Legislative BULLETIN

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Legislature Fixated on Enacting Property Tax Exemptions

While True Tax Reform Stays Off the Table

Over the last two decades, despite being urged from all corners to engage in comprehensive tax reform, the Legislature has demonstrated a remarkable resistance against updating, equalizing, balancing or otherwise modernizing the State's tax code.

It is just flat-out not going to do it.

To compensate, perhaps, this Administration and Legislature seem to be trying as hard as they can to exempt as much of the municipal tax base as politically feasible for favored election-year constituencies.

This week, the Legislature's obsession with narrowing the municipal tax base burst out all over the place – in "carry over" bills, press conferences, new legislation, and constitutional amendments.

It's a blue-tag sale on property tax exemptions in a shop-'til-you-drop supermarket. The prevailing political wisdom appears to be that the thousands upon thousands of property taxpayers left holding the bag when exemptions are provided to the few won't know any better, at least not until it's too late. In the meanwhile, maybe they'll even support the exemptions. It's an Orwellian delusion: EXEMPTIONS ARE GOOD…TAXES ARE BAD…SOME PROPERTY TAPAYERS ARE MORE EQUAL THAN OTHERS.

Following their experiment with the unreimbursed Homestead Exemption in LD 1, the municipal observer has to conclude that if there is any way in the name of "property tax relief" to jack-up the property tax rates for the average Maine resident, small business, landlord or farmer, this Legislature is bound-and-determined to figure out a way to do it.

LD 2056, Repealing the Personal Property Tax. The mother of all exemptions finally made its way out of the Revisor's Office this week. LD 2056, "*An Act to Replace Municipal Revenues Subject to the Equipment Property Tax Exemption*", is sponsored by Rep. David Bowles (Sanford) and 18 other legislators.

LD 2056 is a reincarnation of Governor Baldcacci's LD 1660, which was introduced to the Legislature last year and carried over into this legislative session. There is no clear reason why the Governor's LD 1660 was replaced with LD 2056. The bills are essentially the same, except LD 2056, which was written by industry lobbyists, contains even more incomprehensible statutory language than its predecessor. There are very few people who can actually follow the language of LD 2056. Towns and cities with any personal property in their tax base will have to hire special accountants to calculate the municipalities' actual valuation and tax rates if LD 2056 is enacted. With LD 1 and now with LD 2056, those calculations will be anything but straightforward.

LD 2056 would prospectively repeal the property tax on almost all personal property. The most notable exception – that is, the most significant type of personal property that would remain subject to taxation after the enactment of LD 2056 — is telecommunications personal property. As might be expected, telecommunications personal property is taxed by the State and not the towns and cities. The Legislature is not about to impact its own treasury…just the treasuries of Maine's municipalities.

Thanks to LD 2056, the personal property in:

- Wal Mart and Rite Aid stores;
- Maine's law firms and lobbying outfits;
- banks and financial management firms;
- national chain restaurants and big box stores (that are smaller than a football field in size);
- gas stations like Exxon and Irving;
- companies that install vending machines everywhere they are found;
- computer rental companies like IBM and Dell;
- photocopying machine rental companies like Cannon and Xerox

….all of personal property owned by these retail-oriented and service-

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LEGISLATURE (cont'd)

oriented businesses that is routinely taxed by almost every other jurisdiction in the United States will become exempt from taxation here in Maine. The theory seems to be to exempt this property so that everyone else in Maine can pick up the tab, including residential property owners, small businesses that don't own this type of property, owners of apartment buildings and owners of open land, etc.

LD 2056 relies on a provision in Maine's Constitution to require the state to reimburse municipalities for 50% of their lost tax revenue. The bill then attempts to provide supplemental reimbursement in a number of indescribably complicated ways to certain communities. Although the 1996 Legislature promised to reimburse businesses under BETR for 100% of their property taxes, the 2006 Legislature is promising much less for the municipalities. On a statewide basis, the core reimbursement rate under LD 2056, even if it was honored by the Legislature, would be 64% rather than 50% of municipal lost tax revenue.

