

Volunteer/Call Firefighters and EMS Personnel Seek Pension Program

The Labor, Commerce, Research and Economic Development Committee (LCRED) held a public hearing on Tuesday this week on LD 164, *An Act To Establish the Maine Length of Service Award Program*. Referred to as LOSAP for short, the program would establish a pension benefit for municipal volunteer and call firefighters and emergency medical services providers. This LOSAP bill is almost identical to a bill submitted two years ago that would accomplish the same result.

The LOSAP program would be primarily capitalized by dedicating 50% of the state tax revenue generated by the retail sales of consumer fireworks to the pension system. In order to avoid the state government experiencing a negative fiscal impact from the bill, the specific proposal is to double the tax rate on consumer fireworks, dedicating half the sales tax revenue to LOSAP and the other half to the state treasury.

The bill allows all other entities, including state government, municipalities, municipal fire departments, municipal fire companies, and the emergency workers themselves to also contribute to the pension program. The system would be managed by a third-party administrator and overseen by a board of trustees made up largely of firefighters and an investment advisor.

The pension benefits would become available when the emergency worker reached the age of 65 or accrued at least 25 years of qualifying service. A firefighter or EMS employee would vest in the system after five years of creditable service. Each year, the municipal fire chief of each community would locally post a list of the firefighters and EMS personnel that

met the qualifying threshold of activity and, after providing time for adjustments and disputes, submit the final list to the LOSAP program.

The pension recipients would receive their prorata share of the annual distribution of pension benefits. The pension distributions would be segregated into a pool of general distribution (state sub-account), two locally targeted distributions (municipal sub-account and municipal fire department sub-account), and a personal pool of distribution targeting individuals' contributions to the specific beneficiaries.

Rep. Jeff Evangelos (Friendship) sponsored the bill and introduced it to the Committee. Ken Desmond, the President of the Maine State Federation of Firefighters and Jeff Cammack, the Executive Director of the Maine Fire Chiefs' Association, spoke in support of the bill. The main argument supporting the measure

was the need to create a system to assist in the recruitment and retention of volunteer firefighters and EMS personnel. According to the testimony, the number of volunteer emergency workers has dropped 20% to 30% in recent years, putting a tremendous burden on mutual aid systems to fill in the gaps where volunteer personnel is lacking. The concern is that the network of emergency aid is stretched to a breaking point, at least in some regions, and something needs to be done to make volunteer and call firefighting more attractive.

A representative of the fireworks retail operations spoke in opposition to LD 164, not with respect to the purpose of the bill but the proposed financing mechanism. Doubling the tax rate on the sale of fireworks, according to this testimony, would disadvantage Maine fireworks retailers to the advantage of retailers in other states.

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Righting Triangulated Education Funding Policy

In the clinical sense of the word, "triangulation" occurs when a third party is pulled into a two party relationship for the sole purpose of addressing or resolving a problem created by the two parties. Although triangulation is more commonly played out in a dysfunctional family dynamic where a child is called upon to resolve a disagreement between parents, this inappropriate shift of responsibility has taken hold of two municipally important education funding policies. One of those policies requires the property taxpayers to fund the annual increases in the retirement benefits the

state provides to school teachers. The other policy requires taxpayers to fund the cost of sending students to public charter schools. In both cases, the municipalities and their property taxpayers are mandated by the state to fund programs and services over which they have no direct or meaningful control.

Thanks to the efforts of Representatives Walter Kumiega of Deer Isle, Paul Stearns of Guilford, Norman Higgins of Dover-Foxcroft, and Brian Hubbell of Bar Harbor, the Education Committee had the opportunity to vote on bills

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Pension Program (cont'd)

MMA also testified in opposition to the bill, but certainly not with respect to the goal of recruiting and retaining volunteer emergency personnel. MMA's Legislative Policy Committee voted to oppose the legislation, consistent with the position taken by MMA two years ago, on the issue of the proper role and responsibilities of the municipal employer.

Simply put, firefighting and emergency medical response is a function of local government. Each municipality employs its firefighters and EMS personnel, and the members of MMA's Legislative Policy Committee believe that the compensation package for performing those functions – whether in salary or benefits or some combination of both – should be determined at the local level, through communications and negotiations between the employees and the employer, and ultimately decided in the budget process at the town meeting or by the town or city council.

There are two reasons for the municipal concern.

