

Maine Heritage Policy Center: Municipalities Irresponsible Stewards of Taxpayers' Money

The Maine Heritage Policy Center (hereinafter referred to as "Heritage", although it is entirely unclear what "heritage" the group represents) is promoting a citizen initiative that would cut the motor vehicle excise tax rates from 50% to 70% for newer vehicles, 100% for hybrid vehicles, and 0% of the older vehicles most Mainer's drive. These rate changes result in a 40% cut in municipal excise tax revenue, which translates to an \$82 million reduction in municipal resources used to plow, reconstruct, repair and maintain over 13,000 miles of local roads and over 800 local bridges in the state.

That initiative is now codified into LD 974, *An Act to Decrease the Automobile Excise Tax and Promote Efficiency*. A public hearing on LD 974 was conducted by the Taxation Committee on Thursday this week.

If there was any question about what rhetorical angle "Heritage" was going to use to promote its initiative, the question is now settled. The "Heritage" message is that Maine's towns and cities are irresponsible spendthrifts and the only way to control their gross overspending is to slash the revenue that is collected at the municipal level.

7 people testified in support of LD 974 and there were twice as many opponents. Taken as a whole, the testimony suggests that the challenge the "Heritage" team is going to face going forward is that the opponents of the initiative are probably more financially conservative than the Heritage staffers themselves, but unlike the Maine Heritage Policy Center, the municipal officials actually

have to get things done, make systems work, balance competing interests, and keep the transportation system working with very limited resources. It is actually because of their inherent frugality that the municipal officials who will be opposing the "Heritage" plan have been elected or appointed to positions of municipal leadership.

Two legislators testified in support of the "Heritage" excise tax cut proposal: Rep. David Cotta (China) and Rep. Sarah Lewin (Eliot). When asked how the residents of China would make

up a \$300,000 cut in revenue the local roads, Rep. Cotta indicated the shortfall could be made up simply by taking a closer and more frugal look at the town budget. Rep. Lewin's response to the same question was that the people of Eliot would come up to Augusta and demand that the State pay for some of the unfunded state mandates passed onto the towns in order to make up for the shortfall.

The two staff-level proponents of the excise tax cut were Tarren Bragdon,

(continued on page 2)

Tax Committee Updates: Binding Arbitration, Hospital Exemption, Revenue Sharing

After a legislative committee holds a public hearing on a bill, it reconvenes at least once to hold a "work session" on the bill in an effort to develop the committee's ultimate recommendation to the full Legislature. Old timers tend to refer to these work sessions as "workshops".

The Taxation Committee presided over three workshops this week on matters of municipal interest. Here's an update.

Binding arbitration on tax disputes. LD 349, *An Act To Authorize Arbitration of Property Tax Valuation Disputes*. This bill would establish an additional layer of tax appeal process by allowing taxpayers who are dissatisfied with a decision of a municipal Board of Assessment Review (BAR) to trigger a "binding arbi-

tration" process. Under this process, if the taxpayer didn't like the decision of the local Board of Assessment Review, the taxpayer could take the case to an arbiter who would decide the property's "fair value" based on certain standards established in the bill. That decision would be binding and effectively unappealable into the courts unless the municipality could prove fraud or corruption.

At the work session, the Tax Committee entertained a series of proposed amendments to the printed bill presented by LD 349's principal proponent, an attorney from Portland. The amendments were written in an effort to address a series of concerns raised by MMA and

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HERITAGE (cont'd)

the Chief Executive Officer of “Heritage”, and Roy Lenardson, the director of “Maine Leads”, which is the advocacy offshoot of “Heritage”. The testimony of both staffers was similar. Their claim was that the Legislature has bestowed hundreds of millions of dollars in increased aid to education to the towns over recent years but not one penny has gone to property tax relief. The municipalities irresponsibly squandered the opportunity to provide property tax relief and the “Heritage” plan presents an opportunity for the Legislature to fulfill the property tax relief promise. The “Heritage” testimony was that the Legislature is the frugal and responsible steward of tax resources. In contrast, the municipalities squander taxpayers’ hard-earned dollars and therefore need to be stripped of resources.

The other proponents of the “Heritage” plan were Gary Foster, a former councilor of the Town of Gray, and Fred Staples of the Biddeford City Council, both of whom serve on the board of directors of a taxpayers’ group called Maine Taxpayers United. Both of these proponents indicated that the excise tax cut — over \$500,000 in Gray and over \$1 million in Biddeford — would be easily absorbed by more frugal spending decisions in each community.

