Legislative BULLETIN

A PUBLICATION OF MAINE MUNICIPAL ASSOCIATION

Vol. XXX No. 12 March 21, 2008

County Jail Plan Makes Grab for More Property Taxes

On Monday this week, the negotiations over the state/county proposal to unify the corrections system stalled over the procedure for freezing the property taxes assessed for funding county jail operations. As proposed by the Baldacci Administration and as previously reported in several past editions of the *Legislative Bulletin*, the foundation of the unified corrections plan would firmly cap the property tax exposure to county jail operations costs at the FY 2008 level.

This proposal to cap the property taxes assessed for county jail operations was endorsed by MMA's Legislative Policy Committee (LPC). As part of the FY 2008 frozen tax assessment, municipalities agreed to continue to use property taxpayer dollars to retire the county jail related debt in existence as of 2008. That decision was made to assist an agreement negotiated between the state and the counties whereby the state would take over the existing county jail debt. Under the LPC endorsed debt-funding proposal, taxpayers would invest $112 million over the next twenty years to retire the existing debt. Payment for any county jail related debt issued after July 1, 2008 would become the responsibility of the state to fund.

According to studies being conducted by the Department of Corrections (DOC), the FY 2008 frozen property tax assessment is estimated to be $59.4 million, excluding $10.4 million in debt payment obligation. In other words, if the state/county jail unification system is adopted by the Legislature, property taxpayers will pay no more than $59.4 million to support county jail operations in subsequent years, unless of course the freeze is thawed by an action of the Legislature. Based on the best data available, under this proposal in FY 2009 property taxpayers statewide would avoid $3.6 million in jail operations costs. The increased county jail operation costs would be funded with state resources or mitigated through the efficiencies that will be created by unifying the currently layered and multi-jurisdictional state/county corrections system.

At Monday's state/county negotiation's team meeting, the definition of the frozen tax assessment was up for discussion. The concern from the county representatives was that if the property taxes available to fund jail operations are frozen at the FY 2008 level, and the Board of Corrections (which is responsible for overseeing the correction system unification process) is not fully operational in time for the adoption of FY 2009 county budgets, and the state continues to experience financial difficulties…then the revenue necessary to fund potentially increasing FY 2009 jail operation budgets will be unavailable.

For this reason, a proposal to redefine the definition of the frozen tax as-

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School Reorganization Fix-up Law – The Saga Continues

Since early January, we have been describing the development of a bill designed to fix the most serious problems with the school consolidation law enacted in 2007. That bill was supposed to be enacted a long time ago. The people on the local level who have been trying to deal with last year's massive mandate to reorganize all but the largest (or island or "high performing") school systems in the state have moved past pure frustration in response to the non-enactment of the corrective legislation. It is similar to the various stages of grief that have been identified as commonly occurring in a predictable order after a tragic event. It began with expectation, followed by frustration, and the feelings are now morphing into disbelief… exasperation… befuddlement… dull resignation.

The bill is LD 1932, *An Act to Amend the Laws Regarding School Funding*. What follows is a concise explanation of all the parts of that bill as they have been developed throughout the enactment process, and finally reorganized in a "Committee of Conference" report. On Friday this week the Senate "accepted" the Committee of Conference report by a strong vote. Hopefully, the legislation will be taken up by the House early next week.

The following description of the elements of LD 1932 in its final form are organized according to when in the process they were put into the legislation and from what source (i.e., Administration, Education Committee, floor of the Legislature).

Elements of LD 1932 originating in the printed bill and therefore developed by the Administration:

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SCHOOL (cont'd)

1. Authorize locally developed cost sharing agreements among the municipalities in a Regional School Unit (school district).

2. Repeal the requirement that every municipality in a new school district must levy a property tax rate of at least 2 mills to support the school system.

3. Make sure that the so-called "minimum subsidy receiver" school systems will continue to receive the minimum subsidy even when merging into a larger school district.

