Governor LePage’s Final General Fund Budget Includes Familiar Initiatives

Increases in Property Taxpayer Burden

Governor LePage submitted his fourth and final biennial General Fund budget on Friday, January 6, 2017. The proposed budget establishes the Governor’s funding and policy priorities for FY 2018 and FY 2019. A detailed description of the municipally-relevant elements of the budget is posted on MMA’s website at www.memun.org. Look for “Governor’s Proposed Budget: Municipal Impact” in the middle of the home page. A paper copy of that memo can be obtained by contacting Laura Ellis at either 1-800-452-8786 or lellis@memun.org.

Many of the initiatives found within the pages of the budget are familiar, having been advanced in the past six years in either an identical or modified form. In a nutshell, the Governor’s two-year budget seeks to implement income tax, welfare and K-12 public education funding reforms. Many elements of the Governor’s budget impact municipal programs and services, including:

- **General Assistance.** The budget proposes an outright repeal of the General Assistance program. According to current law, the share of state sales and income tax revenue is restored to 5% in FY 2020. However, the Governor’s budget proposes to repeal this statutory restoration to 5% by permanently reducing transfers to the revenue sharing program at the 2% level.
  - **Homestead Exemption.** Under existing law, both the value of the Homestead Exemption provided to all qualifying Maine resident homeowners and the amount of state reimbursement for the lost property tax revenue are scheduled to increase on April 1, 2017. The value of the exemption is to increase from $15,000 to $20,000 and the state reimbursement

(continued on page 2)

Boost to Road Revenue in Proposed Highway Fund Budget

A near 10% Increase to the Local Road Assistance Program

Unlike Governor’s LePage’s proposed General Fund budget, which includes any number of controversial proposals (some familiar and some of first impression), the Administration’s proposed Highway Fund budget is entirely straightforward.

The most significant element of the proposed budget is the elimination of the financial sharing arrangement between the Highway Fund and the state’s General Fund with respect to financing the Maine State Police budget. For a very long time, as far back as memory can take us, the State Police budget has been covered in part with General Fund revenue and in part with Highway Fund revenue, with lively and perennial arguments over what that sharing rate should be. In this budget, the General Fund is called upon to finance the entire State Police budget, which frees-up an additional $20 million each year of the biennium for DOT highway and bridge maintenance and construction projects.

The total Highway Fund, projected to be capitalized with $650 million over the next biennium, is not entirely dedicated to highway and bridge work. Various state agencies and offices receive allocations amounting to about 15% of the Highway Fund to cover their roles in managing the Fund or providing services in the management of the state’s highways. The first half of the of the Highway Fund budget details the various allocations to the receiving agencies, which include the Department of Administrative and Financial Services, Department of Environmental Protection, Department of Public Safety, and the Secretary of State’s Office.

All changes from the baseline status quo in these budget documents are identified as “initiatives” and a one-sentence

(continued on page 3)
from 50% to 62.5%. The Governor’s budget proposes to radically amend those scheduled program changes. Beginning on or after April 1, 2017 the Homestead Exemption would be set at $20,000, but only Maine resident homeowners 65 years of age or older would qualify. In addition, the state reimbursement for lost property tax revenue would be reduced from 62.5% to 50%.

- **BETR & BETE.** The $2 - $3 billion in value of personal property enrolled in the Business Equipment Reimbursement Program (BETR) would be converted to tax exempt status by incrementally transferring its enrollment into the Business Equipment Tax Exemption Program (BETE).

- **Two-way Telecommunications.** Tax authority over two-way telecommunication services (e.g., telephone and broadband infrastructure, etc.) would be shifted from the state to the municipalities, resulting in increased property tax revenue among all the municipalities where the property is located of approximately $6.5 million each year.

- **Sales Tax.** The sales tax rate on lodging would be increased from 9% to 10% and the sales tax base expanded to include several services (e.g., interior decoration, hair salon services, massages, dry cleaning, laundry, admission to concerts and amusement parks, golfing, bowling, etc.), resulting in a $98 million increase in state sales tax revenue over the FY 2018 – FY 2019 biennium.