First, it doesn't really work to have some local volunteers receiving a pension benefit because of their long and devoted service, while others do not. As employers, the state's municipal officers have an interest in making sure that the overall compensation systems are provided in a fair, balanced and proportionate way across the spectrum of employees working for that town. Systems created by the Legislature for a single category of municipal employee disrupts the internal balance of a compensation system.

Second, Maine's towns and cities, along with the local school systems, have not had a great experience with pension systems created by the Legislature on the behalf of local government employees. If

the teacher retirement phenomenon is any model, sooner or later the state contribution to a retirement system for municipal employees will be characterized as an unnecessary gift to local government and shifted to the communities without any control over the management of the system. (See Education Funding article in this edition of the Bulletin.)

MMA tried to explain that there is nothing stopping the development of a defined contribution pension system by the municipality if that was locally perceived as an effective way to address the recruitment/retention problem. This observation must have been expressed in-artistically, because at least some Committee members and some of the firefighters in the audience got the impression the claim was being made that pensions are already being regularly provided to volunteers at the municipal level.

As a result, members of the LCRED

Committee asked MMA to survey the municipalities in order to provide the following information:

- The retirement benefits currently provided to volunteer, call and full-time firefighters.
- The members of MMA's Legislative Policy Committee who represent small towns.
- The retirement benefits currently provided to all town and city managers.

Some, but not all, of the Committee's information requests can be reasonably satisfied in the data assembled in the most recent edition of MMA's Salary Survey (2013). Because the information in that Survey regarding municipally-provided retirement benefits does not indicate if those benefits are offered to part time employees, we have sent out a survey to make sure the Committee members get all the information they need to form their recommendation on LD 164.

Education Funding (cont'd)

seeking to address those education policy concerns this week.

Funding Teacher Retirement. By a margin of 8 to 5, the Education Committee voted largely along party lines to support LD 60, *An Act To Ensure Proper Funding for Teacher Retirement*. The bill, sponsored by Rep. Kumiega and Rep. Stearns, would reverse a 2013 legislative act that shifted the responsibility for funding what is called the "normal cost" of the teacher retirement premium from the state to the municipalities. As a result of the change in policy, property taxpayers became responsible for paying nearly \$30 million in teacher retirement costs in FY 2014, a cost of K-12 education which has been folded into the Essential Programs and Services school funding model. In FY 2016, those costs are projected to increase to \$37 million, a 24% hike from the FY 2014 obligation.

Generally, members of the Education Committee pledged their support for LD 60 as a means for honoring the commitment made to both school teachers and property taxpayers over 70 years ago when the Legislature obligated public school teachers to participate in the state's retirement system. As was the case in 1941, and remains today, there are no other retirement programs offered

to Maine school teachers. One member of the Committee voting to support LD 60 suggested that if the retirement costs are paid by the local school districts, then the policy change should be applied in a going forward basis to allow for locally designed retirement programs.

The members of the Committee opposing the initiative fundamentally believe that the local school district is the employer and for that reason should be held accountable for funding all teacher benefits. Although some of the opponents to LD 60 sympathize with the property taxpayers' frustration of having to pay for a benefit created and managed at another level of government, they believe further exploration and study of the issue is a more appropriate way to address the concern.

Charter School Funding. Under the existing laws that guide the funding of public charter schools, the district from which a student would otherwise be educated if not for enrollment in a charter school is required to remit to the charter school the local share of the Essential Programs and Services (EPS) attributable to that student. As a result, the property taxpayers from districts with high charter school enrollments

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Legislative Bulletin

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Editorial Staff: Geoffrey Herman, Kate Dufour, Garrett Corbin and Laura Ellis of the State & Federal Relations staff.

An Afternoon in the Life of the Tax Committee

What follows is a brief update on bills of municipal interest that were worked by the Taxation Committee on Wednesday of this week.

LD 48, *An Act To Reduce Registration Fees and Excise Taxes for For-hire Vehicles with Adaptive Equipment Enabling Access by Persons with Disabilities*. Under existing law, the value of adaptive equipment installed on personal motor vehicles used to transport persons with disabilities is exempt from the motor vehicle excise tax assessed and collected by municipalities. LD 48 extends that excise tax exemption to the adaptive equipment installed in “for-hire” vehicles. The bill also reduces, by one-half, the state registration fees collected on adapted “for-hire” vehicles. The Committee unanimously voted “ought to pass as amended” on LD 48. The amendment adds a fiscal note accounting for losses in state registration revenue.