An association representing trucking companies in Maine, Maine Motor Transport, also spoke in favor of the initiative.

About a dozen municipal officials testified in opposition to the “Heritage” proposal, along with the advocacy organization for seniors (AARP), the Maine Center for Economic Policy, and two legislators: Rep. Sheryl Briggs (Mexico)

and Rep. Nancy Smith (Monmouth).

The municipal testimony was straightforward, fact-based and unequivocal. It didn’t matter if the municipality being represented was large or small, and it didn’t matter if the municipal representative was a manager, road commissioner, selectman, councilor, or, in Rep. Briggs’ case, a legislator, whenever the municipal opponents took to the podium, the inherent quality of the testimony changed dramatically from the abstract to the concrete, from the theoretical to the nuts-and-bolts, from the political theories of the founding fathers to the practical realities of today. Instead of unfounded sound-bites about “irresponsible municipal spending” and political pandering about “helping the Legislature keep its promise”, the municipal testimony explained in clear detail the relationship between revenue and expenditure, the amount of thought and scrutiny that goes into developing and implementing a road program, and the fact that the towns are already losing their battles with their road programs given the reductions in revenues the towns and cities are already dealing with and the sharply escalating price for all the road infrastructure and maintenance components, from asphalt to fuel, salt to steel cutting edges.

Bud Finch who manages Eastport, Tom Richmond who manages Carmel, and two councilors from Augusta, Mike Byron and Cecil Munson, all took special exception to the “Heritage” denigration of municipal governments as irresponsible spenders. Given the effort and dedication these people and their colleagues put into the job of overseeing the use of municipal tax dollars, the flamboyant insults thrown by the “Heritage” staffers were particularly grating – always the critic, never the contributor.

Virtually all of the municipal testimony carefully demonstrated how all the excise tax revenue in each community was used, and how the municipalities’ hard costs for roads and bridges exceeded the excise tax revenue the town or city received. Accordingly, the municipal testimony focused on the negative impacts the “Heritage” proposal would have on each municipality’s roads and bridges and/or the possible property tax increases that would result to make up for

the lost revenue. Carmel’s Tom Richmond indicated that 100% of Carmel’s \$160,000 cut would come out of the road program. The property tax in that town is at its limit.

Glen Ridley, a Litchfield selectman, identified the near doubling in recent years of the costs of road salt, fuel and asphalt, and how the combination of those increases had already severely derailed the implementation of a long overdue, carefully planned road re-pavement program.

Galen Larrabee, a selectman from Knox, MMA’s President, and an indisputably financially conservative municipal officer, testified in opposition to the “Heritage” proposal for several reasons. In addition to the impact on the town’s road program, Mr. Larrabee rebutted the characterization that several people had made of the motor vehicle excise tax as the “hated tax” or an “onerous tax”. People generally don’t care for taxes, it’s true, but unlike the real estate property tax, which over time can become completely disconnected from any ability of the homeowner to pay, the motor vehicle excise tax is much more accurately characterized as a consumer tax. As selectman Larrabee put it: “if you want to pay for really good car, you pay for a good car; if you want second-hand, you pay the second-hand price.”

And it was that likely shift from the excise tax to the property tax that motivated AARP to testify in opposition to the “Heritage” plan. According to the AARP representative, Maine’s seniors are clearly concerned about all local taxes, but they see this proposal as simply shifting the burden from a user-fee type tax over which they have some control onto the real estate property tax, which concerns them tremendously.

All of this was just the opening salvo. It is clear that the Legislature will reject the “Heritage” initiative, which puts it on the ballot of the November 3, 2009 General Election. Between now and then, municipal officials will be well served by educating their voters about all of the impacts associated with cutting the motor vehicle excise taxes for just the newest cars, at the price of cutting the road budgets by 40% or, in the alternative, having the overburdened property tax pick up the bounce.

Legislative Bulletin

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TAX COMM. (cont'd)

others that LD 349 appeared to establish an entirely new set of assessing standards, new standards of review with respect to appeal procedure, and effectively stripped the municipality's right to appeal a tax case into the courts.

Fortunately from the municipal perspective, an attorney with extensive experience in tax appeal litigation, Bill Dale of the Jensen Baird law firm in Portland, was also able to provide information to the Committee explaining how the local Board of Assessment Review process was not broken and how some elements of the "fix" to the system proposed by the proponents of LD 349 were actually unconstitutional. Attorney Dale provides a good deal of instruction for volunteer BAR members, conducting well-attended training programs on the subject in locations throughout the state.