- **Income Tax.** The number of income tax brackets and the tax rates assessed would be reduced. For tax year 2017, the current three brackets of 5.8%, 6.75% and 7.15% would be retained. In tax year 2018, the Governor is proposing two brackets of 2.75% and 3.15%. For tax years beginning on or after January 1, 2019 a flat tax rate of 2.75% would be assessed on all Maine income tax filers. Beginning in 2018, the income tax rate would be adjusted by the 3% surcharge described immediately below. The proposed changes to the current income tax brackets and rates would yield a $388 million loss in state revenue over the FY 2018 – 2019 biennium.

- **School Funding Citizen Initiative.** As enacted by the voters of Maine at the November 8, 2016 referendum election, beginning on January 1, 2017 a 3% surcharge is to be assessed on the portion of taxable income that exceeds $200,000. The revenue generated by the surcharge is dedicated by the initiative to support K-12 classroom expenses. The Governor’s budget proposes to delay the implementation of the surcharge to January 1, 2018, apply the surcharge on all Maine income taxpayers (rather than just those with an income over $200,000), and repeal the provision adopted by the voters requiring the revenues to be transferred to the Fund to Advance K-12 Public Education.

- **State Aid for Education – State Share Calculation.** The state’s obligation to fund 55% of the cost of K-12 education would be restructured by removing all elements of the statute that track the state’s financial contribution toward the EPS model and advancing a calculation of the state’s share that includes $150 million plus in teacher retirement-related unfunded actuarial liability (UAL), a state-level financial accounting obligation entirely unrelated to the Essential Programs and Services school funding model. As a result of the inclusion of the retirement-related UAL, the state’s share of K-12 education for FY 2018 is calculated as 50.87%, rather than 46.8%.

- **K-12 Education Mill Rate Ex-**

(continued on page 3)
Governor LePage’s Final General Fund Budget (cont’d)

**Expectation.** The FY 2018 property tax mill rate expectation for K-12 education would be set at 8.29 mills. For comparison purposes, the mill rate expectation for the current fiscal year is 8.30 mills. The local share obligation is held essentially flat, on paper, because a sizable chunk of the funding model, system administration (superintendency and administration), is proposed to be removed from the model. The component of the EPS model that calculates each school system’s appropriate cost of “system administration” would be repealed, thereby eliminating any state subsidy for the costs associated with superintendents’ offices.

- **Development of New School Funding Model.** Despite making several changes to the current school funding model, the commissioner of the Department of Education would be directed to develop a new school funding model based on a single statewide teacher contract for implementation by the FY 2019-2020 school year.
- **Municipal and School Efficiency Funds.** $10 million over the biennium would be invested in the Local Government Efficiency Fund and an additional $10 million in the Fund for the Efficient Delivery of Educational Services.
- **COG & RPC Funding.** The Governor’s proposal would reduce from $159,550 to $0 the state funds provided to Regional Councils of Governments and Regional Planning Commissions to provide technical, financial and planning assistance to municipalities.

Over the next several weeks, MMA will be utilizing the Legislative Bulletin as a means of sharing more detailed analyses of the proposed budget’s municipal impacts. The initial review suggests that additional burden will be placed on the property taxpayers.

**Current Tax Mix.** As shown in the accompanying table, over the last decade funding for the delivery of state, county, school and municipal government services has grown more dependent on the property tax. In 2005, property taxes accounted for 42% of the total revenue generated by the property, income and sales tax, with the income and sales taxes contributing 35% and 23% of the total, respectively. By 2015, reliance on the property tax to fund governmental services at all levels had increased to 45% of total tax revenue, with the income and sales taxes contributing 31% and 23% of the total, respectively.

According to the fiscal note that accompanies the budget, the proposed income tax changes would result in a roughly $194 million loss of revenue from that source in each year of the biennium, for a total of $390 million. To be fair, the Governor’s budget helps in a modest way to defray those income tax revenue losses by expanding the base of taxable sales (e.g. household, personal, and personal property services, etc.) and increasing the lodging tax rate from 9% to 10%. Both the lodging rate increase and the sales tax base expansion would generate $20 million in FY 2018 and $78 million in FY 2019 for a two year total of $98 million.

The FY 2018 and FY 2019 data included in the tax mix chart assumes that the lion’s share (90%) of the net difference between the proposed income tax revenue cuts and sales tax revenues increases — a net loss of state revenue of $174 million in FY 2018 and $117 million in FY 2019 — would be absorbed by the property taxpayers, primarily in the form of increased local share of K-12 education and public assistance costs. If that is the case and the Legislature adopts the budget, as is, it is likely that in FY 2018 the property tax would account for 49% of the mix, the income tax 28% and the sales tax 24%. In FY 2019, the burden on the property taxpayers would increase to 51%, with the income and sales tax contributing 24% and 25% of the total revenues, respectively.

