

Second Round on Tax Lien Foreclosure

A month ago the Taxation Committee held a public hearing on a bill that would impose many new requirements on municipalities both before and after a tax lien foreclosure. The bill was LD 320, *An Act to Limit Property Acquired by Municipalities Due to Tax Delinquency*. LD 320 would: (1) mandate that every town develop mandatory payment arrangement systems for both the former owner and the former owner's heirs; (2) create certain entitlements for the former owner to continue to possess and occupy the foreclosed property; and (3) require that municipalities rebate to the former owner any "excess gains" received by the municipality in the event the foreclosed property is sold to a third party.

The sponsor of that bill (Rep. John McKane of Newcastle) testified that the bill was necessary because the current law "encourages municipalities to profit by other peoples' hardship", the practice of selling foreclosed properties for "wind-fall" profits "takes place across the state in many municipalities", when a town forecloses on property "it is the end of the story", when people in foreclosure "go down to the town office, they are treated ruthlessly", and that the municipalities engage in "unscrupulous practices".

No one subject to these allegedly unscrupulous practices testified to the Committee. Instead, four examples were provided to back-up these claims, using newspaper articles for verification. Those examples were foreclosures that occurred during the 1990s in Cumberland, Freeport, Owls Head and Windham.

The Committee held one work session on LD 320 several weeks ago, and the bill was tabled. At that opportunity, MMA provided the Committee with a

memo providing the municipal perspective on the four foreclosures cited by the LD 320 proponents. In each of those cases, the municipalities acted very carefully with respect to the foreclosed property and all the interests involved. In only one case was the foreclosed property ultimately not returned to the former owner, and that decision was made by the town council on the basis of an established policy and the former owner's chronic delinquency and unwillingness to work in good faith with the municipality to prevent or reverse the foreclosure.

This week, the Committee held a public hearing on a parallel bill, 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. Joanne Twomey (Biddeford), LD 626 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" 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 "excess proceeds" would have to 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. If the former owner can't be found, the "excess proceeds" would have to be turned over to the state's General Fund. All of these requirements would be retroactive to January 1, 2000.

Rep. Twomey and Rep. McKane

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Workbook on Implementing LD 1

The March issue of the *Maine Townsman* should be in the hands of municipal officials next week. This edition has been prepared as a thorough workbook to assist municipalities with the implementation of the new budgeting and spending limitation systems contained in LD 1. LD 1 was enacted by the Legislature on January 20th as the Legislature's "Question 1B" approach to implementing what the voters adopted as Question 1A on June 8, 2004.

The various articles in this upcoming *Townsman* include a detailed analysis of implementing both the municipal and spending limitation systems, an overview of the changes to school funding with the implementation of the Essential Programs and Services (EPS) model, as well as a review of the changes LD 1 created with respect to the municipal revenue sharing and "circuit breaker" programs. A review and status report on the controversial change to the Homestead Exemption program is also provided.

It is our hope that this somewhat unique edition of the *Townsman* will provide a ready resource and reference guide for the municipal officers, assessors, town meeting moderators, and election personnel who are all currently working very hard to correctly implement this complex and somewhat hastily enacted new law.

Labor Bill Watch

Next Thursday, March 24th, the Labor Committee will be holding public hearings on two collective bargaining bills, LD 520, *An Act to Improve Binding Arbitration in Public Sector Labor Relations* and LD 1123, *An Act to Promote Stability in Labor Relations*.

As proposed by Rep. John Tuttle of Sanford, LD 520 would change existing bargaining laws to make arbitration over issues of salaries, pensions and insurance benefits binding. Currently, arbitration over these issues is nonbinding. The proposed change would apply only to municipal and county employees. A copy of the bill can be downloaded at the following web address: <http://www.mainelegislature.org/legis/bills/LD.asp?LD=520>

As proposed by Rep. Robert Duplessie of Westbrook, LD 1123 would require that the terms and conditions of an expired labor agreement remain in effect until a new labor contract is implemented. Under current law, the status quo is maintained after the expiration of a labor contract, but various “step” and other provisions that would advance the status quo – which are clearly elements of the labor contract that were not bargained for beyond the term of the contract – must be renegotiated in a new contract. The so-called “evergreen” provisions of LD 1123 would completely undermine the concept of a labor contract having fixed terms. A copy of this bill can be downloaded at the following web address: <http://www.mainelegislature.org/legis/bills/LD.asp?LD=1123>

Since the Legislative Policy Com-

mittee is meeting on that day, MMA will be unable to attend the public hearing on the bills. However, we will be submitting written testimony in opposition to both bills. We encourage municipal officials to contact the members of the Labor Committee to share their concerns with the bills or attend the public hearing to provide comments in person.