After all presentations, the Committee gave a strong "ought not to pass" vote on LD 349. Two Tax Committee members voted to support the bill and eight voted "ought not to pass". LD 349 will now go to the full Legislature with that lopsided "ought not to pass" report.

Leased property hospital exemption. LD 545, *An Act To Amend the Tax Exemption Regarding Leased Property*. This bill would repeal a completely unique property tax exemption somewhat inadvertently given to hospitals over 30 years ago. The legislative record clearly shows that in 1974 legislation was enacted for the stated purpose of providing hospitals with a property tax exemption for any personal property the hospital might rent. The way the legislation was worded, however, also created an exemption for any real property a hospital might rent. At the time, it wasn't a big deal because hospitals were not in the practice of renting real estate; it is clear from the legislative record that nobody was focused on that side of the exemption. In recent years, however, hospitals have started to rent various types of commercial real estate and applied for a property tax exemption, which when granted as the law requires goes to the direct benefit of the commercial landlord.

A couple of members of the Tax Committee have made it clear that they

will not support any change to the tax laws that would financially impact hospitals, period. The majority of the Tax Committee, however, appears willing to address this anomaly in the tax code where the hospitals get a tax break on rented property that is not provided to any other charitable organization...a benefit that is not even enjoyed by the local, state or federal governments. It is as though hospitals enjoy a king-like status in the tax code, where they are entitled to benefits that no mere mortal might ascribe to.

The Committee tabled a final vote on this bill in order to develop a consensus approach to repealing the exemption in a completely going forward manner. No one wants to change the rules without providing practical notice.

Redesigning the Local Government Efficiency Fund. It appears that progress is being made to get a consensus opinion among the Taxation Committee members, and perhaps the State and Local Government Committee members as well, on what to do with the much-maligned Local Government Efficiency Fund. The vehicle to address that issue may be LD 808, *An Act to Capitalize the Municipal Investment Trust Fund with Municipal Revenue-sharing Resources*.

We have written at length in previous editions of the *Legislative Bulletin* about the Legislature's use of that Efficiency Fund as a dumb vehicle to scoop municipal revenue sharing funds into the state's General Fund.

As tired as legislators are at hearing the word "raid", they are now beginning to routinely use it themselves to describe previous legislative treatment of the Efficiency Fund. A certain straightforwardness-in-accounting sentiment is being generally expressed by the members of the Taxation Committee, which mirrors the municipal view. If the Legislature is going to appropriate municipal revenue sharing funds to balance the state budget, it should do it "straight up", not in an around-the-barn manner by manipulating a regionalization efficiency incentive fund, especially one established by Maine's voters.

There are two vehicles before the Tax Committee that in combination could ensure that any further manipulation of the Efficiency Fund will stop. One

is LD 808. The other is the Taxation Committee's "report back" to the Appropriations Committee about all the municipal revenue sharing issues within the proposed state budget.

The comprehensive revenue sharing approach hasn't been written up into legalese as of yet, but it would look something like this.

Step 1. The Legislature would identify how much money in total — as a dollar amount — it needs to appropriate from the municipal revenue sharing program to balance the state budget.

Step 2. That appropriation would be accomplished by transferring the revenue out of the Local Government Fund (the so-called "Rev I" account) and the Disproportionate Tax Burden Fund (the so-called "Rev II" account) proportionately to the degree those two Funds are currently projected to be capitalized; that is, 80% of the amount the Legislature feels it needs would come from the Local Government Fund and 20% of that amount from the Disproportionate Tax Burden Fund. The transfers would be done on a monthly basis instead of all at once to preserve some semblance of municipal cash flow.

Step 3. Accomplishing Step 1 and Step 2 preserves the proposed state budget's bottom line. Therefore, by accomplishing those two steps, the Local Government Efficiency Fund system can be redesigned without creating a state fiscal note.

Step 4. The Local Government Efficiency Fund system would be redesigned essentially as promoted in LD 808. The centerpiece of LD 808 is that instead of setting aside 2% of all revenue sharing funds to capitalize the Local Government Efficiency Fund (which the last three Legislatures appear to have basically hated), the 2% set-aside would capitalize the 15-year old Municipal Investment Trust Fund. The Municipal Investment Trust Fund is financially managed by the Maine Municipal Bond Bank and accessed by municipalities on a competitive grant basis to actually build local and regional infrastructure.