Highway Fund (cont’d)

initiative in the Department of Public Safety section reads: “Initiative: Reallocation positions and All Other funding in the State Police program from 35% Highway Fund and 65% General Fund to 100% General Fund.” That single initiative allows for an increase of just over $20 million in each year of the biennium to increase the overall Highway Fund allocation to the Department of Transportation (DOT). For each year in the current biennium, DOT’s Highway Fund allocation averaged $255 million. As proposed in this budget for the next biennium, it is $278.6 million for FY 2018 and $275.8 million for FY 2019.

Because the Local Road Assistance Program (LRAP), as a matter of statute, is funded with 9% of the total Highway Fund allocation to the DOT, the increase in the DOT allocation translates to a 10% increase to the local road program. The LRAP budget is just short of $21 million for the current fiscal year but is slated to be just over $23 million for the upcoming fiscal year, beginning on July 1.

Another initiative in the proposed Highway Fund budget identifies and transfers about $6.3 million in each year of the biennium from the Highway Fund’s unallocated surplus to the TransCap Trust Fund, where it can be put to work. Established in 2007 and fiscally managed by the Maine Municipal Bond Bank, the TransCap Trust Fund receives dedicated revenue from a variety of sources, including certain specialty license plate fees, fixed amounts of motor vehicle registration and title fees, etc. It is also the repository of capitalization grants provided by the federal government for the fund’s primary purpose, which is to provide transportation capital investment for both the Department of Transportation and the municipalities. The annual transfer of over $6 million each year into that account more than offsets what would otherwise be a $4 million reduction in fund capacity. With the transfer, the TransCap Trust Fund is budgeted at just over $40 million for each year of the upcoming biennium.
Monday, January 16 - HOLIDAY

Tuesday, January 17
Veterans & Legal Affairs
Room 437, State House, 1:00 p.m.
Tel: 287-1310

IN THE HOPPER
(The bill summaries are written by MMA staff and are not necessarily the bill’s summary statement or an excerpt from that summary statement. During the course of the legislative session, many more bills of municipal interest will be printed than there is space in the Legislative Bulletin to describe. Our attempt is to provide a description of what would appear to be the bills of most significance to local government, but we would advise municipal officials to also review the comprehensive list of LDs of municipal interest that can be found on MMA’s website, www.memun.org.)

Criminal Justice & Public Safety
LD 9 – An Act To Prohibit the Creation of a Firearms Owner Registry. (Sponsored by Rep. Corey of Windham; additional cosponsors.)
This bill prohibits the state or any municipality or other political subdivision of the state from keeping a list or registry of privately owned firearms or the owners of those firearms. The general prohibition does not apply to firearms that have been used in committing a violent crime dangerous to human life or the persons convicted of such a violent crime.
LD 44 – An Act To Lower the Age Requirement To Carry a Concealed Handgun. (Sponsored by Sen. Bracey of Androscoggin Cty; additional cosponsors.)
This bill lowers the age at which a person is allowed to carry a concealed handgun from 21 to 18 years of age.

Education & Cultural Affairs
LD 51 – An Act Regarding the Withdrawal of a Single Municipality from a Regional School Unit. (Sponsored by Rep. Turner of Burlington; additional cosponsors.)
This bill makes three changes to the law governing the withdrawal of a single municipality from a regional school unit. With respect to the elements of the withdrawal agreement, the bill adds two additional requirements: (1) a plan for providing child nutrition services in the schools operated by the petitioning municipality; and (2) the anticipated budget for the first year of operation of those schools. The bill also establishes a 30-day period within which the directors of the Regional School Unit must respond to a proposed agreement submitted by the withdrawal committee, and directs the Commissioner of the Department of Education to provide assistance with the negotiations between the withdrawal committee and the directors, if requested to do so.

Health & Human Services
LD 10 – An Act To Build Greater Accountability into the General Assistance Program by Increasing the Penalty for Falsely Representing Information on an Application for General Assistance. (Sponsored by Rep. Picchiotti of Fairfield; additional cosponsors.)

HOPPER (cont.)

