

## Tax Reform Package Evolves, Progresses

■ *Personal property tax changes dropped out of proposal*

■ *Powerful Rainy Day Fund for Education recommended*

■ *All Tree Growth, Farmland, "current use" property swept into 6 mill cap*

As reported in previous editions of the *Legislative Bulletin*, the Taxation Committee created a subcommittee from among its membership to continue working on the comprehensive tax reform recommendation contained in LD 2086 and LD 2087. These are the two bills that together embody the recommendation of the Education Funding Reform Committee – a specially-formed legislative panel charged with addressing the state's over reliance on the property tax to fund education.

The tax reform subcommittee has been meeting regularly, deliberating earnestly, and genuinely trying to shape LD 2086 and LD 2087 into a high quality blue print of tax reform that the voters of Maine should be given an opportunity to ratify.

Representative Barney McGowan (Pittsfield), one of the most strident advocates for residential and small business property tax relief to come down the pike in a long while, is chairing the subcommittee in his unabashed populist style...spinning yarns and weaving tax reform. It's hard to know how Rep. McGowan keeps plugging away at his mission, with all the talk in

the halls of the State House, from the corporate lobbyists and others, that tax reform is "dead on arrival", a "non-starter"...that the subcommittee and other proponents are wasting their time.

After a series of meetings spent last week which allowed the panelists to become more familiar with the legislation, Rep. McGowan pushed the subcommittee this week to begin making some up-or-down decisions on the essential elements of what is being designed and described as the "blueprint" of tax reform. The eye of the needle which the subcommittee is try-

ing to thread is a master plan of tax reform that provides enough structure and detail so the voters will know what changes will occur should they vote to adopt the blueprint, but at the same time providing enough flexibility for the Legislature to be able to fit all of the pieces of the master plan together if it is ratified by the state's electorate in November.

The centerpiece of the tax reform legislation is the establishment of a 6 mill property tax rate that would be the maximum mill rate for education.

First things first, Rep. McGowan asked his fellow subcommittee members whether there was interest in putting the work into developing a quality tax reform proposal. If the subcommittee members themselves were unlikely to support any tax reform measure, there would be no point in chewing up all their afternoons for the next several weeks thrashing out a final product.

The response to that threshold question was enthusiastic support for

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### Tax Reform Subcommittee

*Chairperson:* Rep. Barney McGowan (Pittsfield)

*Members:* Sen. Ken Lemont (York Cty.)  
Rep. David Bowles (Sanford)  
Rep. Rosita Gagne (Buckfield)  
Rep. Janet McLaughlin (Cape Elizabeth)  
Rep. Eleanor Murphy (Berwick)  
Rep. Steven Stanley (Medway)

## TAX REFORM (cont'd)

moving forward with the task at hand. Senator Ken Lemont (York Cty.) said that the property tax burden and the system of funding education were crisis issues in his district, and that for many years in the Legislature the issues of tax equity, balance among the state's major taxes, and the problem of the unpredictability of state tax revenues have been identified as high priorities on the tax policy to-do list. Sen. Lemont said that comprehensive tax reform provides an opportunity to solve a variety of problems simultaneously including protecting elderly residents from excessive property taxes, reducing the drain of businesses and retirees leaving the state, and addressing perennial issues of state revenue unpredictability and the spin-off impacts of state program instability and creeping tax burden. Sen. Lemont said that the subcommittee members owed it to Chairperson McGowan, the Taxation Committee, the Legislature as a whole and their constituents back home to put out something the voters can respond to in order to improve the state's overall tax structure.

Most of the other panelists agreed with Sen. Lemont. Representative Janet McLaughlin (Cape Elizabeth) expressed somewhat more reserve, suggesting that the Essential Programs and Services (EPS) educational funding model, which compliments the tax reform proposal like a glove on a hand, is not developed fully enough to sufficiently detail the impacts, especially for communities that may spend at higher per pupil rates than the EPS



**Senator Ken Lemont of York County serves on Tax Reform subcommittee.**

funding model could provide. Representative David Bowles (Sanford) was significantly more reserved, suggesting that the \$300 million shift from the property tax to the sales tax that is at the center of this proposal could easily result in an overall tax burden increase for the tax payers of Maine. Even if the results were revenue neutral, Rep. Bowles wasn't sure the shift might simply replace one regressive tax (property) with another (sales), with no substantial benefits resulting from the transition.