Elements originating in the Education Committee's amendments to the printed bill and supported by the Administration:

1. Identify core functions of the Regional School Unit as: (1) employ superintendent; (2) all business functions (e.g., accounting, payroll, purchasing insurance, auditing, etc.); (3) special education administration; (4) transportation administration; (5) core curriculum development; (6) school district budget development; (7) state and federal reporting requirements; (8) system-wide employer; (9) school calendar development; and (10) development of district-wide policies.

2. Authorize the creation of, and identify the rights and responsibilities of, any local school committee either as part of the plan of the Reorganization Planning Committee or by the school district board. The local school committees would have oversight functions with respect to what were formerly municipal school systems. The 2007 consolidation law suggested that any capacity of local authority could only apply to K-8 (or smaller) municipal schools. This legislation expands that authority to any municipal school system, regardless of grade levels.

a. To perform any duties or functions other than those reserved to the school district board (see above);

b. To supplement any of the duties or functions of the school district board;

c. To develop and present a proposed local school's budget to the school district board;

d. To present any proposed appropriations not included in the final school district budget to the municipal legislative body for separate adoption;

e. To oversee the municipal ownership of the local school property.

3. Conform SAD and CSD budget validation process to the RSU budget validation process, authorize the existence and election of the RSU Board prior to the RSU's operational effective date, and other technical amendments.

Elements originating on the floor of the Senate and House and generally opposed by the Administration:

1. Authorize the creation of a "Regional School Union" as an alternative to a "Regional School Unit".

2. The Regional School Union would have the same core duties as the Regional School Units (see above, under *Education Committee's Amendments*).

3. The same standards that apply to the formation of Regional School Unit (e.g., number of students, RPC process, savings requirements, DOE review and approval, voters' approval of reorganization plan, etc.) would apply to the creation of a Regional School Union.

4. The Regional School Union's budget would need be approved by the voters at referendum essentially in the same manner as a Regional School Unit's budget needs to be approved.

5. Re-institute procedures repealed in 2007 that allow: (1) for the dissolution school districts; (2) a municipality to withdraw from a school district; or (3) a municipality to withdraw from one school district in order to join another.

6. Extend the deadline for voting to adopt a reorganization plan from November 4, 2008 to January 15, 2009.

7. Establish a 50-person-per-square-mile standard whereby certain school districts could be created with somewhat less than the 1,200-student minimum standard provided the commissioner determines that meeting the 1,200 student standard would be "impractical".

For municipal and school officials, it is important to note that one element formerly part of LD 1932 that has been removed during the Committee of Conference process is the delay of the mandatory "school budget validation" voting process until 2009.

On that same topic, there is now a pressing need to get yet another fix-up bill immediately enacted. That bill was reported out of the Education Committee nearly a month ago but hasn't been printed yet. The second fix-up bill focuses on the mandatory school budget validation process, which needs to be planned for and implemented very soon by the schools and towns and cities but was carelessly written law when enacted and needs to be corrected in order for the state-mandated process to be properly administered.

JAIL (cont'd)

sessment was proposed.

Under the new concept supported by the county representatives on the negotiations team, the FY 2008 property tax assessment would serve as a base for creating an estimated FY 2009 "frozen" tax assessment. As proposed, the FY 2008 "frozen" assessment would be immediately unfrozen and adjusted by 5% and that figure would be set in law as the FY 2009 "frozen" tax assessment. For example, if the FY 2008 property tax assessments are $59.4 million, the FY 2009 estimated frozen tax assessment to be enacted into law would be $62.3 million. The adjustment would shift an additional $3 million the property taxpayers.

According to the DOC, county jail operations costs have grown by 11% between FY 2007 and FY 2008. In some counties, the growth in jail budgets was as low as 1%, while in others the growth rate was as high as 20%. In three counties, the cost of jail related operations decreased. The average growth rate statewide was 13%. Based on those trends,

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Legislative Bulletin

A weekly publication of the Maine Municipal Association throughout sessions of the Maine State Legislature.

