

Legislative BULLETIN

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March 5, 2004

Palesky Initiative Public Hearing This Monday

On Monday March 8, at 1:00 p.m. in the Taxation Committee room at the State House (Room 127), the public hearing will be held on LD 1893, *An Act to Impose Limits on Real and Personal Property*. LD 1893 is the citizen-initiated property tax cap advanced by Carol Palesky and the Maine Taxpayers Action Network (MTAN). In a nutshell, this tax cap initiative would scale back assessed property values to their 1996 level, allow for certain interim adjustments for new construction and sales, and impose a property tax cap of 1% — or 10 mills — on that 1996 tax base.

The citizen initiative is entirely excerpted from California law and contains dozens of provisions that do not reconcile with Maine law and are often in direct conflict with themselves, the Maine Constitution, or both.

As a result of the remarkably poor drafting of the bill, it is difficult to perform a perfect impact analysis. The best that can be done is to present a worst-case/best case scenario.

As LD 1893 is written, the Palesky initiative presents the worst case scenario. According to MMA's analysis, if the initiative was adopted exactly as written, the result would be a loss of over \$1 billion of municipal property tax revenue in FY 05, representing over 50% of the property tax resources the towns and cities would otherwise collect during that year to provide police and fire protection, fund local schools, repair and plow the roads, dispose of the solid waste, and perform other basic services.

Under the "best case" scenario, which assumes large segments of the initiative will be ultimately struck

down as unconstitutional, the municipal tax revenue loss in FY 05 would be over \$600 million.

Either way, the impact of the

Palesky proposal on Maine's system of providing governmental services would be devastating. On that point

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Calculating Palesky Impact: Paying County Bill

In last week's *Bulletin* we provided a "Palesky Workbook" that outlines a way to measure the impacts of the 10-mill property tax cap plan on your community. As indicated in that *Workbook*, after the calculation is made about the amount of property tax revenue that would be available to your municipality under the 10-mill cap, the next step is to reasonably translate that revenue reduction into the budget reductions and service cutbacks that would have to be implemented. The *Workbook* pointed out that for municipalities that are within School Administrative Districts (SAD), the SAD assessment would have to be paid, and in a great many cases there would be no property tax revenue left to fund any municipal operations. What the *Workbook* neglected to discuss was how the impact analysis should treat the county assessment.

One stand-alone section of the proposed new law reads as follows: "A special district tax, user fee tax or county tax may not be imposed on any real or personal property." (Palesky initiative, Section 358).

A straight reading of that section would suggest that the annual assessments that are imposed on the municipalities within each county would have to cease to exist, because those assessments to the towns are ultimately assessed against the taxable real and personal property within the towns. The county assessment is converted into the property tax assessments in the process of establishing the property tax commitment. The Palesky initiative provides no insight as to who would be responsible for paying the county's tab — just that it apparently wouldn't be the property taxpayers.

MMA's Legal Services believes it would be unlikely for a court to interpret that provision to effectively delete the entire process of funding county government that has been in place since Maine became a state 184 years ago. Because no alternative system of funding county government is provided in the initiative, Legal Services believes it likely that a court would find that since the counties do not directly "impose" their assessments on real or personal property, the current system of funding county government would be retained.

Therefore, we are recommending that the local impact analysis on the Palesky initiative should continue to recognize the county assessment as a priority payment that must be met, and it must be met within the 10 mill cap. How a municipality is going to be able to pay the county, especially after the SAD assessment has effectively sucked all the oxygen out of the room, is a question we are not able to answer.

Energy Code Bill

The Legislature's Utility and Energy Committee recently heard testimony on a bill entitled *An Act Relating to Energy-related Building Standards, Materials, Equipment and Procedures*. This bill has not been printed as a Legislative Document (LD), has moved through the process in an unorthodox way, and MMA's Legislative Policy Committee has not had an opportunity to review this measure. Testimony was offered on MMA's behalf that was neither for nor against the bill.

The bill seeks to establish the International Code Council's Energy Efficiency Code (IEEC) as the model energy building code for Maine. If passed, municipalities will only be allowed to adopt the IEEC and no other energy code.