Step 5. In order to redesign the system according to LD 808 but without creating a fiscal problem for the state budget, something like .375% of revenue

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Municipal Meetings Minute Mandate

On Monday this week, the State and Local Government Committee held a public hearing on LD 786, *An Act to Require that Minutes be Kept of Municipal Meetings*. The bill was sponsored by Rep. Lisa Miller of Somerville on behalf of one of her constituents, Palmer Sargent of Chelsea.

Mr. Sargent asked Rep. Miller to submit the legislation because he believes that the requirement to keep municipal meeting minutes would ensure that all residents are fully informed and kept aware of the activities occurring in the community. He questioned what happens to “citizens who want to be involved in their town government, but can’t attend the 4 p.m. selectman’s meeting because they’re working, or can’t attend the 7 p.m. planning board meeting because they can’t find a babysitter?” Mr. Sargent believes that people have many responsibilities and cannot attend every meeting. The requirement that minutes are taken would help keep people involved in the process.

When asked about his own experiences, Mr. Sargent related his efforts as a Chelsea Planning Board member to share meeting minutes with the Board of Selectmen. Although the Planning Board provided minutes of their meetings, the Selectmen apparently did so only periodically because there was no local mandate to do so. According to the testimony provided, because of the conversations that took place between the two boards, minutes are now taken at all the meetings of the Chelsea selectmen. Although the issue seems to have been resolved in Chelsea, Mr. Sargent continues to support LD 786 as a statewide mandate.

In her testimony on the bill, Rep. Miller admitted that the devil of the proposal was in the details, that most towns do keep some form of minutes and that the bill could be a mandate.

Municipal officials agree with Rep. Miller’s assessment and for those reasons oppose the bill.

As drafted, the bill requires that “a municipality shall keep minutes of a meeting of the municipality held under this chapter.” This bill is written so simply, it is difficult to know what it

means. Each day municipal officials are involved in dozens of meetings of varying levels and formality. Municipal officials are concerned that if all meetings must be recorded, the bill could become expensive and difficult to comply with, thus raising the mandate concern.

Municipal officials also oppose LD 786 because Maine law is already clear with respect to what meeting records or minutes must be kept at the local level. In addition to what is already required by statute, many municipalities prepare, distribute and retain additional records of certain meetings as those communities feel necessary or appropriate. Additionally, the citizens of any community have every right to develop and adopt a special record-keeping ordinance if they believe that would be appropriate for their town or city. Or they can create the tradition in a less formal way than adopting an ordinance, simply as a matter of agreement as was apparently accomplished in Chelsea.

Finally, as drafted, the bill applies only to municipalities. In those states that have minute-keeping mandates, the requirements apply to all public bodies at the state level, county or regional level and local level.

The work session on LD 786 is scheduled for Monday, March 30th at 11:00 a.m.

Committee Bids Adieu to Intergovernmental Advisory Commission

On Monday last week, the State and Local Government Committee unanimously voted to support LD 209, *An Act to Abolish the Intergovernmental Advisory Commission*.

As sponsored by Rep. Terry Hayes of Buckfield, the bill would do as the title suggests and eliminate the working group established by the Legislature in 2004. Since its creation the Commission has been largely dysfunctional, meeting sporadically over the last four years. The purpose of the IAC was to study ways to reduce the duplication and improve efficiency in the delivery of services at all levels of government. One of the downsides of the IAC is that since its creation

alternative state policies, initiatives and efforts have been enacted to address the efficiencies that the IAC was originally designed to address. Those initiatives include the Legislature’s role in regionalizing the administration of K-12 schools and the unification of the county jails and state prisons. Based on this history, the Committee felt that it was time to retire the Commission.

Abandonments and Prohibitions

Last week the State and Local Government Committee also held work sessions on two other bills of municipal interest, including a bill regarding local determinations of road abandonment and a clarification of an incompatibility of office.

Road Abandonments. LD 680, *An Act to Hold Municipal Officers Harmless for a Determination That a Town Way or Public Easement is Considered Abandoned*, was given a unanimous “ought to pass” report by the Committee. The bill, sponsored by Sen. David Hastings of Oxford County, would provide that the determination by the municipal officers that a public way is abandoned is protected under the Maine Torts Claim Act. The protection provided in the bill makes the act of determining the status of a road a “quasi-judicial” act thereby providing immunity from liability even if a court ultimately overturns the decision of the municipal officers.

Municipal officials believe that LD 680 clarifies that the decision of the municipal officers on road abandonment issues, like other decisions of planning boards, appeals boards, boards of assessment review, General Assistance appeals, etc. are acts of judgment and not exposed to liability lawsuits.