LD 49, *An Act To Exempt from Excise Tax Certain Vehicles Used by Persons with a Disability*. LD 49 would exempt from the motor vehicle excise tax personal vehicles used to transport persons with disabilities. Under existing law, only the value of the adaptive equipment installed on the vehicle is exempt from the municipal excise tax. Although the Committee was sympathetic to the challenges faced by persons with disabilities, members expressed concerns with shifting additional burdens onto the property taxpayers. As a result, the Committee voted to table the bill to allow the time to collect the data necessary to assess the impacts on municipalities. The discussion on LD 49 will resume on March 11.

LD 64, *An Act to Reduce the Time within Which a Challenge to a Tax Lien Foreclosure May Be Filed*. Under existing law, a person has five years to challenge the validity of a municipality’s taking of property for the nonpayment of taxes. Challenges typically focus on whether all the steps in that long process from tax delinquency to foreclosure were perfectly fulfilled. As proposed in LD 64, the period in which a challenge could be filed would be reduced to three years, therefore reducing the risk for parties interested in purchasing tax acquired property. The Committee unanimously voted to sup-

port the bill.

LD 170, *An Act To Remove the 180-day Active Duty Requirement for the Property Tax Exemption for Vietnam Veterans*. Under existing law, veterans who have served during a federally recognized war period are entitled to a property tax exemption of \$6,000 generally, and \$50,000 for veterans who due to war time injuries must adapt their homes to accommodate for their disability. With an exception for the veterans serving in the Vietnam War, to qualify for the property tax exemption, a veteran must have actively participated in the war effort. For the Vietnam War, however, veterans must have served on active duty for more than 180-days during the period spanning from Feb. 27, 1961 to May 8, 1975 in order to qualify for the

property tax exemption. The Committee unanimously supported an amended version of LD 170 that repeals the 180-day requirement for Vietnam War veterans.

LD 118, *An Act To Authorize Municipalities To Refund Amounts Collected in Excess of Tax Liens*. LD 118 was submitted to resolve a difference of opinion regarding the legal authority of a municipality to return to the prior owner revenues that remain after a municipality has recouped all cost associated with disposing of a tax acquired property. As unanimously endorsed by the Committee, the amended version of LD 118 authorizes, but does not require, municipalities to adopt ordinances establishing the standards governing the return of those proceeds and the procedures necessary to ensure that the interests of all the municipality’s taxpayers are protected.

Regulatory Takings, Take 4

On Thursday this week, and for the fourth time in as many years, the Judiciary Committee held a public hearing on various “regulatory takings” bills. Generally speaking, a regulatory takings bill creates an entitlement for a landowner to be compensated for the impacts of land use regulation that negatively impacts the value of their property. Like the legislation put forth in 2011, 2012, and 2013, LD’s 162 and 309 garnered a vote of opposition from MMA’s Legislative Policy Committee.

LD 162, *An Act To Protect the Rights of Property Owners*, establishes a “regulatory takings” system that creates a right for landowners to be either compensated or exempted from land use regulations whenever the fair market value of their land is reduced by enactment or application of a state or municipal regulation. When a regulatory takings claim is established, the state or municipality would be afforded the option of either waving the offensive regulation or paying damages to the landowner. The process or formula for determining the value of those damages is not provided in the bill.

LD 309, *An Act To Connect the Citizens of the State to the State’s Natural Resources by Establishing Standards for Relief from Regulatory Burdens*, is a more developed version of LD 162. As

did its predecessor in 2013, LD 1450, LD 309 takes great care to remove direct municipal impacts to avoid the “mandate tag.”

Other details provided in LD 309 that are not found in LD 162 include establishing the “takings” threshold as a reduction in fair market value of 50% or more, providing the property owner’s right of action only with respect to regulations enacted after Aug. 1, 2016, and allowing the property owner to consider the cumulative effect of multiple prospective land use regulations to meet the 50% diminution threshold but requiring the analysis of the regulatory impact on value to take into account the entire property’s value and not just a portion of the property. As a matter of process, LD 309 requires a person to engage in a mandatory mediation opportunity prior to filing an action in Superior Court, which is a service currently provided on a voluntary basis.

As much as LD 309 carefully segregates state level legislation that can potentially impact property values, which would be subject to this takings law, and municipal level land use regulation, which would not, it is not clear to municipal officials that a dividing line between local and state land use regu-

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Education Funding (cont'd)

are approving local school budgets that include significant sums that are not actually dedicated to local public schools. In Skowhegan, for example, nearly \$1 million in property tax revenue is used to fund public charter schools that are not located in Skowhegan.

