

Unanimous Committee Support for Special Election Funding Bill

On Wednesday of this week, the Legal and Veterans Affairs Committee unanimously voted “ought to pass as amended” on LD 70, *An Act to Amend the Laws Governing the Funding of State Special Elections*.

As originally proposed, LD 70 would hold the state financially responsible for any special election scheduled by the state. The most common state initiated special election is the bond referendum election held in a June of an odd-numbered year. If it were not for the action of the Legislature to hold a bond election in a June of an odd-numbered year, there would be no need for municipalities to hold the June election.

As amended, the bill requires the state to reimburse municipalities for the cost of a special election held for the purpose of a bond referendum. The Secretary of State is required to design a form to be provided to municipalities within ten days of a special election listing the types of expenses that are typically incurred by a municipality as a result of a special bond referendum. The municipal clerk would be responsible for filling out the report and returning it to the Secretary of State no later than ten days after the special election. Upon receipt of the form, the Secretary would be required to determine the cost incurred by a municipality and provide the reimbursement within 90 days of receiving the form.

Representatives Richard Brown (South Berwick) and Patricia Blanchette (Bangor) stated that they supported the bill because it would relieve municipalities of the cost of these special elections. Rep. Brown feels that with the passage of LD 1, the Governor’s tax reform plan, the

state has an obligation to assist in reducing the cost of local government. Brown believes that controlling the number of special elections is one way to meet that goal. Rep. Blanchette believes that LD 70 is a good idea because it will “hold the state’s feet to the fire”. If the state believes a special referendum election is necessary, then it should pay for that election.

MMA is very appreciative of the efforts of Rep. Brown to sponsor the bill and negotiate a unanimously supported amendment on behalf of Maine’s municipalities. Some additional changes to

the bill may be necessary, however. Deputy Secretary of State, Julie Flynn, was not able to attend the work session and her concerns with the amended bill were not aired. Flynn has a legitimate administrative concern with the amended bill that should be addressed before the bill is enacted.

Flynn’s concern is with the ability for the state to plan for and request funding from the Appropriations Committee for the municipal cost of the election. While the amended bill requires payment be made to communities within 90 days of the election, it is probable that the Secretary of State’s office will not have those funds available to reimburse communities. Currently, the Secretary of State requests a special appropriation for its costs when the Legislature elects

(continued on page 7)

Bill Would Mandate Special Tax Lien Foreclosure Procedures

The Taxation Committee held a public hearing this week on a bill that would override existing municipal policies and mandate the way that all towns and cities must deal with all property owners who are facing tax lien foreclosures.

LD 320, *An Act To Limit Property Acquired by Municipalities due to Tax Delinquency*, was presented to the Committee by its sponsor, Rep. John McKane of Newcastle.

LD 320 would require all municipalities to:

- Notify all taxpayers who receive notice of the filing of a property tax lien that they are eligible for a tax payment plan and if they make a good faith effort to meet the terms of the payment plan the municipality will work to prevent fore-

closure.

- Develop and make available payment plans to all taxpayers who are unable to pay their taxes, with the plans tailored to the taxpayer’s ability to pay.

- Make a “reasonable effort” to notify all heirs of a taxpayer who dies of the heirs’ rights to a payment plan to address the deceased taxpayer’s delinquency.

- Provide a notice after any tax lien foreclosure of the former owner’s right to repurchase the foreclosed property by entering into an ability-to-pay payment plan.

- Maintain for any former owner of foreclosed property an ongoing right to continued occupancy and possession of the foreclosed property provided the

(continued on page 2)

Q & A

LD 1 Corner

Q. My understanding is that the new \$13,000 homestead exemption will not become law until sometime in September. If that is true, on the basis of which homestead exemption should we set our property tax rate when we commit our taxes this summer, the current \$7,000/\$5,000/\$2,500 “graduated” exemption or the new \$13,000 homestead exemption that may not be law at the time of commitment?

A. The \$13,000 property tax homestead exemption created in LD 1 will not become law until 90 days after the Legislature adjourns the First Regular Session of the 122nd Legislature. The statutory adjournment date of this Legislature is June 15, 2005, and unless the Legislature votes to adjourn before June, the \$13,000 homestead exemption will not become law until September.

At the same time, the Legislature enacted LD 1 with various “retroactive dates”. One retroactive date in the new law would make the \$13,000 homestead apply retroactively to April 1, 2005, but the retroactive application would not go into effect until the day in September when LD 1 goes into effect.