A list of the Labor Committee members can be found at the following web address http://janus.state.me.us/house/jt_com/lab.htm. The public hearings on these bills are scheduled to begin at 1:00 PM in room 220 in the Cross State Office Building, which is located next to the State House.

If you would like a paper copy of the Labor Committee members list or the bills faxed to you, please contact MMA’s Laura Veilleux at 1-800-452-8786.

TAX LIEN (cont'd)

testified in support of LD 626. Paul Labrecque, Lewiston’s tax collector, and MMA spoke in opposition to the bill.

Rep. Twomey testified that she was sponsoring the bill for the second time in three years in response to the foreclosure in Biddeford of a 2-unit residential property owned by Dorothy LaFortune. According to Rep. Twomey, the delinquent tax bill at the time of foreclosure was \$12,000, and when the property was sold at a tax foreclosure auction in 2002 for \$80,000, the City should have returned to the former owner all “excess proceeds”. Rep. Twomey said that municipalities may be moving to this “philosophy” of retaining the “excess proceeds” as a way of making money, and that it could be happening in many municipalities.

MMA testified in opposition to the bill for several reasons.

First, background information provided by the City suggests that the property tax lien on the LaFortune property was filed in 1994 and matured in 1995, and that the ultimate combined property tax and sewer fee delinquencies exceeded \$28,000, which doesn’t count other direct costs, subsequent litigation costs, etc. The former owner retained full pos-

session of the property for over seven years after foreclosure, during which time the City attempted to enter into arrangements with the former owner in order to reverse the foreclosure, which were unsuccessful. By the time City finally put the property up for auction in 2002, a bank with a mortgage on the property had registered a foreclosure in the Registry of Deeds, formalizing a legal interest in the property that was superior to the former owner’s. In short, there were no “excess proceeds” in this case to which the former owner was entitled. The bank was first in line.

Additional MMA testimony in opposition to LD 626 was:

1. The municipalities do not believe any case has been made that substantiates the claim of inappropriate or unscrupulous municipal activities. The reality is quite the opposite.

2. All state and federal tax codes include provisions to penalize nonpayment of taxes, including financial penalties, criminal penalties, potential imprisonment, attachment and forfeiture. Unlike the state’s tax code, failure to pay property taxes is not a crime. LD 626 would remove any financial penalty for nonpayment of property taxes.

3. Municipalities do not believe it is their role to manage the financial and property estates of the former owners, and anticipate being further exposed to criticism for allegations of improper management.

4. LD 626 would ignore the legal interests in the foreclosure of properties held by financial institutions and other third parties.

5. LD 626 would force municipalities to immediately sell foreclosed property, which would prevent municipalities from doing what they currently do, which is to work with the former owner to reverse the foreclosure.

Several legislators on the Committee are supportive of some version of LD 626 or LD 320. The next work session on both these bills is scheduled for this Monday morning, March 21st. Municipal officials are encouraged to contact and educate their legislators in an effort to erase the myths that have been developed by these proposals regarding the municipal treatment of tax acquired property.

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

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

Affordability of Legal Notices

Being asked to provide more services while reducing taxes is a challenge that municipal officials have been grappling with for many years. Residents have demanded lower property taxes, but at the same time have asked for better roads, schools and libraries. Lawmakers have challenged municipalities to find ways to provide local services more efficiently, but at the same time have continued to enact laws that place costly mandates on municipalities. Through their editorials and articles, Maine newspapers have added to this challenge by placing blame on municipal spending as the primary cause for Maine's high property tax burden, but at the same time have opposed initiatives to help relieve that burden. The newspaper industry's reluctance to help municipalities reduce that burden was displayed again on Monday of this week as the newspaper lobby gathered to oppose LD 696, *An Act to Amend the Requirements for Publishing Municipal Legal Notices*.

