

DRAFT
STATUS OF BROOKINGS RECOMMENDATIONS
As of November 1, 2007

Recommendation 1. Trim government to invest in innovation and reduce property and income taxes (\$60-100MM/yr., through a Maine Government Efficiency Commission).

- State agencies trimmed over \$11m to meet budget shortfall for FY08.
- State agencies engaged in creating proposals showing the effect of a 7% across the board cut in state government, in response to LD ____.
- Legislature appointed Joint Committee on Future Maine Prosperity to make recommendations. Committee has held two of four meetings and will make recommendations in January, 2008.
- GrowSmart Maine circulating a concept paper on a Maine Government Efficiency Commission that would compare Maine expenditures with other rural states and make recommendations to move Maine towards the rural state spending average.
- Governor Baldacci initiated a proposal to consolidate and centralize corrections administration. Proposal will be taken up by Judiciary Committee.

2. Establish a Maine Innovation Jobs Fund, including a Maine Cluster Development Fund (\$20MM), through a \$200MM General Obligation bond.

- Governor appointed Council on Jobs and Innovation in late 2006
- A \$50m R& D bond referendum will be presented to voters on Nov. 6th, as recommended by the Council.
- Maine Technology Institute receives on-going funding of \$_____ for FY 08-09 to provide R& D and Cluster Development grants.

3. Reorganize K-12 administration and school construction, and divert the savings to student needs.

- Passage of LD ____ requires consolidation of school administrative districts, subject to regional voter approval in the spring of 2008.
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4. Establish a Maine Quality Places Fund (\$190MM revenue bond, funded by a 3% increase in the lodging tax): \$95MM to the LMF, \$90MM to the Municipal Investment Trust Fund, and \$5MM to high-value tourism marketing.

- General Obligation Bond referendum on Nov 6th includes \$35.5m for LMF, Working Waterfronts, Rivers, Parks and Historic Sites, Municipal Investment Trust Fund, and Irrigation.

- GrowSmart Maine and Governor's Council on Quality of Place continue to work on proposals to increase the lodging tax.
 - Taxation Committee proposed increasing the lodging tax as part of a tax reform package in spring, 2007. They may revisit this in 2008.
5. Fully fund the Maine Downtown Center at \$300K /yr.
- Maine Downtown Center receiving state funding of \$75,000 for FY 08-09
 - See recommendations in this report for further support of the Downtown Center.
6. Achieve statewide building & rehabilitation code uniformity through further code development, training and outreach, and incentives, along the lines of NJ.
- State agency steering committee addressing this issue through Resolve 46.
 - Recommendations to achieve uniform building codes to be presented to the Legislature by steering committee in January, 2008.
7. Bolster the Historic Preservation Tax Credit, along the lines of RI, MO, and MD.
- LD 262 to enhance the Historic Preservation Tax Credit passed by Taxation Committee and held over in order to address the fiscal note.
 - Research on financing options underway options being considered are a fee on construction and demolition debris, real estate transfer tax on homes valued at over \$1m.
 - Legislature will address this issue in 2008.
8. Strengthen both local and regional planning through a new generation of model zoning, technical assistance, grants (from a Community Enhancement Fund, via a \$20 deed recording fee), and incentives (as, contingent state aid programs, local option sales tax, etc.).
- New Comprehensive Plan Rule went into effect in September, 2007.
 - New Rule will reduce state staff time needed for plan reviews, freeing up resources to provide planning tools, model ordinances and technical assistance to towns.
9. Other on-going Quality of Place Initiatives not included in Brookings Report:
- Informed Growth Act requires economic impact study for big box stores over 75,000 square feet in size. Law went into effect in September, 2007.
 - Proposed bill would require state agencies to identify statutes, rules and policies that promote sprawl.