

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
126<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



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

**JOINT STANDING COMMITTEE ON TAXATION**

July 2013

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126<sup>TH</sup> LEGISLATURE

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## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 126<sup>th</sup> 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 126<sup>th</sup> Legislature is October 9, 2013. 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*

**LD 1218 An Act To Amend the Law Regarding Affordable Housing Tax Increment Financing**

**PUBLIC 312**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MOONEN	OTP-AM ONTP	H-307

This bill includes the costs of case management and support services in the authorized project costs allowable for financing under an affordable housing tax increment financing program.

**Committee Amendment "A" (H-307)**

This amendment replaces the bill with the following changes.

1. It provides that the municipal vote becomes the effective original assessed value date and allows flexibility in the review and approval of an affordable housing development district by the Maine State Housing Authority.
2. It eliminates the adjusted \$50,000,000 cap on bonded indebtedness for the affordable housing development districts within a county and the requirement that acquisition, construction and property improvements included within the affordable housing development program financed by municipal bonded indebtedness must be completed within 5 years of the approval of a district.
3. It clarifies the duration of an affordable housing development program.
4. It includes operational costs, in addition to the costs of case management and support services provided for in the bill, in the authorized project costs allowable for financing under an affordable housing tax increment financing program.
5. It expands from 20 years to 30 years the allowable maturation period for bonds issued by the legislative body of a municipality or plantation to finance the cost of an affordable housing development program within an affordable housing development district.

**Enacted Law Summary**

Public Law 2013, chapter 312 makes the following changes to affordable housing tax increment financing program.

1. It provides that the municipal vote becomes the effective original assessed value date and allows flexibility in the review and approval of an affordable housing development district by the Maine State Housing Authority.
2. It eliminates the adjusted \$50,000,000 cap on bonded indebtedness for the affordable housing development districts within a county and the requirement that acquisition, construction and property improvements included within the affordable housing development program financed by municipal bonded indebtedness must be completed within 5 years of the approval of a district.
3. It clarifies the duration of an affordable housing development program.
4. It includes operational costs, in addition to the costs of case management and support services in the authorized project costs allowable for financing under an affordable housing tax increment financing program.
5. It expands from 20 years to 30 years the allowable maturation period for bonds issued by the legislative body

## Joint Standing Committee on Taxation

of a municipality or plantation to finance the cost of an affordable housing development program within an affordable housing development district.

### LD 1226 An Act To Improve Maine Veterans' Property Tax Exemptions

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CLEVELAND HILL	ONTP	

Current law provides a property tax exemption to a veteran of the Armed Forces of the United States but only if the veteran served during a federally recognized war period or was disabled during active military service. The amount of the exemption varies depending on when the veteran served and whether the veteran is a paraplegic. This bill removes the requirement that the veteran must have served during a federally recognized war period, making the exemption available to all veterans of the Armed Forces of the United States. This bill does not change the amounts of the exemption or the other qualifying conditions.

### LD 1227 An Act To Promote Tourism and Economic Development

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHIPMAN	ONTP	

This bill increases the sales tax on lodging from 7% to 12% beginning October 1, 2013. Sixty percent of the revenue attributable to the tax increase is distributed to the Tourism Marketing Promotion Fund, and 40% is distributed to the municipality in which the living quarters that generated the revenue are located.

### LD 1228 An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2013-14

PUBLIC 174  
EMERGENCY

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM	H-167

This bill 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.

#### Committee Amendment "A" (H-167)

This amendment incorporates a fiscal note.

#### Enacted Law Summary

Public Law 2013, chapter 174 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. Public Law 2013, chapter 174 was enacted as an emergency measure effective May 30, 2013.