The bill is largely mirrored on LD 1025 which similarly restricts the future adoption of building codes by municipalities to the International Code Council's (ICC) building codes. Under LD 1025, a town's existing code is not preempted, no town is obligated to adopt a building code and any town that does adopt an ICC code may amend the code to address local issues of concern.

This no-LD/number energy code bill is similar in that the local adoption of an energy code is not required. However, the energy bill lacks two other protections provided by LD 1025. First, in the printed legislation, the adoption of the energy code is mandatory for those towns that adopt a

building code. This link between the energy code and building code needs to be severed or else the energy bill will not have the building code bill's more acceptable framework. Also, a clear statement that the model energy code may be amended at the local level needs to be included.

It would appear that the Committee is open to these amendments since the building code bill was so clearly the model they sought to emulate. Stay tuned for further developments.

Aquaculture Bill

The Marine Resources Committee has concluded its first four work sessions on LD 1857, *An Act to Implement the Recommendations of the Task Force on the Planning Development of Marine Aquaculture in Maine*. It appears that the primary municipal concerns have been addressed.

The most significant municipal impact of the bill as drafted would have been to prevent harbor masters to have any oversight of moorings within an aquaculture lease site that are used for vessels. This would have also prevented charging mooring fees as well.

The Committee recognized the hazard in granting these vessels special privileges and decided to amend the bill. The amended language clarifies that municipal harbor masters may in fact regulate vessel moorings within the lease area but that these mooring fees may not exceed the mooring fee charged for other commercial moorings.

The Committee did keep the original bill's language that restricts a harbor master from reviewing the moorings used for aquaculture facilities. The Committee was satisfied with the existing facility plan review by the Army Corps of Engineers and with the bonding requirements that lessees must meet.

Another area of municipal interest was the revamping of the process by which municipalities may lease intertidal flats. Pursuant to Title 12 MRSA §6673, municipalities may lease these flats if they have shellfish conservation programs and satisfy some exist-

ing procedural guidelines. The state currently has authority to review, and veto, these municipal leasing decisions.

The state has decided to relinquish its review authority. However, it has substantially beefed up the procedural guidelines that the municipality must satisfy. For example, instead of three review criteria there will be nine, the municipality must put its findings on those review criteria in writing and a public hearing may be required if requested by 5 or more people. Finally, the bill imposes a cap on the per acre rent a municipality may charge for these intertidal flats at no more than \$50. No explanation for this last provision was offered at the hearing and the Task Force's report is silent on this as well.

Major changes to other sections of the bill as proposed are not expected. Many of those changes, such as pre-application scoping sessions, will be beneficial to municipalities who would like to have their concerns addressed. Further developments will be monitored.

Subdivision Bill

The Legislature's Natural Resources Committee is recommending "ought to pass" on LD 1617 *An Act to Improve Subdivision Standards*. As was reported in the February 20th *Bulletin*, the bill seeks to curb a prohibited manner of tree-cutting known as Liquidation Harvesting. This practice involves cutting, without an approved harvest plan, more than 40% of the timber on a parcel of land that the harvester plans on selling within 5 years of initial acquisition.

A working group identified this quick (5-year) turnover of the property as an important revenue stream to these types of harvesters. Since much of the timber has been harvested without regard to good forestry practices, one of the only profitable uses of the parcel following the harvest is as a subdivision. LD 1617 prohibits the parcel harvested in this way from being subdivided until 5 years have elapsed from the original date of acquisition. The

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Legislative Bulletin

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

Regionalization Committee Completes Info Gathering

This week, the ad hoc Committee on Regionalization and Community Cooperation completed its month-long information gathering phase by hearing presentations from municipal and transportation officials.

On Tuesday this week, six local government officials representing many facets of municipal government, including management, public works, firefighting and assessing, shared their regionalization experiences with the Committee. The local officials were asked to speak about the experiences, successes and barriers encountered in their efforts to regionalize the delivery of municipal services.

