

The Forest and the Trees of Comprehensive Tax Reform

There is a concerted effort to advance comprehensive tax reform during this legislative session.

The bill is LD 1088. As described in the side-bar to this article, LD 1088 represents a trimmed-down version of the broader tax reform package painstakingly developed by the Taxation Committee in 2007. That broader tax reform measure was approved by the House two years ago, but killed in the Senate. The push to enact tax reform this year is coming from legislative Democratic leadership with very little support provided by legislative Republicans. A public hearing on LD 1088 was held on Thursday last week.

The hearing was well attended. As is commonly the case with any species of tax reform, from the simple municipal revaluation on up, many more people testified in opposition to the proposal than testified in support. An unfortunate choreography of the public hearing angered many of the bill's opponents when four well-known, under-the-dome professors/economists were allowed to expound on their general support for the LD 1088 in the role of "experts", stalling the regular public hearing process for well over an hour. Because the "expert" testimony was allowed outside of the normal public hearing protocols, a feeling was created that the hearing was in some sense being staged or otherwise stacked in support of the bill.

As a group, the opponents countered with a strong dose of authentic, from-the-heart testimony primarily fo-

cused on the negative impacts the proposed sales tax rate increases and expansions on certain services would have on their business in the current economic climate.

The testimony of the two sides slipped by each other like two unlighted ships in the night.

The proponents included the aforementioned economists (Charles Colgan, Chuck Lawton, Orlando Delogue, and Gordon Weil), two business groups (the Greater Portland Chamber of Commerce and the Androscoggin

Valley Chamber of Commerce), the owner of a manufacturing business in Augusta, the owner of a Southwest Harbor inn, a policy organization that advocates for low-income people, AARP, and MMA.

There were two themes to the proponents' testimony. From the government side, the theme was that the current tax code is outdated, inequitable, unbalanced and contributes to the severe instability of governmental rev-

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Labor Committee Supports Cancer-Presumption for Firefighters

On Thursday this week, a majority of the Labor Committee voted along party lines to support an amended version of LD 621, which provides that if a firefighter contracts cancer the workers compensation system will presume that the cause of the cancer was firefighting. The bill and its financial impacts are aimed directly at municipal government.

It would then be the responsibility of the municipalities to prove that the cancer was caused by something else. Since there are any number of known and unknown causes of cancer, it will be very difficult for municipalities to meet that burden.

The March 20th *Legislative Bulletin* outlined several of MMA's concerns with the bill. While the amended version of

the bill attempts to address some of these concerns, it continues to represent a significant municipal cost at time when local governments in Maine can not afford it. For information about the cost of this bill, please see the sidebar article based upon 10-years of data from a California risk-pool.

One of MMA's concerns is that the number of cancers the bill alleges are related to firefighting is unsubstantiated by science. The original bill listed 13 cancers and a catch-all description of cancer related to exposure to heat, radiation or a carcinogen. The amended bill lists 10 cancers, including cancer that a medical report submitted by the firefighters determined was "unlikely"

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TAX REFORM (cont'd)

venues, an instability that leads to very negative results in both good times and bad. This year is a good example of the latter circumstance. In summary, the government proponents were looking at the overall system that generates governmental revenue and saying what should be obvious — that it needs to be repaired. LD 1088 doesn't fix every problem with that system by any means, but it is a very constructive first step in the right direction.

The business proponents of LD 1088 testified that the tax code changes proposed by LD 1088 were straightforwardly good for business. In order to attract vibrant entrepreneurial activity in Maine, it has long been thought by the business community that Maine's high income tax rate needs to be brought into line with other states that are also competing for business location. Like the government-based proponents, the business proponents were focused on the system-wide impacts of LD 1088, which they believe to be positive.

The opponents included the State Chamber of Commerce, the Southern Midcoast Area Chamber of Commerce, restaurant and hotel owners, campground operators, car rental companies, golf club operators, ski industry representatives and whitewater rafting guides, candy manufacturers, realtors, garage mechanics, an income tax specialist, a citizen who objected to the proposal's income tax breaks for the wealthy...they all lined up to the podium to pitch their pull-no-punches testimony.

