.

This bill was carried over to any special and/or regular session of the 125th Legislature by joint order, H.P. 1190.

LD 1574 An Act To Tax Water Used by Hydroelectric Facilities

INDEF PP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CLARK H		

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to impose a state tax on the use of water by a hydroelectric facility to generate electricity for sale. Revenue from the tax, after a deduction for administrative costs, would be paid by the State to the municipality where the facility is located.

The Joint Standing Committee on Taxation was the suggested committee of reference for this bill. The bill was "indefinitely postponed in concurrence" without reference to any committee.

LD 1578 Resolve, Relating to the State Valuation of the Town of East Millinocket

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CLARK H THOMAS	ONTP	

Joint Standing Committee on Taxation

The Town of East Millinocket is the site of the recently closed Katahdin Paper Company pulp and paper mill. The closure of the mill has resulted in the loss of 400 jobs is expected to result in the town's reducing the valuation of the mill property by \$66,000,000. The legislation was introduced as the Town of East Millinocket expected to have to pay county taxes based upon the lost valuation and believed the municipality would lose education subsidy and state-municipal revenue sharing based upon the lost valuation. However, the Taxation Committee determined that the municipal issue could be addressed pursuant to Title 36, section 208-A.