But given a green light from a majority of the subcommittee, Rep. McGowan's next goal was to begin reshaping the bill. MMA was given an opportunity to provide some input on that score, in light of the fact that the Association's Legislative Policy Committee (LPC) had convened just the week before for the purpose of carefully reviewing the status of the tax reform legislation and developing recommendations as to how it might be amended. Specifically the LPC's recommendations on the tax reform package were as follows:

- Delete all elements of the bills that would convert the personal property tax system to an excise tax system. This recommendation was not made lightly by the LPC, nor was it made

because the task of addressing personal property taxation is unworthy. The excise tax proposal in LD 2807 was simply so undeveloped that its impacts could not even be evaluated and the uncertainties created by the lack of detail among the industrial taxpayers and the communities where they are located was pulling the focus of the proposal away from its original centerpiece... education funding reform and property tax relief for residents, farmers and businesses.

- Create within the legislation itself a powerful mechanism to capitalize a highly protected Rainy Day Fund for Education.

- Write into the legislation language that will ensure that the local contribution for education governed by the maximum mill rate caps of 6 mills for almost all properties and 12 mills for secondary residential property will be matched to a state contribution that when combined with a local share produces a "total allocation" that is neither more nor less than a responsibly calculated level of funding for the school administrative unit. The municipalities as much as anyone else in this debate want to assist the state in getting our collective arms

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### Legislative Bulletin

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**Editorial Staff:** Geoffrey Herman, Kate Dufour, Kirsten Hebert, and Laura Veilleux of the State & Federal Relations staff.

# Local Road Assistance and Capital Construction

On Thursday, March 7<sup>th</sup> the Transportation Committee voted (9-2), to move an amendment to the Urban/Rural Road Initiative into this year's supplemental Highway Fund budget bill. The amendment is sponsored by Rep. George Bunker (Kossuth Township).

The amendment will authorize those communities that do not have minor collector roads within their municipal boundaries to use their local road assistance funds for purposes other than road capital projects as defined by law, as long as the town meeting has voted that its roads and local bridges will not require significant repair or improvement for at least ten years. Specifically, the amendment would allow municipalities with no minor collector roads to use road assistance funds for snow plowing, to purchase highway maintenance equipment and for the construction of highway maintenance buildings.

At its February 28<sup>th</sup> meeting, the transportation subcommittee of MMA's Legislative Policy Committee (LPC) voted to oppose the amendment for two reasons. First, the members of the subcommittee are not convinced that there is a problem with the existing policy to use the state funds for direct investments in road infrastructure. This requirement of law was certainly a high priority at one time for the Department of Transportation (MDOT). The LPC subcommittee members believe that all communities have some road infrastructure demands for which the funds can be used.

Second, the subcommittee believes that the amendment erodes the integrity of the compromise that was constructed by a group of municipal officials, representing urban, suburban and rural towns, the Department of Transportation and ultimately the LPC to make amendments to the state transportation subsidy program. In exchange for an indexed local road assistance revenue formula, municipalities

agreed to use Local Road Assistance funds strictly for infrastructure improvements and to assist with the repair of one-third of the state's minor collector roads. Although this change did not positively impact some communities, the LPC supported the compromise for the general good of all the municipalities in Maine. Specifically, this agreement paved the way for an additional \$3 million a year in Local Road Assistance funds. The subcommittee believes that the proposed amendment would create a larger rift between those communities that are currently burdened with minor collector roads and those without this burden.

Furthermore, at the staff level we believe that there exists an underlying public policy and general belief among the road-using public that fuel tax revenues collected by the state and dis-

tributed to municipalities through the Local Road Assistance program, should be used to fund actual road improvements.