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

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The opponents' were not looking at LD 1088 from a big-picture or system-based perspective and there was very little discussion by the opponents about the income tax relief offered by LD 1088. The primary issues were the imposition of a sales tax on the service they provide or the increase of the sales tax rate on the restaurant or lodging products that they sell. Distilling the testimony down to its nugget, the sales tax changes were not good for their businesses, many of which are suffering in this economy.

If the proponents were casting their vision over the entire landscape, the opponents' view of LD 1088 was entirely from the ground up.

It's hard to predict where the tax reform effort will go from here.

The Taxation Committee will

spend the next several weeks working to address the most significant concerns that were raised about LD 1088 at the public hearing.

A politically complicating factor, however, is emerging. It is being widely speculated that an upcoming official re-forecasting of the state revenue over the next two-year period is going to punch another hole in the state budget in the \$300 to \$400 million range. If that occurs, there will be a great deal of pressure to address at least some of that revenue shortfall with revenue increases of some kind rather than program cuts. If state revenues need to be raised, it will become extremely difficult to manage the tax reform effort as a "revenue neutral" enterprise, which has been the foundation of the reform effort since its inception.

LD 1088 At-A-Glance

LD 1088, *An Act to Modernize the Tax Laws and Provide over \$75,000,000 to Residents of the State in Tax Relief*, implements comprehensive tax reform in the following way:

With respect to the state income tax, the bill: (1) creates a flat income tax rate of 6.5%, thereby reducing the current top marginal rate of 8.5% by 2 percentage points; (2) creates a new system of established income tax credits that taxpayers may use to adjust their gross taxable income, which phase out at higher income levels; and (3) modifies the current system of adjusting gross income by itemized deductions allowed by the federal tax code, all of which may be used by taxpayers as an alternative to the tax credit system.

With respect to the state sales tax, the bill: (1) expands the sales tax base by applying the general 5% sales tax to amusement and recreation services, installation, repair or maintenance services, personal property services, transportation and courier services, and candy; (2) increases the meals and lodging sales tax rate of 7% to 8.5%; and (3) increases the sales tax rate that applies to short-term automobile rental from 10% to 15%.

With respect to the Real Estate Transfer Tax (RETT), the bill applies a supplemental RETT to residential property that is sold or transferred with a value greater than \$500,000. The supplemental transfer tax rate is \$5.60 for each \$1,000 in value of the residential property that exceeds the \$500,000 threshold.

With respect to the property tax, this bill increases the percentage of state sales and income tax revenue that is dedicated to municipal revenue sharing from 5.1% to 5.2%, an increase that was enacted in 2000 but has never been actually implemented.

In gross numbers, this bill is designed to expand sales and transfer tax revenue by approximately \$160 million and use that revenue to reduce the income tax rate and income tax revenue by the same amount. As part of that transfer, approximately \$50 to \$75 million in tax burden is shifted from Maine residents to non-residents.

FIREFIGHTERS (cont'd)

to be related to firefighting.

Most cancers are diagnosed as people age. The original bill did not include any age limit as other state presumptions do. The amended bill includes an age limit of 70.

The original bill did not include any length of service requirement; in other words, a person could work for just a couple of years as a firefighter and be provided a presumption that his or her cancer was work related. The amended bill includes a 5-year length of service requirement. It might be noted that juries won't even convict cigarette companies of causing lung cancer if someone smokes for only 5 years.

Another municipal concern is the extension of benefits to volunteer firefighters. Volunteer firefighters are vital to public safety in Maine. Yet, according to the materials submitted by the proponents of the bill, the increased risk of cancer from firefighting is due to a "career" of fighting fires. Volunteers simply do not experience the lifetime of exposure that would justify a presumption that the cancer was caused by work.

Also, volunteers have other employment that may cause cancer. When similar legislation was introduced in New Hampshire, the issue of whether the bill was an unfunded mandated was litigated to the New Hampshire Supreme Court. The Supreme Court noted: "Based upon the testimony of two experts, the superior court found that the existence of the presumption would in fact increase the number of successful claims. The court also found that many of these successful claims would be based upon cancer that was not work related." New Hampshire's highest court also noted that local governments would incur additional costs and "These costs would be incurred both in conducting pre-employment medical examinations designed to detect cancer and in paying benefits to firefighters who, because of the presumption, would qualify for benefits although their cancer was not work-related."

