

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

Date: 5/22/19

(Filing No. H-350)

APPROPRIATIONS AND FINANCIAL AFFAIRS

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 274, L.D. 353, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011"

Amend the bill by striking out the title and substituting the following:

'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'

Amend the bill by striking out everything after the title and before the summary and inserting the following:

'Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, 2/3 of all of the members elected to each House have determined it necessary to enact this measure.

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the 90-day period may not terminate until after the beginning of the next fiscal year; and

Whereas, certain obligations and expenses incident to the operation of state departments and institutions will become due and payable immediately; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

1 Following receipt and review of the report, the Joint Standing Committee on
2 Appropriations and Financial Affairs may report out legislation to the Second Regular
3 Session of the 124th Legislature.

4 **PART O**

5 **Sec. O-1. 36 MRSA §578, sub-§1**, as amended by PL 2007, c. 639, §1, is further
6 amended to read:

7 **1. Organized areas.** The municipal assessors or chief assessor of a primary
8 assessing area shall adjust the State Tax Assessor's 100% valuation per acre for each
9 forest type of their county by whatever ratio, or percentage of current just value, is
10 applied to other property within the municipality to obtain the assessed values. Forest
11 land in the organized areas, subject to taxation under this subchapter, must be taxed at the
12 property tax rate applicable to other property in the municipality.

13 The State Tax Assessor shall determine annually the amount of acreage in each
14 municipality that is classified and taxed in accordance with this subchapter. Each
15 municipality is entitled to annual payments distributed in accordance with this section
16 from money appropriated by the Legislature if it submits an annual return in accordance
17 with section 383 and if it achieves the minimum assessment ratio established in section
18 327. The State Tax Assessor shall pay any municipal claim found to be in satisfactory
19 form by August 1st of the year following the submission of the annual return. The
20 municipal reimbursement appropriation is calculated on the basis of 90% of the per acre
21 tax revenue lost as a result of this subchapter. For property tax years based on the status
22 of property on April 1, 2008 and April 1, 2009, municipal reimbursement under this
23 section is further limited to the amount appropriated by the Legislature and distributed on
24 a pro rata basis by the State Tax Assessor for all timely filed claims. For purposes of this
25 section, the tax lost is the tax that would have been assessed, but for this subchapter, on
26 the classified forest lands if they were assessed according to the undeveloped acreage
27 valuations used in the state valuation then in effect, or according to the current local
28 valuation on undeveloped acreage, whichever is less, minus the tax that was actually
29 assessed on the same lands in accordance with this subchapter, and adjusted for the
30 aggregate municipal savings in required educational costs attributable to reduced state
31 valuation. A municipality that fails to achieve the minimum assessment ratio established
32 in section 327 loses 10% of the reimbursement provided by this section for each one
33 percentage point the minimum assessment ratio falls below the ratio established in section
34 327.

35 The State Tax Assessor shall adopt rules necessary to implement the provisions of this
36 section. Rules adopted pursuant to this subsection are routine technical rules for the
37 purposes of Title 5, chapter 375, subchapter 2-A.

38 C. The State Tax Assessor shall distribute reimbursement under this section to each
39 municipality in proportion to the product of the reduced tree growth valuation of the
40 municipality multiplied by the property tax burden of the municipality. For purposes
41 of this paragraph, unless the context otherwise indicates, the following terms have the
42 following meanings.

- 1 (1) "Property tax burden" means the total real and personal property taxes
2 assessed in the most recently completed municipal fiscal year, except the taxes
3 assessed on captured value within a tax increment financing district, divided by
4 the latest state valuation certified to the Secretary of State.
- 5 (2) "Undeveloped land" means rear acreage and unimproved nonwaterfront
6 acreage that is not:
- 7 (a) Classified under the laws governing current use valuation set forth in
8 chapter 105, subchapter 2-A, 10 or 10-A;
- 9 (b) A base lot; or
- 10 (c) Waste land.
- 11 (3) "Average value of undeveloped land" means the per acre undeveloped land
12 valuations used in the state valuation then in effect, or according to the current
13 local valuation on undeveloped land as determined for state valuation purposes,
14 whichever is less.
- 15 (4) "Reduced tree growth valuation" means the difference between the average
16 value of undeveloped land and the average value of tree growth land times the
17 total number of acres classified as forest land under this subchapter.

18 **PART P**

19 **Sec. P-1. 36 MRSA §457, sub-§2**, as amended by PL 2009, c. 1, Pt. P, §1 and
20 affected by §2, is further amended to read:

21 **2. Tax imposed.** A state tax is imposed on telecommunications personal property at
22 the rate provided in this subsection times the just value of the property. Just value and
23 ownership of the property must be determined as of the April 1st preceding the
24 assessment. The rate of tax is:

- 25 A. For assessments made in 2004, 26 mills;
- 26 B. For assessments made in 2005, 25 mills;
- 27 C. For assessments made in 2006, 24 mills;
- 28 D. For assessments made in 2007, 23 mills;
- 29 E. For assessments made in 2008, 22 mills;
- 30 F. For assessments made in 2009, 22 mills; and
- 31 G. For assessments made in 2010 and subsequent years, ~~20~~ 22 mills.;
- 32 H. For assessments made in 2011, 22 mills;
- 33 I. For assessments made in 2012, 19 mills; and
- 34 J. For assessments made in 2013 and subsequent years, 18 mills.