John Edgecomb, spoke of the over 60-year history the towns of Mapleton, Castle Hill and Chapman have had with regionalization. Since 1940 these towns have entered into agreements to share the cost of the fire department, town manager, town office staff, constable, animal control officer, highway equipment and plowing responsibilities. According to Edgecomb, the regionalization efforts are successful because the residents in each of the towns share similar goals and traditions, and over time the service delivery efforts have provided cost savings that are shared equally among the communities. The barriers to this regionalization effort are associated with complications of maintaining the accounting, bookkeeping and auditing functions for the three towns and the need to complete paperwork in triplicate (i.e., one form for each town). Edgecomb pointed out that several state and federal agencies do not recognize that the three towns are working together, and therefore required submission of three forms and reports.

Cumberland's manager Bill Shane focused on the regionalization efforts in the public works arena. According to Shane, public works directors all across the state have been working regionally for decades, not because it is politically correct, but rather because

it is necessary. Public works directors are already working together to purchase materials and provide training. Shane attributes the success of these efforts to the relationships and trust developed between public works directors. Shane believes that through the use of the Interlocal Cooperation Act, municipalities have the tools necessary to create regional service delivery systems. The barriers to regionalization are not due to the lack of tools but rather due to the lack of relationships between the elected and appointed officials in different municipalities. Without reaching out and meeting the officials in neighboring municipalities, efforts to regionalize services will be unsuccessful.

Fire Chiefs Craig Bowden of Bucksport and Robert McKenney of Ellsworth provided information on the regional efforts of the municipal fire departments in Hancock County. According to the two chiefs, municipalities in Hancock County have two opportunities for providing fire services on a regional level. The first opportunity is through mutual aid agreements. These agreements are generally negotiated between two or more municipalities and stipulate automatic (rather than requested) response and assistance to an emergency. The second opportunity to participate in shared fire service occurs through membership in the County Fire Association. The Association provides members access to training, equipment and fire suppression assistance to 31 municipal members on an as-requested basis. The chiefs believe that these efforts have been successful because the cost savings and improved public safety benefits are obvious and immediate.

Bill Van Tuinen, private sector tax assessor, provided a business perspective on regionalization. Van Tuinen described the degree to which municipalities contract-out to private sector companies to provide mapping, engineering, planning, legal, code enforce-

ment, and road maintenance and construction services, and assessing services, to name a few. The utilization of private sector vendors by municipalities plays an important role in helping to provide municipal services more efficiently. In many situations the private sector can provide services at a lower cost than can a single community, a group of communities or a larger district. In addition to providing services more efficiently, Van Tuinen believes that the control municipal officials have over private sector services is the reason for its success. Private sector contracts provide municipal officials with the flexibility to determine how long a contractor will provide a service, the cost of the service and how the service will be provided. Van Tuinen believes that through contracting the two biggest barriers to regionalization, money and control, are mitigated.

Bath city manager John Bubier also had an opportunity to share his opinions on regionalization. Bubier boiled down his statements to two principles: 1) there is no one right way to do something; and 2) you can survive a bad decision, but you cannot survive not making a decision. Essentially, while Bubier believes that cookie cutter approach to regionalization will not work, something must be done. Municipal and state officials must examine all the facts, make the tough decisions and take action. Bubier believes that in addition to talking about regionalization efforts, studies need to be conducted, pilot projects undertaken and the successes and failures of the regionalization efforts thoroughly explored.

On Thursday, the Committee heard a presentation from Department of Transportation's Kathy Fuller. Through the use and work of municipal planning organizations, regional transportation advisory committees, regional planning commissions and the councils of governments, Fuller spoke of the long history the Department and municipalities have had with the regionalization of transportation services. Fuller also focused on the need for the state and municipalities to work

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Governor's Tax Relief Proposal

Few Details, Questionable Relief, Fuzzy Math

On Wednesday this week, Governor Baldacci held a press conference to unveil his package of tax relief proposals. The actual bills are not available and it is not clear when they will become available. Some elements of the Governor's plan, apparently, will be included in the FY 05 supplemental budget bill. Other elements will come out as discrete legislative documents. What follows is the written description of each element of the Governor's plan as it was provided word-for-word in the press release. After each of those verbatim descriptions, there is a fuller description of that particular element of the proposal, at least as we are able to understand it. These comments are based on information provided in the Governor's press release and the responses to reporters' questions given at the press conference. Obviously, when the bills get printed and released, MMA will be able to provide a more coherent analysis.