Municipalities don't want to begin prescreening local citizens who care about their community and want to volunteer as firefighters.

To completely focus 100% of the financial impacts of this proposal on Maine's towns and cities only, the bill's proponents offered an amendment that would prohibit municipalities from seeking contributions from any volunteer's full-time employer, even if the full-time employment involved significant exposure to known carcinogens. An employee of the Workers' Compensation Board assisted in advancing this proposal by telling the Labor Committee that an amendment offered on Monday would accomplish this task. The Committee ultimately adopted alternative language. There is some confusion about what this language actually does.

The amended legislation is better

than the bill as drafted, but it still represents a poor policy decision in this environment. As is the case with all threshold legislation of this kind, history from other states reveals that whatever limits that are included in the initial bill are attacked by subsequent legislation. In Arizona, the original presumption legislation included a list of specific cancers, the very next year bills were filed to expand the list of cancers. In other states, the presumption was extended to police and medical technicians.

In Indiana, where the cancer presumption has existed for a few years there are attempts this year by firefighters to expand the law to cover Parkinsons disease. It just doesn't stop.

What Will It Cost?

Representative Steve Butterfield (Bangor) of the Labor Committee asked if there were any evidence of the cost of providing the presumption from other states that have adopted rebuttable cancer presumption for firefighters.

For many reasons, finding that evidence is difficult. First, many states have only recently enacted the legislation. Treating cancer takes years and costs grow as the case goes from diagnosis, to non-invasive treatment, to major and invasive treatment. It is premature to look at states that have only had the presumption for a year or two.

Second, many states do not have the same presumption law as is proposed in LD 621. That is, some do not automatically provide the presumption retroactively to current firefighters; many do not extend the presumption beyond age 65; many do not include volunteers. So, in making state-to-state comparisons, the laws should be similar.

Third, not all workers compensation systems, including benefits, are the same.

Nevertheless, we received information this week from a California risk-pool that covers approximately 200 small and medium fire districts. The pool covers approximately 1,500 full-time and 3,400 volunteer firefighters. The pool includes another 200 employees whose function is unclear (they may be EMTs). In all, the pool covers 5,100 workers, 4,900 of which are firefighters. Maine has approximately 10,000 firefighters. So, in modifying the data for Maine, you would simply double the numbers.

The California risk-pool provided the following data for the past ten years.

	Cancer Presumption Claims	Current Claims Paid To Date	Anticipated Liability For Current Claims	Percentage Litigated
Total (4/1/99 – 4/1/09)	27	\$3,500,000	\$6,700,000	60%
Average Per Year	2-3	\$350,000	N/A	60%
Modified to Maine (Total)	5	\$7,000,000	\$13,400,000	?
Modified to Maine for (Per Year)	5-6	\$700,000	\$1,340,000	?

Maine's Energy Future

When current legislators were running for office in the Fall and as bills were being submitted in December, energy prices were at record highs. In response, the Legislature created a 17-member Joint Select Committee known as the Maine's Energy Future Committee (MEF) to review comprehensive energy legislation. While energy prices have declined dramatically since then, the MEF Committee has remained in place to look at the long-term issue of energy efficiency in Maine.

The Legislature is not the only state entity to have spent the winter focused on energy. The Governor's Office of Energy Independence and Security also spent that time preparing a Comprehensive Energy Plan (which may be found online at this link: <http://www.maine.gov/oeis/>)

The broad topics covered by the MEF Committee include energy efficiency programs (e.g., weatherization for residential properties, energy standards for new construction and appliances); renewable energy programs (solar, wind, etc.); revenues to pay for energy efficiency and the subsidy of renewable energy; and the administrative structure to manage these programs.

So far, approximately 10 bills have been assigned to the MEF Committee. The Committee's Focus recently has been on four comprehensive bills identified in the table below.

The primary issues raised by these bills include:

1. Should all energy efficiency programs be housed under one roof? The three primary energy efficiency programs in Maine are: (i) the weatherization aspect of the low-income heating assistance program (LIHEAP) administered by the Maine State Housing Authority; (ii) the Regional Greenhouse Gas Initiative (RGGI) administered by the Energy

Carbon and Savings Trust and the Energy Conservation Board; and (iii) the 7-year old Efficiency Maine and its six programs administered by The Public Utilities Commission. Each of the above four legislative proposals transfers most of Maine's existing energy efficiency programs to a single entity.