On Monday of this week, the Education Committee held a public hearing on bills seeking to address the funding issue.

One of the bills, LD 131, *An Act To Amend the Laws Related to Public Funding of Charter Schools*, sponsored by Representative Hubble, requires the cost of funding charter schools to be borne by the state, but issued as part of the state's obligation to fund K-12 education under the EPS model. As a result, all school districts across the state would share in the burden of funding charter schools, which is approximately \$16 million annually.

In contrast to the charter school funding proposal found in LD 131, the change found in LD 265, *An Act To Require the State To Fund Public Charter Schools*, sponsored by Representative Higgins, would require the state to cover the cost of funding charter schools outside of the EPS model, thereby preserving the base level of state contribution to the non-charter public school systems. Municipal officials prefer this funding model as it holds the appropriate legislative body accountable for approving the school budgets over which they exert control. As proposed in LD 265, the Maine Legislature, which created public charter schools, would be more directly responsible for supporting charter school budgets, leaving the voters in local school districts to develop and adopt non-charter public school budgets.

At the hearing, interest groups from all sides of the issue provided testimony in support of the proposed charter school funding changes, with some supporting

the "within EPS" funding model proposed in LD 131, others supporting the "outside EPS" funding model proposed in LD 265, and still others supporting both models. The testimony in support of the bills was offered by representatives of the Maine Charter School Commission, Maine Charter School Association, Maine Superintendents' and School Boards' Association, Maine Connection Academy (one of the state's virtual charter schools), Maine Principals' Association, Mayors' Coalition, Maine Education Association and the Maine Municipal Association.

After much debate on Wednesday of this week, the Education Committee unanimously voted to support an amended version of LD 131. As amended, the cost of operating charter

schools would be reported as a separate item in the budget, but funded within the EPS formula. If adopted by the entire Legislature, approximately \$16 million each year of the biennium will be dedicated within the GPA distribution to fund charter public schools. LD 265 was unanimously voted "ought not to pass".

Although municipal officials preferred the funding model presented in LD 265, they are nonetheless pleased with the outcome. At a minimum, the change in funding policy will cause the burdens of funding public charter schools to be borne by all districts and their property taxpayers, rather than exclusively (and somewhat arbitrarily) by those districts located in proximity to one or more of the state's six charter schools.

Regulatory Takings (cont'd)

litation actually exists. Municipalities are deeply intertwined with state-level environmental regulations and to disentangle them from litigation to determine if any actual "takings" occurred will be a challenge.

Unlike previous years, this time around the number of people speaking in opposition to these bills was heavily outweighed by those speaking in support. Some supporters cited the constitutional provisions against deprivation of property without due process and just compensation as justification for the these bills. Other supporters included the forestry and realtor lobbies in protection of private property owners' rights.

The tension between landowner rights and government regulation is not new. Yet it would be new for Maine to pass LD 309; according to the testimony provided at the public hearing, no other state in the nation has a similar law on the books. Additional testimony noted

that Oregon enacted a law somewhat akin to LD 162 before effectively repealing it two years later after thousands of claims for compensation and hundreds of lawsuits against the state had been filed.

A frustration from the municipal side of this debate is the "one way street" aspect of takings legislation, where reductions in property value become compensable, but the effect of appropriate land use regulation that maintains and enhances property values is ignored. The question of balance became a theme at the hearing, with proponents of these bills claiming that regulations are oblivious to the impacts on property values, and opponents arguing the legislation swings the pendulum too far in the opposite direction.

Proponents and opponents alike will be hanging in that balance until the Judiciary Committee holds its work sessions on LD's 162 and 309 on March 12 at 3:00pm.

LEGISLATIVE HEARINGS

Note: You should check your newspapers for Legal Notices as there may be changes in the hearing schedule. For the Legislative Events Calendar, see the Legislature's web site at <http://www.mainelegislature.org/legis/calendar/>. If you wish to look up schedules by Committee, go to <http://www.mainelegislature.org/legis/bills/phwkSched.html>.

Monday, March 2

Education & Cultural Affairs

Room 202, Cross State Office Building, 1:00 p.m.
Tel: 287-3125

LD 201 – Resolve, Regarding Legislative Review of Portions of Chapter 101: Maine Unified Special Education Regulation Birth to Age Twenty, a Major Substantive Rule of the Department of Education.