The date sometime in September when LD 1 becomes effective, and the new law’s retroactive reach-back to secure an April 1, 2005 effective date, creates the basis for your very legitimate question.

Unfortunately, there is no clear answer as of yet. The starting point for the

discussion is 36 MRSA §502, which reads: “All real estate within the State, all personal property of residents of the State and all personal property within the State of persons not residents of the State is subject to taxation on the first day of each April as provided; *and the status of all taxpayers and of such taxable property shall be fixed as of that date.*”

The plain reading of that statute doesn’t square with the retroactive approach enacted by the Legislature. The municipal concern, obviously, is that if the town makes the incorrect decision, and commits its taxes on the basis of the wrong homestead exemption, taxpayers in the future could successfully argue that the town’s tax commitment was “illegal”, and all subsequent tax lien procedures were invalid. This is not to mention the extraordinary administrative difficulties of repairing an “illegal commitment”.

There are a number of ideas about how to deal with this issue circling among legislators, but as of yet there is no clear direction.

Some legislators have made public statements that there is no legal confusion associated with the new homestead exemption and its retroactive date – that it’s a “non-issue”.

Some legislators are suggesting that an “errors and omissions” bill should be developed and enacted that would serve to answer both the homestead retroactivity question and number of other pressing questions regarding the implementation of LD 1 that don’t have anything to do with retroactivity.

Other legislators are supporting the development and quick enactment of a bill that would expressly defer the implementation of the new \$13,000 homestead exemption until next year.

Other legislators are expressing a willingness to formally ask Maine’s Attorney General for a written opinion that would directly answer your question.

Because the development and enactment of any legislation clarifying the many LD 1 implementation issues is

uncertain at best, MMA is working with legislators who understand the need for an unambiguous clarification of what the municipal tax base will be on April 1, 2005. The effort will be to obtain an Attorney General’s opinion on this subject.

Please stay tuned. Until the matter is completely clarified by state legal authorities, municipalities would be well advised to take no action with respect to the homestead exemption issue.

LIENS (cont'd)

former owner is making a “good faith” effort to meet the terms of the payment plan, and prohibit any municipality from selling foreclosed property to a third party if the former owner is making a good faith effort to meet the terms of the payment plan.

- Provide a rebate to the former owner of any “excess gains” received by the municipality in the event the foreclosed property is sold to a third party. “Excess gains” are defined as all funds received from the sale less any taxes owed, interests, direct costs and other charges.

These requirements would apply to commercial as well as non-commercial property.

Rep. McKane’s testimony in support his bill was hard on the towns. He described Maine law as “encouraging municipalities to profit by other peoples’ hardship”, suggested that towns act “ruthlessly” when taxpayers try to repurchase foreclosed property, and made references to “unscrupulous” municipal practices. Rep. McKane testified that many municipalities adopt the practice of selling tax acquired property for prices that far exceed the value of back taxes and direct costs, and then retain the profit.

The proponent of the bill from the general public, Greg Thorup of Cumberland, was also sharply critical of municipal practices. According to Mr. Thorup, municipalities have enacted “seizure policies” all across the state, the “seizure” practices provide a windfall for the towns, and towns pick and choose the particular properties that appeal to them for “seizure”.

As evidence to support the claims,

(continued on page 3)

Legislative Bulletin

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Editorial Staff: Geoffrey Herman, Kate Dufour, Jeff Austin, and Laura Veilleux of the State & Federal Relations staff.

Transportation Committee Update

On Friday, February 4th, the Transportation Committee disposed of two bills of municipal interest.

LD 74, *An Act to Require the State to Provide Winter Maintenance on State Aid Highways*, sponsored by Rep. Doug Thomas of Ripley, would have required the state to pay the cost municipalities incur for providing winter maintenance on state aid roads.

While MMA provided testimony in opposition to LD 47, it was not because municipal officials believe all is well with the existing state/municipal road maintenance and funding partnership. Some communities have concerns with the local revenues that are currently being expended to maintain state roads, which LD 47 sought to address. Other communities have issues with the limitations placed on the use of the transportation funds that the state provides to municipalities. Still other communities are concerned with what has been essentially the flat funding they are receiving under what was once the Local Road Assistance Program and is now known as the Urban/Rural Road Initiative (URIP).