2. Should there be new sources of revenue for energy efficiency programs? Sources of revenue today are federal funds, state bond funds, Maine's allotment of the RGGI carbon offset credits auctioned-off quarterly, assessments against transmission and distribution utilities, as well as fees on natural gas and heating fuel. Collectively these programs generate revenues in the neighborhood of \$20M to \$30M per year.

The bills each propose new sources of revenue. However, the sources are quite different. For example, LD 955 and 1201 look to lease space in Maine's highways to utilities as energy corridors. LD 1201 would impose new fees on utilities that could total as much as \$180 million per year. LD 886 has a fuel assessment estimated to generate \$12 million in 2010, increasing to approximately \$36 million in 2019.

3. How to approach energy efficiency issues for buildings? The state has designated the 2009 International Energy Conservation Code as the base or model for Maine's statewide energy code to be adopted in 2010. However, some feel that this code is not stringent enough and would like to adopt even stricter standards. LD 1181 would require that new buildings, including municipal buildings, achieve a higher energy efficiency standard. Also, some of the bills require energy audits to determine where savings can be achieved from retrofit improvements.

4. How to prioritize spending? There are many approaches to this issue:

weatherization of residential property; efficiency standards for appliances; building standards for new construction; energy audits of commercial and governmental operations; subsidizing residential power generation – small windmills and solar panels; exploring off-shore wind farms; utilizing biomass and woodchips; developing energy storage technology; etc. These bills establish different governing bodies and different allocations for the various energy efficiency steps that Maine could take to reduce demand and increase supply from alternative sources.

For the most part, municipalities are not front-and-center on these bills. However, municipalities consume their share of energy and have been active in the utilization of alternative energy sources. Years ago municipalities formed regional entities to convert waste to energy. Today municipalities are installing wind turbines, pellet stoves, wood chip furnaces, etc. on municipal and school property. Also, municipalities provide general assistance and fuel assistance to citizens in need, and administer housing rehabilitation programs with Community Development Block Grant funds. Programs to bolster weatherization and efficiency for low-income residents has long been a municipal priority.

Yet, municipalities as consumers pay the fees and surcharges imposed on oil and electricity. In times of tight budgets, layoffs, and citizen initiatives to cut municipal revenues, the additional burden of fees and surcharges can be worrisome to municipal officials and the property taxpayers who ultimately pay the bills.

Balancing these difficult issues is now the task of the Maine's Energy Future Committee.

MMA's Legislative Policy Committee (LPC) has adopted a neutral stance on the bills as drafted. The LPC broadly supports the goals of energy efficiency and reducing dependence on fossil fuels. LPC members also understand the difficulty of proposing investments that have immediate costs but don't pay-off for several years.

However, there is also widespread municipal trepidation at the prospect of another grand idea coming from (and to

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Bill Number	Sponsor (Key Supporter)
LD 886 (31-pages)	House Speaker Hannah Pingree of North Haven
LD 955 (Concept Draft)	Senate President Elizabeth Mitchell of Kennebec Cty. (Cianbro President Peter Vigue)
LD 1181 (80-pages)	Rep. Seth Berry of Bowdoinham (Opportunity Maine)
LD 1201 (31-pages)	Rep. John Martin of Eagle Lake (Governor Baldacci)

Rev. Sharing Update

It looks as though the Legislature is slowly coming around to honoring the municipal request that any cuts to municipal revenue sharing be accomplished as a dollar-specific reduction from the Local Government Fund instead of structurally reducing the state's commitment to the revenue sharing program.

In his proposed biennial budget, Governor Baldacci would reduce the state's longstanding commitment to the municipal revenue sharing program from 5.1% of sales and income tax revenues to just 4.6%. That change would reduce the revenue sharing resources to Maine's towns and cities by over \$30 million during this upcoming biennium. In the budget, that change was characterized as merely "temporary", to end at the conclusion of FY 2011.