Prohibition on Treasurer Being Assessor. Sen. Peter Mills of Somerset County submitted LD 739, *An Act to Provide that the Assessor and Treasurer are Incompatible Municipal Offices*. It is unclear if this legislation was being prompted by an actual or merely theoretical circumstance. The bill amends the section of existing law that prohibits a county commissioner from simultaneously holding the office of mayor, selectmen or assessor of a community by

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(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.)

Agriculture, Conservation & Forestry

LD 1103 – An Act To Amend the Animal Welfare Laws. (Sponsored by Rep. Pieh of Bremen; additional cosponsors.)

This bill makes a number of changes to Maine's animal welfare laws. Among those changes, this bill: (1) authorizes the Commissioner of the Department of Agriculture to suspend or revoke the certification of municipal animal control officers (ACO) who are convicted of violating certain laws; (2) authorizes the Commissioner to suspend an ACO's certification when the ACO engages in the conduct that is subject to prosecution for violation of the same set of laws apparently without being actually convicted of those crimes; (3) authorizes the Commissioner to suspend or revoke the ACO certification for misrepresenting facts in obtaining certification or failing to perform the duties of the job; (4) directs the Commissioner to investigate ACOs upon complaint; (5) requires a municipal clerk to notify the Commissioner of a newly appointed ACO or the creation of an ACO vacancy within 10 days of the appointment or vacancy; and (6) adds additional standards regarding the construction of dog houses to require a baffle to deflect wind or precipitation from getting into the dog house and to require the materials of the dog house to have a thermal rating of .9 or greater.

Criminal Justice & Public Safety

LD 1177 – An Act To Establish the Maine Emergency Services Institute. (Reported by Rep. Haskell of Portland for the Maine Fire Protection Services Commission.)

This bill establishes the Maine Emergency Services Institute which is designed to provide training to first responders in the areas of fire safety, public safety and emergency management. The bill creates the 17-member Board of Directors of the Institute, including 5 legislators, 6 fire chiefs, 1 county EMA director, 2 public health officials, 1 public sector representative, and the Directors of the Maine Emergency Management Agency and Maine Emergency Medical Services. Even though almost 100% of the services represented are local services, the representation of elected municipal leadership is not represented on the Board. Funding for the Institute is provided by increasing the E-9-1-1 surcharge from \$.30 per telephone account per month to \$.50, and dedicating the \$.20 increase to the Institute.

Education & Cultural Affairs

LD 1126 – An Act To Limit the Scope of Miscellaneous Costs within the General Purpose Aid for Local Schools Appropriation. (Sponsored by Sen. Trahan of Lincoln County; additional cosponsors.)

This bill removes from the "miscellaneous" category of the General Purpose Aid to Education appropriation the funding of approximately 23 Department of Education personnel and 3 Department of Corrections personnel whose salaries and other personnel costs have been moved into the GPA appropriation in recent years in a apparent bookkeeping effort to assist the state in achieving its "55%" school funding obligation.

Maine's Energy Future

LD 1181 – An Act To Create Jobs through Investment in Green Energy. (Sponsored by Rep. Berry of Bowdoinham; additional cosponsors.)

This 80-page bill consolidates most state-level energy efficiency programs related to public buildings and facilities in the Efficiency Maine Program. Among the components of the legislation related to local government, the bill: (1) requires school construction or significant renovation projects to meet or exceed certain energy efficiency standards or meet certain "green" standards; (2) directs additional funds to adult education programs provided in Maine's public schools designed to create "green energy" skills, such as facility energy auditing; (3) requires counties and municipalities to ensure that all planning and design for new or significantly renovated heated public facilities constructed entirely or in part with municipal or county funds to exceed certain energy efficiency standards, with a clause that waives the requirement to the extent that it is an unfunded state mandate and the state is unable to pay at least 90% of the mandated costs, with an additional clause that allows the state to require repayment of the mandated costs the state covers from subsequent energy savings achieved at the county or municipal level attributable to the "green" design standards; and (4) establishes within the Efficiency Maine system certain energy efficiency assistance programs tailored for residential consumers, commercial consumers, industrial consumers, and public sector consumers, with a goal of providing energy efficiency assistance programs to all municipal governments by December 31, 2018.

The bill capitalizes the Efficiency Maine program with the revenue generated through the sale of energy efficiency credits which would be purchased by transmission and distribution utilities, gas utilities or heating fuel wholesalers according to formulas established in the bill.

State & Local Government

LD 1100 – An Act To Preserve Government Documents. (Sponsored by Sen. Alford of Cumberland County; additional cosponsors.)