Although DOT Commissioner John Melrose said that he understood the concerns of the LPC's transportation subcommittee, the Commissioner felt that the change was modest in nature, and would still require communities to utilize the state subsidy funds for transportation related (although not necessarily capital) purposes. Commissioner Melrose felt that few municipalities could claim that no roads or bridges in their communities would be in need of significant capital improvements over a 10 year period, and therefore he signed off on this amendment to the compromise reached in 1999 between the DOT and municipalities.

The Transportation Committee has not yet reported out the bill. It is anticipated that on Monday, March 12<sup>th</sup> the Committee will report out the supplemental Highway Fund bill (LD 2092) including Rep. Bunker's amendment. (KD)

## Gas Tax Revenues for Roads

For a couple of years, MMA has been watching with some concern a process that has culminated in LD 2081, *An Act to Implement the Unanimous and the Majority Recommendations of the Commission to Study Equity in the Distribution of Gas Tax Revenues Attributable to Snowmobiles, All-terrain Vehicles and Watercraft*. On Monday this week LD 2081 was narrowly supported by a 4-3 vote of the Inland Fisheries and Wildlife Committee members present at the work session. LD 2081 would annually shift \$1.1 million of fuel tax revenue away from Maine's roads and bridges to the Departments of Inland Fisheries and Wildlife, Conservation and Marine Resources for the purpose of funding recreation snowmobile, ATV and watercraft programs.

Much of the discussion at the work session focused on the competing issues of equity (e.g., should snowmo-

bile gas tax revenue be dedicated to snowmobile programs) and priority (i.e., aren't roads and bridges the overwhelming priority purpose of fuel tax revenue?). Legislators supporting shifting additional fuel tax revenue from the Highway Fund to recreational programs believe that the fuel tax paid by owners of snowmobiles, boats and ATV's should be closely identified and dedicated to support those programs. Legislators in opposition to shifting additional fuel tax revenues from the Highway Fund believe that regardless of the purpose for which motor fuel is purchased, the revenues should be used first to sustain, maintain and improve the state's transportation infrastructure.

Most of the comments from the opponents focused on the bill's impact on the projected FY 03-04 Highway Fund structural gap of \$92 million. Opponents felt that since in the next

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## TAX REFORM (cont' d)

around the reasonably necessary costs of providing K-12 education. At its very center, tax reform and education funding reform is focused on funding K-12 education responsibly and equitably but within reasonable parameters.

- Create a higher level of required mill rate impact information in the school budget adoption process. Specifically, require specific information about the mill rate impact of the school budgets to be clearly identified on all local budget documents placed before the voters for approval.

- Tackle the question of the sales tax expansion that would be necessary to pay for the property tax relief provided by the 6 mill/12 mill caps for education purposes. MMA offered a specific recommendation that would provide roughly half of the necessary revenue from an across the board 1% rate increase in all sales tax categories (general retail, meals and lodging, and auto rental), and an expansion of the sales tax base to include certain services.

The Committee deliberated on these recommendations and other issues central to the tax reform legislation on Wednesday and Thursday this week and came up with the following action plan:

- 1) Maine Revenue Services is charged with performing an "incidence study" on the tax reform package, using the sales tax expansion suggested by MMA. The purpose of an incidence study is to determine how any significant change that is proposed to Maine's tax code will affect all the various groups of taxpayers by category. By running this tax reform recommendation through the MRS computer modeling system, good information should become available regarding how the overall tax reform will impact Maine residents of all income categories, businesses, farmers, and woodland owners. The modeling process should also project the reduced funding needs for various state-level tax relief programs such as the Circuit Breaker Program and the Business Equipment Tax Reimbursement (BETR) Program. For example, the 6 mill education cap on

business property is expected to quite significantly reduce the size of the BETR Program appropriation, which is placing an ever-growing demand on state General Fund resources.