The Governor's press release reads, in pertinent part, as follows:

1. Doubles the property tax relief for Maine people who need it the most by creating a Homestead Tax Cap Program. I'm adding \$25 million to help low and middle income Mainers with high property tax burdens. Our goal is (to ensure that) over 200,000 households (will be) eligible for relief when their property taxes equal 4% of their income.

MMA comments: It appears to be a somewhat dubious claim that the "Homestead Tax Cap" plan, whatever that means, will "double property tax relief for Maine people". As we understand it, the proposal repeals the Homestead property tax exemption which currently provides \$35 million of property tax relief and then adds \$25 million to the Circuit Breaker program. The net property tax relief loss under this proposal is \$10 million. The details of this expanded Circuit Breaker program are not provided, but apparently it is just an expansion of two elements of the current Circuit Breaker program: (1) the maximum household income threshold would be increased to \$65,000 a year; and (2) the maximum benefit would be increased from \$1,000 to \$2,000.

2. I'm adding \$25 million to the state's share of education funding. In FY 05 the state will send back to the towns over \$750 million for education.

MMA comments: The level of state funding for K-12 education this year (FY 04) is \$729.6 million. The current appropriated level of state funding for the next fiscal year (FY 05) is \$725.8 million, a \$3.8 million decrease from one year to the next. The Governor is proposing to raise the FY

05 appropriation to \$750 million, which is a \$20 million increase over FY 04. The Governor's proposed increase should be compared to the increase in total education spending from FY 04 to FY 05, which is conservatively estimated at \$60 million, therefore resulting in a \$40 million property tax increase. To come up with the \$25 million, the Governor is proposing to effectively take the remainder of revenue available after repealing the Homestead property tax exemption (\$10 million) and combining that with \$9 million that is projected to be available with Maine entering into the Powerball lottery system and approximately \$5 million in other state funds, to add \$25 million to the current FY 05 education appropriation, bringing that number to \$750 million.

3. I'm making a commitment in law to raise state education spending to 55% over 5 years.

MMA comments: A new promise for 55% state funding or, as some might say, a re-amortization of the old promise. It is apparent that this commitment effectively creates an obligation five years from now for the state to be paying 55% of the cost of education as measured by the Essential Programs and Services (EPS) funding model. It is not clear whether the state's financial commitment for education for the intervening years (FY 06, FY 07, FY 08 and FY 09) would be codified into law under this proposal.

4. And this package caps property taxes towns need to raise for education.

MMA comments: This reference appears to be to the "mill rate expectation" system of school funding that was first advanced in the Legislatures "1B" competing measure to the citizen-initiated "1A" *School Finance and Tax Reform Act of 2003*. Under the competing measure, and apparently under this proposal, the state will not be recognizing or financially participating in 100% of the EPS model until the year 2010. Until then, the state will only be recognizing a sub-percentage of the full model. Therefore, the "mill rate expectation" system, which is being referred to here as a "capping" of property taxes for education, is something of a misnomer. At least until the year 2010, municipalities will have to raise more money for education than the so-called "cap" just in order to have the appropriate level of revenue to fund the schools, and that is according to the state's own model of school funding.

5. It controls special education and transportation costs. By 2010 we'll save the state \$229 million and local property taxpayers and additional \$237 million.

MMA comments: This is an apparent reference to amending the current EPS model so that what are now referred to a “program costs” (including special education and transportation costs) can be modeled rather than financed with state and local revenue at their full and actual costs. Total state and local expenditures for all “program costs” is estimated to be \$310.5 million in FY 06, or roughly \$1.6 billion over the 5-year transition period. A combined state and local savings in this area of \$466 million over that period – a nearly 30% reduction in spending — is difficult to justify unless there are going to be deep cutbacks in services.

6. This package also caps growth in municipal and county spending at the state cap already in law, about a 4.5% spending limit. And I’m creating a Task Force to reform county costs – such as jails and law enforcement – for property tax relief.