Current law establishes a 120 day period of disqualification from receiving any General Assistance (GA) benefits for a person who is found to have obtained GA by making a false or fraudulent representation to the municipal administrator. This bill increases the disqualification period to 24 months.
LD 33 – An Act To Adjust the Lifetime Limit for the Receipt of TANF Benefits. (Sponsored by Sen. Bracey of Androscoggin Cty; additional cosponsors.)
This bill reduces the lifetime limit on receiving public assistance benefits through the Temporary Assistance for Needy Families program (TANF). The current lifetime limit is 5 years. This bill reduces that limit to 3 years.
LD 36 – An Act To Create a 9-month Time Limit on General Assistance Benefits for Certain Persons. (Sponsored by Sen. Bracey of Androscoggin Cty; additional cosponsors.)
This bill establishes a limit on the duration of time certain persons can receive benefits under the General Assistance program. That limit is no more than 9 months (275 days) every 5 years for applicants who are capable of working and who do not have any dependents.

Inland Fisheries & Wildlife
LD 11 – Resolution, Proposing an Amendment to the Constitution of Maine To Establish the Right To Hunt and Fish. (Sponsored by Rep. Wood of Greene; additional cosponsors.)
This bill sends out to the voters a proposed amendment to the state’s constitution to establish an unimfringeable right to hunt, fish and harvest game and fish, with such activities subject only to laws enacted by the Legislature and rules adopted by the state agency designated for fish and wildlife management.

Labor, Commerce, Research & Economic Development
LD 22 – An Act To Repeal the Requirement That Municipalities License Roller-skating Rinks. (Sponsored by Rep. Turner of Burlington; additional cosponsors.)
In 2014, a number of archaic municipal licensing mandates were repealed in favor of a general statute recognizing the inherent municipal authority to license the various activities as a matter of home rule authority. The mandate to license roller skating rinks was inadvertently left out of the list of repealed mandates. This bill repeals the mandate that municipalities license roller skating rinks.
LD 65 – An Act To Ensure the Right To Work without Payment of Dues or Fees to a Labor Union as a Condition of Employment. (Sponsored by Rep. Lockman of Amherst; additional cosponsors.)
This bill prohibits a person from being required to join a labor organization or pay any labor organization dues or fees as a condition of employment.
LD 66 – An Act To Prohibit Public Employers from Acting as Collection Agents for Labor Unions. (Sponsored by Rep. Lockman of Amherst; additional cosponsors.)
This bill prohibits a public employer from deducting service fees or member dues owed by an employee to a collective bargaining agent.
LD 67 – An Act To Improve Insurance Coverage for First Responders Answering a Call to Duty. (Sponsored by Rep. Devin of Newcastle; additional cosponsors.)
This bill provides a rebuttable presumption under the Workers’ Compensation laws that an injury sustained by a firefighter or emergency medical services personnel occurred as a result of that person’s employment as a firefighter or EMS worker if the injury occurs at any time after the person receives notice of a fire or emergency and is in the process of responding.

(continued on page 7)
MMA’s 2016 – 2018 Legislative Policy Committee

**LPC/Senate District 1:**
Donald Guimond, Manager — Fort Kent
Ryan Pelletier, Manager — Madawaska

**LPC/Senate District 2:**
Martin Puckett, Manager — Presque Isle
Paige Coville, Chair of Selectboard — Island Falls

**LPC/Senate District 3:**
Elaine Aloes, Chair of Selectboard — Solon
Tim Curtis, Manager — Madison

**LPC/Senate District 4:**
David Pearson, Chair of Appeals Board — Dexter
Jack Clukey, Manager — Dover-Foxcroft

**LPC/Senate District 5:**
Thomas Perry, Councilor — Orono
Charles Pray, Councilor — Millinocket

**LPC/Senate District 6:**
Harry Fish, Jr., Selectman — Jonesport
Lewis Pinkham, Manager/Police Chief — Milbridge

**LPC/Senate District 7:**
Gary Fortier, Councilor — Ellsworth
James Schatz, Chair of Selectmen — Blue Hill

**LPC/Senate District 8:**
Susan Lessard, Manager — Bucksport
James Smith, Assistant Manager — Brewer

**LPC/Senate District 9:**
Nelson Durgin, Planning Board — Bangor
Howard Kroll, Manager — Hermon

**LPC/Senate District 10:**
Adam Shaw, Jr., Councilor — Glenburn
Serena Bemis-Goodall, Manager — Corinna

**LPC/Senate District 11:**
Kathy Littlefield, Chair of Selectboard — Waldo
Galen Larrabee, Chair of Selectboard — Knox

**LPC/Senate District 12:**
William Chapman, Chair of Selectboard — Rockport
Jay Feyler, Manager — Union

**LPC/Senate District 13:**
Jonathan Duke, Administrator — Newcastle
Harry Lowd, Selectman — Bristol

**LPC/Senate District 14:**
Peter Nielsen, Manager — Winthrop
Curtis Lunt, Manager — Monmouth
Scott Morelli, Manager — Gardiner