Subscriptions to the *Bulletin* are available at a rate of $20 per calendar year. Inquiries regarding subscriptions or opinions expressed in this publication should be addressed to: *Legislative Bulletin*, Maine Municipal Association, 60 Community Drive, Augusta, ME 04330. Tel: 623-8428. Website: www.memun.org

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Tribal-State (and Municipal) Relations

LD 2221, *An Act to Implement the Recommendations of the Tribal-State Work Group*, would amend Maine Indian Claims Settlement Act of 1980. While this bill may not have been a surprise to the Legislature, it was to MMA and several municipalities in Aroostook County that would be seriously impacted by its provisions.

The background to the bill is presented in an approximately 150-page report entitled the "*Final Report of the Tribal-State Work Group*" and located in the "reports" section of the Maine Indian Tribal State Commission's website (www.mitsc.org). The Working Group was created by the Legislature last session to explore broad legal and policy issues regarding the status and conditions of Maine's tribes. The 17-member commission was composed of representatives of the Legislature, the Governor's office and Maine tribes.

Much of the original bill focused on the Houlton Band of Maliseets and the Aroostook Band of Micmacs. An overarching theme from the proponents supporting LD 2221 is that because the status of these two tribes wasn't settled in the Original Settlement Act, they are not on an equal footing with the Passamaquoddy Tribe and the Penobscot Nation. A central goal of LD 2221, they argue, is that LD 2221 provides the Maliseets and Micmacs parity with other tribes.

There was no municipal representation on the working group, which is not in itself a problem. The first task was to get the State and the Tribes communicating on these issues. However, the legislative recommendations made by the working group and contained in LD 2221 deal significantly with the tribal-*municipal* relationship. Accordingly, municipal input is now appropriate.

Several Aroostook County municipalities have hired lawyers with tribal law experience to represent their interests. MMA's policy committee did not have an opportunity to review the bill because of its late printing, but MMA did testify "neither for nor against" at the public hearing in order to explain some of the municipal impacts.

The bill's first public hearing was held on March 5th, one of many heavy snow days this session. Most of the testimony that day was from the municipal opponents of the bill. The bill's second public hearing was held on March 11th and was dominated by the tribal proponents of the bill. A person who attended the first hearing but not the second would have a much different perspective from a person who attended the second hearing but not the first.

The bill as printed had five basic elements: (1) A repeal of certain statutes governing the relationship between municipalities and the Houlton Band of Maliseets; (2) a repeal of similar statutes governing the relationship between municipalities and the Aroostook Band of Micmacs; (3) the creation of "heads-up" procedures which would require the state to consult with the tribes before the state took actions which could impact the tribes; (4) the enactment of something entitled the "Omnibus Tribal Sovereignty Act of 2008"; and, (5) a limitation on the "Freedom of Access" law (or "Right to Know" law) with respect to documents in the possession of the tribes.

This article will not fully explain the original bill's provisions because Tribal representatives offered a significant amendment at the second public hearing. The focus of this article will be on the amendment. The amendment includes modified versions of (1), (3) and (5) above. Item (2) governing the Micmacs was deleted since the Micmacs have apparently indicated that they do not want to be included. Item (4), the Tribal Sovereignty Act, has also been withdrawn.

In current law, the Passamaquoddy and Penobscot tribes have their municipal-like jurisdictional rights and responsibilities outlined by one series of statutes. The Maliseets have their own set of statutes which are similar (but not always identical) to those of these two other tribes.

Much of the proposed amendment folds the Maliseets into the existing statutes governing the Passamaquoddys and Penobscots. In this way, the bill does in fact promote parity with the other tribes. These provisions concern payments in lieu of taxes, tribal courts, tribal regulation of fish and wildlife resources, tribal police and other municipal powers, along with the tribal participation in municipal entitlement programs such as revenue sharing.

A notable exception is with respect to how additional lands will become "tribal land" under the law. Currently, property owned by a tribe may not become tribal land over which the tribes would have jurisdiction without the approval of the municipal legislative body where the land is located. As such, the area where tribes have some control is defined and can not be expanded without first reaching an agreement with the impacted municipalities.