MMA comments: The details on this proposed state cap on municipal and county spending growth at 4.5% have not been provided. It should be noted that the “state cap already in law” is an apparent reference to one element of the state budget that was enacted in 2003. That element requires the Governor to submit a budget to the Legislature that falls within the approximate 4.5% growth rate. The Governor is further allowed to submit to the Legislature a budget that exceeds the 4.5% growth rate to account for unfunded or underfunded federal mandates, losses in federal or other revenue sources, citizen initiatives or other referenda that demand funding, court orders or consent decrees that demand funding, sudden increases in demands for services that demand funding, or any other emergency circumstance that the Governor believes applies. In addition to all that, the 2003 enactment in no way restricts the growth of the budget that the Legislature is authorized to enact, regardless of what the Governor submits. To categorize all of that as a “state cap already in law” is something of a misnomer.

Perhaps this 4.5% municipal and county spending cap is another version of a municipal spending cap proposed in 2003 as part of one of the Governor’s “competing measure” proposals. That spending cap did not apply to state government, county government or the schools, and it penalized municipalities whose budgets increased more than 4.5% from one year to the next by subtracting from that municipality’s revenue sharing, dollar-for-dollar, the amount of the local budget increase that exceeded that level.

7. We must repeal the personal property tax on business equipment to create investment for good jobs with benefits. We’ll use state savings from this to create economic development and a cushion for affected towns.

MMA comments: This is an apparent reference to the proposal that was originally part of the first competing measure to the “1A” initiative proposed by Governor Baldacci in 2003. That proposal is a prospective or going-forward repeal of the personal property tax on all property that would otherwise be eligible for reimbursement under the Business Equipment Tax Reimbursement program (BETR). According to the information presented to the Legislature at the time of that proposal, this prospective repeal would reduce municipal property tax revenue by \$13.5 million a year, half of which would have to be reimbursed by constitutional requirement, leaving the municipalities short nearly \$7 million a year, which compounds itself annually.

8. And I’m asking schools to cooperate and share management. We estimate \$30 million in savings over 5 years. More cooperation will be voluntary only, with state incentives.

MMA comments: This is an apparent reference to the Governor’s plan to create incentives for Regional School Cooperatives and consolidated regional school districts.

PALESKY (cont'd)

there can be no dispute, at least by a person who has a fundamental knowledge of civics and a basic understanding of governmental service delivery in Maine.

In addition, the Palesky initiative would sharply limit the ability of both state and local governments to replace the lost revenue by prohibiting the approval of any replacement tax or fee revenue unless authorized by two-thirds legislative “super majorities”. On tax issues, the concept of majority voting would no longer apply.

In last week’s *Bulletin*, a “Palesky Workbook” was offered as a way to

calculate the impact of LD 1893 under either the “worst case” or “best case” scenario for your community. We are urging municipal leaders to calculate those local impacts and widely disseminate that information throughout the community – to school officials, the citizens who attend selectmen meetings, council meetings and school board meetings, the general public, and all legislators. It would also be very helpful for MMA’s analytical effort if that specific local-impact information could be forwarded to MMA, to the attention of Kate Dufour (kdufour@memun.org).

For political strategy reasons that are difficult to understand, Governor

Baldacci and a block of Democrats in the House are pushing to schedule the public vote on the Palesky initiative at the June 8th primary election, providing the least amount of time possible to inform the general public about the degree to which this proposal would limit the ability to provide basic governmental services. Normally, the responsible option with an initiative carrying this magnitude of impact would be to send it to the voters at the general election in November so that the impacts would be well understood by the full electorate.

Appropriations & Cultural Affairs

LD 1875 – An Act To Authorize Department of Transportation Bond Issues in the Amount of \$18,250,000 To Match Available Federal Funds for Improvements to and Development of Highways and Bridges; Airports; Ferry Vessels; Port Facilities and Marine Infrastructure; Rail Corridors and Structures; Intermodal Facilities; and Trail and Pedestrian Facilities. (Governor’s Bill) (Sponsored by Sen. Damon of Hancock Cty.; additional cosponsors.)

This bill would send out to the voters a proposed \$18.25 million transportation bond issue. \$13.5 million of the borrowing would be serviced from the Highway Fund for highways and bridges. \$4.75 million of the debt would be serviced from the General Fund for ferries and marine infrastructure (\$2.15 million), railroads (\$1.7 million), airports (\$250,000) and trails/pedestrian facilities (\$650,000).