**LPC/Senate District 15:**
Kelly Couture, Selectman — Sidney
Anna Blodgett, Councilor — Augusta

**LPC/Senate District 16:**
John O’Donnell, LPC Rep. — Waterville
Aaron Rowden, Councilor — Fairfield

**LPC/Senate District 17:**
Richard Davis, Manager — Farmington
Ruth Cushman, Selectperson — Wilton

**LPC/Senate District 18:**
Arthur Harvey, Planning Board Member — Hartford
Amy Bernard, Manager — Newry

**LPC/Senate District 19:**
(vacant)
Lenny Adler, Selectman — Otisfield

**LPC/Senate District 20:**
Robert Stone, Councilor — Auburn
Stanley Tettenman, Selectman — Poland

**LPC/Senate District 21:**
Robert Macdonald, Mayor — Lewiston
Ed Barrett, Administrator — Lewiston

**LPC/Senate District 22:**
Aaron Chrostowsky, Manager — Wayne
Kasie Kolbe, Councilor — Lisbon

**LPC/Senate District 23:**
William Post, Manager — Bowdoinham
William “Bill” Giroux, Manager — Bath

**LPC/Senate District 24:**
Kristi Eiane, Administrator — Harpswell
Katherine Wilson, Councilor — Brunswick

**LPC/Senate District 25:**
Claudia King, Councilor — Falmouth
Steve Moriarty, Planning Board — Cumberland

**LPC/Senate District 26:**
David Nadeau, Councilor — Windham
Lou Stack, Assessment Review Bd. — Standish

**LPC/Senate District 27:**
Jill Duson, Councilor — Portland
David Brenerman, Councilor — Portland

**LPC/Senate District 28:**
Ethan Strimling, Mayor — Portland
Jon Jennings, Manager — Portland

**LPC/Senate District 29:**
Joshua Reny, Asst. Manager, So. Portland
Penelope “Penny” Jordan, Councilor — Cape Elizabeth

**LPC/Senate District 30:**
Shawn Babine, Councilor — Scarborough
David Cole, Manager — Gorham

**LPC/Senate District 31:**
Larry Mead, Manager — Old Orchard Beach
Kevin Sutherland, Administrator — Saco

**LPC/Senate District 32:**
John McCurry, Jr., Council Chair — Biddeford
James Bennett, Manager — Biddeford

**LPC/Senate District 33:**
Steven Buck, Manager — Sanford
Gary Lamb, Administrator — Waterboro

**LPC/Senate District 34:**
(vacant)
Richard Morin, Selectman — Kennebunk

**LPC/Senate District 35:**
(vacant)
Perry Ellsworth, Manager — South Berwick

**LPC Chair:**
(2017)
Linda Cohen, Councilor — South Portland
Joint Standing Committees of the 128th Legislature

**Agriculture, Conservation & Forestry**

*Senate:*
- Paul Davis, Sr., Chair (Piscataquis Cty.)
  - James Dill (Penobscot Cty.)
  - Thomas Saviello (Franklin Cty.)

*House:*
- Michelle Dunphy, Chair (Old Town)
  - Kent Ackley (Monmouth)
  - Russell Black (Wilton)
  - Ralph Chapman (Brooksville)
  - Norman Higgins (Dover-Foxcroft)
  - MaryAnne Kinney (Knox)
  - Danny Martin (Sinclair)
  - Carol McElwee (Caribou)
  - Margaret O’Neil (Saco)
  - Thomas Skofield (Weld)

**Appropriations & Financial Affairs**

*Senate:*
- Kimberly Rosen, Chair (Hancock Cty.)
  - James Hamper, Chair (Oxford Cty.)
  - Catherine Breen (Cumberland Cty.)
  - Roger Katz (Kennebec Cty.)