Municipal officials are as aware as anyone that all of the proposed statutory (rather than Constitutionally required) reimbursement promises in LD 2056 should be entirely discounted. Even the sponsors of LD 2056 agree that the main reason the businesses are seeking a permanent exemption is because the legislative promise to reimburse the businesses is not being honored. No one expects the new LD 2056 promises to be honored either. The higher they pile the promises up, the less credible they become.

Finally, the proponents of LD 2056 are counting on the selectmen in Maine's smaller communities to be indifferent to the proposed exemption. They are counting on those selectmen from towns without much personal property to support the exemption on the theory that it won't affect them. They are hoping that Maine's smaller community leaders will fail to understand how their county tax bills and state subsidy is directly connected to the relative valuation of the other communities in Maine. As Maine's industrial towns and service center communities grow proportionately less valuable in a relative sense, the county taxes will get ever larger and the school subsidy will get smaller and smaller for the rural communities throughout Maine.

The public hearing on LD 2056 is scheduled for next Thursday, March 16, at 1:00 p.m. in Room 127 of the State House (Taxation Committee Room). Municipal officials concerned about the integrity of the municipal tax base and the stability of property tax rates should make every effort to attend.

LD 2, Capping the Value of "Homestead Land". On Wednesday this week, the Legislature picked up the long-dormant *LD 2, Resolution, Proposing an Amendment to the Constitution of Maine to Limit the Rate of Change in Taxable Value of Homestead Land.* LD 2 was first introduced 15 months ago, along with LD 1. It enjoyed a brief flurry of legislative activity that ended with the bill get sent back to the Taxation Committee, where it has been hanging around under ground ever since.

LD 2 is also an initiative of Governor Baldacci, and Martha Freeman, Director of the State Planning Office, was pushing the Taxation Committee on Wednesday to give unanimous endorsement to LD 2 as the next logical step in "tax reform" after LD 1. The proponents of LD 2 claim it is the way to let Maine residents stay in their homes rather than selling them when they are facing spiking increases in the value of their residential assets.

In its mechanics, LD 2 would require municipalities to keep two assessing books: one for the purposes of local taxation and another for the purposes of state subsidy.

The assessing book for the purposes of local taxation would freeze the valuation of the minimum lot under every Maine "homesteader's" home and allow that land value to grow from year-to-year no faster than the rate of inflation (CPI).

The assessing book for the purposes of the municipality's state valuation, which controls school subsidy, county taxation and municipal revenue sharing, would not place any cap on the "homesteader's" land…the second book would keep assessing that land at its "just value".

When the homesteader sells his or her property, the assessed value of the property jumps back to its market value and a penalty would have to be paid to the town. The theory of the penalty is to provide the revenue resources the municipality would use to soften the property tax shifts that LD 2 would otherwise force in every community.

(Of all the ways a municipality might obtain revenue to provide governmental services like public education, police and fire protection, solid waste removal, etc., the absolute worst way has to be on the basis of penalties. That is particularly true when the penalty is assessed against long-term homeowners for the crime of selling their homes.)

MMA's Legislative Policy Committee opposed LD 2 when it was first introduced 15 months ago and there is nothing to suggest that municipal leaders have changed their position on the bill.

Although many homeowners will be led to think that they will benefit from LD 2, many of them won't. A homeowner doesn't get an automatic advantage because the home value doesn't rise quickly. The homeowner only gets the advantage if the value of the home would have increased rapidly relative to the value of all the other homes. The owners of lower-value property in these communities will pick up the difference, but you don't hear the politicians crowing about that result.

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Legislative Bulletin

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Stormwater Changes Discussed at Hearing

On Thursday, the Natural Resources Committee took testimony on LD 2035, *An Act Regarding Storm Water Program Administration*. This bill has two distinct elements of interest to municipalities.

First, the bill directs the Department of Environmental Protection (DEP) to develop legislation that would force public works garages to get an industrial storm water permit. Last fall, the state took over administration of the federal industrial storm water permit program from the federal Environmental Protection Agency (EPA). Under the program, public and private entities engaged in "industrial" activity while exposed to rain or snow must get a permit if they have stormwater runoff which negatively impacts the waters of the United States.