35 **Sec. P-2. Review and report.** The Joint Standing Committee on Taxation shall
36 review the telecommunications personal property tax and other forms of taxation of

1 The clerk shall immediately notify that person of the suspension by regular mail or
2 personal service. The suspension has the same force and effect as a suspension by the
3 Secretary of State. The suspension remains in effect until the person answers or appears,
4 either in person or by counsel, or pays the fine. On answer, appearance or payment of the
5 fine, whichever was the basis for the suspension, and on condition of payment of a ~~\$35~~
6 \$50 reinstatement fee pursuant to section 2486, subsection 1 to the Secretary of State, the
7 clerk of the court in which the suspension was ordered shall rescind the suspension and
8 notify the Secretary of State who, upon receipt of the ~~\$35~~ \$50 reinstatement fee pursuant
9 to section 2486, subsection 1, shall delete any record of the suspension from that person's
10 driving record.

11 **PART ZZZZ**

12 **Sec. ZZZZ-1. Reduction to MaineCare baseline budget.** For purposes of
13 calculating the 2012-2013 biennial budget, General Fund, All Other funding baseline, the
14 General Fund, All Other funding baseline for the MaineCare seed programs must be
15 calculated based on the final 2010-11 General Fund, All Other ongoing appropriations for
16 each of these programs less 2.5% for each year.

17 **Emergency clause.** In view of the emergency cited in the preamble, this
18 legislation takes effect when approved.'

19 **SUMMARY**

20 **PART A**

21
22 This Part makes appropriations and allocations of funds for the 2010-2011 biennium.

23 **PART B**

24
25 This Part makes appropriations and allocations of funds for approved reclassifications
26 and range changes.

27 **PART C**

28
29 This Part does the following.

30 It includes changes resulting from updated data from school administrative units and
31 the changes in school administrative units that will be reorganized effective July 1, 2009.

32 It specifies a mill expectation of 6.73 for fiscal year 2009-10 and the total cost of
33 funding public education from kindergarten to grade 12, consisting of total debt service
34 allocation, total adjustments and total miscellaneous costs, and state share percentage. It
35 also lowers the mill expectation from 6.73 to 6.37 with funds provided under Title XIV of
36 the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment
37 Act of 2009 as part of the amount restored to school administrative units in fiscal year
38 2009-10.

39 It authorizes the Commissioner of Education to waive the requirement for school
40 administrative units to provide transportation for public preschool students.

1 and building construction fees for training and certifying municipal building officials. It
2 requires the Executive Department, State Planning Office to work with code enforcement
3 officer professional associations with respect to code enforcement training and
4 certification.

5 This Part removes the requirement that the State Planning Office offer advanced
6 training in code enforcement and describes the elements of the basic training requirement.

7 It provides for the State Planning Office to suspend code enforcement training and
8 certification activities if funds are not sufficient to cover program costs and allows the
9 office to temporarily extend the certification for code enforcement officers if the office
10 does suspend program activities. If program activities are suspended, the office is
11 required to establish a registration program for code enforcement officers, work with the
12 Department of Health and Human Services to determine how to train and certify local
13 plumbing inspectors and continue the work of training and certifying with respect to the
14 Maine Uniform Building and Energy Code. If funds are insufficient for code
15 enforcement training and certification, the office is required to report recommendations
16 for funding or program changes to the joint standing committees of the Legislature
17 having jurisdiction over appropriations and financial affairs and state and local
18 government matters.

19 It clarifies that the State Planning Office's rules under the code enforcement laws are
20 routine technical rules.

21 It removes the requirement that the State Planning Office provide for training humane
22 agents and state veterinarians in court procedures.

23 **PART N**

24
25 This Part delays until July 1, 2011 inclusion of teachers as beneficiaries under the
26 Irrevocable Trust Fund for Other Post-employment Benefits. This Part also directs the
27 Treasurer of State to convene a work group to review the unfunded liability obligations
28 for retiree health benefits for teachers.

29 **PART O**

30
31 This Part limits reimbursements to municipalities under the Maine Tree Growth Tax
32 Law to the amount appropriated by the Legislature and distributed on a pro rata basis for
33 property tax years based on the status of property on April 1, 2008 and April 1, 2009.

34 **PART P**

35
36 This Part increases the rate of tax imposed on telecommunications personal property
37 for fiscal years 2009-10 to 2011-12 and decreases the tax rates in fiscal years 2012-13
38 and 2013-14. It directs the Joint Standing Committee on Taxation to review the
39 telecommunications personal property tax and other forms of taxation of
40 telecommunications providers and requires a report to the Joint Standing Committee on
41 Appropriations and Financial Affairs by January 15, 2010 summarizing the results of its
42 review and recommending changes to the tax laws to ensure equitable tax treatment of
43 telecommunications providers in a revenue-neutral manner. The Joint Standing