- 2) The tax reform recommendation itself would be simplified and reshaped as follows:

- The proposed changes to the personal property tax system of assessments will be deleted, focusing the bill squarely on the 6 mill/12 mill property tax cap for education.

- A Rainy Day Fund for Education will be established in the bill. Conceptually, this special education budget stabilization fund would be capitalized by capturing all tax revenues that accrue to the state treasury at the point those revenues exceed the rate of growth in total personal income, and

the captured revenue would have to be used to capitalize the Rainy Day Fund for Education up to a capped amount, perhaps 25% of previous year's total allocation.

- The bill will be amended to add all property in the "current use" tax programs (Tree Growth, Farmland, Open Space) into the group of property types subject to the 6 mill property tax cap for education. In the printed bill, the "current use" properties would be subject to the 12 mill cap for education.

- For the benefit of the local voters, the bill will be amended to require formal projections of the mill rate impacts on all school and municipal budget documents that are presented to the voters at public hearing or the voting place. (GH)

## Affordable Housing Bill Preempts Local Rules

An article in last week's edition of the Legislative Bulletin described LD 2099, *An Act to Provide for Liveable, Affordable Neighborhoods* (Sponsor Rep. Ted Koffman of Bar Harbor).

This bill would set up a planning board in Augusta to which developers could go to get their large scale residential housing projects pre-certified for local approval. In order to get the pre-certification, the housing project would have to provide that 30% of the housing units were affordable, and otherwise be designed according to neighborhood design principles as espoused by the State Planning Office (SPO). Once the housing project is pre-certified by this centrally located planning board, it could be brought to any municipality within any labor market area that is designated by the Maine State Housing Authority (MSHA) as having an affordable housing "crisis", and with respect to that project the municipality's minimum lot size and road frontage requirements would be overturned by this law. Instead, the individual lots in the subdivision could have minimum lot sizes of 5,000 square

feet and minimum road frontages of 50 feet, provided the development was going to be located on an area served by water and sewer or an area that "could be" served by water and sewer, whatever that means.

SPO, MSHA, the real estate development lobby, Jackson Laboratory in Bar Harbor, and roughly half the 25 legislators on the Natural Resources Committee and Business and Economic Development Committee support the bill. MMA strongly opposes it.

According to MSHA, if this law were in effect today, 9 of the state's 35 labor market areas would be defined as having an "affordable housing crisis", and 130 municipalities within those 9 labor market areas would be potentially affected by this law. The following is a list of those market areas and potentially affected municipalities. Because this preemption of local regulation would not apply in areas where this is no water or sewer (and "couldn't be"), the following communities without water or sewer areas of any kind would not be affected, at least until those services are established. (GH)

<b>Labor Markets</b>	<b>Town Name</b>	<b>Labor Markets</b>	<b>Town Name</b>		
Bath/Brunswick	Alna	Kittery/York	Mariaville		
	Arrowsic		Mount Desert		
	Bath		Northwest Hancock unorg.		
	Bowdoin		Osborn		
	Bowdoinham		Otis		
	Brunswick		Sorrento		
	Dresden		Southwest Harbor		
	Durham		Steuben		
	Edgecomb		Sullivan		
	Georgetown		Surry		
	Harpswell		Tremont		
	New Gloucester		Trenton		
	Perkins unorg.		Waltham		
	Phippsburg		Winter Harbor		
	Pownal				
	Richmond				
	Topsham				
	West Bath				
	Westport				
	Wiscasset				
Woolwich					
Belfast	Belfast	Portland	Buxton		
	Belmont		Cape Elizabeth		
	Brooks		Casco		
	Dixmont		Cumberland		
	Frankfort		Falmouth		
	Islesboro		Freeport		
	Jackson		Frye Island		
	Knox		Gorham		
	Liberty		Gray		
	Lincolnville		Hollis		
	Monroe		Limington		
	Montville		Long Island		
	Morrill		North Yarmouth		
	Northport		Old Orchard Beach		
	Searsmont		Portland		
	Searsport		Raymond		
	Swanville		Scarborough		
	Waldo		South Portland		
	Biddeford		Arundel	Rockland	Standish
			Biddeford		Westbrook
Dayton		Windham			
Kennebunk		Yarmouth			
Kennebunkport					
Lyman		Appleton			
Ogunquit		Camden			
Saco		Criehaven unorg.			
Wells		Cushing			
		Friendship			
Boothbay Harbor	Boothbay	Stonington	Hope		
	Boothbay Harbor		Matinicus Isle Pt.		
	Bremen		North Haven		
	Bristol		Owls Head		
	Damariscotta		Rockland		
	Monhegan Pt.		Rockport		
	Newcastle		South Thomaston		
	Nobleboro		St. George		
	South Bristol		Thomaston		
	Southport		Union		
Ellsworth/Bar Harbor	Amherst	Stonington	Vinalhaven		
	Aurora		Waldoboro		
	Bar Harbor		Warren		
	Bradley		Washington		
	Central Hancock unorg.				
	Clifton		Blue Hill		
	Cranberry Isles		Brooklin		
	East Hancock unorg.		Brooksville		
	Eastbrook		Castine		
	Ellsworth		Deer Isle		
	Franklin		Frenchboro		
	Gouldsboro		Isle au Haut		
	Great Pond		Penobscot		
	Hancock		Sedgwick		
	Lamoine		Stonington		
	Swan's Island				