The industrial activities covered by the federal permit are those within 24 categories specifically identified in the federal regulations. Examples of those categories are: coal mining, timber products, paper and paper products manufacturing, food manufacturing and leather tanning or finishing. Of particular interest to municipalities are the categories of recycling facilities, hazardous waste treatment, storage or disposal, and land transportation and warehousing.

The EPA considered, but ultimately rejected, designating the state and municipal activity of spreading salt and sand on the roads as an "industrial activity" pursuant to the land transportation and warehousing category. Its important to note that the EPA did not given the public sector an exemption. The EPA simply found that this particular activity did not fall under the definition of industrial transportation and warehousing.

The DEP and the EPA are both considering adding this type of activity to the permit program. To date, the EPA has not made a decision. For its part, the DEP was asked by the Legislature to make a recommendation about expanding the industrial permit program. In a lengthy report to the Natural Resources Committee that was presented less than two months ago, DEP specifically said that it would like to review the issue in 2010, at the conclusion of the first 5-year permit cycle.

The primary reason for this delay is that the DEP has its hands full implementing the 6-month old program for the first time. Further, the DEP would like the benefit of some experience before they make expansion suggestions.

This was not a satisfactory response for some Committee members. So, LD 2035 was filed with a directive to report back on expansion plans, which specifically target public works garages.

Interestingly, it is not the quasi-industrial activity of spreading sand and salt that is of concern to the DEP or the Committee. It is the garages and surrounding areas where the vehicles are parked and maintained that is the concern and that would most directly be impacted by the permit.

Which leads to a question: why are public maintenance garages the target? If vehicle maintenance is a concern then why doesn't the state take a broader view and look at all vehicle maintenance operations in the state? That is, the state shouldn't just enact environmental protections based upon who is doing a particular activity, but should look at the activity and regulate all those who do it.

This might mean looking beyond industrial actors to quasi-industrial actors like municipal public works garages. (It is at this point purely municipal because the state DEP supports an exemption from the permit program for the state Department of Transportation and the state Turnpike Authority, leaving municipalities alone to be covered.)

This analysis should even include non-industrial activity such as retail auto sales. It is possible that an auto dealership with 4 maintenance bays and 40-50 vehicles to be repaired in the parking lot at any one time to be of greater environmental concern than a public works garage that handles 1 garbage truck, 2 plow/dump trucks and 4 general purpose pick-ups for a small town.

Otherwise, if the state specifically targets municipalities, as LD 2035 does, the resulting regulation would undoubtedly be a municipal mandate.

The second issue of interest to municipalities deals with the DEP's rulemaking authority pursuant to the stormwater rules in Chapter 500. Major revisions were made to Chapter 500 last year. Now that they have been in place a few months, the DEP, municipalities and others have noticed that some minor changes to those rules should be made to more accurately implement the goals of the major revisions.

LD 2035 would allow those changes to be "routine technical rules" rather than "major substantive" rules. The primary benefit to this change is that the changes would not need to wait for the Legislature to reconvene in January to enact them. Instead, as routine technical changes, they could be adopted this spring. Municipalities generally support this change but sought two additional changes.

First, it should be made clear that these routine technical changes may not implement a rule that would otherwise qualify as a municipal mandate. The DEP and the Board of Environmental Protection have not always been as tuned-in to the mandate provisions as the Legislature. DEP agreed to this limitation and so municipalities will be able to rest easier knowing that any potential mandate will receive the appropriate legislative scrutiny.

For those communities that are "delegated" communities for purposes of site law and subdivision law purposes, there is an additional issue. In general, local ordinances relative to

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Road Funds Linked to Comprehensive Planning

On Thursday of this week, the Transportation Committee unanimously voted to table LD 1159, *An Act to Promote Transportation Investments within Downtowns and Urban Compacts*, in order to allow the interested parties an opportunity to collaborate on drafting an amendment.

LD 1159, sponsored by Rep. Dusty Fisher of Brewer on behalf of the Maine Better Transportation Association (MBTA), was originally submitted in the first session of the Legislature as a "concept draft" (i.e., with no detail). The intent of the bill was to encourage economic development in the state's more urban areas.