In the environment of chronic state budget deficits, however, structural reductions in state financial support are rarely restored no matter how "temporary" they were intended to be.

On Wednesday this week, the Taxation Committee complied with its charge to make a recommendation to the Appropriations Committee regarding the Governor's proposed revenue sharing cuts. The Tax Committee was in no position to recommend against the revenue sharing cut altogether. According to the lopsided rules of the game, the Committee would have to put its finger on a quick \$30 million to buy-off the revenue sharing reduction, which would basically require the elimination of the entire Maine Revenue Services system.

What is within the Committee's authority, however, is to recommend exactly how the revenue sharing cut should be accomplished. In a unanimous vote, the Tax Committee will be recommending that the revenue sharing reduction be accomplished in a straight-forward, accountable and truly temporary manner. Instead of structurally changing the percentage of sales and income tax revenue dedicated to the revenue sharing account, the Committee's recommendation will be to specifically identify the dollars to be appropriated out of the two revenue sharing funds without otherwise manipulating or reconfiguring the system. The dollar amounts would be appro-

riated out of the revenue sharing system in due proportion to the so-called "Rev I" and "Rev II" components of the entire distribution.

Cuts to revenue sharing hurt, particularly of this magnitude. A \$30 million-plus reduction in revenue sharing, on top of the totally opaque \$4 million "Efficiency Fund" diversion of revenue sharing resources to the state's General Fund, on top of the reduction that is naturally occurring in revenue sharing because of the negative economy, will all contribute toward municipal lay-offs, reduced quality of local government services and property tax increases. That being said, there is a right way and a wrong way to implement the reduction, and the Taxation Committee has clearly championed the correct way to effect this unfortunate cut.

Heating Emergencies

The forecast last August suggested that the price of heating fuel would be well over \$5.00/gallon by December 2008; homeowners were begrudgingly locking-in prices at \$4.50/gallon. Some landlords in Maine's larger communities had other plans for addressing the heating oil price crisis - abandonment of their rental property. Several landlords claimed that the rising cost of fuel would prevent them from appropriately heating their rental properties and as a result they were planning to give up the property to foreclosure.

The problem with this "solution" is that it creates a situation where there is no management of the rental property, the renters of the property suffer the consequences and municipal officials find themselves between a rock and a hard place.

As a result, Rep. Alan Casavant of Biddeford sponsored LD 1029, *An Act to Authorize Municipalities to Protect the Habitability of Rental Housing during Heating Fuel Emergencies*. As proposed in the bill, municipalities are authorized to expend public funds to ensure that rental units are supplied with necessary heating fuel in emergency situations.

Also established in LD 1029 are the procedures a municipality must undertake to provide the fuel assistance, including determining that the rental unit

is nearly or completely out of heating fuel, contacting the landlord and conveying the municipality's decision to intervene with the delivery of fuel, and providing the landlord with an opportunity to address the situation. Once contact is made with the landlord and the issue remains unresolved, the community can pay to provide the fuel and assess a lien against the landlord's rental property for the amount of money spent by the municipality.

On Monday this week, the State and Local Government Committee made quick work of LD 1029 by voting unanimously "ought to pass as amended". As amended by Committee, the bill no longer includes the emergency preamble. Without the emergency language, the bill will become effective 90 days after the Legislature has adjourned, which will likely be in September — in time for the 2009-2010 heating season.

ENERGY (cont'd)

be administered by) Augusta. Suggestions that the Legislature has figured-out how to achieve long-term savings in the complex field of energy are emerging from the shadows of similar promises in the field of health care (Dirigo) and education (mandatory consolidation).

Also, municipal officials are keenly sensitive to the all-too-common legislative practice of diverting funds from an intended purpose to the immediate need to balance the state's budget. The same thing could happen with new utility surcharges.

In essence, municipal leaders see these comprehensive bills as a gamble. If they succeed, energy consumption is reduced as is our dependence on foreign oil. New "green" jobs are created, the environment is cleaner and the balance sheets of individuals, businesses and institutions are improved.

If the legislation fails, bureaucracy expands and becomes entrenched, budgets increase unexpectedly, already-too-high energy prices go up even further, no significant improvement in energy efficiency is achieved and public dismay with government deepens.