As sponsored by Sen. Richard Nass of York on behalf of MMA, the bill would provide municipal officials with some reasonable flexibility regarding how they notify their residents of important public meetings and hearings. As required in Title 1, section 601, all legal notices must be advertised in newspapers of general circulation; i.e., newspapers that are mailed second class. The problem with this requirement is that it prevents municipalities from using newspapers that are mailed in bulk, such as advertising shoppers, to provide public notice, except as a redundant additional expense to the municipalities. To meet the letter of the law municipalities advertise in newspapers that are mailed second class. Then, to ensure that notice is actually provided to the residents of the community, municipalities also advertise in local advertising shoppers.

As proposed in LD 696, municipi-

palities would be authorized to advertise exclusively in a newspaper mailed in bulk if: 1) the municipal officers adopt a publication policy regarding the publication of legal notices; 2) the newspaper of general circulation has a subscription rate that is less than 30% in the municipality; 3) the alternative newspaper is distributed to all households in the community; 4) the alternative newspaper is distributed at no greater cost to the consumer than the newspaper of general circulation; 5) the municipality retains a record of all legal notices; and 6) the publisher of the alternative newspaper has a system of archiving past editions of the newspaper.

Although the proposed bill addressed many of the concerns that had been raised in the past by the newspaper lobby, the newspaper representatives still found several reasons to oppose the proposal. Testimony was provided by representatives from the *Bangor Daily News*, *Portland Press Herald*, *Sun Journal*, and the *Ellsworth American*. The opponents raised four concerns with the bill.

The first concern raised was with timeliness. The opponents believe that in order to provide timely notice of public hearings and meetings, the newspaper carrying those notices must have a regular publication and delivery schedule. Newspapers of general circulation are delivered daily or on a specific day of the week, while there is no guarantee on when a newspaper mailed in bulk will be received by the resident. The second concern raised was with the quality of content published. The opponents believe that newspapers of general circulation are consistent, well-defined mediums. These newspapers include very little advertising in contrast to the shopping advertisers, which are predominately advertising. Third, in order to be effective the newspaper must be read. The opponents believe that if someone is

paying for the newspaper they will read it. There is no guarantee that anyone is reading a newspaper that is mailed free-of-charge to each resident. Finally, the opponents believe that a newspaper of general circulation has greater capacity to reach a broad audience than a direct mail newspaper. Since municipal issues transcend municipal boundaries it is important to ensure that residents and interested parties in bordering municipalities are provided notice of issues being discussed in neighboring communities.

Alan Baker representing the *Ellsworth American* contributed to the discussion by dismissing the importance of the bill and labeling it disastrous. He testified that if the bill passed he would promptly buy a photocopier and provide legal notice publication services to municipalities by mailing flyers to the residents of the community announcing public hearings and meetings and archiving those flyers in a three-ringed binder to meet the specifications of LD 696.

Although the newspaper lobby provided strong opposition to the bill, they did offer suggestions for reducing the cost of publishing legal notices in their newspapers. One representative stated that they had changed their advertising policy that based advertising rates on use, i.e., discounts for bulk advertising, to a policy that allows municipalities to pay the lowest advertising rates available. Other newspapers are in the process of developing a sliding scale advertising rate schedule that would link a municipality's subscription rate to its advertising rate. Under this type of rate plan, municipalities with lower subscription rates would pay lower rates to publish public notices in these newspapers.

While these efforts to reduce the costs to municipalities for publishing legal notices are certainly encouraged, they don't appear to conflict with LD 696, which offers a carefully constructed alternative for communities with very low newspaper circulation.

The work session on LD 696 is scheduled for March 21.

Poverty Abatement Clarification Endorsed by Committee

The Taxation Committee voted unanimously on Monday this week to support a bill that would establish that the poverty abatement process is available to reduce or forgive the taxes on a person's primary residential—rather than commercial—property.

That “clarification” would hardly seem necessary to municipal officials, who have always held that the entitlement to a poverty abatement did not extend to commercial property, vacation homes, woodlots and the like.

That general understanding was disrupted last year when Maine's Supreme Court ruled that there was nothing in the centuries-old poverty abatement statute that expressly limited poverty abatements to residential property. In the case that was before the Supreme Court (*Hustus v. Town of Medway*), the town granted a partial abatement to an applicant that owned both residential and commercial property on the same lot. The town calculated the abatement on the basis of the applicant's residential taxes. In the appeal, the Supreme Court ruled that there was nothing in the statute that permitted a town to refuse an abatement for commercial, industrial or any other type of property.