The municipal opposition to LD 47 was not with respect to its goal to relieve municipalities and the property taxpayers of the burden of maintaining state aid highways, but rather with the methodology the bill used to address the issue. Municipal officials believe that through the creation of a state/municipal partnership, similar to the efforts undertaken between municipal officials and the Department of Transportation in 1998 that created the URIP program, municipal and state officials would be able to air out issues and make necessary changes to the existing program. Municipal officials believe that the time and atmosphere are right to direct the Department to reconvene the state/municipal working group to collaboratively address the issue raised in LD 47 and other concerns being raised by municipalities.

The Committee unanimously voted “ought not to pass” on LD 47 with the caveat, as proposed by Rep. Thomas, that a letter would be sent to the Department and MMA to reconvene the state/municipal working group to address the

issues and concerns with the existing program.

It is anticipated that the working group will be organized over the next few months and will begin meeting once the Legislature has adjourned. Any municipal official interested in severing on this working group should contact Kate Dufour at 1-800-452-8786 or kdufour@memun.org.

Flagger training. The Committee also voted “ought not to pass” on LD 132, *An Act to Amend the Law Governing Construction Flaggers*, by a margin of 8 to 3. As proposed by the Department of Transportation, the bill would have required all construction flaggers to be trained. Existing law requires only privately employed flaggers to be trained. The law exempts municipalities from providing the training to their flaggers, although municipal training is encouraged.

Several members of the Committee believed that the mandate to train was unnecessary, especially as even the Department testified that several communities participate in the training sessions offered by the state. A majority of the Committee felt that the training issue would be more appropriately addressed by educating communities on the importance of the training and encourage municipal-based training, rather than mandating it.

LIENS (cont'd)

Mr. Thorup recited four instances of allegedly inappropriate municipal behavior – in Freeport, Cumberland, Windham and Owls Head — and provided the Committee with two newspaper accounts to verify his accusations.

Even before any alternative testimony was provided, two members of the Tax Committee indicated to LD 320’s sponsor that they would be supporting the bill. The newspaper articles were accepted by one Committee member as “evidence” that inappropriate municipal foreclosure practices are occurring throughout Maine.

Lewiston’s tax collector, Paul Labrecque and MMA testified against LD 320. Labrecque explained the ex-

tended two and one-half year period before an unpaid property tax obligation can result in foreclosure, the due process requirements in Maine law that are designed to make sure throughout the process that taxpayers are aware of the consequences of nonpayment, and the bending-over-backwards that municipal officials go through to make sure a tax lien foreclosure doesn’t lead to an eviction.

MMA testified similarly, pointing out that the boards of selectmen and town and city councils that deal with tax lien foreclosures are elected by the voters in their communities to administer the adopted municipal policies and procedures fairly and compassionately. To suggest those elected boards act maliciously or “ruthlessly” with a motive of seizing the choicest properties – or properties of any kind, for that matter — is completely incorrect.

MMA also pointed out that all tax collection policy, from the federal government on down, is based on standards requiring strict obligations of compliance. The state’s laws governing Maine’s sales and income taxes do not offer any of the payment option entitlements LD 320 would establish for property taxation. It would be a major deviation in tax policy to base the standard for property tax collection on “good faith” compliance with payment plans. It would also be a major deviation in tax policy to reduce the financial penalty for complete nonpayment of property taxes to simple back taxes, interests and costs.

Both Lewiston’s Labrecque and MMA further pointed out that the requirement for municipalities to return to the former owner all proceeds of a tax lien foreclosure that exceed back taxes and costs would put municipalities into the distressed property management business, where the town or city would have to manage the sale of the properties that are abandoned by their former owners, and then carefully manage and rebate the former owner’s “profits”.

The work session on LD 320 is scheduled for Monday morning, February 14th, at 10:00 a.m. As has been noted, at least two Tax Committee members have already pledged their support of the bill. Municipal officials are encouraged to contact their legislators about their concerns with LD 320.

Revisiting Timber Harvesting in Shoreland Zone

The Agriculture, Conservation and Forestry Committee took testimony this week on LD 188, *An Act to Promote the Uniform Implementation of the Statewide Standards for Timber Harvesting and Related Activities in Shoreland Areas*. The bill, filed by Rep. Tom Saviello (Wilton) would affect the implementation in the unorganized territory of new rules on timber harvesting in the shoreland zone. The unorganized territories are regulated by the Land Use Regulation Commission (LURC). Under the terms of LD 188, LURC implementation would be delayed until 50% of municipalities have also adopted the new rules.