LD 418 – Resolve, To Study the Use of Social Impact Bonds as a Funding Mechanism for Public Education Programs in Maine.

Labor, Commerce, Research & Economic Development

Room 208, Cross State Office Building, 9:30 a.m.
Tel: 287-1331

LD 117 – An Act To Require the Prevailing Wage To Be Paid on All Public Works Projects for Which State Funding Is Used.

LD 125 – An Act Extending Workers' Compensation Benefits to Certain Employees of the Office of the State Fire Marshal Who Contract Cancer.

LD 248 – An Act To Provide Flexibility to the Application of the State Prevailing Wage and Benefit Rates.

LD 301 – An Act To Improve Insurance Coverage for First Responders Answering a Call to Duty.

State & Local Government

Room 214, Cross State Office Building, 1:00 p.m.
Tel: 287-1330

LD 167 – An Act to Prohibit a Municipality from Holding a Referendum To Legalize the Recreational Use of Marijuana.

LD 224 – An Act To Limit the Information Required To Be Printed on Municipal Referenda Ballots.

LD 258 – An Act Regarding Posting of Legal Notices and Legal Advertising.

LD 408 – An Act To Help Municipalities Prepare for Changes in Sea Level.

Veterans & Legal Affairs

Room 437, State House, 10:00 a.m.
Tel: 287-1310

LD 413 – An Act To Expand Access to Absentee Ballots.

Tuesday, March 3

Agriculture, Conservation & Forestry

Room 214, Cross State Office Building, 1:00 p.m.
Tel: 287-1312

LD 317 – An Act To Recognize and Provide for the Right of Access for Members of the Houlton Band of Maliseet Indians To Certain Public Lands in Aroostook County for Traditional Uses.

Appropriations & Financial Affairs in conjunction with Health & Human Services

Room 228, State House, 1:00 p.m.
Tel: 287-1316

Governor's proposed biennial state budget regarding General Assistance reimbursement to municipalities and changes (Parts ZZ, DDD and KKK). Please note: oral testimony will need to be 3 minutes in duration,

however, your written testimony can be as long as you wish. 40 copies should be submitted to the committee clerk for distribution.

Insurance & Financial Services

Room 220, State House, 1:00 p.m.
Tel: 287-1314

LD 337 – An Act To Require Lienholders To Remove Liens Once Satisfied.

Labor, Commerce, Research & Economic Development

Room 208, Cross State Office Building, 1:00 p.m.
Tel: 287-1331

LD 299 – An Act To Protect Children in Municipal and School Facilities by Requiring Boiler Inspections.

Wednesday, March 4

Criminal Justice & Public Safety

Rm. 436, State House, 10:00 a.m.
Tel: 287-1122

LD 54 – Resolve, To Ensure Notification to the Public of the Location in Maine of Persons Convicted in Foreign Countries of Crimes Relating to the Sexual Abuse of a Child.

1:00 p.m.

LD 379 – An Act To Create the Sex Offender Management and Risk Assessment Advisory Commission.

Education & Cultural Affairs

Room 202, Cross State Office Building, 1:00 p.m.
Tel: 287-3125

LD 338 – An Act To Reduce Remedial Course Requirements at Maine Community Colleges.

Environment & Natural Resources

Room 216, Cross State Office Building, 11:00 a.m.
Tel: 287-4149

LD 147 – Resolve, Regarding Legislative Review of Portions of Chapter 500: Stormwater Management, a Major Substantive Rule of the Department of Environmental Protection.

Taxation

Room 127, State House, 10:00 a.m.
Tel: 287-1552

LD 315 – An Act To Provide a Refund of Fuel Taxes to Maine Ambulance Companies.

LD 365 – An Act To Provide a Tax Reduction for Modifications To Make a Home More Accessible for a Person with a Disability.

Transportation

Room 126, State House, 1:00 p.m.
Tel: 287-4148

LD 32 – An Act To Amend the Laws Regarding Signs on Interstate Highways in Maine.

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LEGISLATIVE HEARINGS (cont.)

Thursday, March 5

Education & Cultural Affairs

Room 202, Cross State Office Building, 2:30 p.m.
Tel: 287-3125

LD 128 – An Act To Allow a School Administrative Unit To Implement a Firearm Safety Education Program for Elementary School Students.