# Well Drillers Want Relaxed Restrictions on Posted Roads

On Thursday, March 7<sup>th</sup> the Transportation Committee held a public hearing and work session on LD 2150, *An Act to Facilitate Water Well Drilling if Necessitated by Current Conditions* (sponsored by Sen. John Nutting of Androscoggin Cty).

Originally crafted as a compromise between the Governor's Office, the Maine Municipal Association and subsequently MMA's Legislative Policy Committee, LD 2150 would have allowed for this year only all well drillers to travel over posted roads without carrying a municipal permit. To address the obligation that municipalities have to preserve local road infrastructure however, the bill required the well drillers to contact a municipality before traveling over a posted road. From the municipal perspective, the process of notification was the most important piece of the bill because it provided municipal officials with an opportunity to inform and educate the well drillers about the posted road ordinances and regulations in the community.

Although MMA provided testimony in support of the bill, suggestions by Maine Emergency Management Agency (MEMA) and several representatives from the well drilling community to amend the bill placed MMA in the position of being one of the only defenders of the agreed-upon compromise.

Beginning with the testimony of the bill sponsor, it was suggested that a key component of the bill that would require the well drillers to contact the municipalities prior to traveling over a posted road should be deleted. Many of the proponents expressed concern that the notification process would delay the well drillers from restoring water to Maine residents. In a nutshell the well drillers requested that the Committee amend the bill to authorize travel over posted roads at any time without

notifying municipalities or being held accountable for following the posted road restrictions adopted by the town.

After nearly two and one-half hours of debate and discussion, where several members of the Transportation Committee tried to paint MMA as being the obstacle to getting water to people in a time of drought, the Committee unanimously voted that LD 2150 "ought to pass as amended", essentially preserving the foundation elements of the compromise. The Committee bill amends Title 29-A, section 2395 to authorize, during a period of

drought emergency declared by the Governor, a person transporting well drilling equipment for the purpose of drilling a replacement well to do so without obtaining or carrying a paper permit from the municipality. The amendment further requires the well driller to: 1) if traveling over posted state or state aid road, to obtain a Department of Transportation permit; 2) notify the municipality in advance of the intent to travel over a posted road; and 3) abide with any additional restrictions the municipality may impose, such as time and temperature restrictions, on travel over posted roads. Due to the emergency nature of LD 2150, it is anticipated that the bill will quickly moved between the House and Senate and be placed on the Governor's desk for his signature sometime midweek. (KD)

## Aquaculture Legislation Update

Last week's issue of the *Legislative Bulletin* carried an article that described MMA's understanding of the bill governing aquaculture lease review and approval process that is being developed by the Marine Resources Committee. The majority and minority reports to HP 1570, "*An Act to Make Changes to the Aquaculture Leasing Laws*" were released this week.