MMA testified against the bill for the fairly straightforward reason that municipal officials do not want to become the governing body for LURC, albeit indirectly. Municipal officials would prefer that decision making for land use regulation in LURC be conducted through its normal process and not by the method put forth in the bill.

The hearing did not focus on this issue though. Instead, the hearing focused on when towns were going to adopt the new timber harvesting standards which were developed by the Maine Forest Service (MFS). This issue was debated and discussed extensively in the last legislative session in connection with LD 245 (PL 2003 ch. 335). There were two alternatives offered last session. One position held that the towns should be mandated to adopt the new rules; MMA's alternative position held that the towns should have the ability to opt-in to the new rules. The Legislature elected the latter.

State Enforcement

A related aspect to the new rules was an offer by the Maine Forest Service to assume responsibility for enforcement of the rule. However, MFS believes a "critical mass" of municipalities must be covered by the pro-

posed statewide standard. A critical mass of municipalities is needed for two reasons. First, MFS believes a uniformity of the regulation is good for Maine for all the reasons that uniformity is always pursued in legislation at the statehouse.

The second reason a critical mass is needed is that there will be a cost to the state to expand the Maine Forest Service as it assumes responsibility for municipal-level enforcement. For state enforcement to be economically feasible, many municipalities must participate. It won't make fiscal sense to set up the state infrastructure for a few scattered communities.

Mandate or Local Control

In order to achieve this critical mass, MFS was considering the very unpopular step of mandating the statewide standard and repealing all existing municipal ordinances on the subject. The only remnants of 'local control' preserved under this scenario was for towns to "opt-out" of the state standards/state enforcement program by expressly rejecting the statewide standard and re-adopting their ordinances that had been voided.

Several legislators last session emphasized that the process of developing the new standards had been done cooperatively over many years and that the implementation of the standards should continue on the same path. Furthermore, a previous Legislature had ordered the MFS to the study of the issue and specifically directed the MFS to make recommendations that preserved the right of a municipality to "opt-in" to the statewide standards. Consequently, the Committee ultimately adopted an "opt-in" program where municipalities are not obligated to join the new statewide program, but may if they so choose.

Informational Campaign

The previous Legislature, inclined

to favor uniformity, requested that MFS and MMA work together to reach-out to municipalities through an informational campaign that would provide municipalities with the information and tools they need to make a decision whether to opt-in to the new system or retain the existing framework.

However, MFS was re-prioritized into focusing on the liquidation harvesting issue last year and was unable to prepare the necessary materials for town review or to present them to municipal decisionmakers. In particular, the actual timber harvesting rule was not finalized until this week. The draft rule is now complete and within the formal rulemaking process and anyone interested must provide comments no later than March 15, 2005. Information about the rulemaking can be found at the MFS website: <http://www.state.me.us/doc/mfs/> or by contacting Jeff Austin at MMA (jaustin@memun.org).

Return of the Mandate

MFS also opposed LD 188. However, its testimony made clear that MFS was very concerned that the 50% municipal-adoption threshold would not be met anytime soon. The reason for this pessimism is MFS's belief that it won't be able to do the informational outreach to the municipalities that was originally envisioned.

The MFS message seemed to be that since they don't have the time and resources to convince towns to voluntarily opt-in to the new standards and to transfer to the state enforcement responsibilities, we should just skip that step and mandate that towns participate.

The offer by MFS to assume an existing municipal responsibility may appeal to some municipalities. Other municipalities may conclude that the proposed changes to the shoreland timber harvesting standards are improvements over the existing standards in the shoreland zoning guidelines. Many municipalities may choose to opt-in to the new approach when provided with good information. It would be too bad if the state chooses a different approach with the municipal community and resorts to unpopular mandate tactics.

(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 438 – Resolve, To Improve Access to Emergency Services in State Parks and in the Maine Wildlife Park. (Sponsored by Rep. Vaughan of Durham; additional cosponsors.)

This resolve would direct the Commissioner of the Department of Conservation and the Commissioner of the Department of Inland Fisheries and Wildlife to take certain actions to improve the public's access to emergency services when visiting state parks. Among the various directives in the resolve, the superintendent in each state park would be directed to consult with local emergency agencies, including fire and rescue services, and arrange for emergency responders to have the key or access codes needed for vehicular access to the park.