*House:*
- Drew Gattine, Chair (Westbrook)
  - Aaron Frey (Bangor)
  - Brian Hubbell (Bar Harbor)
  - Erik Jorgensen (Portland)
  - John Martin (Eagle Lake)
  - H. Steadman Seavey (Kennebunkport)
  - Heather Sirocki (Scarborough)
  - Debra Tepler (Topsham)
  - Jeffrey Timberlake (Turner)
  - Tom Winsor (Norway)

**Criminal Justice & Public Safety**

*Senate:*
- Lois Galgay Reckitt (South Portland)
  - Charlotte Warren, Chair (Hallowell)
  - Patrick Corey (Windham)
  - Karen Gerrish (Lebanon)
  - Martin Grohman (Biddeford)
  - Lloyd Herrick (Paris)
  - Thomas Longstaff (WATERVILLE)
  - Donald Marean (Hollis)
  - Catherine Nadeau (Winslow)
  - Lois Galgay Reckitt (South Portland)
  - Rachel Talbot Ross (Portland)

*House:*
- Eric Brakey, Chair (Androscoggin Cty.)
  - Benjamin Chipman (Cumberland Cty.)
  - Roger Katz (Kennebec Cty.)

**Education & Cultural Affairs**

*Senate:*
- Thomas Saviello, Chair (Franklin Cty.)
  - Geoffrey Gratwick (Penobscot Cty.)
  - Amy Volk (Cumberland Cty.)

*House:*
- Drew Gattine, Chair (Westbrook)
  - Aaron Frey (Bangor)
  - Brian Hubbell (Bar Harbor)
  - Erik Jorgensen (Portland)
  - John Martin (Eagle Lake)
  - H. Steadman Seavey (Kennebunkport)
  - Heather Sirocki (Scarborough)
  - Debra Tepler (Topsham)
  - Jeffrey Timberlake (Turner)
  - Tom Winsor (Norway)

**Energy, Utilities & Technology**

*Senate:*
- David Woodsome, Chair (York Cty.)
  - Andre Cushing, III (Penobscot Cty.)
  - Mark Dion (Cumberland Cty.)

*House:*
- Seth Berry, Chair (Bowdoinham)
  - Janice Cooper (Yarmouth)
  - Jennifer DeChant (Bath)
  - Jeffrey Hanley (Pittston)
  - Lance Harvell (Farmington)
  - Beth O’Connor (Berwick)
  - Christina Riley (Jay)
  - Deane Ryerson (Kittery)
  - Heather Sanborn (Portland)
  - Nathan Wadsworth (Hiram)

**Environment & Natural Resources**

*Senate:*
- Thomas Saviello, Chair (Franklin Cty.)
  - Geoffrey Gratwick (Penobscot Cty.)
  - Amy Volk (Cumberland Cty.)

*House:*
- Ralph Tucker, Chair (Brunswick)
  - Richard Campbell (ORRINGTON)
  - Robert Duchesne (Hudson)
  - Jessica Fay (Raymond)
  - Denise Harlow (Portland)
  - Jonathan Kinney (Limington)
  - John Martin (Eagle Lake)
  - Jeffrey Pierce (Dresden)
  - Scott Strom (Pittsfield)
  - Stanley Paige Ziegler, Jr. (Montville)

**Health & Human Services**

*Senate:*
- Eric Brakey, Chair (Androscoggin Cty.)
  - Benjamin Chipman (Cumberland Cty.)
  - Roger Katz (Kennebec Cty.)

*House:*
- Patricia Hymanson, Chair (York)
  - Paul Chace (Durham)
  - Dale Demno (Cumberland)
  - Scott Hamann (South Portland)
  - Frances Head (Bethel)
  - Colleen Madigan (WATERVILLE)
  - Richard Malaby (Hancock)
  - Jennifer Parker (South Berwick)
  - Anne Perry (Calais)
  - Deborah Sanderson (Chelsea)

**Inland Fisheries & Wildlife**

*Senate:*
- Scott Cyrway, Chair (Kennebec Cty.)
  - Michael Carpenter (Aroostook Cty.)
  - David Woodsome (York Cty.)