Rep. Ken Fletcher (Winslow) sponsored a bill to write into the statute what has always been the understanding of the municipal officers in Maine; that is, the right to a poverty abatement is limited to an applicant's primary residential property.

The bill, LD 358, *An Act To Limit Property Tax Abatement for Reasons of Poverty or Infirmary to Applicants' Residential Property*, had its public hearing a month ago. It is a simple bill. With three words, the bill simply inserts the term “primary residential property” into poverty abatement law, to establish residential property as the focus of this special type of tax forgiveness.

LD 358 was kicked around by the Tax Committee at a couple of subsequent work sessions. There was some

concern that if too tightly constructed, a board of selectmen might prorate an exemption for a poverty abatement because some interior portion of a residence was being used as a home occupation or small-scale commercial venture.

Committee member Rep. Thom Watson (Bath) successfully erased those concerns by explaining that: (1) the

wording of the bill in no way prohibited the municipal officers from granting a poverty abatement in those circumstances; (2) writing a law to open up poverty abatement law to some types of commercial properties, but not others, would be very difficult; and (3) the Legislature did not have to micromanage the elected officials on the local level who have been given the responsibility to make these decisions.

Many thanks from the municipal community for this clarification are due to both Rep. Fletcher for sponsoring the bill and the full Taxation Committee for working LD 358 to this conclusion.

Expanded University Tax Breaks

The Taxation Committee held a public hearing this week on a bill that would expand the property tax exemption for large educational institutions.

LD 746, *An Act to Exempt Tax on Leased Property Used by Property Maine's Public Higher Education Institutions*—is being sponsored by Sen. Joe Perry (Penobscot Cty.) and would provide a blanket property tax exemption to all real and personal property that might be leased by Maine's universities and places of higher education. The exemption parallels an exemption for leased property enjoyed by Maine's hospitals which was enacted in the early 1970s.

Both Senator Perry and a representative from the University of Maine testified in support of the bill as a cost saving measure for the University. Although the bill would exempt both structural real estate as well as personal property that might be leased by the University, the proponents of the bill focused their testimony on the cost savings the University would enjoy by removing the taxability of computer equipment the University may choose to lease.

The University's representative pointed out that the tax exemption of leased property is available in the K-12 educational system and therefore should be available at the higher education level as well. One example of the University's “cost savings” would

be that if computer systems could be leased instead of purchased, the University would not be responsible for the disposal costs of the computer system at the conclusion of its life cycle because the systems could be simply returned to the for-profit vendor.

As might be expected MMA testified in opposition to the proposal for several reasons.

First, the proposal is an example of how property tax exemptions proliferate. When one exempt entity is granted a special exemption, other exempt entities line up for parallel treatment.

Second, the real recipient of the exemption are the for-profit companies that are offering their products to large institutions for rent. It is unclear how the general public is served by providing tax breaks to for-profit companies, but the property taxpayers in the communities where these institutions are located are certainly not well served by the expanded institutional exemption.

From the municipal perspective the property tax code is already riddled with far too many exemptions, and the large exempt institutions located in Maine's communities should be required to make some clear non-negotiable contribution to the public charge. LD 746 would just further remove any property tax obligation associated with these large institutional properties.

The work session on LD 746 is scheduled for Monday morning, March 21st.

Education & Cultural Affairs

LD 856 – An Act Allowing School Unions To Improve Efficiency. (Sponsored by Rep. Merrill of Appleton; additional cosponsors.)

This bill would allow school unions to be the fiscal agent for the towns within the union if all the towns within the union agree through a referendum or town meeting vote. Presumably, the intention of the bill is for the school union to act as the fiscal agent with respect to only the administration of the school budget.

Labor

LD 1123 – An Act To Promote Stability in Labor Relations. (Sponsored by Rep. Duplessie of Westbrook; additional cosponsors.)

This bill would establish that the terms and conditions of an expired labor agreement remain in effect until a new labor contract is executed.

Legal & Veterans Affairs

LD 945 – An Act To Allow the Counting of Absentee Ballots prior to Election Day. (Sponsored by Sen. Mayo of Sagadahoc Cty; additional cosponsors.)

This bill would authorize municipal election clerks to process absentee ballots during a period of two business days prior to the election.