Criminal Justice & Public Safety

LD 102 – An Act To Allow the Part-time Assignment of State Police Officers to Municipalities. (Sponsored by Rep. Blanchette of Bangor; additional cosponsors.)

This bill would amend the law that authorizes municipalities to contract with the State Police for police services to clarify that the contract may include one or more police officers and may be designed to provide either full-time or part-time coverage.

LD 344 – An Act To Authorize the Regulation of Firearms on Public Property. (Sponsored by Sen. Rotundo of Androscoggin Cty., additional cosponsors.)

This bill would authorize all state, county, municipal, quasi-municipal and special purpose districts with management authority over public property to regulate the possession of firearms on that public property.

LD 534 – An Act To Clarify the Authority of the Maine State Police. (Sponsored by Sen. Strimling of Cumberland County.)

This bill would repeal the authority for the State Police to contract with municipalities to provide law enforcement services.

Health & Human Services

LD 481 – Resolve, To Ensure That Public Assistance Benefits Do Not Exceed Average Wages for a County. (Sponsored by Rep. Thomas of Ripley; additional cosponsors.)

This resolve directs the Department of Health and Human Services to develop a proposal that limits public assistance for families from all sources (e.g., Temporary Assistance for Needy Families, social security disability, home heating assistance, general assistance, rental assistance, etc.) so that it does not exceed the average wages in the county where the recipients of the public assistance live.

LD 559 – An Act To Require a Study and Comparative Report on Welfare. (Sponsored by Rep. Saviello of Wilton; additional cosponsors.)

This bill would require the State Planning Office to submit to the Legislature a comparative report on the level of public assistance, from all sources, provided to people in Maine compared to the level provided to people in each of the other New England states.

Judiciary

LD 668 – An Act To Amend the Land Use Regulation Laws. (Sponsored by Rep. Joy of Crystal; additional cosponsors.) (By Request.)

This bill would provide a right for any property owner to file a written demand with a municipality or the state for "just compensation" in payment for any loss in the value of property related to any land use regulation that restricts the use of property or reduces its fair market value. The municipality or state would have 180 days after receiving the written demand to either pay the remedy that is demanded or stop enforcing the land use regulation that is subject to the demand. Certain types of land use regulations would be exempted from this process.

Labor

LD 423 – An Act To Allow Food Service Workers for Public Schools To Collect Unemployment Benefits. (Sponsored by Rep. Craven of Lewiston; additional cosponsors.)

This bill would make a food service worker in a public school eligible to collect unemployment benefits in between two academic years even if the worker is affirmatively scheduled to be employed by the school in the second academic year.

LD 430 – An Act To Modify the Obligation To Bargain under the Municipal Public Employees Labor Relations Law. (Sponsored by Rep. Norton of Bangor; additional cosponsors.)

This "concept draft" legislation proposes to modify in undisclosed ways the obligations of public employers and their employees to bargain collectively.

LD 520 – An Act To Improve Binding Arbitration in Public Sector Labor Relations. (Sponsored by Rep. Tuttle of Sanford; additional cosponsors.)

This bill would make arbitration by municipal and county employees and employees of sheriff's departments, police departments and professional fire departments binding with respect to monetary matters as well as all other matters.

Legal & Veterans Affairs

LD 374 – An Act To Create a Protected Zone around the Voting Place. (Sponsored by Sen. Gagnon of Kennebec Cty., additional cosponsors.)

This bill would make several changes to the way elections are conducted with respect to certain activities that are allowed under current law within the voting place. Specifically, this bill would: (1) Reduce the "no-influence" zone around the entrance to the polling place from 250 feet to 100 feet; (2) restrict media exit polling so that it could not occur within 25 feet of the entrance to a voting place; and (3) prohibit the collection of signatures for petitions within 25 feet of the entrance to a voting place.

Natural Resources

LD 315 – An Act To Prohibit the Privatization of Drinking Water Supply Sources. (Sponsored by Rep. Eder of Portland.)

This bill would prohibit the private ownership of all "drinking water supplies."

(continued on page 6)

LD 406 – An Act To Amend the Dates Associated with the State’s Recycling and Waste Reduction Goals. (Sponsored by Sen. Cowger of Kennebec Cty. for the Maine State Planning Office.)