LD 374 – An Act To Require School Administrators To Complete 50 Hours of Direct Student Instruction To Be Recertified.

Energy, Utilities & Technology

Room 211, Cross State Office Building, 1:00 p.m.
Tel: 287-4143

LD 326 – An Act To Transfer Ownership of the Monhegan Water Company.

LD 339 – An Act To Clarify That the Telephone Number 9-1-1 Is the Primary Number Advertized or Promoted for Emergency Response Services.

Environment & Natural Resources

Room 216, Cross State Office Building, 1:00 p.m.
Tel: 287-4149

LD 397 – An Act Regarding the Packaging and Labeling of Disposable Cleaning and Personal Hygiene Products.

Inland Fisheries & Wildlife

Room 206, Cross State Office Building, 1:00 p.m.
Tel: 287-1338

LD 275 – An Act To Remove Crossbows from the Restriction on Discharging Weapons near Buildings.

Transportation

Room 126, State House, 1:00 p.m.
Tel: 287-4148

LD 285 – Resolve, Directing the Department of Transportation To Install a Traffic Light in the Town of Prospect.

LD 286 – An Act Making Supplemental Allocations from the Highway Fund and Other Funds for the Expenditures of State Government Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2015.

LD 287 – An Act To Improve Traffic Safety during Political Campaign Seasons.

Friday, March 6

Transportation

Room 126, State House, 9:00 a.m.
Tel: 287-4148

LD 288 – An Act To Amend the Requirement of When Headlights Must Be Used.

LD 345 – An Act To Require Motorists To Move to a Nonadjacent Lane or Slow Down for Certain Stationary Vehicles.

IN THE HOPPER

(The bill summaries are written by MMA staff and are not necessarily the bill's summary statement or an excerpt from that summary statement. During the course of the legislative session, many more bills of municipal interest will be printed than there is space in the *Legislative Bulletin* to describe. Our attempt is to provide a description of what would appear to be the bills of most significance to local government, but we would advise municipal officials to also review the comprehensive list of LDs of municipal interest that can be found on MMA's website, www.memun.org.)

Criminal Justice & Public Safety

LD 458 – An Act To Implement a Motor Vehicle Violation Electronic Citation Program. (Sponsored by Rep. Campbell of Orrington; additional cosponsors.)

This bill establishes a comprehensive electronic case management system for all motor vehicle moving violations and infractions. Among its various requirements, the bill requires every law enforcement officer in the state to use an electronic Violation Summons and Complaint form if requested by the person who has been served a traffic summons. The Chief Judge of the District Court is required to approve for use an electronic Violation Summons and Complaint. The bill also requires both the paper and electronic forms for a traffic summons for a traffic infraction, referred to as the Violation Summons and Complaint, to include the regular mailing address and the email address of the person who has been served the traffic summons.

LD 460 – An Act To Restore Liability Insurance Requirements for Amusement Rides and Other Public Exhibitions. (Emergency) (Sponsored by Rep. Cooper of Yarmouth; additional cosponsors.)

Legislation enacted in 2014 inadvertently repealed a chapter of law that authorized the municipal officers or the State Fire Marshal's Office to license exhibitions of images, pageantry, sleight of hand tricks, puppet shows, circuses, traveling amusement shows, feats of balancing, wire dancing, personal agility, dexterity or theatrical performances. This bill reenacts the repealed law.

LD 531 – An Act To Establish the Maine Fourth Amendment Protection Act. (Sponsored by Sen. Brakey of Androscoggin Cty; additional cosponsors.)

This bill prohibits the state and its political subdivisions from assisting, participating with or providing material support or resources to enable or facilitate a federal agency in the collection or use of a person's electronic data or metadata without the person's informed consent, without a warrant based upon probable cause that particularly describes the person, place or thing to be searched or seized, or without acting in accordance with a legally recognized exception to the warrant requirements.

LD 591 – An Act To Allow Municipal and Volunteer Firefighters To Operate Motor Vehicles as Authorized Emergency Vehicles. (Sponsored by Sen. Saviello of Franklin Cty; additional cosponsors.)

This bill gives the status of "authorized emergency vehicle" to a motor vehicle operated by a member of a municipal or volunteer fire department provided the person has at least one year of emergency response experience and successfully completed an emergency vehicle operation course or similar training approved by the fire chief. The municipal officers or designee needs to approve this authority to use the privately owned vehicles as authorized emergency vehicles and the municipal fire chief may revoke the authorization at any time.