The two reports are at opposite ends of the spectrum with respect to the amount of local control the municipality would have in reviewing lease applications. To the polarized Committee, MMA has been advocating for some ground in the middle.

According to the language found in the majority report, a municipality may elect to review both standard and experimental aquaculture lease applications directly. The language of the bill expressly prohibits the Commis-

sioner of DMR from issuing a permit in any municipality that has adopted an aquaculture lease siting ordinance without first obtaining the consent of the municipal officers. The preemption applies to those applications within the municipal extended boundary and not more than 2500 feet from the mean high water mark.

The minority report, on the other hand, sweeps through existing law and explicitly eradicates any vestige of local control, in no less than four separate sections of state law and in every possible aquaculture lease siting circumstance, with this phrase: "*The commissioner's authority to issue leases supercedes the authority of a municipality to determine the placement of, and to regulate moorings and anchorage equipment associated with, an aquaculture operation within the boundaries of a lease...*". (KH)

## 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 at the Legislature's web site at <http://janus.state.me.us/legis>. If you would like to be notified by e-mail of updates to the schedule and web page, send your name, e-mail address, and a message that includes "ANPH UPDATE" to the Senate Webmaster at [webmaster\\_senate@state.me.us](mailto:webmaster_senate@state.me.us).

### Tuesday, March 12

#### Agriculture, Conservation & Forestry

**Room 206, Cross State Office Bldg., 1:30 p.m.**

**Tel: 287-1312**

LD 2141 – An Act to Amend the Animal Welfare Laws and Increase Funding for Animal Welfare. (Reported by Rep. McKee for the Joint Standing Committee on Agriculture, Conservation and Forestry pursuant to Public Law 2001, chapter 399, section 8.)

#### Business & Economic Development

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

**Tel: 287-1331**

LD 2144 – Resolve, Regarding Legislative Review of Chapter 220: Methodology for Identification of Regional Service Centers, a Major Substantive Rule of the Executive Department, State Planning Office.

#### Criminal Justice

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

**Tel: 287-1122**

LD 2148 – Resolve, to Require the Maine Fire Protection Services Commission to Report Regarding Methods to Improve the Recruitment and Retention of Firefighters and the Provision of Healthcare. (Reported by Rep. Quint for the Maine Fire Protection Services Commission pursuant to the Maine Revised Statutes, Title 5, section 3371)

#### Education & Cultural Affairs

**Room 214, Cross State Office Bldg., 1:00 p.m.**

**Tel: 287-3125**

LD 2143 – An Act Regarding the Local Governance of School Administrative Units. (Reported by Sen. Mitchell for the Joint Standing Committee on Education and Cultural Affairs pursuant to Joint Order, S.P. 773.)

#### Utilities & Energy

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

**Tel: 287-4143**

LD 2147 – An Act Providing for the Supply of Water to the City of Brewer. (After Deadline) (Sponsored by Sen. Youngblood of Penobscot County; additional cosponsors)

LD 2159 – An Act to Amend the Charter of the Corinna Water District to Allow for the Appointment of Trustees. (Emergency) (Sponsored by Sen. Davis of Piscataquis County; additional cosponsors)

### Wednesday, March 13

#### Education & Cultural Affairs

**Room 214, Cross State Office Bldg., 1:00 p.m.**

**Tel: 287-3125**

WORK SESSION: LD 2143 – An Act Regarding the Local Governance of School Administrative Units. (Reported by Sen. Mitchell for the Joint Standing Committee on Education and Cultural Affairs pursuant to Joint Order, S.P. 773.)