The previous Legislature enacted a law that required companies providing small containerized solid waste hauling contracts to undertake certain notification procedures and to refrain from requiring their customers to provide certain information regarding competitive bids, all in an effort to mitigate the effect of automatically renewable solid waste hauling contracts. Solid waste hauling contracts in force at the time of that enactment were not covered by the new requirements. This bill would expose those existing contracts to the new requirements. This bill would also extend: (1) the state’s 2003 goal of recycling 50% of all municipal solid waste to January 1, 2009; and (2) the state’s 2003 goal of reducing the “biennial” generation of municipal solid waste tonnage by 5% to January 1, 2009.

State & Local Government

LD 696 – An Act To Amend the Requirements for Publishing Municipal Legal Notices. (Sponsored by Sen. Nass of York County.)

This bill would allow required legal notices that must be published by municipalities to be published in newspapers distributed by 3d class mail in certain circumstances and provided certain criteria have been met. Newspapers distributed by 3d class mail are often referred to as shopper-guide newspapers, compared to the daily newspapers that are referred to as newspapers of “general circulation”. In order to use the 3d class mail newspapers, the newspapers of general circulation must have a subscription rate of less than 30% within the municipality, the alternative newspaper must be distributed to all households, the municipality must retain a record of all legal notices, and the publisher of the alternative newspaper must have a system of archiving past editions.

Taxation

LD 372 – An Act To Enhance Property Tax Relief through the State-municipal Revenue-sharing Program. (Sponsored by Sen. Rotundo of Androscoggin Cty., additional cosponsors.)

This bill would amend the municipal revenue sharing distribution formula to repeal the Revenue Sharing I distribution formula (where each municipality’s share is calculated as the municipality’s population multiplied by its full value mill rate) and replace it entirely with the so-called “Revenue Sharing II” distribution formula (where each municipality’s share is calculated as the municipality’s population multiplied by its full value mill rate minus 10 mills). Under current law, 17% of all revenue sharing funds are distributed under the Revenue Sharing II formula. This bill would provide that 100% of all revenue sharing funds be distributed according to the Revenue Sharing II distribution formula.

LD 484 – An Act To Enact the Tax Fairness Act. (Sponsored by Rep. Watson of Bath; additional cosponsors.)

This “concept draft” bill proposes to increase the sales tax and expand the types of products subject to the sales tax, using the increased revenue for education funding.

LD 571 – An Act To Allow a Trade-in Credit in the Calculation of the Automobile Excise Tax. (Sponsored by Sen. Cowger of Kennebec Cty; additional cosponsors.)

This bill would reduce the base value of a new motor vehicle for registration excise tax purposes by subtracting from the “maker’s list” price any amount received for the trade-in value of another motor vehicle.

LD 580 – An Act To Encourage Downtown and Urban Revitalization while Meeting the Requirements of New Storm Water Rules. (Sponsored by Sen. Bromley of Cumberland Cty; additional cosponsors.)

This bill would provide an income tax credit to owners or users

of property within a service center community or municipal growth area that includes an urban, impaired stream in an amount equal to the user fee paid to the municipality or sanitary district for the management of storm water, or for the mitigation costs required by the Department of Environmental Protection.

LD 626 – An Act To Require the Net Proceeds from the Sale of a Foreclosed Property To Be Returned to the Former Owner. (Sponsored by Rep. Twomey of Biddeford; additional cosponsors.)

This bill would require a municipality to return to the former owner any “excess proceeds” received by the municipality through the sale of tax-acquired property. The “excess proceeds” must be returned to the former owner within 30 days of the disposition of the real estate or 180 days from the date of foreclosure, whichever first occurs. The “excess” amount is the amount obtained from the sale of the real estate minus all tax liens, interest, recording and notice costs, any court costs and all expenses associated with disposing of the real estate. The bill is retroactive to January 1, 2000.

LD 709 – An Act Promoting Excise Tax Fairness by Allowing Refunds for Excise Taxes Paid on Vehicles. (Sponsored by Rep. Shields of Auburn; additional cosponsors.)

This bill would require municipalities to provide a rebate to people who have paid a motor vehicle excise tax and the motor vehicle has subsequently been transferred or destroyed. The rebate would be an alternative to merely providing a credit toward the excise tax on a replacement vehicle.