*House:*
- Robert Duchesne, Chair (Hudson)
  - Robert Alley, Sr. (Beals)
  - Denise Harlow (Portland)
  - Peter Lyford (Eddington)
  - Gina Mason (Lisbon)
  - Catherine Nadeau (Winslow)
  - Roger Reed (Carmel)
  - Paul Stens (Guilford)
  - Timothy Theriault (China)
  - Stephen Wood (Greene)

**Insurance & Financial Affairs**

*Senate:*
- Rodney Whittemore, Chair (Somerset Cty.)
  - Everett Brownie Carson (Cumberland Cty.)
  - Dana Dow (Lincoln Cty.)

*House:*
- Mark Lawrence, Chair (South Berwick)
  - Heidi Brooks (Lewiston)
  - Benjamin Collins (Portland)
  - Garrel Robert Craig (Brewer)
  - Robert Foley (Wells)
  - Gina Melaragno (Auburn)
  - John Picchiotti (Fairfield)
  - Dwayne Prescott (Waterboro)
  - Heather Sanborn (Portland)
  - Raymond Wallace (Dexter)

**Judiciary**

*Senate:*
- Lisa Keim, Chair (Oxford Cty.)
  - Dawn Hill (York Cty.)
  - Rodney Whittemore (Somerset Cty.)

*House:*
- Matthew Moonen, Chair (Portland)
  - Christopher Babidge (Kennebunk)
  - Donna Bailey (Saco)
  - Richard Bradstreet (Vassalboro)
  - Barbara Cardone (Bangor)
  - Stacey Guerin (Glenside)
  - Chris Johansen (Norridgewock)
  - Joyce McCreight (Harpswell)
  - Lois Galgay Reckitt (South Portland)
  - Roger Sherman (Hodgdon)

**Labor, Commerce, Research & Economic Development**

*Senate:*
- Amy Volk, Chair (Cumberland Cty.)
  - Shenna Bellows (Kennebec Cty.)
  - Brian Langley (Hancock Cty.)

*House:*
- Ryan Fecteau, Chair (Biddeford)
  - Susan Austin (Gray)
  - Dillon Bates (Westbrook)
  - Donna Doore (Augusta)
  - James Handy (Lewiston)
  - Lawrence Lockman (Amherst)
  - Anne-Marie Mastraccio (Sanford)
  - Joel Stetkis (Canaan)
  - Michael Sylvester (Portland)
  - Karen Vachon (Scarborough)

**Marine Resources**

*Senate:*
- Joyce Maker, Chair (Washington Cty.)
  - Eric Brakey (Androscoggin Cty.)
  - Eloise Vitelli (Sagadahoc Cty.)

*House:*
- Walter Kumienga, III, Chair (Deer Isle)
  - Robert Alley (Beals)
  - Kevin Battle (South Portland)
  - Lydia Blume (York)
  - Michael Devin (Newcastle)
  - David Haggan (Hamden)
  - Stephanie Hawke (Boothbay Harbor)

(continued on page 7)
HOPPER (cont.)

State & Local Government
LD 15 – An Act Concerning the Property Tax Levy Limit. (Sponsored by Rep. Hanley of Pittston; additional cosponsors.)
This bill amends the procedure by which a town meeting may vote to exceed or increase the established “property tax levy limit.” Under current law, the levy limit can be exceeded or increased only by means of a separate article on the warrant specifically identifying the intent to exceed the limit, and that vote must be conducted by written ballot. This bill removes the obligations to have the vote placed on a separate article and to adopt that article by the written ballot method.

LD 70 – An Act To Allow Municipal Governing Boards of 3 Members To Perform Official Duties via Technology. (Sponsored by Rep. Campbell of Orrington; additional cosponsors.)
This “concept draft” bill proposes to allow municipal governing boards of three members to perform official duties via technology, such as conducting meetings remotely.

Taxation
LD 26 – An Act To Lower the Maine Motor Vehicle Excise Tax. (Sponsored by Rep. Cebra of Naples; additional cosponsors.)
This bill reduces the statutorily established motor vehicle excise tax rates by 10% each year beginning with 2018 registration years until the rates reach 50% of the current rates in 2022 and thereafter.

LD 73 – An Act To Increase the Homestead Property Tax Exemption for Certain Persons Who Are at Least 75 Years of Age. (Sponsored by Rep. Mastraccio of Sanford; additional cosponsors.)
This bill creates a new category of the Homestead property tax exemption for a “senior homestead”, which is an household in which at least one of the applicants is 75 years of age or older and has claimed the homestead as a permanent residence for 10 or more years. Qualifying “senior homesteads” receive an additional $30,000 exemption to supplement the regular homestead exemption (scheduled to be $20,000 for the FY 2018 tax year), and the reimbursement rate for the senior homestead portion of the exemption is 100% of the lost tax revenue to the municipality.