Energy, Utilities & Technology

LD 465 – An Act To Eliminate the Broadband Sustainability Fee. (Sponsored by Rep. Higgins of Dover-Foxcroft; additional cosponsors.)

Under current law, a "broadband sustainability fee" of \$2 or \$3 per mile of federally-supported dark fiber purchased or leased by an entity to "light-up" the dark fiber is assessed against the entity and dedicated to the sustainability fund. Incumbent local exchange carriers are eligible to apply for grants from that fund provided the revenue is

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used to expand broadband into underserved areas. This bill terminates the assessments in the fall of 2015 and rededicates all resources in the sustainability fund to promote the efforts of municipal governments to expand broadband into underserved areas.

Insurance & Financial Services

LD 569 – An Act To Reduce Municipal Liability outside Federally Declared Flood Zones. (Sponsored by Rep. DeChant of Bath; additional cosponsors.)

This bill prohibits an insurance company from excluding coverage under a homeowner's property insurance policy for flood damages caused by the failure of municipal or government infrastructure despite the property's location outside a flood zone designated by the federal government.

Labor, Commerce, Research & Economic Development

LD 489 – An Act To Ensure the Right To Work without Payment of Dues or Fees to a Labor Union as a Condition of Employment. (Sponsored by Rep. Lockman of Amherst; additional cosponsors.)

This "Right to Work" bill prohibits an employee, including a municipal employee, from being required to join a labor organization or pay any labor organization dues or fees as a condition of employment or continuation of employment, notwithstanding any state law to the contrary. A violation is a Class D crime and is also subject to civil damages and injunctive relief. The Attorney General is made responsible for enforcement under the bill and is required to prosecute all violations.

LD 587 – An Act Regarding Contract Indemnification. (Sponsored by Sen. Cushing of Penobscot Cty; additional cosponsors.)

This bill prohibits indemnification agreements in construction contracts that require a contractor to indemnify the property owner against liability for damages, loss or expense arising from the negligence or willful misconduct of the owner or agent of the owner, or an independent contractor directly responsible to the owner.

State & Local Government

LD 494 – An Act Regarding the Maintenance of Easements. (Sponsored by Rep. Hilliard of Belgrade; additional cosponsor.)

This bill mandates municipalities to maintain public easements for recreational access that are not public ways because they have been discontinued or abandoned as public ways pursuant to state law. The bill also requires a municipality that votes to provide a recreational easement over an abandoned public way to maintain the public easement for recreational purposes.

Taxation

LD 500 – An Act To Support Municipal Volunteers. (Sponsored by Rep. Eves of North Berwick; additional cosponsors.)

Current law authorizes a municipality to adopt an ordinance that provides citizens who are at least 60 years of age with a benefit up to \$750 for providing volunteer services to that municipality. This bill expands that authority to include volunteer firefighters and emergency medical services personnel who receive no compensation from the municipality.

LD 503 – An Act To Provide Local Sales Tax Increment Disbursements. (Sponsored by Rep. Schneck of Bangor; additional cosponsors.)

This bill requires payments beginning in FY 2018 to municipalities of an amount equal to 5% of the difference between the sales and use tax revenue attributable to the municipality in a fiscal year and the comparable amounts for FY 2017, referred to as the "local sales tax increment." If the amount of sales and use tax collected in a fiscal year in a municipality is below that collected in FY 2017, then the municipality

receives no payment. The base year for determining the local sales tax increment is reset in FY 2021 and every 4 years thereafter. The bill asserts that the sales tax revenue to the municipality may not reduce any other state aid or revenue sharing received by that municipality, and the municipality must use the amount received to reduce property taxes by the same amount.

LD 514 – An Act To Amend the Laws Governing the Location of Motor Vehicle Excise Tax Collection for Motor Vehicles Owned by Public Utilities. (Sponsored by Rep. Buckland of Farmington; additional cosponsors.)

Current law requires an owner of a public utility to pay excise tax for its motor vehicles to the municipality where the utility's central office is located regardless of where its vehicle fleets are garaged. Other corporations and partnerships are required to pay the excise tax to the municipalities where their vehicle fleets are customarily kept. This bill applies the standard for non-utility corporations to the public utilities. The bill also creates a process whereby a municipality or motor vehicle owner can appeal to the State Tax Assessor if either entity is of the belief that new standard is not being properly applied.