State & Local Government

LD 900 – An Act To Require That Municipal and County Spending Be Tracked and Analyzed by the State Planning Office. (Sponsored by Sen. Mills of Somerset County.)

This bill would require the State Planning Office to collect all municipal and county spending data. Specifically, SPO would be required to adopt rules that would require all municipalities and the counties to submit spending data in uniform formats approved by the United States Census Bureau.

LD 937 – Resolve, To Study the Feasibility of Dividing Maine into 2 States. (Sponsored by Rep. Joy of Crystal; additional cosponsor.)

This resolve would direct the State Planning Office to study the feasibility of dividing Maine into states along the boundary of the two congressional districts.

Taxation

LD 189 – Resolution, Proposing an Amendment to the Constitution of Maine To Provide Property Tax Relief to Owners of Property Used for Commercial Fishing and Homestead Land. (Sponsored by Rep. Percy of Phippsburg; additional cosponsors.)

This resolution would send out to the voters a proposed constitutional amendment that would create a new “current use” classification for the waterfront land and structures used by the commercial fishing industry, along with an authority for municipalities, at local option, to administer a system that would limit the year-to-year increases in assessed value of the land under all Mainers’ primary residences (e.g., the minimum buildable lot) to the consumer price index.

LD 851 – An Act To Maintain Traditional Recreational Uses in Maine’s Forests. (Sponsored by Rep. Saviello of Wilton; additional cosponsors.)

This bill would require landowners with parcels greater than

100 acres in size that are enrolled in the Tree Growth program to submit to the municipal assessor a copy of any leases that provide recreational uses associated with the Tree Growth land. If the municipal assessor determines that the value of the lease arrangement exceeds the value of the tree growth that can be extracted from the subject parcel, the property must be withdrawn from the Tree Growth program unless the landowner, within 60 days from the date of notification by the municipal assessor, terminates or amends the lease. The bill would also exclude from the Tree Growth program any parcel greater than 10,000 acres if public access for recreational use is limited.

LD 965 – Resolution, Proposing an Amendment to the Constitution of Maine To Provide a \$5,000 Property Tax Exemption to Veterans, Regardless of Home Value. (Sponsored by Rep. Pineau of Jay; additional cosponsors.)

This resolution would send out to the voters a proposed constitutional amendment that would create a \$5,000 exemption for all veterans, with the exemption based on taxable value rather than just value.

LD 988 – An Act To Amend the Maine Tree Growth Tax Law. (Sponsored by Sen. Davis of Piscataquis Cty; additional cosponsors.)

This bill would reduce a landowner’s property tax liability by 25% if the landowner owns 1,000 or more contiguous acres that are enrolled in the Tree Growth program and the landowner allows public access to that land.

LD 1019 – An Act To Increase the Tax Imposed on Lodging. (Sponsored by Rep. Pilon of Saco; additional cosponsors.)

This bill would increase the sales tax on short-term lodging from 7% to 10%. The bill would also establish that 30% of all lodging tax revenue must be returned to the municipalities where the taxes were collected.

LD 1103 – An Act To Provide Funding to the Land for Maine’s Future Fund. (Sponsored by Rep. Bowen of Rockport; additional cosponsors.)

This bill would provide regular funding to the Land For Maine’s Future Fund (LFMF) by dedicating to it the revenue generated by the Real Estate Transfer Tax that would otherwise accrue to the state’s General Fund. At least 25% of the revenue generated in each county that is transferred to the LFMF would have to be used to fund land acquisitions in that county.

LD 1107 – An Act To Encourage Local Affordable Housing, Open Space and Shore Access through a High Valuation Transfer Tax. (Sponsored by Rep. Pingree of North Haven; additional cosponsors.)

This bill would establish a local-option “high valuation” transfer tax which would have to be adopted by the municipality by referendum vote. If adopted by the voters, the locally-imposed high valuation transfer tax could only be imposed on transfers of property valued at more than \$1 million, and the maximum locally-imposed transfer tax would be .2% on the sale price. The revenue generated by this local option tax would need to be segregated from other municipal revenue and used only for certain purposes, including: affordable housing; middle-income; senior or workforce housing; or the purchase of open space, shore access points or community working properties that would be available for use by the public.

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LEGISLATIVE HEARINGS

NOTE: The following schedule calls for a number of public hearings on bills that have not been printed as of yet. Those bills are referenced below by their "LR" number or as having "no LD". If the bill has not been printed, it is impossible for the general public to know the bill's content. We have included below those bond issue hearings that may have an impact on municipal government on the basis of their title.