#### Judiciary

**Room 438, State House, 1:00 p.m.**

**Tel: 287-1327**

LD 2153 – An Act to Amend the Freedom of Access Laws to Protect Security Plans. (Governor's Bill) (Sponsored by Rep. Norbert of Portland; additional cosponsors)

### Thursday, March 14

#### Agriculture, Conservation & Forestry

**Room 206, Cross State Office Bldg., 1:30 p.m.**

**Tel: 287-1312**

LD 2135 – Resolve, Regarding Legislative Review of Chapter 21: Statewide Standards for Timber Harvesting in Shoreland Areas, a Major Substantive Rule of the Department of Conservation. (Emergency) (Reported by Rep. McKee for the Department of Conservation pursuant to the Maine Revised Statutes, Title 5, section 8072.)

#### Labor

**Room 220, Cross State Office Bldg., 1:30 p.m.**

**Tel: 287-1333**

LD 2151 – An Act to Extend Unemployment Benefits by 13 Weeks. (After Deadline) (Emergency) (Sponsored by Rep. Bunker of Kossuth Township; additional cosponsors)

## GAS TAX (cont' d)

biennium the state would have difficulty maintaining and improving some of the state's most deficient bridges and roads, it did not make sense to further exacerbate that situation by diverting additional revenue from the Highway Fund.

The proponents, on the other hand, felt that since the Highway Fund would have a structural gap even if the additional revenues were not shifted out of the Highway Fund, then the Highway

Fund structural gap was not an issue. Some members of the IF&W Committee argued that the Highway Fund impacts should not be taken into consideration, because the responsibility of the Committee was to focus its attention on the matter of tax equity.

Representatives David Trahan (Waldoboro), Royce Perkins (Penobscot) and Matt Dunlap (Old Town) urged the members of the Committee to take the time necessary to work with the interested parties in order to reach a compromise. Rep. Trahan

went one step further by issuing a challenge to all that supported diverting revenue from the Highway Fund, that they should be prepared to support any future initiative, such as fuel tax or fee increases, to ensure that the Highway Fund is appropriately funded. (KD)

## IN THE HOPPER

*(The bill summaries are written by MMA staff and are not necessarily the proposed bill's summary statement or an excerpt of that summary statement. A more comprehensive list of LDs (of municipal interest) that have been put in the Hopper can be found on MMA's website, [www.memun.org](http://www.memun.org))*

### **Business & Economic Development**

LD 2144 – Resolve, Regarding Legislative Review of Chapter 220: Methodology for Identification of Regional Service Centers, a Major Substantive Rule of the Executive Department, State Planning Office.

This resolve would provide final legislative review of rules promulgated by the State Planning Office that serve to define a municipality that is a “Regional Service Center” (SPO Rules, Chapter 220).

### **Judiciary**

LD 2153 – An Act to Amend the Freedom of Access Laws to Protect Security Plans. (Governor’s Bill) (Sponsored by Rep. Norbert of Portland; additional cosponsors)

This bill would amend Maine’s “Right-to-Know” law to create a new type of document that is not a “public record”. This new non-public record would be information concerning security plans or procedures of agencies of state government, county government and local government not generally known by the

general public. This information could be made available to the Legislature or the “governing body” of the county or local government, provided the information would be protected from further disclosure.

### **Labor**

LD 2151 – An Act to Extend Unemployment Benefits by 13 Weeks. (After Deadline) (Emergency) (Sponsored by Rep. Bunker of Kossuth Township; additional cosponsors)

This bill would extend unemployment benefits for 13 weeks for people whose unemployment benefits expire between April 1, 2002 and April 1, 2003.

### **Taxation**

LD 2154 – An Act to Change the Standard for Requesting an Adjustment to State Valuation Because of a Sudden and Severe Disruption of Valuation. (Emergency) (Reported by Senator Gagnon for the Joint Standing Committee on Taxation pursuant to Joint Order S.P. 770)

This bill would reduce the percentage of valuation reduction a municipality would have to endure in order to be eligible for an expedited adjustment to its state valuation under the “sudden and severe disruption of valuation” law that triggers an administrative adjustment of state valuations. The threshold in current law is a 5% reduction in value attributable to a single taxpayer. Under this bill, the threshold would be a 2% reduction in municipal value attributable to a single taxpayer.

*Maine Municipal  
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