LD 1876 – An Act To Authorize a General Fund Bond Issue in the Amount of \$16,600,000 To Construct and Upgrade Water Pollution Control Facilities, To Remediate Solid Waste Landfills, To Clean Up Uncontrolled Hazardous Substance Sites, To Provide Municipal Stormwater Management Assistance, To Investigate and Remediate Municipal Brownfields, To Construct and Upgrade Public Water Systems and To Remediate Lead Paint in Low-income Households. (Governor’s Bill) (Sponsored by Sen. Martin of Aroostook Cty.; additional cosponsors.)

This bill would send to the voters a proposed \$16.6 million environmental bond proposal, providing \$11 million to upgrade wastewater treatment plants (matching \$12.5 million in federal funds), \$2.1 million to address environmental problems at landfills and so-called “municipal brownfields”, \$500,000 for “urban municipalities” to assist with stormwater regulations, \$2 million for grants and loans to public water systems (matching \$10 million in federal funds), and \$1 million to remove lead paint from low income households.

LD 1877 – An Act To Authorize a General Fund Bond Issue in the Amount of \$20,000,000 To Sustain and Improve Maine’s Economy. (Governor’s Bill) (Sponsored by Sen. Cathcart of Penobscot Cty.; additional cosponsors.)

This bill would send to the voters a proposed \$20 million economic stimulus bond that would provide \$5 million to “Natural Resources Applied Research Fund” at the Maine Technology Institute for research in applied forest bio-products, marine fisheries and agricultural research; \$2 million for the “Small Enterprise Growth Fund” to make investments in small companies with high growth potential; \$1 million in the “New Century Community Program” to invest in cultural assets (libraries, museums, theaters, etc.); \$2 million for the Maine State Housing Authority to weatherize the houses of low-income households; \$2 million for the Maine State Housing Authority for elderly housing options for Native American Tribes; \$6 million to recapitalize the School Revolving Renovation Fund; and \$2 million for storage and upgrade construction at the library at the University of Maine.

LD 1894 – An Act To Authorize a General Fund Bond Issue in the Amount of \$2,000,000 for Disaster Relief and To Provide Further Relief Measures. (Sponsored by Sen. Bryant of Oxford Cty.; additional cosponsors.)

This bill would send out to the voters a proposed bond issue of \$2 million for disaster relief, which would take the form of the Emergency Management Preparedness and Assistance Trust Fund, providing loans and grants to assist persons or municipalities

suffering loss from disaster.

Business, Research & Economic Development

LD 1879 – An Act To Amend the Boiler and Pressure Vessel Law. (Sponsored by Sen. Martin of Aroostook Cty.; additional cosponsors.)

This bill would eliminate the legal requirement that low pressure steam boilers, hot water boilers and hot water supply boilers owned by schools and municipalities need to be operated by licensed boiler operators.

Natural Resources

LD 1892 – An Act To Protect Public Health and the Environment by Providing for a System of Shared Responsibility for the Safe Collection and Recycling of Electronic Waste. (Reported by Rep. Koffman of Bar Harbor for the Joint Standing Committee on Natural Resources.)

This bill would establish a comprehensive collection and recycling management system for the segregation, consolidation and distribution back to the manufacturer of discarded cathode ray tubes, which are television and computer screens. The bill would expressly obligate municipalities to ensure that discarded television and computer are delivered to “consolidation facilities”, which are public or private facilities specifically established to temporarily store discarded cathode ray tubes and arrange for their consolidated transport back to the manufacturer. Under the terms of the bill, municipalities would be prohibited from charging residents a fee for the special collection of cathode ray tubes. The bill would establish a state-imposed “advanced recovery fee” of \$6.00 to be assessed at the retail sale of every television set, and those fees are to be held in a dedicated account. Municipalities would be eligible for reimbursement from that account for the transportation costs associated with moving the collected cathode ray tubes to the consolidation facilities to the extent those costs exceed the costs the municipalities would incur by moving that same waste material as regular municipal solid waste.