The bill deletes the statute governing the expansion of Maliseet territory but does not fold the Maliseets into the statute governing the expansion of Passamaquoddy or Penobscot jurisdiction. As such, LD 2221 would not put the Maliseets on par with the others but would instead give them elevated status.

Two sections of the amended bill alter state-tribal relations. The basic goal of the many changes is to force the state to consult with the tribes on various state actions before the state actually undertakes them. The original bill would have included municipalities in some of these provisions but the municipalities were removed from the amended bill

Finally, the bill also exempts "internal tribal matters" from the freedom of access law. This issue has been litigated up to the Law Court and is an issue of significant concern to the Judiciary Committee which itself oversees all exemptions to Maine's Right to Know law.

The Judiciary Committee has asked a group of interested parties, including MMA, to meet and discuss the bill and report back to the Committee on their progress before the end of March.

Steam Roller Legislation

In presidential politics, it's called the "October Surprise." That phrase has come to embody the idea that a juicy item about a presidential candidate will emerge in mid to late October just as people are heading to the polls. The kicker is that the truth of the surprise allegation won't be known until the dust settles after the election – too late for the truth to matter.

A somewhat similar phenomenon can occur in Augusta. Toward the very end of legislative sessions there is sometimes a situation where a very significant bill gets printed, heard and worked by a Committee with very little time for analysis and deliberation.

These very significant but late-session bills are difficult for the Legislature to handle. They typically involve complex issues with big and powerful interest groups on both sides of the proposal. Some of the interests have been engaged to a certain degree prior to the printing of the bill, but not all interests. As such, there may be whispers and rumors of impending legislation but no clear sense of what the issue is, what the bill will do and whether it will even emerge.

The Legislature is pressed for time and does not have the opportunity to ask for new information since there is not time to generate anything new; there is barely time for anyone to find existing information. As such, these bills take on a steam-roller characteristic.

One of the bigger steam-roller bills this session is LD 2255, *An Act To Protect Maine's Energy Sovereignty through the Designation of Energy Infrastructure Corridors and Energy Plan Development*.

The basic message from the proponents of this bill, which include the Governor, the Public Utilities Commission (PUC) and large energy consumers such as paper mills, is that the federal government is threatening to preempt all state and local authority in Maine, including municipal land use controls, in order to create so-called "energy corridors". It has happened in two other parts of the country and has greatly upset the people in those areas. The proponents suggest that LD 2255 presents a strategy to protect that from happening.

Energy "corridors", which are land areas that can be as wide as entire counties, are places where infrastructure such as transmission lines could be sited to relieve bottlenecks in the regional flow of energy. The area between Maine, which occasionally has a surplus of energy, and southern New England, which has tremendous demand for more energy, is a federally identified area of congestion. No part of New England, however, has been declared a "National Interest Electric Transmission Corridor" by the Federal Energy Regulatory Commission (FERC) pursuant to the federal Energy Policy Act of 2005.

The Governor's solution to this threat of federal preemption includes state preemption of municipal authority.

The exact language of the bill as printed would allow the PUC to grant to any person "*exemption from municipal zoning ordinances or other land use ordinances*" for purposes of developing a project in a so-called "energy infrastructure corridor." The bill contained no structure for how this would occur and what kind of review the PUC would undertake in place of municipal zoning.

The municipal concern with this provision should be obvious. It is very unsettling to municipal officials and local residents to see the preemption of land use ordinances, which are developed and adopted, after all, for the purpose of reasonably guiding development in an orderly and predictable manner. It is especially objectionable to see a proposal of this kind come from the state, which is so often encouraging and even cajoling municipalities to develop comprehensive plans and extensive land use provisions.

Yet, one mitigating argument is that the PUC already possesses a certain level of authority to preempt local zoning for the development of utility property. The PUC is proud that it has been quite sparing in its use of that power – the Commission can only site one example in the past five years.

Furthermore, if the proponents of the bill are to be believed, the purpose of this state preemption is to preserve some level of "local" (i.e., state of Maine) control in the context of a potential federal preemption. That is, the state proposes to sacrifice the limb of municipal-level control to preserve the body of state-level control. While state preemption is unattractive, the proponents argue, federal preemption is downright ugly.