LD 74 – An Act To Realign the State-Municipal Revenue Sharing Distribution. (Sponsored by Rep. Mastraccio of Sanford; additional cosponsors.)
This “concept draft” bill proposes to realign the percentage of revenue from the sales and income taxes that is transferred monthly from the General Fund to the Local Government Fund under state-municipal revenue sharing.

Government Oversight Committee
LD 73 – An Act To Increase the Homestead Property Tax Exemption
for Certain Persons Who Are at Least 75 Years of Age. (Sponsored by Rep. Mastraccio of Sanford; additional cosponsors.)
This bill creates a new category of the Homestead property tax exemption for a “senior homestead”, which is an household in which at least one of the applicants is 75 years of age or older and has claimed the homestead as a permanent residence for 10 or more years. Qualifying “senior homesteads” receive an additional $30,000 exemption to supplement the regular homestead exemption (scheduled to be $20,000 for the FY 2018 tax year), and the reimbursement rate for the senior homestead portion of the exemption is 100% of the lost tax revenue to the municipality.

LD 74 – An Act To Realign the State-Municipal Revenue Sharing Distribution. (Sponsored by Rep. Mastraccio of Sanford; additional cosponsors.)
This “concept draft” bill proposes to realign the percentage of revenue from the sales and income taxes that is transferred monthly from the General Fund to the Local Government Fund under state-municipal revenue sharing.
Armed Forces of 100% disability and who receives benefits based on a rating of 100% for a service-connected disability.

**Veterans & Legal Affairs**

**LD 5 – Resolution, Proposing an Amendment to the Constitution of Maine To Exclude Wildlife Issues from Citizen Initiatives.** (Sponsored by Rep. Wood of Greene; additional cosponsors.)

This bill sends out to the voters a proposed amendment to the state’s constitution to provide that the state laws governing wildlife management may not be amended by the citizen initiative process.

**LD 30 – An Act Regarding Dancing on the Premises of Certain Liquor Licensees.** (Sponsored by Rep. Turner of Burlington; additional cosponsors.)

Current law requires any place licensed for the on-premise consumption of alcohol that also provides entertainment (beyond playing music from a radio or other mechanical devise) to first obtain a special amusement permit from the municipal officers. This bill authorizes those facilities to provide for karaoke without first obtaining the special amusement permit.

**LD 31 – Resolution, Proposing an Amendment to the Constitution of Maine To Require That Signatures on a Direct Initiative of Legislation Come from Each Congressional District.** (Sponsored by Rep. Espling of New Gloucester; additional cosponsors.)

Under the current terms of Maine’s constitution, supporters of a citizen initiative must obtain signatures of registered voters statewide that number at least 10% of the most recent total voter for Governor. This bill sends out to the voters a proposed amendment to the state’s constitution that would require the 10% requirement to be met in each of the state’s two congressional districts.

**LD 53 – Resolution, Proposing an Amendment to the Constitution of Maine To Prohibit Payment Per Signature for Citizen Petition Drives.** (Sponsored by Rep. Guerin of Glenburn; additional cosponsors.)

This bill sends out to the voters a proposed amendment to the state’s constitution that would prohibit a person who collects signatures for a written petition for a people’s veto or for a citizens’ initiative from being paid based upon the number of signatures the person collects.

**LD 78 – An Act To Permit Unenrolled Voters To Cast Ballots in Primary Elections.** (Sponsored by Rep. Ackley of Monmouth; additional cosponsors.)

This bill allows an unenrolled voter to vote in a primary election without having to enroll in a political party, but may only vote in one party’s primary election. The bill directs the municipal election clerks to establish procedures to ensure that each voter voting in a party’s primary election is offered a ballot for that primary election.

**LD 88 – An Act To Delay the Implementation of Certain Portions of the Marijuana Legalization Act.** (Emergency) (Sponsored by Rep. Luchini of Ellsworth; additional cosponsors.)

This emergency bill delays the full implementation of the retail elements of the citizen initiative that legalized recreational marijuana in Maine to February 1, 2018. The elements of the initiative providing lawful but non-retail personal use and possession and the right to limited levels of personal cultivation are not affected by the bill and the effective date for those provisions of the initiative remains January 30, 2017.