Until the final bill is crafted in committee, municipal officials are holding on to their chips.

LEGISLATIVE HEARINGS

NOTE: You should check your newspapers for Legal Notices as there may be changes in the hearing schedule. Weekly schedules and supplements are available at the Senate Office at the State House and the Legislature's web site at <http://www.state.me.us/legis/senate/Documents/hearing/ANPHFrame.htm>. If you wish to have updates to the Hearing Schedules e-mailed directly to you, sign up on the ANPH homepage listed above. Work Session schedules and hearing updates are available at the Legislative Information page at <http://www.state.me.us/legis/>.

Monday, April 13

Agriculture, Conservation & Forestry
Room 206, Cross State Office Building, 1:00 p.m.
Tel: 287-1312

LD 1322 – An Act To Amend Provisions of the Submerged Lands Law.

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

LD 1126 – An Act To Limit the Scope of Miscellaneous Costs within the General Purpose Aid for Local Schools Appropriation.

LD 1221 – An Act To Remove the Local Requirement for Education Funding.

LD 1225 – An Act To Amend the School Funding Formula Regarding School Administrative Units That Are Eligible for the Minimum State Share of Their Total Allocation.

LD 1227 – An Act To Equalize the Regional Salary Cost Index under the School Funding Formula.

LD 1298 – An Act To Adjust the Special Education Funding for Minimum Subsidy Receivers.

LD 1414 – An Act To Amend the Laws Governing Spending by School Administrative Units.

Health & Human Services
Room 209, Cross State Office Building, 9:00 a.m.
Tel: 287-1317

LD 1165 – An Act To Improve Children's Safety in Public Swimming Pools.

State & Local Government
Room 216, Cross State Office Building, 10:00 a.m.
Tel: 287-1330

LD 1172 – An Act To Allow a Municipality To Grant a Variance for the Construction of a Parking Structure for a Person with a Permanent Disability.

LD 1313 – An Act To Restructure the State Planning Office.

Taxation
Room 127, State House, 10:00 a.m.
Tel: 287-1552

LD 71 – An Act To Raise the Property Tax Exemption for Veterans.

LD 1213 – An Act To Amend the Homestead Exemption for Certain Veterans To Include Certain Military Personnel Stationed at Guantanamo Bay.

LD 1149 – An Act To Amend the Veterans Homestead Exemption To Include Certain Medal Winners.

LD 1233 – An Act To Provide Property Tax Relief to Senior Citizens.

Tuesday, April 14

Business, Research & Economic Development
Room 208, Cross State Office Building, 1:00 p.m.

Tel: 287-1331

LD 1393 – An Act To Provide an Exception to the Pine Tree Development Zone Requirements for Seafood Processing Business.
2:00 p.m.

LD 1241 – An Act To Require Licensing for Certain Mechanical Trades.

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

LD 1097 – An Act To Improve Alternative Organizational Structures by Requiring the Department of Education To Provide Them with Estimated Allocations.

LD 1129 – An Act To Permit Efficient School Districts To Opt Out of Consolidation.

LD 1203 – An Act To Allow Certain School Units To Reorganize without Meeting Minimum Student Population Requirements without Being Penalized.

LD 1283 – An Act To Reform the School Budget Validation Process.

LD 1336 – An Act To Preserve School Choice Rights.

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

LD 1099 – Resolve, Directing the Department of Inland Fisheries and Wildlife To Conduct a Study To Identify All Publicly Owned Inland and Coastal Water Access Sites.

Judiciary
Room 438, State House, 1:00 p.m.
Tel: 287-1327

LD 445 – An Act To Improve Tribal-State Relations.

LD 797 – An Act To Fully Implement the Legislative Intent in Prohibiting Offensive Place Names.

LD 1377 – An Act To Amend the 1980 Maine Implementing Act To Authorize the Establishment of a Tribal Court for the Houlton Band of Maliseet Indians and Related Matters.

Natural Resources
Room 214, Cross State Office Building, 1:00 p.m.
Tel: 287-4149

LD 1268 – An Act To Update the Site Location of Development Laws.

LD 1333 – An Act To Establish Climate and Energy Planning in Maine.

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

LD 334 – An Act To Clarify the So-called Dig Safe Law.