On February 16, MMA's Legislative Policy Committee (LPC) voted to support an amended version of the bill. As proposed, the first-cut version of the bill would establish two new voluntary mechanisms for urban communities to use to ensure that the transportation infrastructure necessary to encourage development in Maine's urban areas exists. One of the proposed programs would enable municipalities to petition the state for a 50/50 match to create a new state road. The other proposed program would enable municipalities to use local revenues to match state and private developer funds to make improvements to state and state aid roads.

According to that draft of LD 1159, to participate in the 50/50 new road development program, the community would have to illustrate that economic development was spurring a need for a new state or state aid road located within: (1) the growth area designated in a certified growth management plan; (2) the urban compact area; or (3) within a downtown area. The municipality would also be responsible for project design, permitting and construction.

To participate in the match program for improving existing state and state aid roads the community would have to illustrate that economic development was spurring a need for the improvement. The development would also have to be proposed to occur within: (1) a growth area designated in a certified growth management plan; (2) a certified downtown area; or (3) within the state urban compact area for which there is a DOT-approved transportation plan.

Although the LPC supported the above-described amendment to LD 1157, municipal officials from both urban and rural communities expressed concerns that the proposed programs could over time shift the responsibility to maintain, repair and develop state roads from the state to the municipalities. From the urban community perspective, municipal officials are concerned that when resources are tight, as they are now, the voluntary aspects of the cost-share program could become more mandatory, as the Department tries to find every dollar possible to repair its roads. From the rural community perspective, municipal officials are concerned that the state will spend its limited dollars in communities where local matches are available, and subsequently neglect state and state aid highways located in rural communities.

As if to exacerbate those concerns, at the public hearing this week on LD 1157, the proponents of the bill presented a new amended version. As amended, any municipality with a certified comprehensive plan would become eligible to participate in the programs. The proponents of the bill felt that this change would provide opportunities to more than 200 communities to voluntarily participate in the new programs.

MMA raised concerns with the new version's attempt to absolutely link comprehensive planning with transportation funding programs. In order to gauge the municipal reaction to the new amendment, MMA surveyed the municipal officials on MMA's Legislative Policy Committee's Transportation subcommittee.

92% of the municipal officials responding to the impromptu survey indicated that they did not support the new amendment. The primary reason for the opposition to the amendment was that it changed the entire nature of the bill. Rather than developing a proposal to assist communities and the state in investing in the road infrastructure located in urban communities, the bill simply became a comprehensive planning bill.

After hearing the objections to absolutely linking the new transportation programs to the comprehensive planning process, the members of the Transportation Committee directed the interested parties to work together to draft a proposal that would work. At the work session, representatives from MBTA and the Department of Transportation indicated that they were willing to work on an amendment to the bill that focused on linking participation in the new programs to transportation planning rather than state's comprehensive planning process.

STORMWATER (cont'd)

the site law and subdivision issues must be a stringent as state laws. If state law changes, so must local ordinances. However, municipalities have one-year to make those changes, with a notable exception.

For changes to stormwater law, the local ordinance must be changed immediately. That is an impossible timeline to satisfy from a practical perspective. If the state is given authority to adopt rule changes more easily, there is a fear that the towns will never be able to keep up and they will always be a step-behind the state. Accordingly, municipalities requested that the stormwater law be changed to make its timeline consistent with the one-year period in the delegation statute.

The DEP agreed to this change as long as it was prospective and could not be applied retroactively to the major Chapter 500 rule changes that were made last fall.

The Committee will next review the bill on Tuesday, March 14th

Update on Current Use Taxation for the "Working Waterfront"

The Taxation Committee continues to work on implementing the new "current use" tax system for "waterfront land that is used for or supports commercial fishing activities". This effort is a required response to the voters' approval of the new category of current use land last November. For background information on LD 1972, see the February 24th edition of the *Legislative Bulletin*.

Maine Revenue Services (MRS) was tasked with drafting the first cut at this implementing legislation. Much of that first draft incorporates the basic administrative, enrollment, and withdrawal "recapture" penalty systems of the other current use programs, such as Tree Growth.

For the municipal assessors who will have to administer this new program, the two key questions are: (1) by what criteria will the enrolled land be identified? and (2) how will the "current use" value of the enrolled land be calculated?