This bill transfers jurisdiction of campaign finance reports regarding candidates for municipal office in a town or city with a population of 15,000 or more from municipal election clerks to the Commission on Governmental Ethics and Election Practices.

LD 1145 – Resolution, Proposing an Amendment to the Constitution of Maine To Amend the Time Frame for Towns To Certify Citizen Initiative and People's Veto Signatures. (Sponsored by Rep. Strang Burgess of Cumberland; additional cosponsors.)

The bill would send to the voters a proposed constitutional amendment that would require statewide petitions to be submitted to the municipal clerks for signature verification purposes 20 days prior to the day the petition must be filed with the Secretary of State rather than just 10 days prior to that deadline.

Taxation

LD 931 – An Act To Expand the Economic Development Benefit of Tax Increment Financing in Counties That Include Unorganized Territories. (Sponsored by Sen. Raye of Washington County; additional cosponsors.)

This bill allows the economic development activity of a county to be funded through a Tax Increment Financing agreement relating to an economic development district located in unorganized territory within the county.

LD 1121 – An Act To Protect Elderly Residents from Losing

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LEGISLATIVE HEARINGS

NOTE: You should check your newspapers for Legal Notices as there may be changes in the hearing schedule. Weekly schedules and supplements are available at the Senate Office at the State House and the Legislature's web site at <http://www.state.me.us/legis/senate/Documents/hearing/ANPHFrame.htm>. If you wish to have updates to the Hearing Schedules e-mailed directly to you, sign up on the ANPH homepage listed above. Work Session schedules and hearing updates are available at the Legislative Information page at <http://www.state.me.us/legis/>.

Monday, March 30

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

LD 1049 – An Act To Encourage Cooperation among School Administrative Units.

Health & Human Services
Room 209, Cross State Office Building, 9:00 a.m.
Tel: 287-1317

LD 916 – An Act Regarding Trans Fat.

Legal & Veterans Affairs
Room 437, State House, 10:00 a.m.
Tel: 287-1310

LD 990 – An Act To Increase the Preservation Time for Municipal Campaign Finance Reports.

State & Local Government
Room 216, Cross State Office Building, 10:00 a.m.
Tel: 287-1330

LD 1029 – An Act To Authorize Municipalities To Protect the Habitability of Rental Housing during Heating Fuel Emergencies.

Tuesday, March 31

Business, Research & Economic Development
Room 208, Cross State Office Building, 1:00 p.m.
Tel: 287-1331

LD 440 – An Act Regarding Exceptions to the Maine Uniform Building and Energy Code.

LD 652 – An Act To Clarify the Maine Uniform Building and Energy Code.

LD 997 – An Act To Clarify the Limits of the Maine Uniform Building and Energy Code.

Health & Human Services
Room 209, Cross State Office Building, 1:00 p.m.
Tel: 287-1317

LD 254 – An Act To Enact a 5-point Welfare Reform Program.

LD 321 – An Act To Impose a State Residency Requirement for Eligibility for General Assistance.

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

LD 340 – An Act To Provide Greater Access to ATVs by Lowering the Minimum Operating Age.

Judiciary
Room 438, State House, 1:00 p.m.
Tel: 287-1327

LD 640 – An Act To Ensure Public Access to Records Relating to Public Contracts for Personal Services.

LD 679 – An Act To Allow a Court To Award Attorney's Fees in

Successful Freedom of Access Appeals.

Natural Resources
Room 214, Cross State Office Building, 1:00 p.m.
Tel: 287-4149

LD 1010 – Resolve, To Require the Department of Environmental Protection To Review Its Rules Regarding Incinerators.

LD 1011 – An Act To Improve Solid Waste Disposal Quality.

LD 1051 – An Act To Encourage Tire Recycling.

LD 837 – An Act To Protect Maine's Groundwater.

Taxation
Room 127, State House, 1:00 p.m.
Tel: 287-1552

LD 277 – An Act To Eliminate the Income-producing Requirement for Land in the Farm and Open Space Tax Program.

LD 993 – An Act To Implement the Recommendations of the Commission To Study the Protection of Farms and Farmland Pertaining to Taxation.

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

LD 994 – An Act To Amend the Charter of the Milo Water District.

LD 1075 – An Act To Promote Community-based Energy.

Wednesday, April 1

Education & Cultural Affairs
Room 202, Cross State Office Building, 9:00 a.m.
Tel: 287-3125

LD 635 – An Act To Provide Additional Time to Certain School Administrative Units To Comply with School Administrative Unit Reorganization Laws.

LD 95 – An Act To Eliminate Penalties for Nonconforming School Administrative Units.