Opponents of the bill, which are primarily the energy producers and transmission and distribution utilities, agree that a "threat" of federal preemption exists.

The disagreement between the proponents and opponents is whether this threat is "Code Red" requiring immediate action in the form of this legislation or "Code Yellow" which would allow stakeholders more time to develop a plan.

If the threat is immediate and the bill is to be enacted, it needs some amendment to create a structure around the process of state preemption of municipal regulation and the state review process that will be substituted for municipal zoning.

The Governor's Office presented an amended bill to the Committee on Thursday. For purposes of municipal zoning, the bill's original language was deleted. Instead, existing law granting the PUC authority to waive zoning (30 MRSA §4352) was amended to allow further PUC preemption for purposes of developing "energy corridors" but that this further preemption authority may not be exercised until the PUC has undertaken rulemaking to create the framework within which that preemption may occur.

Educating Property Owners About Tax Obligations

An article in the February 8th edition of the *Legislative Bulletin* described the public hearing on LD 2140, *An Act to Protect Sellers in Residential Real Estate Transactions*. As originally printed, LD 2140 would require municipal assessors and tax collectors to formally change the record owner of residential real estate whenever during the course of the year the municipality is notified that residential property has been sold and the taxes are not completely paid up at the time of sale.

LD 2140 was advanced to deal with the following circumstance: (1) residential property is sold; (2) a "proration" contract is executed between the seller and buyer to apportion the property tax burden for that tax year; (3) the buyer violates the contract by not paying the buyer's share of the taxes in a timely manner; (4) the seller for some reason doesn't respond to the required 30-day notice formally informing the seller that a tax lien will be filed; (5) the lien is filed in the registry; and (6) the seller gets a negative credit report because the lien is filed in the seller's name.

During the public hearing on LD 2140, it became apparent that some people believe it would be a simple administrative task for a municipality to formally switch the person who is legally responsible to pay the property taxes from the seller to the buyer just like that…any day of the year. In fact, the complications associated with mandating that switch are very significant, and those complications can get compounded depending on the day in the calendar year when the real estate is sold. The change would trigger a need for sweeping amendments to Maine's assessing and property tax collection laws.

The Taxation Committee responded to LD 2140 by creating a subcommittee of two of its members, Rep. Don Pilon of Saco and Rep. Kathy Chase of Wells. The subcommittee was asked to work with the interested parties to see how the matter of the seller's complaint might be addressed.

The subcommittee finalized its work a couple of weeks ago, and the final product has appropriately steered clear of running a rototiller through property tax assessing and collection law. Instead, LD 2140 will focus all of its attention on improved consumer education.

There are just two elements to the amended version of LD 2140.

The creation of an educational guidance document. Under one part of the final version of LD 2140, Maine Revenue Services is directed to make available for distribution a guidance document for the benefit of both the sellers and buyers of real estate to provide information about how the property tax liability applies when a property is sold. The actual wording of the guidance document is written out in the proposed legislation. The guidance document describes the problems that might arise when an agreement regarding the apportionment of those tax liabilities between seller and buyer is not fully understood or adhered to by one party or the other. Those agreements executed between seller and buyer regarding how much each party will pay toward the property tax obligation for that tax year (often called a "proration agreement") is typically buried as a line or two within a much larger closing contract. In the first step of this educational process, LD 2140 would provide real estate settlement agents, real estate professionals, the Maine State Housing Authority, municipalities and other people potentially associated with any real estate transaction with a separate, easily-understandable, single-page form that: (1) describes the way Maine law places the property tax obligation on the person who owns the property on April 1; (2) gives notice that if any of the required taxes are not paid under a proration agreement, the tax lien will be filed in the name of the person who owned the property on April 1; (3) warns that the filing of that lien could have a negative effect on the "seller's" credit rating; and (4) points out that potential problems can be avoided by properly escrowing funds at the time of any real estate closing to guarantee that the property taxes will be paid in a timely manner.