LD 736 – An Act To Provide Property Tax Relief to County Taxpayers. (Sponsored by Rep. Lindell of Frankfort; additional cosponsors.)

This bill would allow each county to retain for its own budgetary purposes 100% of the revenue generated by the Real Estate Transfer Tax and would also allow the county commissioners to establish the Real Estate Transfer Tax rate.

LD 746 – An Act to Exempt Tax on Leased Property Used by Maine’s Public Higher Education Institutions. (Sponsored by Sen. Perry of Penobscot Cty; additional cosponsors.)

This bill would add to the existing list of property tax exemptions the real and personal property leased by and occupied or used solely for its own purposes by the University of Maine, the Maine Community College System, and the Maine Maritime Academy.

LD 751 – An Act Concerning Counties’ Share of the Real Estate Transfer Tax. (Sponsored by Sen. Damon of Hancock Cty; additional cosponsor.)

This bill would increase the amount of revenue generated by the Real Estate Transfer Tax (RETT) that can be retained by each county from 10% of total RETT revenue under current law to 30% by 2009.

Transportation

LD 614 – An Act To Eliminate the Rebate Process for Refunding the State Gas Tax. (Sponsored by Rep. Collins of Wells; additional cosponsors.)

Under current law, a municipality can apply to the State Tax Assessor for a rebate on the state’s motor fuel excise tax (the “gas tax”) that the municipality pays. This bill would provide municipalities with an up-front exemption so the tax would not have to be paid in the first place.

LD 735 – An Act To Clarify Registration for Noncommercial Trucks and Registration Requirements for Nonresidents. (Sponsored by Rep. Saviello of Wilton; additional cosponsors.)

According to its summary statement, and among other motor vehicle registration changes, this bill would clarify that seasonal nonresidents to Maine who are domiciled here less than 179 contiguous days, are not required to register their vehicles in Maine.

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://janus.state.me.us/legis/session/>.

Monday, February 14

Agriculture, Conservation & Forestry
Room 206, Cross State Office Building, 9:30 a.m.
Tel: 287-1312

LD 438 – Resolve, To Improve Access to Emergency Services in State Parks and in the Maine Wildlife Park. (Sponsored by Rep. Vaughan of Durham; additional cosponsors.)

Appropriations & Financial Affairs
Room 228, State House, 9:00 a.m. (all day)
Tel: 287-1635

LD 468 – An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2006 and June 30, 2007. With the Joint Standing Committee on Health & Human Services.

Criminal Justice & Public Safety
Room 208, State House, 10:00 a.m.
Tel: 287-1122

LD 344 – An Act To Authorize the Regulation of Firearms on Public Property. (Sponsored by Sen. Rotundo of Androscoggin Cty; additional cosponsors.)

Legal & Veterans Affairs
Room 437, State House, 1:15 p.m.
Tel: 287-1310

LD 374 – An Act To Create a Protected Zone around the Voting Place. (Sponsored by Sen. Gagnon of Kennebec Cty; additional cosponsors.)

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

LD 358 – An Act To Limit Property Tax Abatement for Reasons of Poverty or Infirmary to Applicants' Residential Property. (Sponsored by Rep. Fletcher of Winslow; additional cosponsors.)

Tuesday, February 15

Appropriations & Financial Affairs
Room 228, State House, 1:00 p.m.
Tel: 287-1635

LD 468 – Budget Bill. With the Legislative Council.

1:30 p.m. With the Joint Standing Committee on Taxation.

3:30 p.m. With the Joint Standing Committee on Education & Cultural Affairs.

Natural Resources
Room 214, Cross State Office Building, 2:00 p.m.
Tel: 287-4149

LD 406 – An Act To Amend the Dates Associated with the State's Recycling and Waste Reduction Goals. (Sponsored by Sen. Cowger

of Kennebec Cty. for the Maine State Planning Office.)

LD 381 – An Act To Enhance the Safe Disposal of Household Hazardous Waste. (Sponsored by Rep. Curley of Scarborough; additional cosponsors.)

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

LD 371 – An Act To Distribute Revenue in the Law Enforcement Agency Reimbursement Fund to Municipalities and Counties. (Sponsored by Sen. Savage of Knox Cty; additional cosponsors.)

LD 439 – An Act To Implement the Recommendations of the Commission To Study Public Health Concerning Alternative Roadways. (Sponsored by Rep. Craven of Lewiston; additional cosponsors.)