Monday, March 21

Agriculture, Conservation & Forestry Room 206, Cross State Office Building, 1:00 p.m. Tel: 287-1330

(No LD Number) – An Act To Allow the Executive Director of the Maine Land Use Regulation Commission within the Department of Conservation to Assess a Processing Fee for Certain Projects.

Criminal Justice & Public Safety Room 436, State House, 10:00 a.m. Tel: 287-1330

LD 106 – An Act To Provide Equity in the State Contribution to County Jail Expenses. (Sponsored by Rep. Fletcher of Winslow; additional cosponsors.)

LD 542 – An Act To Encourage Greater Efficiencies in the Delivery of County Correctional Services. (Sponsored by Sen. Damon of Hancock Cty; additional cosponsors.)

State & Local Government Room 216, Cross State Office Building, 1:00 p.m. Tel: 287-1330

LD 575 – An Act to Amend the Laws Governing the Community Preservation Advisory Committee. (Sponsored by Sen. Bromley of Cumberland Cty; additional cosponsors.)

LD 900 – An Act To Require That Municipal and County Spending Be Tracked and Analyzed by the State Planning Office. (Sponsored by Sen. Mills of Somerset County.)

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

LD 1019 – An Act To Increase the Tax Imposed on Lodging. (Sponsored by Rep. Pilon of Saco; additional cosponsors.)

LD 851 – An Act To Maintain Traditional Recreational Uses in Maine's Forests. (Sponsored by Rep. Saviello of Wilton; additional cosponsors.)

LD 988 – An Act To Amend the Maine Tree Growth Tax Law. (Sponsored by Sen. Davis of Piscataquis Cty; additional cosponsors.)

Tuesday, March 22

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

LD 856 – An Act Allowing School Unions To Improve Efficiency. (Sponsored by Rep. Merrill of Appleton; additional cosponsors.)

LD 875 – An Act To Change the Procedure When a Maine School Administrative District Budget Fails. (Sponsored by Rep. Cebra of Naples; additional cosponsors.)

LD 1062 – An Act To Provide Financial Accommodation under the Essential Programs and Services Funding Act for School Systems with Dead-end Bus Runs. (Sponsored by Sen. Woodcock of Franklin Cty; additional cosponsors.)

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

LD 231 – An Act To Provide for Registration of Certain Snowmobile Trail-grooming Equipment. (Sponsored by Rep. Trahan of Waldoboro; additional cosponsor.)

LD 977 – An Act To Create a Civil Violation for Operating a Snowmobile Left of Center. (Sponsored by Rep. Trahan of Waldoboro.)

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

LD 2 – Resolution, Proposing an Amendment to the Constitution of Maine To Limit the Rate of Change in Taxable Value of Homestead Land. (Presented by Rep. Percy of Phippsburg; additional cosponsor.)

LD 297 – Resolution, Proposing an Amendment to the Constitution of Maine To Allow the Legislature To Authorize Municipalities To Adopt a Property Tax Assistance Program That Reflects a Claimant's Ability To Pay. (Reported by Rep. Woodbury of Yarmouth for the Joint Select Committee on Property Tax Reform.)

LD 298 – Resolution, Proposing an Amendment to the Constitution of Maine To Authorize the Legislature To Allow Municipalities To Exempt from Property Tax a Portion of the Value of Homesteads. (Reported by Rep. Woodbury of Yarmouth for the Joint Select Committee on Property Tax Reform.)

LD 189 – Resolution, Proposing an Amendment to the Constitution of Maine To Provide Property Tax Relief to Owners of Property Used for Commercial Fishing and Homestead Land. (Sponsored by Rep. Percy of Phippsburg; additional cosponsors.)

LD 902 – Resolution, Proposing an Amendment to the Constitution of Maine To Change the Method of Calculating Property Values To Preserve Home Ownership in Maine. (Sponsored by Sen. Courtney of York Cty; additional cosponsors.)

LD 1009 – Resolution, Proposing an Amendment to the Constitution of Maine To Allow Real Estate To Be Valued Differently Based on the Residency of the Owner. (Sponsored by Sen. Turner of Cumberland Cty; additional cosponsors.)