The form is written in such a way that it could easily be inserted in any municipal mailings or incorporated into a municipal newsletter.

Civil liability and credit report rehabilitation. The other element of the amended version of LD 2140 expressly authorizes either party to a real estate transaction to sue the other whenever one of the parties knowingly fails to honor the obligations of a proration agreement and a property tax lien is filed as a result. Although that type of legal action would be generally available anyway, this legislation would allow the prevailing party to recover the amount of unpaid taxes, the costs incurred in releasing (or discharging) the lien, and reasonable attorney fees.

This section of LD 2140 would also allow a person who prevails at such a lawsuit — and whose credit rating has been impaired because a lien was filed in that person's name — to get the designation "inaccurate information" posted on his or her negative credit rating report beside the notation on that report that shows the property tax lien was filed.

LD 2140 should be easily enacted by the Legislature given the strong "ought to pass" report at the Committee level.

JAIL (cont'd)

the county officials on the negotiations team suggest that municipal officials should recognize that the 5% adjustment is actually a benefit to property taxpayers.

Municipal officials strongly disagree.

To get the municipal perspective on this approach to the property tax freeze, MMA staff polled the Association's 70-member Legislative Policy Committee. When asked if members would support adopting into law an adjusted FY 2009 tax assessment, an overwhelming majority of the respondents indicated 'no'. The primary reason for that response is

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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/.

Tuesday, March 25

Business, Research & Economic Development
Room 208, Cross State Office Building, 1:00 p.m.
Tel: 287-1331
LD 2257 – An Act To Establish a Uniform Building and Energy Code.

Natural Resources
Room 214, Cross State Office Building, 2:00 p.m.
Tel: 287-4149
LD 2263 – An Act Establishing an Outdoor Wood Boiler Fund.

Utilities & Energy
Room 211, Cross State Office Building, 1:00 p.m.
Tel: 287-4143
LD 2265 – An Act To Reduce the Amount Collected for the Purpose of the E-9-1-1 System.

LD 2266 – An Act To Promote Municipal Wind Generation Development.

Wednesday, March 26

Business, Research & Economic Development
Room 208, Cross State Office Building, 1:00 p.m.
Tel: 287-1331
LD 2250 – Resolve, Regarding Legislative Review of Portions of Chapter 220: Methodology for Identification of regional Service Centers, a Major Substantive Rule of the Executive Department, State Planning Office.

JAIL (cont'd)

that an adjusted tax assessment is not a freeze. The foundation of this entire corrections-unification proposal was that the 2008 property tax assessment for corrections would be absolutely capped, and the counties are now proposing to lift the cap even before it is established. Adjusting the cap before the cap is even implemented makes it clear from the onset that there will be an annual manipulation of the "cap" such that it is not a cap at all. Rather, it will become an annual tap into the property tax base.

On Monday it appeared as though the state was interested in the new definition of the property tax assessment freeze. However, MMA staff have been assured that the Baldacci Administration is committed to honoring its promise to enact a hard freeze on the property tax, which involves limiting property taxpayer exposure to the FY 2008 level; that is, the original agreement.

Also discussed at Monday's negotiations team meeting was whether or not to include a portion of the county sheriff's salary in the calculation of the frozen tax assessment. County officials argue that that no portion of the sheriff's salary should be included in the frozen tax assessment because if a jail were to close, the constitutionally created and elected position of sheriff would still exist.

Considering that sheriffs have been active participants in the negotiations process and that a sheriff is included for membership on the proposed Board of Corrections, it is clear to municipal officials that sheriffs have a role in the administration of jail operations, and part of their duties and salaries are directly related to the operation of correctional services. For these reasons, municipalities believe it is important that the appropriate portion of the sheriffs' salaries be included in the frozen tax assessment. The frozen tax assessment concept cannot work unless all elements of county jail costs are included in the calculation of the assessment, including a portion of the sheriff's salaries.

The county representatives on the negotiations team will be presenting their FY 2009 adjusted frozen tax assessment proposal to the Criminal Justice Committee next Monday, March 24th.

(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.)