LD 519 – An Act To Allow Telecommunications Infrastructure Investment in Development Districts for Municipalities and Plantations. (Sponsored by Sen. Libby of Androscoggin Cty; additional cosponsors.)

This bill amends the law governing the allowable economic development costs that can be covered with tax revenue generated from a Tax Increment Financing district to include the construction of cellular telephone towers and broadband infrastructure, even though such construction may not occur within the boundaries of the TIF district.

LD 565 – An Act To Authorize Municipalities To Impose Service Charges on Tax-exempt Property Owned by Certain Nonprofit Organizations. (Sponsored by Rep. Lockman of Amherst; additional cosponsors.)

Current law allows a municipality to impose service charges on the owner of residential property that is totally exempt from property taxes, except for student housing and parsonages, that is used to provide rental income. This bill instead provides that a municipality may impose service charges on property that is exempt from taxation because it is owned or used by entities in the following categories: benevolent and charitable institutions; fraternal organizations operating under a lodge system; and property jointly owned or used by those entities. Service charges may not be imposed on property exempt as a house of worship or parsonage or a veterans' organization.

Service charges must meet the following conditions: (1) The property must be owned by an entity that owns exempt property in the municipality that would have a total assessed value of at least \$1,000,000 if assessed for property tax purposes and the property must be owned by, rented to or otherwise occupied by a person or entity that provides any employee or independent contractor engaged to provide professional management services with compensation, exclusive of health benefits, in excess of 4 times the median household income for the county in which the property is located; (2) the municipality must adopt an ordinance imposing service charges approved by the voters through a referendum process; (3) the municipality may not impose a service charge on individual properties without imposing service charges on all other property in that municipality that is within the same category of exempt property; (4) the calculation of service charges imposed by municipalities must be based on the square footage of building space that is exempt from taxation unless the municipality determines that a different measure more accurately represents the cost of services for which the service charges are imposed; and (5) service charges must be reduced by any payments made or services provided to the municipality by the exempt entity in lieu of taxes.

(continued on back page)

HOPPER (cont.)

The bill provides that municipal ordinances adopted before the effective date of the legislation remain valid even if they do not comply with the new requirements. The bill retains the requirement in current law that service charges may not exceed 2% of the entity's gross annual revenue.

LD 575 – An Act To Provide Property Tax Relief to Maine's Working Families. (Sponsored by Rep. Marean of Hollis; additional cosponsors.)

The current Homestead property tax exemption is valued at \$10,000. This bill increases the value of the exemption to \$20,000. To cover the increased expenditure to the state to provide each municipality with 50% of the lost tax revenue, the bill expands the state's sales tax base to cover a number of "amusement, entertainment and recreation services".

LD 594 – An Act To Allow the Creation of a Local Option Sales Tax by Referendum. (Sponsored by Sen. Valentino of York Cty; additional cosponsors.)

This bill allows a municipality to impose a local option sales tax of no more than 1% if approved by the voters at referendum with certain quorum requirements. The local option sales tax could not be applied to the retail sales of aircraft, furniture, certain machinery and equipment, motor vehicles, watercraft and household appliances with a purchase value greater than \$500.

Transportation

LD 505 – An Act To Increase the Funding Level of the Local Road Assistance Program. (Emergency) (Sponsored by Rep. Gillway of Searsport; additional cosponsors.)

This bill restores the annual funding dedicated for the Local Road Assistance Program (LRAP) to 10% of the Highway Fund allocation to the Department of Transportation for highway and bridge purposes. In 2013, the Legislature reduced that dedication to 9%. The LRAP program, or its predecessor programs, have been funded at the 10% level since the 1940s.

LD 545 – An Act To Require That Traffic Lights Default to Flashing Mode between the Hours of Midnight and 6 a.m. (Sponsored by Rep. Battle of South Portland; additional cosponsors.)

This bill requires that traffic lights default to a flashing mode between the hours of 12 midnight and 6 a.m., with yellow flashing lights on the primary roads and red flashing lights on the secondary roads.

Veterans & Legal Affairs

LD 509 – An Act To Facilitate the Timely Return of Requested Absentee Ballots. (Sponsored by Rep. Schneck of Bangor; additional cosponsors.)

This bill requires that the return envelopes for absentee ballots supplied to municipalities by the Secretary of State allow a voter to use the United States Postal Service to return the ballot to the municipal clerk at no cost to the voter, and for the municipalities to cover the cost of the return postage.