LD 1900 – An Act To Implement the Recommendations of the Community Preservation Advisory Committee Regarding the State Planning Office’s Review of Growth Management Programs. (Emergency) (Reported by Sen. Martin of Aroostook Cty. for the Joint Standing Committee on Natural Resources.)

This bill would clarify that: (1) financial aid contracts pertaining to the development of comprehensive plans are allowed to extend beyond a single fiscal year; (2) clarify that floodplain ordinances that comply with the Federal Flood Insurance Program are exempt from the requirement that ordinances must be consistent with a comprehensive plan; (3) clarify that a consistent comprehensive plan must be consistent with the procedures, goals and guidelines established in the growth management law; (4) provide that a comprehensive plan is valid for 15 years; (5) amend notice requirements for follow-up comprehensive plan public hearings that are held as a result of comments made at an initial public hearing; (6) provide that the State Planning Office, if requested, may review certain ordinances to determine whether they are consistent with a comprehensive plan without requiring submission of all elements of a growth management program; and (7) provide that an affirmative finding of consistency by the State Planning Office is required for a municipality to assert jurisdiction regarding state development projects.

LD 1901 – An Act To Protect Health and the Environment

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by Improving the System for the Collection and Recovery of Mercury-added Thermostats. (Reported by Rep. Koffman of Bar Harbor for the Joint Standing Committee on Natural Resources.)

This bill would require the manufacturers of mercury-added thermostats sold in Maine to establish and maintain 100 collection centers throughout the state to which mercury-added thermostats may be transported for recycling purposes. As part of that requirement, the manufacturers would be required to establish a collection center in a municipal transfer station that collects universal waste if so-requested by that municipality.

State & Local Government

LD 1872 – An Act To Extend the Deadline for Reconsideration by Boards of Appeals. (Sponsored by Sen. Mitchell of Penobscot Cty.; additional cosponsors.)

Current law requires an interested party to request a Planning Board of Appeals to reconsider its decision within 30 days of making a decision, and the Planning Board of Appeals must act on that reconsideration request within that same 30-day period. This bill would require the request for reconsideration to be made within 20 days of the original decision, and gives the Planning Board of Appeals 60 days from the date of the original decision to act on the reconsideration request.

LD 1873 – An Act To Amend the Requirements for Status as Publisher of Legal Notices. (Sponsored by Sen. Mitchell of Penobscot Cty.; additional cosponsors.)

This bill would remove the requirement that all legal notices must be published in a newspaper that uses 2nd class postage, which would allow legal notices to be published in newspapers that utilize bulk postage rates, such as advertisers or shopper guides.

LEGISLATIVE HEARINGS

Monday, March 8

Education & Cultural Affairs

Room 214, Cross State Office Building, 2:00 p.m.

Tel: 287-3125

LD 1885 – An Act To Ensure Competitive Bidding for Maine’s School Systems. (Sponsored by Sen. Gagnon of Kennebec County)

Taxation

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

Tel: 287-1552

LD 1893 – An Act To Impose Limits on Real and Personal Property Taxes. (Citizen Initiative) (Transmitted to the Clerk of the 121st Maine Legislature by the Secretary of State on February 26, 2004 and ordered printed.)

Utilities & Energy

Room 209, Cross State Office Building, 1:00 p.m.

Tel: 287-4143

LD 1874 – An Act To Amend the Charter of the South Berwick Water District. (Emergency) (Sponsored by Sen. Lemont of York Cty.; additional cosponsors.)

Tuesday, March 9

Business, Research & Economic Development

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

Tel: 287-1331

LD 1879 – An Act To Amend the Boiler and Pressure Vessel Law. (Sponsored by Sen. Martin of Aroostook Cty.; additional cosponsors.)

LD 1886 – Resolve, Directing the Maine Municipal Bond Bank and the Finance Authority of Maine To Work Cooperatively with the Lincoln Water District Regarding Financing of the District. (Sponsored by Sen. Cathcart of Penobscot Cty.; additional cosponsors.)

Taxation

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

Tel: 287-1552

LD 1887 – Resolve, To Reduce the State Valuation for the Town of Lincoln. (Sponsored by Sen. Cathcart of Penobscot Cty.; additional cosponsors.)