Legal & Veterans Affairs

LD 2261 – An Act To Allow a Casino in Oxford County. (Citizens' initiative)

This bill is presented to the Legislature as a citizens' initiative that would permit Evergreen Mountain Enterprises, LLC, to operate a gambling casino in one location in Oxford County. The initiated bill provides that in order for the casino to be permitted, the voters in the municipality or municipalities (if the casino site crossed a municipal border) where the casino is located would have to approve the operation of gaming devices at the gaming facility by a referendum vote held no later than December 31, 2008. In addition, the legislative body of each municipality in which the casino is located would also have to vote to approve the gaming site. Much of the text of the bill is devoted to identifying the various causes to which 39% of the gross gaming device income would be distributed.

That list includes:

· 5% - College student loan repayment fund;

· 4% - East-West Highway research;

· 3% - Univ. of Maine bio-fuel research;

· 3% - Health insurance for small business;

· 2% - Municipal revenue sharing and elderly property tax deferral program;

· 2% - Maine pre-paid college plan program;

· 2% - Drug assistance for the elderly;

· 2% - DOT secondary rural road program;

· 2% - Maine Community College system;

· 1% - Supplemental public school subsidy;

· 1% - Renewable energy research;

· 1% - NextGen First Step college program;

· 1% - Local Government Efficiency Fund;

· 1% - Increasing the minimum wage;

· 1% - Residential energy efficiency grants;

· 1% - River water quality improvements;

· 1% - Land for Maine's Future program;

· 1% - Public access television;

· 1% - Creative economy initiatives;

· 1% - Gambling addition prevention;

· 2% - To the host municipality; and

· 1% - To the host county.

Natural Resources

LD 2263 – An Act Establishing an Outdoor Wood Boiler Fund. (Reported by Sen. Martin of Aroostook Cty. for the Joint Standing Committee on Natural Resources.)

This bill creates a fund made up of future state appropriations, if any, private contributions, if any, and certain financial civil penalties for the purpose of purchasing and/or replacing outdoor wood boilers from or for people who have outdoor wood boilers that have been determined by the Department of Environmental Protection to constitute a nuisance condition or threat to public health or safety.

Taxation

LD 2270 – An Act To Change the Formula for Calculation of the Motor Vehicle Excise Tax. (Reported by Rep. Piotti of Unity for the Joint Standing Committee on Taxation.)

This bill amends the state's motor vehicle excise tax rate structure in the following way:

Year of Reregistration	Current Mill Rate (applied to MSRP)	Proposed Mill Rate (applied to MSRP)
1	24	21
2	17.5	18
3	13.5	15
4	10	11.5
5	6.5	7
6	4	4.5
7	4	4
8	4	3.5

Utilities & Energy

LD 2265 – An Act To Reduce the Amount Collected for the Purpose of the E-9-1-1 System. (Sponsored by Rep. Rines of Wiscasset; additional cosponsors.)

This bill reduces the statewide E-911 monthly telephone surcharge on residential and business telephone exchange lines from 50 cents to 45 cents.

LD 2266 – An Act To Promote Municipal Wind Generation Development. (Sponsored by Sen. Martin of Aroostook Cty; additional cosponsors.)

This bill amends Maine law in several areas all for the purpose of encouraging and enabling the development and ownership of wind energy projects by local governments, state agencies and rural electrical cooperatives. Among other changes, the bill: (1) establishes a state policy favoring development of cost-effective wind energy resources by municipalities and the state; (2) expands the duties of the Energy Resources Council to coordinate the activities of member agencies to assist municipalities and others in developing wind projects and other energy projects; (3) expands the scope of the life-cycle cost analysis under the Energy Conservation in Buildings Act to include a review of any incorporation of wind and solar electricity generating equipment into public buildings; (4) amends the laws governing revenue-producing municipal facilities to include certain qualified energy-related projects under the Internal Revenue Code and ensures that municipalities may take advantage of favorable treatment in financing those revenue-producing project; and (5) expands the authority of municipal electric districts and rural electrification cooperatives so they can sell energy to wholesale customers.