Thus far in the process, on both these points the Committee is a long way from where the municipal assessors would like to end up.

The key language in the MRS draft used to define eligible property is:

"*A parcel of land or a portion thereof, abutting water to the head of tide or land located in the intertidal zone, that is primarily used to provide access to or support the conduct of commercial fishing activities.*"

The centerpiece term in this definition is "primarily used". "Primarily is defined to mean more than 50%, and in this context the term means that the identified parcel (or sub-parcel) of land must be demonstrably used directly for commercial fishing activities or in activities that support commercial fishing activities over 50% of the time, or over 50% of some other measure of effort (output, income production, etc.)

Some of the original proponents of the constitutional change for a "working waterfront" tax break are unhappy with this standard. The Marine Trade Association, for example, representing boat yard and marina operations, believes the "primarily" standard will be hard for their clients to meet. A quick survey of those operations indicates that the boatyard facilities are more likely to be providing 10%-30% of their services to commercial fishing operations. As an additional concern, if in one year a boat yard clears the "primarily" standard, in the next year it may not depending on the work that comes its way, and it would therefore be kicked out of the program with a penalty. The marine trade interests, therefore, are looking for a much more lenient standard.

On the municipal side, the concern in focused on the looseness of the standard in a number of applications. A lot of property owners will be angling for a tax break out of this product, and expectations are already unsustainably high. The municipal assessors wonder how this tax break is supposed to work for the residential lobsterman who fishes off his private dock. How much of the residential land is swept into the program? Does it depend on whether 10 fishermen use the dock or just 1? Does it depend on whether the fisherman relies on fishing for the household's income? Is the full tax benefit provided if the household income has next to nothing to do with fishing?

Municipal assessors are also con-

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Securing Working Waterfronts

The Judiciary Committee took a step forward this week on LD 2035, *An Act Regarding Working Waterfront Covenants under the Land For Maine's Future Board*. This bill helps implement a $2 million pilot program to invest public resources to protect working waterfront property from housing, retail and other development pressures.

The pilot program would allow the state to invest funds to directly purchase or subsidize the purchase of waterfront property. In exchange for the investment, the state wants to secure the use of that property for commercial fishing activities. LD 2035 outlines the terms of a covenant, the legal instrument that would in fact protect the property as working waterfront.

MMA is supportive of the working waterfront and is generally supportive of the bill. Municipalities do have some technical concerns but conversations with the representative from the Land for Maine's Future program about the concerns have been positive and a beneficial solution is likely.

The basic municipal concern is that the municipal voice was not well protected in the covenant language. That is, the state was given the authority to go to court and either enforce the covenant (in case the property was not being used for working waterfront purposes) or amend/terminate the covenant (in case the covenant had outlived its purpose or its benefit to the statewide goal of preserving working waterfronts).

Municipalities which host properties covered by such covenants have a significant stake in their success and a similar interest in cases where they no longer serve a public purpose. These host municipalities simply want the right to be heard in court and not to be dependent upon a state agency to bring the action.

Given the understanding that the LMF and the Judiciary Committee have shown to these reasonable municipal concerns, language to give municipalities a voice should be included in the final legislation.

UPDATE (cont'd)

cerned with how the "primarily" standard is applied to mixed use properties that may include, for example, a wharf, a restaurant, a gift shop, and other tourist-related businesses. What guidance does the "primarily" definition provide? Is the portion of the associated land associated with the restaurant in or out of the program? Does the restaurant's menu matter? The land associated with the gift shop is presumably ineligible for the special tax treatment, but what if the gift shop is owned by a fisherman's cooperative? What if the land associated with the various enterprises is not practically divisible? Is the "primarily" standard applied to the whole facility?

Once the enrollment threshold is met, the next question is how the enrolled land is going to be valued. According to the draft, the valuation method is as follows:

"*In establishing the current use value the assessor must value the land as commercial land that is not on the waterfront but is otherwise fundamentally equivalent to the working waterfront land. In arriving at this current use value the assessor must consider the accessibility, function and level of activity that can be attributed to fundamentally equivalent commercial land, including but not limited to transferring , storing, shipping, receiving, harvesting and processing. Additional factors may be considered as appropriate*."