LD 1895 – Resolve, To Reduce the State Valuation for the Town of East Millinocket. (Sponsored by Sen. Stanley of Penobscot Cty.; additional cosponsors.)

Wednesday, March 10

Appropriations & Financial Affairs

Room 228, State House, 1:00 p.m.

Tel: 287-1316

LD 1894 – An Act To Authorize a General Fund Bond Issue in the Amount of \$2,000,000 for Disaster Relief and To Provide Further Relief Measures. (Sponsored by Sen. Bryant of Oxford Cty.; additional cosponsors.)

State & Local Government

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

Tel: 287-1330

LD 1872 – An Act To Extend the Deadline for Reconsideration by Boards of Appeals. (Sponsored by Sen. Mitchell of Penobscot Cty.; additional cosponsors.)

LD 1873 – An Act To Amend the Requirements for Status as Publisher of Legal Notices. (Sponsored by Sen. Mitchell of Penobscot Cty.; additional cosponsors.)

Thursday, March 11

Natural Resources

Room 437, State House, 1:00 p.m.

Tel: 287-4149

LD 1892 – An Act To Protect Public Health and the Environment by Providing for a System of Shared Responsibility for the Safe Collection and Recycling of Electronic Waste. (Reported by Rep. Koffman of Bar Harbor for the Joint Standing Committee on Natural Resources.)

LD 1900 – An Act To Implement the Recommendations of the Community Preservation Advisory Committee Regarding the State Planning Office’s Review of Growth Management Programs. (Emergency) (Reported by Sen. Martin of Aroostook Cty. for the Joint Standing Committee on Natural Resources.)

LD 1901 – An Act To Protect Health and the Environment by Improving the System for the Collection and Recovery of Mercury-added Thermostats. (Reported by Rep. Koffman of Bar Harbor for the Joint Standing Committee on Natural Resources.)

Taxation

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

Tel: 287-1552

LD 1882 – An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2004-05. (Emergency) (Reported by Rep. Lemoine of Old Orchard Beach for the Department of Audit.)

SUBDIVISIONS (cont'd)

proponents hope that this delay will erode profits and make liquidation harvesting less financially attractive.

While municipalities have generally supported the state's efforts to eradicate liquidation harvesting, there is some concern about the bill. The primary concern is that the bill mandates that all planning boards reviewing a subdivision application make the determination whether a parcel of land has been subject to liquidation harvesting.

As now drafted, LD 1617 will allow municipalities to seek assistance from the Maine Forest Service (MFS), which would be required to respond to all planning board requests for assistance. This amendment to the bill helps with the task of determining how to apply this new obligation to block certain subdivisions, but amendments to the subdivision ordinance will be necessary to guide this new process.

At a minimum, it would appear that each planning board will have to

make two factual findings: (1) Was the land to be subdivided purchased within the last five years? (If not, then no liquidation harvesting review is needed); and (2) If it was purchased within the last five years, has any timber been harvested since the date of purchase? (If not, then no liquidation harvesting review is needed).

The optional planning board review would be to determine if the property falls within any of the exemptions in the MFS rules, which are not yet available but are due to be completed and promulgated this legislative session. It is unclear how receptive MFS will be to requests for assistance from towns that do not carefully review all the exemptions. Since MFS is asserting that it can manage these obligations without any additional funding, it is likely that MFS will want the local review to be as comprehensive as possible.

For the reasons outlined in the February 20th *Bulletin* on this subject, MMA suggested that this proposal be delayed. Now that it is moving for-

ward, municipalities will need some assurance that these new obligations on planning boards are not overly burdensome and the property tax is protected from state-mandated expansions of the local regulatory process.

REGIONALIZATION (cont'd)

on coordinating local land use planning and state transportation planning efforts. She believes this effort is important for ensuring that the state's transportation goals and the municipalities' land use and economic development goals are met. Fuller believes that it is through ongoing communication, the sharing of ideas and visions and joint planning that regionalization efforts will be successful.

In phase two of its process – now to begin — the ad hoc regionalization committee will be developing legislation to promote the regionalization of service delivery among levels of government. The Committee will be meeting all day on Monday, March 15th to begin to develop its proposal.