LD 1060 – Resolution, Proposing an Amendment to the Constitution of Maine To Value Land Based on Its Current Use. (Sponsored by Sen. Cowger of Kennebec Cty; additional cosponsors.)

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

LD 498 – An Act To Amend the Laws Relating to Changeable Signs. (Sponsored by Rep. Glynn of South Portland; additional cosponsors.)

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

LD 849 – An Act To Require That Certain Water Districts Install Sand Filtration Systems To Ensure the Safety and Purity of the Water Supply. (Sponsored by Rep. Moore of Standish; additional cosponsors.)

LD 982 – An Act To Revise the Charter of the Kennebunk Sewer District. (Sponsored by Rep. Babbidge of Kennebunk; additional cosponsors.)

LD 1113 – An Act To Create the Fryeburg Water District. (Sponsored

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HEARINGS (cont'd)

by Rep. Muse of Fryeburg; additional cosponsor.)

Wednesday, March 23

Legal & Veterans Affairs

Room 437, State House, 1:15 p.m.

Tel: 287-1310

LD 939 – Resolution, Proposing an Amendment to the Constitution of Maine To Preserve the Integrity of the Citizen-initiated Petition Process. (Sponsored by Rep. Bowles of Sanford; additional cosponsors.)

LD 945 – An Act To Allow the Counting of Absentee Ballots prior to Election Day. (Sponsored by Sen. Mayo of Sagadahoc Cty; additional cosponsors.)

LD 946 – An Act To Prohibit Petition Blockers from Polling Places. (Sponsored by Sen. Mayo of Sagadahoc Cty; additional cosponsors.)

State & Local Government

Room 216, Cross State Office Building, 1:00 p.m.

Tel: 287-1330

LD 557 – An Act To Provide Relief from the Cost of Rescue Services to Certain Communities. (Sponsored by Rep. Carr of Lincoln; additional cosponsors.)

LD 925 – An Act To Fairly Apportion the Cost of Sheriff Patrol Services. (Sponsored by Rep. Barstow of Gorham; additional cosponsors.)

LD 990 – Resolve, To Allow the Somerset County Jail To Be Built within One Mile of the County Seat. (Emergency) (Sponsored by Sen. Mills of Somerset Cty; additional cosponsors.)

LD 992 – An Act To Reform County Governance. (Sponsored by Sen. Mills of Somerset County.)

LD 1003 – An Act To Establish the Androscoggin County Budget Advisory Committee and the Somerset County Budget Advisory Committee. (Sponsored by Sen. Snowe-Mello of Androscoggin Cty; additional cosponsors.)

Taxation

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

Tel: 287-1552

LD 1103 – An Act To Provide Funding to the Land for Maine's Future Fund. (Sponsored by Rep. Bowen of Rockport; additional cosponsors.)

LD 1107 – An Act To Encourage Local Affordable Housing, Open Space and Shore Access through a High Valuation Transfer Tax. (Sponsored by Rep. Pingree of North Haven; additional cosponsors.)

LD 965 – Resolution, Proposing an Amendment to the Constitution of Maine To Provide a \$5,000 Property Tax Exemption to Veterans, Regardless of Home Value. (Sponsored by Rep. Pineau of Jay; additional cosponsors.)

Utilities & Energy

Room 211, Cross State Office Building, 1:00 p.m.

Tel: 287-4143

LD 864 – An Act To Streamline Sewer District and Sanitary District Borrowing. (Sponsored by Rep. Rines of Wiscasset; additional cosponsors.)

LD 1008 – Resolve, To Establish a Study Commission To Analyze Regulations Applicable to Sewer Districts. (Sponsored by Sen. Nass of York County.)

LD 1052 – An Act To Require Municipalities To Institute Sewer Service Charges. (Sponsored by Sen. Damon of Hancock Cty; additional cosponsors.)

LD 1051 – Resolve, Establishing a Study Commission To Examine Water District Fees Assessed for Fire Suppression. (Sponsored by Sen. Courtney of York Cty; additional cosponsors.)

Thursday, March 24

Education & Cultural Affairs

Room 202, Cross State Office Building, 1:00 p.m.

Tel: 287-3125

LD 666 – An Act To Require Approval of Voters before Closing a School. (Sponsored by Rep. Joy of Crystal; additional cosponsors.)