Utilities & Energy
Room 211, Cross State Office Building, 1:30 p.m.
Tel: 287-4143

LD 459 – An Act To Amend the Mexico Sewer District Charter. (Sponsored by Rep. Hotham of Dixfield; additional cosponsors.)

LD 355 – An Act To Amend the Mexico Water District Charter. (Sponsored by Rep. Hotham of Dixfield; additional cosponsors.)

LD 389 – An Act To Amend the Waldoboro Utility District. (Emergency) (Sponsored by Rep. Trahan of Waldoboro.)

LD 413 – An Act To Amend the Procedure by Which the York Sewer District May Be Dissolved. (Sponsored by Sen. Andrews of York Cty.)

Wednesday, February 16

Appropriations & Financial Affairs
Room 228, State House, 9:00 a.m. (all day)
Tel: 287-1635

LD 468 – Budget Bill. With the Joint Standing Committee on Health & Human Services.

Thursday, February 17

Labor
Room 220, Cross State Office Building, 9:30 a.m.
Tel: 287-1333

LD 423 – An Act To Allow Food Service Workers for Public Schools To Collect Unemployment Benefits. (Sponsored by Rep. Craven of Lewiston; additional cosponsors.)

ELECTIONS (cont'd)

to hold a special referendum election. Not knowing what the municipal cost for these elections might be would make it impossible to seek an appropriation for the municipal cost. Flynn's approach to this bill would be along the lines of a per capita formula. Under this approach, a certain dollar rate for the special election would be set in statute and a municipality's special bond referendum election costs would be reimbursed by multiplying the set dollar rate by the municipality's population. MMA will be meeting with the Secretary of State's office to work out these issues.

MMA would like to thank all the municipal clerks that

(continued on page 8)

ELECTIONS (cont'd)

provided information regarding the cost of the June 2003 referendum election. That information will prove helpful as we continue to work with the Secretary of State to implement this important piece of legislation.

Instant Run-off Voting: Experimenters wanted. On Wednesday, the Legal and Veterans Affairs Committee also began its discussions on LD 265, *An Act to Establish Instant Run-off Voting*.

As proposed, LD 265 would replace the existing “choose one” voting structure with a preference ranking process for the elections of federal and state officials. Under the voting mechanism proposed in the bill, voters would be required to rank their choices for the candidates. When the ballots are counted and it is determined that one of the candidates has not received a majority of the votes, the instant run-off process would begin. Through the instant run-off process the candidates with the least amount of votes would be eliminated and the second choice votes cast by voters supporting the eliminated candidate would be added to the totals of the remaining

candidates. The instant run-off process would continue until one of the candidates had received a majority of the votes.

Proponents of the bill believe that the new voting system would provide voters with greater choice and ensure that a majority rather than a plurality of the voters elected a candidate. For example, the bill’s supporters point out that the current system can require a voter to support a disfavored candidate in a majority party rather than their preferred candidate in a third party.

Municipal officials were concerned that the voting process proposed in LD 265 would be much more difficult to explain. In addition to all the usual election day responsibilities, clerks, wardens and other election officials would spend a significant amount of time explaining the new process to voters and most likely hand out several replacement ballots to those who made mistakes. In the end, municipal officials were concerned that the voting system proposed in the bill would serve to invalidate more ballots, rather than provide greater choice in determining the outcomes of elections.

Although at the Committee’s work

session there seemed to be no interest in the bill as presented, there is move afoot to amend the bill to allow a community, on a voluntary basis, to conduct its local elections utilizing the instant run-off voting system. The purpose of the pilot program would be to see how the instant run-off system would work in Maine. After some discussion, the pilot approach was tabled when Senator Debra Plowman (Penobscot County) asked whether the amendment was necessary. Senator Plowman was interested in finding out if there was anything in existing law that would prevent a municipality from conducting a municipal election using the instant run-off system. To her credit, Senator Libby Mitchell (Kennebec County), the champion of the amendment, asked that the issue be tabled so that the question could be addressed. Sen. Mitchell made it clear that she did not want the Committee supporting an unnecessary bill.

Because election law establishes the validity of plurality voting, it is the opinion of MMA’s legal staff that legislation would be necessary to authorize municipalities to determine the outcome of a municipal election using the instant run-off system.