Although this standard of calculating current use value is highly deferential to the good judgment of the municipal assessors, it is the good judgment of the municipal assessors that will be taken to court if only abstract assessing standards are provided as guidelines. The methodology in this first draft is 95% assessing theory and 5% real life. In southern Maine, there is no shortage of inland commercial properties to turn to for comparables, most of which command relatively high but disparate commercial property values. If the municipal assessor has a range of comparable commercial values running from $90,000 to $250,000 per acre, how is the standard "transferring, storing, shipping, receiving, harvesting, and processing" actually applied? In much of downeast Maine, on the other hand, the inland commercial property on which to base comparables is far less available on a town-by-town basis. To what data source do those assessors turn?

Hopefully, over the next several weeks, some bright-line standards will begin to materialize as LD 1972 is further developed.

LEGISLATURE (cont'd)

Small businesses, landlords, owners of open land and other taxpayers will also be definitely disadvantaged by the bill. The impetus for LD 2 is clearly coming from the coastal communities and yet the internal impacts in those communities would be the most intense.

LD 2 offers up an advantage to some property owners that is directly paid by a disadvantage to others. It is a clearly regressive bill that in a general way moves overall property tax burden from homeowners with substantial assets to those with less in the way of assets. It is administratively complicated, relies on an irrationally-based penalty (for selling your home), and establishes as a matter of property tax policy that long-term home ownership should be rewarded by the tax code while other populations, like elderly people downsizing to smaller homes and new people coming to Maine, should be punished.

It is unclear what the Taxation Committee is going to do with LD 2. Senator Jon Courtney (York Cty.) and Rep. Harold Clough (Scarborough) would like to expand the tax policy beyond the narrow application of LD 2 and move Maine into California's "Proposition 13" assessing system, where "just value" assessing would be abandoned and all property – land and buildings, residential, commercial or industrial — would be assessed instead on the basis of its sales price. Sen. Courtney offered such a bill last year (LD 902), which was rejected by the full Legislature.

The Committee left the discussion on LD 2 with the request that Sen. Courtney, Martha Freeman, and others interested in making some sort of hybrid proposal between LD 2 and Proposition 13 put together a recommendation for the Committee to consider next Monday, March 13th.

LD 2052, Repeal the Personal Property Tax: Part II. If the prospective repeal of personal property taxes isn't quite enough, the Taxation Committee is endorsing through its sponsorship another Constitutional amendment that would repeal the personal property tax for any residual personal property that may be lurking around after LD 2056 (described above) sweeps through the municipal tax base with the heavy tanks and artillery.

LD 2052 just got printed at the request of the Taxation Committee and is sponsored by nine of the 13 Committee members. It is, oddly enough, a response to another bill heard by the Committee six weeks ago (LD 1739) that sought to clarify the taxable status of lobster traps.

The resolution would send out to the voters a proposed amendment to Maine's Constitution that would create a property tax exemption for anyone who owns taxable personal property with a just value of no more than $20,000. Because the exemption is proposed as a constitutional amendment, there would be no reimbursement to the affected municipalities for the lost tax revenue if LD 2052 is adopted by the voters.

The public hearing on LD 2052 is scheduled for Tuesday, March 14th. The municipalities may learn at that time how this unreimbursed exemption from taxation for smaller scale personal property ownership fits in with the prospective but massive repeal of personal property taxation that would be put into motion by LD 2056.

Come to think of it, if there is any tax exemption proposal that should be presented to the voters of Maine, it is the full-scale personal property exemption proposed by LD 2056. It is certainly the case that the proponents of the industrial and commercial personal property tax exemption do not want the voters to get their hands on LD 2056. The results wouldn't be pretty.

IN THE HOPPER

Inland Fisheries & Wildlife

LD 2050 – Resolve, To Allow the Department of Inland Fisheries and Wildlife To Convey a Part of a Parcel of Land in the Town of Fairfield. (Sponsored by Rep. Finch of Fairfield; additional cosponsors.)

This resolve would authorize the Commissioner of the Department of Inland Fisheries and Wildlife to convey a parcel of land in the Town of Fairfield.