LD 1348 – An Act To Provide Grants to Public Educational and Municipal Entities for Feasibility Studies of Renewable Energy Projects.

LD 1450 – An Act To Establish the Renewable Energy Resources Program.

Wednesday, April 15

Agriculture, Conservation & Forestry
Room 206, Cross State Office Building, 1:00 p.m.
Tel: 287-1312

LD 1103 – An Act To Amend the Animal Welfare Laws.

LD 1286 – An Act To Amend State Dog Licensing Laws.

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Business, Research & Economic Development

LD 1389 – An Act to Create State and Regional Quality of Place Investment Strategies for High-value Jobs, Products and Services in Maine. (Governor’s Bill) (Sponsored by Sen. Damon of Hancock County; additional cosponsors.)

This bill creates the 11-member Maine Quality of Place Council which is charged with overseeing a new initiative to inventory, through Maine’s regional planning agencies, regional and statewide “quality of place” assets. “Quality of place” assets include natural resource, landscape, downtown, historical, cultural, recreational, educational, transportation and renewable resource assets. The bill also charges the Maine Quality of Place Council with developing a “quality of place” investment strategy. The bill also establishes the Maine Quality of Place Investment Fund, to be capitalized with bond revenue approved by the voters for that purpose. When capitalized, regional planning agencies and other applicants could apply for grants for projects that would conform to or support the quality of place investment strategy.

HEARINGS (cont'd)

State & Local Government

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

Tel: 287-1330

Act To Authorize the Annexation of a Portion of Redington Township in Franklin County to the Town of Carrabassett Valley.

Taxation

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

Tel: 287-1552

LD 1235 – An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2009-10.

LD 931 – An Act To Expand the Economic Development Benefit of Tax Increment Financing in Counties That Include Unorganized Territories.

LD 1154 – Resolve, To Establish a Study Commission To Review Tax Increment Financing in the Unorganized Territory.

Thursday, April 16

Judiciary

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

Tel: 287-1327

LD 1199 – An Act To Implement the Recommendations of the Right To Know Advisory Committee.

LD 1207 – An Act To Base the Value of Eminent Domain Takings on Going Concern Value.

LD 1307 – An Act To Provide Limited Immunity for Road Association Directors, Commissioners and Volunteers.

Labor

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

Tel: 287-1333

LD 849 – An Act To Clarify the Application of the Public Works Minimum Wage Laws.

LD 869 – An Act To Require the Development of Plans To Achieve the payment of Livable Wages by State and Local Government Employers.

LD 1092 – An Act To Improve Worksite Accountability for Public Construction Projects by Requiring Subcontractor Identification.

Taxation

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

LD 1336 – An Act To Preserve School Choice Rights. (Emergency) (Sponsored by Sen. Weston of Waldo County.)

This bill reinforces and extends the obligation of newly formed regional school units (RSUs) to pay the tuition costs associated with students within the RSU who are attending non-RSU schools provided those students come from municipalities that provided “school choice” opportunities prior to the formation of the RSU.

LD 1414 – An Act To Amend the Laws Governing Spending by School Administrative Units. (Sponsored by Rep. Pingree of North Haven; additional cosponsors.)

This bill changes the law governing the LD 1 spending limit for schools by allowing school systems to forego the referendum voting process if their budgets do not exceed the EPS-based school allocation by more than 5% or if the budget does not exceed the previous year’s budget by the state and local spending growth allowance.

Judiciary

LD 1199 – An Act To Implement the Recommendations of
(continued on page 8)

Tel: 287-1552

LD 976 – An Act To Provide Tax Relief. (So-called “TABOR II” Citizens’ Initiative)

LD 840 – Resolution, Proposing an Amendment to the Constitution of Maine To Control Property Tax Increases.

LD 1060 – Resolution, Proposing an Amendment to the Constitution of Maine To Restrict Property Revaluations.

LD 787 – An Act To Provide an Additional Source of Revenue for the Tax Relief Fund for Maine Residents.

LD 855 – Resolve, To Establish the Commission To Study the Reform of Taxes and Spending in Maine.

LD 922 – Resolution, Proposing an Amendment to the Constitution of Maine To Require a Supermajority Approval of the Legislature for Tax Increases.