LD 188 – An Act To Establish a Moratorium on School Administrative Regionalization.

LD 285 – An Act To Amend the Laws Governing the Consolidation of School Administrative Units to Delay All Penalties for 2 Years.

LD 174 – An Act Regarding School Consolidation.

LD 189 – An Act To Exempt School Union No. 60 from the Laws Requiring School Administrative Unit Consolidation.

LD 467 – An Act To Exempt School Administrative District 12, School Union 37 and School Union 60 from the Laws Requiring School Administration Consolidation.

LD 778 – An Act To Exempt Certain Isolated Rural Communities from the Minimum Student Enrollment Requirements in the Laws Governing the Reorganization of School Administrative Units.

LD 570 – An Act To Improve the Laws Governing the consolidation of School Administrative Units.

LD 475 – An Act Regarding the Reorganization of Regional School Units and Allowing a Municipality To Opt Out of an Existing School Structure.

LD 158 – An Act To Allow an Alternative Organizational Structure To Act as a Fiscal Agent for Each Member or Municipality in That Alternative Organizational Structure.

LD 159 – An Act To Provide an Administrative Structure for a School Administrative Unit That Does Not Join a Regional School Unit or an Alternative Organizational Structure.

LD 1226 – An Act to Eliminate the Opt-out Penalty for Consolidation

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HEARINGS (cont'd)

of Schools if a School Administrative Unit Forms an Alternative Organizational Structure.

LR 1065 – An Act to Amend the Laws Governing School Consolidation to Eliminate Penalties, Establish Incentives and Allow Alternative Voting Procedures.

LR 1438 – An Act to Provide Collective Bargaining Protection for Alternative Organization Structure Employees.

1:00 p.m.

LD 977 – An Act To Repeal the School District Consolidation Law.

LD 115 – An Act To Repeal the Laws Governing Consolidation of School Administrative Units.

Maine's Energy Future

Room 211, Cross State Office Building, 9:00 a.m.

Tel: 287-4143

LD 1181 – An Act To Create Jobs through Investment in Green Energy.

1:00 p.m.

LD 1201 – An Act Regarding Energy Independence.

State & Local Government

Room 216, Cross State Office Building, 10:00 a.m.

Tel: 287-1330

LD 242 – An Act To Repeal the Informed Growth Act.

LD 273 – An Act To Require a Regional Review of Projects That Affect Areas Outside of the Community in Which the Project Is Proposed.

LD 448 – An Act To Modify the Informed Growth Act.

LD 918 – An Act To Amend the Informed Growth Act To Provide a Local Management Option.

LD 1019 – An Act To Strengthen the Informed Growth Act.

Thursday, April 2

Business, Research & Economic Development

Room 208, Cross State Office Building, 1:00 p.m.

Tel: 287-1331

LD 937 – An Act To License Septic System Installers.

Judiciary

Room 438, State House, 1:00 p.m.

Tel: 287-1327

LD 898 – An Act To Amend the Law Pertaining to Permanently Restricted Funds of Municipal Public Libraries.

Labor

Room 220, Cross State Office Building, 1:00 p.m.

Tel: 287-1333

LD 292 – An Act To Restore Equity to the Maine Public employees Retirement System.

Taxation

Room 127, State House, 1:00 p.m.

Tel: 287-1552

LD 1088 – An Act To Modernize the Tax Laws and Provide over \$75,000,000 to Residents of the State in Tax Relief.

Friday, April 3

Agriculture, Conservation & Forestry

Room 206, Cross State Office Building, 11:00 a.m.

Tel: 287-1312

LD 517 – An Act To Authorize the Employment of Animal Control Officers by Animal Shelters.

Criminal Justice & Public Safety

Rm. 436, State House, 10:00 a.m.

Tel: 287-1122

LD 1067 – Resolve, To Establish a Blue Ribbon Commission To Study Methods of Protecting Emergency Medical Services Personnel during the Transportation of Persons with Mental Illness.

LD 847 – An Act Authorizing Statewide Mutual Aid among First Responder Agencies.

Natural Resources

Room 214, Cross State Office Building, 9:30 a.m.

Tel: 287-4149

LD 1032 – An Act To Ensure That Maine's Electronic Waste Collection and Recycling System Is Self-funded.

Transportation

Room 126, State House, 10:00 a.m.

Tel: 287-4148

LD 846 – Resolve, Directing the Department of Transportation To Study Ways To Reduce Energy Use and promote Efficiency along Major Transportation Corridors.