Labor

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

Tel: 287-1333

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

LD 1123 – An Act To Promote Stability in Labor Relations. (Sponsored by Rep. Duplessie of Westbrook; additional cosponsors.)

Friday, March 25

Natural Resources

Room 214, Cross State Office Building, 9:00 a.m.

Tel: 287-4149

LD 1058 – An Act To Regulate the Use of Batteries Containing Mercury. (Sponsored by Sen. Cowger of Kennebec Cty; additional cosponsors.)

LD 185 – An Act To Amend the Law on Mercury-added Products. (Sponsored by Rep. Koffman of Bar Harbor; additional cosponsors.)

LD 1022 – An Act to Amend the Laws Governing Shoreland Zoning. (Sponsored by Rep. Lerman of Augusta.)

State & Local Government

Room 216, Cross State Office Building, 9:00 a.m.

Tel: 287-1330

LD 671 – An Act To Provide a Method of Self-governance to Unorganized Areas. (Sponsored by Rep. Joy of Crystal; additional cosponsors.)

LD 937 – Resolve, To Study the Feasibility of Dividing Maine into 2 States. (Sponsored by Rep. Joy of Crystal; additional cosponsor.)

HOPPER (cont'd)

Utilities & Energy

LD 864 – An Act To Streamline Sewer District and Sanitary District Borrowing. (Sponsored by Rep. Rines of Wiscasset; additional cosponsors.)

This bill would allow sanitary and sewer districts to increase their respective debt limits by utilizing a local referendum process rather than going through the legislative process to amend the district's charter.

LD 1052 – An Act To Require Municipalities To Institute Sewer Service Charges. (Sponsored by Sen. Damon of Hancock Cty; additional cosponsors.)

This bill would require that the fees established for the users of municipal sewer systems cover the entire cost of operating the system and municipalities could not pay for system expenses from other municipal funds.

LD 1081 – Resolve, Directing the Department of Public Safety and the Public Utilities Commission To Review the E-9-1-1 System. (Sponsored by Rep. Seavey of Kennebunkport; additional cosponsor.)

This resolve would direct the Department of Public Safety and the Public Utilities Commission to develop a proposal to improve the efficiency of the E-9-1-1 system.

Enforcement of Maine's Liquor Laws

This session, bills addressing the enforcement of the state's liquor laws were submitted to both the Criminal Justice Committee and the Legal and Veterans Affairs Committee.

While the goal of the two submitted bills was to encourage municipal enforcement of certain elements of the state's liquor laws (i.e., enforcement of the law regarding manufacturing, importation, storage, transportation and sales of liquor), the solutions differed.

As sponsored by Rep. Barstow of Gorham, LD 620, *An Act to Clarify the Liquor Enforcement Laws*, addresses the issue by merely authorizing municipalities to enforce the liquor laws. As sponsored by Rep. Dusty Fisher of Brewer, LD 777, *An Act to Enhance Enforcement of Liquor Laws*, provides municipalities an opportunity to enforce the laws by entering into contracts with the Department of Public Safety.

At its work session on LD 620 this week, the Criminal Justice Committee unanimously voted to support an amended version of the bill. As amended, the bill incorporates the provisions of LD 777 that would allow the Department of Public Safety to enter to agreements with municipalities to enforce the administrative elements of the liquor laws. The bill was also amended to clarify that only the municipal officers (the board of selectmen or town or city council) are authorized to enter into contracts with the Department over the enforcement of the state's liquor laws.

Penobscot County Budget Committee

On Monday of this week, the State and Local Government Committee unanimously voted "ought to pass as amended" on LD 361, *An Act to Reestablish the Penobscot County Budget Committee*. As sponsored by Rep. Richard Blanchard of Old Town, the bill makes

several changes to the most current county budget committee process, including:

1. Currently, the budget committee can reject any changes the Commissioners make to the budget committee's budget by a 2/3-majority vote. As provided in LD 361, the Commissioners would be able to override the budget committee budget with a unanimous vote.

2. The bill decreases the number of budget committee members elected from each commissioner district from 3 to 2.

3. The bill increases the number of municipal officials appointed to the budget committee by the Commissioners in each district from 1 to 2.

4. The bill requires the Commissioners to hold a public hearing on the budget before December 16th. Currently, the public hearing must be held before November 1st.

The bill was amended to include an emergency clause making the provisions of LD 361 effective once approved by the full Legislature and signed by the Governor.