

MAINE STATE LEGISLATURE

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STATE OF MAINE
129TH LEGISLATURE
FIRST REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

August 2019

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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 129th 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. An appendix provides a summary of relevant session statistics.

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 129th Legislature is Thursday, September 19, 2019. 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 1326 An Act To Expand Eligibility for the Veterans' Property Tax Exemption ONTP

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

This bill allows persons who served in the Armed Forces of the United States during the period from February 1, 1955 to February 27, 1961 to qualify for the veterans' property tax exemption based on dates of service.

See also LDs 163, 1042, 1194 and 1271.

LD 1362 An Act To Fund Opioid Treatment by Establishing an Excise Tax on CARRIED OVER
Manufacturers of Opioids

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL M	OTP-AM	H-608
CHIPMAN B	OTP-AM	H-650 O'NEIL M

This bill establishes the Opioid Stewardship Fund within the Fund for a Healthy Maine for the purpose of supporting opioid use disorder prevention, treatment and recovery funded by an excise tax of 0.1¢ per morphine milligram equivalent assessed upon opioid drugs distributed in the State.

Committee Amendment "A" (H-608)

This amendment, which is the majority report of the committee, makes the following changes to the bill.

1. It provides that the excise tax is a tax on manufacturers of opioids if more than 100,000 morphine milligram equivalents of the manufacturer's prescription opioid products are dispensed in the State in the tax year.
2. It changes the rate of the tax from 0.1¢ per morphine milligram equivalent to \$0.01 per morphine milligram equivalent for a brand-name opioid distributed in the State or \$0.0025 per morphine milligram equivalent for a generic substitute.
3. It removes the prohibition on passing the tax on to consumers.
4. It provides that revenue collected from the tax also may be used to fund the costs of administering the tax and provides necessary administrative details.
5. It provides that the tax is in effect until December 31, 2023 and requires the joint standing committee of the Legislature having jurisdiction over taxation matters to review the tax. It authorizes the committee to submit a bill to extend, amend or repeal the tax to the 131st Legislature based on the review.
6. It adds an appropriations and allocations section.

Committee Amendment "B" (H-609)

This amendment, which is the minority report of the committee, changes the bill to a resolve and directs the Commissioner of Health and Human Services, in consultation with the director of opioid response in the Executive Department and the Department of Administrative and Financial Services, Maine Revenue Services, to convene a study group to examine the need for funding for opioid use disorder education, prevention, treatment and recovery services and to identify sustainable sources of funding. The commissioner is directed to present a report of the

Joint Standing Committee on Taxation

study group's findings and recommendations to the Joint Standing Committee on Taxation and the Joint Standing Committee on Appropriations and Financial Affairs by January 10, 2020. Each committee may submit legislation to the Second Regular Session of the 129th Legislature regarding the results of the report.

House Amendment "B" To Committee Amendment "A" (H-650)

This amendment to the committee amendment strikes the list of information that must be reported annually by a manufacturer of opioids to the Department of Health and Human Services and substitutes a requirement that the department adopt major substantive rules establishing the information that must be reported. The amendment also provides a different method of determining the products subject to the two levels of tax specified in the committee amendment and changes elements of the calculation of the rates. This retains the appropriations and allocations section in Committee Amendment "A."

This bill was reported out of committee and then carried over to any special or regular session, or both, of the 129th Legislature on the Special Appropriations Table by joint order, H.P. 1322.

LD 1424 An Act To Create an Access to Justice Income Tax Credit

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BAILEY D	OTP-AM	H-332

This bill provides an income tax credit for five years for attorneys who practice law in the State and agree to practice for at least five years in an underserved area of the State as determined by the Supreme Judicial Court. Eligibility for the credit is open from 2020 through 2025. The court may certify up to five eligible attorneys each year. The joint standing committee of the Legislature having jurisdiction over taxation matters is directed to review the effectiveness of the credit and may submit legislation to extend or revise it.

Committee Amendment "A" (H-332)

This amendment changes the entity reporting information to the Legislature regarding the access to justice credit from the State Tax Assessor to the Supreme Judicial Court and clarifies that the authorized disclosure by the assessor of tax information related to the credit is to the Supreme Judicial Court for purposes of making the report to the Legislature.

This bill was reported out of committee and then carried over to any special or regular session, or both, of the 129th Legislature on the Special Appropriations Table by joint order, H.P. 1322.

LD 1430 An Act To Create Tax Equity among Renewable Energy Investments

PUBLIC 440

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TIPPING R POULIOT M	OTP-AM	H-507

This bill provides clarification related to the eligibility of business investments in renewable energy facilities for purposes of the business equipment tax exemption and provides personal property tax and real estate tax exemptions for renewable energy facilities installed for noncommercial use. Additionally, the bill directs the Department of Administrative and Financial Services, Maine Revenue Services to provide guidance documents to assist municipalities with the assessment of renewable energy facilities included in these provisions.