LD 874 – An Act To Amend the Laws Governing Axle Weights.

LD 920 – An Act To Reduce Noise Pollution.

LD 951 – An Act To Prioritize Funding in the TransCap Trust Fund.

MEETINGS (cont'd)

adding a clause that prevents the municipal treasurer from being the assessor in the same community.

MMA provided testimony in support of the bill but pointed out that much of the proposed prohibition already exists in another section of law. As provided for in Title 30-A, Section 2526(8), "treasurers and tax collectors of towns may not be selectmen or assessors until they have completed their duties and had a final settlement with the town."

At its work session on the bill, the Committee unanimously voted to amend the existing statute to clarify that the treasurer and tax collectors cannot simultaneously serve as either an *elected*

or *appointed* assessor in any one community.

TAX COMM. (cont'd)

enue sharing would be set aside for the Municipal Trust Fund in FY 2010 (\$500,000 in revenue) and .7% of revenue sharing would be set aside for the Trust Fund in FY 2011 (\$1 million in revenue). These set-asides generate the same amounts that the Governor's proposed budget identified to finance a new version of the Local Government Efficiency Fund. Then, beginning in FY 2012, the full 2% of revenue sharing would be set aside for the Municipal Investment Trust Fund, at least if the Fund's experience in the first two "ramp up" years

indicated that the full 2% set-aside is warranted.

That's the plan. Actually selling it will be like herding cats, but the Tax Committee seems committed to giving it a try.

HOPPER (cont'd)

Their Homes Due to Taxes or Foreclosure. (Sponsored by Rep. Chase of Wells; additional cosponsors.)

This bill reinstates the Elderly Tax Deferral Program of the 1980's which was discontinued in 1993. Under this Senior Tax Deferral Program, any homesteaders who are 65 years of age or older could apply to the State Tax Assessor for the property tax deferral option whereby the state would pay that household's property taxes to the municipality and place a non-foreclosing lien to capture the value of all payments plus 6% interest at the time the property is sold or transferred. According to the bill, the program would be funded by diverting .5% of the Real Estate Transfer Tax revenue dedicated to the state into the Senior Tax Deferral Fund as long as such a diversion to that Fund is necessary to supplement the revenue returned to the Fund through tax lien recovery. The bill also prohibits a municipal tax lien foreclosure on a homestead occupied by persons 65 years of age or older. Instead, the municipal tax lien would merely attach to the property and be satisfied at the death of the homeowner or transfer of the property.

LD 1146 – An Act To Authorize Municipalities To Impose Service Charges to Tax-exempt Property Owned by Certain Organizations Whose Primary Activities Are Not Charitable. (Sponsored by Rep. Celli of Brewer; additional cosponsors.)

This bill expands the authority of municipalities to establish an ordinance that imposes certain "service charges" on tax exempt organizations. Specifically, the bill authorizes the application of service charges to charitable organizations, literary and scientific organizations, chambers of commerce or boards of trade, and property leased by hospitals, but only if less than 50% of the revenue of the organization is spent directly on charitable activities. The bill defines the term "charitable activities" as it has been previously defined by Maine's Supreme Court.

LD 1149 – An Act To Amend the Veterans Homestead Exemption To Include Certain Medal Winners. (Sponsored by Rep. Cornell du Houx of Brunswick; additional cosponsors.)

This bill expands the list of veterans eligible for the Veterans' property tax exemption to include veterans who are the recipients of certain medals. The bill also removes the 62-years-of-age-or-older standard of eligibility for the veterans' exemption, thereby providing the benefit to the qualifying veterans without regard to their age.

Utilities & Energy

LD 1075 – An Act To Promote Community-based Energy. (Sponsored by Rep. MacDonald of Boothbay; additional cosponsors.)

This bill requires the PUC to require a standard-offer electricity supplier to purchase a minimum of 3% of the electricity supplied under the standard-offer contract from a "community-based energy facility." A community-based energy facility is one that: (1) generates its electricity from a renewable resource; (2) provides 51% of the gross revenues from the sale of electricity back to the "qualifying owners"; and (3) has received a supporting resolution from the local municipality or other political subdivision. A qualifying owner is essentially anyone who is not a commercial energy developer including: Maine residents, nonprofits, political subdivisions and tribes, a state agency.

The bill also requires the state government to provide a preference for purchasing electricity from community-based facilities. It also increases the value of a renewable energy credit to 150% of the value of the electricity if the electricity is generated by a community-based facility. Finally, it allows funds in the Energy and Carbon Savings Trust Fund to be used for the development of community-based energy facilities.