LD 2057 – An Act To Implement the Recommendations of the ATV Trail Advisory Council. (Presented by Rep. Watson of Bath for the Joint Standing Committee on Inland Fisheries and Wildlife.)

This bill would make several amendments to the laws governing ATV registration and ownership, including: (1) setting the ATV registration fee at $60 for both residents and nonresidents, except that the fee is $30 if the applicant belongs to an ATV organization that maintains ATV trails and is recognized by the Department of Conservation; (2) raising the required age limit for a person who must take and ATV safety course before operating an ATV from 16 to 19 years of age; (3) requiring all personal under 14 years of age to be accompanied by an adult even after the completion of a training course; (4) lowers the age at which a person may cross a public way with an ATV from 16 to 14 years; and (5) allows ATV's to be operated on a public way for up to 500 yards rather than the current maximum of 300 yards.

Marine Resources

LD 2054 – An Act To Establish Harbor Master Training Requirements. (Reported by Rep. Percy of Phippsburg for the Joint Standing Committee on Marine Resources.)

This bill would require all appointed or reappointed municipal harbormasters in municipalities that border the "territorial" (salt) waters to complete a basic harbor master training course within one year after being appointed or reappointed. The bill provides that the person receiving the training must pay for the costs of training, but municipalities are permitted to reimburse for those costs.

Taxation

LD 2039 – An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2006-07. (Emergency) (Reported by Rep. Woodbury of Yarmouth for the Department of Audit.)

This bill would establish the property tax commitment for the unorganized territories for FY 2006-2007 in the amount of $15.5 million.

LD 2052 – Resolution, Proposing an Amendment to the Constitution of Maine To Create a Property Tax Exemption for Property Owners with Limited Personal Property Assessments. (Sponsored by Rep. Woodbury of Yarmouth; additional cosponsors.)

This resolution would send out to the voters a proposed amendment to Maine's Constitution that would create a property tax exemption for anyone who owns taxable personal property with a just value of no more than $20,000. Because the exemption is proposed as a constitutional amendment, there would be no reimbursement to the affected municipalities for the lost tax revenue.

LD 2053 – An Act To Simplify and Relieve Personal Property Taxes for Small Businesses. (Sponsored by Rep. Webster of Freeport; additional cosponsors.)

This bill would create two additional exemptions to the taxation of personal property. The bill would create a property tax exemption for anyone who owns personal property that would qualify for the Business Equipment Tax Reimbursements (BETR) with a just value of no more than $100,000. The bill would also create a property tax exemption for anyone who owns personal property of any type, that may or may not qualify for BETR reimbursements, with a just value of no more than $20,000. The bill provides that municipalities be reimbursed by the state for 100% of their lost property tax revenue.

LEGISLATIVE HEARINGS

Monday, March 13

Criminal Justice & Public Safety
Rm. 436, State House, 11:00 a.m.
Tel: 287-1122

LD 2028 – An Act To Establish a Computer Crimes Unit within the Maine State Police Crime Laboratory. (Emergency) (Reported by Sen. Nutting of Androscoggin Cty. for the Joint Standing Committee on Criminal Justice and Public Safety.)

Tuesday, March 14

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

LD 2050 – Resolve, To Allow the Department of Inland Fisheries and Wildlife To Convey a Part of a Parcel of Land in the Town of Fairfield. (Sponsored by Rep. Finch of Fairfield; additional cosponsors.)

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

LD 2039 – An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2006-07. (Emergency) (Reported by Rep. Woodbury of Yarmouth for the Department of Audit.)

LD 2052 – Resolution, Proposing an Amendment to the Constitution of Maine To Create a Property Tax Exemption for Property Owners with Limited Personal Property Assessments. (Sponsored by Rep. Woodbury of Yarmouth; additional cosponsors.)

LD 2053 – An Act To Simplify and Relieve Personal Property Taxes for Small Businesses. (Sponsored by Rep. Webster of Freeport; additional cosponsors.)

Thursday, March 16

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

LD 2056 – An Act To Replace Municipal Revenues Subject to Business Equipment Property Tax Exemption. (Sponsored by Rep. Bowles of Sanford; additional cosponsors.)