Friday, April 17

Criminal Justice & Public Safety

Rm. 436, State House, 10:00 a.m.

Tel: 287-1122

LD 385 – An Act To Ensure a Uniform Comprehensive State Policy Regarding Residency Restrictions for Sex Offenders.

LD 568 – An Act To Amend the Sex Offender Registration Laws.

LD 1157 – An Act To Improve the Use of Information Regarding Sex Offenders.

Natural Resources

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

Tel: 287-4149

LD 1311 – An Act To Enable Municipal Assistance for Purposes of Protecting or Restoring Public Waters.

LD 1332 – An Act To Continue Coverage of Oil Clean-up Costs and Improve Administration of Ground Water Oil Clean-up Fund.

LD 1399 – An Act Concerning Water Quality in Watersheds.

Transportation

Room 126, State House, 10:00 a.m.

Tel: 287-4148

LD 1174 – An Act To Allow the Use of Cameras To Enforce Traffic Violations.

LD 1234 – An Act To Regulate the Use of Traffic Surveillance Cameras.

LD 1316 – An Act To Limit the Transport of Water for Export.

HOPPER (cont'd)

the Right To Know Advisory Committee. (Reported by Rep. Priest of Brunswick for the Joint Standing Committee on Judiciary.)

This bill makes a number of changes to Maine's Right to Know law many of which are merely technical, non-substantive changes. Among the substantive changes, this bill provides that certain aquaculture seeding and harvesting plans in the possession of the Department of Marine Resources are confidential as "proprietary", except that on request they can be provided to the municipalities adjacent to the aquaculture lease while remaining confidential documents.

Legal & Veterans Affairs

LD 1437 – An Act To Permit Video Gaming for Money Conducted by Nonprofit Organizations. (Sponsored by Sen. Craven of Androscoggin County; additional cosponsors.)

This bill allows operation of video gaming terminals by nonprofit organizations that are exempt from federal taxation under several subsections of Section 501 of the Internal Revenue Code. In order for an applicant to be provided a license by the Chief of the State Police, an application must first be approved by the municipal officers of the municipality where the video gaming activity is being proposed. The bill specifies the procedure for providing public notice of the application and a public hearing regarding the applicant's proposal. The bill also dedicates 1% of the net terminal income derived from the licensed video gaming activity to the municipal revenue sharing fund.

Taxation

LD 1426 – An Act To Allow Municipalities To Impose a Local Option Lodging or Meals Tax. (Sponsored by Rep. Flemings of Bar Harbor; additional cosponsors.)

This bill allows a municipality to adopt by referendum a local option meals and/ or lodging tax of up to 4% of those sales

transactions. 75% of the revenue collected would be to the municipality where the transaction occurred and 25% would be distributed to the host county.

LD 1427 – An Act To Compensate Maine Residents for the Impacts of High-voltage Transmission Lines. (Emergency) (Sponsored by Rep. Martin of Eagle Lake; additional cosponsors.)

This bill imposes a state-level excise tax that would be applied in addition to any local property taxes that might be applied to high voltage electric transmission property. The captured revenue is supposed to be used to compensate Maine residents for the impacts of high voltage electricity transmission lines. 20% of the captured revenue, up to \$10 million annually, is to be provided as competitive grants to municipalities to fund the placement of electricity transmission lines underground.

Transportation

LD 1315 – An Act To Amend the Private Way Laws with Regard to Road Associations. (after deadline) (Sponsored by Rep. Duchesne of Hudson; additional cosponsors.)

This bill makes several amendments to the law governing the procedures and authorities of private road associations. Among those changes, the bill authorizes municipal officers to deploy municipal equipment to maintain private roads for water quality protection purposes.

LD 1383 – An Act To Provide Support to Municipal Government by Imposing a Municipal Surcharge on Traffic Violations. (Sponsored by Sen. Bartlett of Cumberland County; additional cosponsor.)

This bill imposes a \$30 municipal surcharge on every fine imposed for a violation of motor vehicle laws. The surcharge revenue is collected in the same time and manner of the underlying traffic fine, and every three months the State Treasurer must distribute the surcharge revenue back to the municipalities where the motor vehicle infraction occurred.