A Brief Review of the Week that Was

Because very few bills of municipal impact were scheduled for public hearings or work sessions this week, there is not much to report. What follows are a few brief updates on issues of municipal interest.

Governor’s Budget – Property Tax Proposals. The Taxation Committee met on Wednesday this week to start debating the property tax-related elements of Governor LePage’s FY 2018 – 2019 General Fund budget. The Taxation Committee’s task is to make recommendations about the Governor’s various proposals for the Appropriations Committee to consider. Representatives from the Department of Administrative and Financial Service’s Office of Tax Policy were on hand to respond to the questions raised during the public hearings on the budget proposals to: (1) limit the $20,000 Homestead Exemption benefit to Maine seniors and reduce the reimbursement to municipalities from the scheduled 62.5% to 50%; (2) permanently reduce to 2% the amount of state sales and income tax revenue distributed to municipalities under the revenue sharing program; (3) shift the property enrolled in the Business Equipment Tax Reimbursement program to the Business Equipment Tax Exemption program; and (4) shift from the state to the municipalities taxing authority over interactive two-way communications services property.

Although the Department’s presentation was straightforward, and the Committee members’ questions were on point and quickly answered, final votes on the proposals were not taken at the work session.

However, two pieces of information included in the Department’s materials are of municipal interest. One of the tables included in the package is an impact analysis comparing the Governor’s Homestead Exemption proposal with current law, which as of April 1, 2017 is scheduled to provide a $20,000 exemption to all homeowners with the state reimbursing municipalities for 62.5% of the lost property tax revenue. The data show that if the Governor’s proposal is enacted, 205,849 Maine homeowners will lose their exemption resulting in an average property tax increase of $365 for the homeowner.

Also presented to the members of the Taxation Committee was a list of the two-way telecommunications personal property value located in each municipality. According to the data, if taxing authority over two-way telecommunications property is shifted to communities, the municipal property tax base would increase by $351 million, generating an estimated $6.5 million in revenue for communities statewide. While the data show that all municipalities would collect additional property tax revenue, the amounts vary significantly from community-to-community. For example, the change in taxing authority would generate $632,444 in property tax revenues for the City of Portland. In Kingsbury Plantation, however, the increase would generate less than $5 in additional tax revenue.

The Committee will return to its property tax discussion next Thursday, March 23 at 1:00 p.m.

Police Officer Solicitations. On Monday this week, the Criminal Justice Committee held a public hearing on LD 588, An Act to Allow Law Enforcement Agencies and Associations To Engage Directly in Fund-raising under Certain Circumstances. The bill, sponsored by Sen. Bill Diamond of Cumberland County, would allow law enforcement officers and associations to participate in fund-raising activities only in circumstances where the revenues are used to assist a law enforcement officer or an officer’s family member suffering from a catastrophic illness. Under current statutes, law enforcement officers and associations are prohibited from engaging in any direct fund-raising activities. Instead, third parties or other community groups are relied on to raise funds for an ailing officer.

Proponents of LD 588 included representatives from the Maine Association of Police, Maine Sheriffs’ Association, Maine Association of Retired State Police and Maine State Law Enforcement Association. The proponents of the bill

Revenue Sharing Day: March 22

The Legislative Taxation Committee will hold hearings on March 22, starting at 1 p.m., on five bills that would affect the Municipal Revenue Sharing Program. Municipal participation and attendance are strongly encouraged. If you have questions, please contact Kate Dufour at MMA: 1-800-452-8786 or kdufour@memun.org.

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expressed frustration and a sense of helplessness with a law limiting the ability of active law enforcement officers to solicit contributions from the general public for an officer in need. These organizations believe that the authority provided in LD 588 would open up their direct solicitation authority in an appropriately limited way.

MMA offered the only testimony in opposition to LD 588. Municipal officials are concerned that direct solicitations by law enforcement officers can make the citizen being solicited very uncomfortable, making it awkward at best and sometimes impossible for someone to say no to a request for a donation. Municipal officials believe that the current law is working and that fundraising activities should be left to third parties or other groups within the community.

The work session on LD 588 is scheduled for Wednesday, March 22 at 1 p.m.

**Funding for County Jails.** The members of the Criminal Justice Committee were convened again on Wednesday this week to hold public hearings on bills seeking funding for county jail operations.

LD 463, *An Act To Improve the Funding of County Jails*, sponsored by Rep. Danny Martin of Sinclair, seeks to repeal the remaining fragments of the 2008 State/County Corrections Unification System, part of which capped the property taxpayers’ exposure to the cost of county jail operations. When originally enacted, property taxpayers were to pay no more than $62 million in jail operation costs. In 2015, the Legislature replaced that cap with a limit system authorizing annual increases in county jail property assessments of no more than 3%. As proposed in LD 463, the 3% cap would be replaced with the so-called “LD 1” property tax levy limit. If past practices hold, the shift from the fixed 3% cap to the LD 1 levy limit would allow for county jail funding-related property tax increases in excess of 5% annually.

LD 516, *An Act To Reduce the Cost of Pretrial Detention*, is sponsored by Sen. Mark Dion of Cumberland County. As proposed, county sheriffs would be authorized to assess fees and per diem rates on municipalities and others for the cost of housing certain individuals arrested for nonviolent Class D or Class E crimes. Specifically, the county sheriffs would be authorized to invoice an arresting law enforcement agency, including municipalities, counties and state, a one-time $50 surcharge and a per diem boarding rate for each day an arrested individual is housed in a county facility pre-arraignment.

MMA provided testimony in opposition to both bills. Municipal officials believe that rather than focusing attention on solutions that nibble around the edge of an inadequately funded county jail system and shift additional burdens onto the property taxpayers, all interested parties should be working on developing a rational and sustainable system of funding for county jails that does not disproportionately rely on property taxes.

The Committee will work both of these bills on Wednesday, March 29 at 2 p.m.

**Bottle Redemption Bill.** The Environment and Natural Resources Committee made quick work of LD 683, *An Act To Fund the Maine Solid Waste Diversion Grant Program and To Phase Out Certain Containers from the Bottle Redemption Law*, holding both the hearing and work session on Monday and Thursday of this week, respectively. The bill, in part, proposed to exempt containers with capacities of 46 ounces or more from Maine’s bottle deposit law.

The Committee voted unanimously “ought not to pass” on LD 683.

**Revenue Sharing Day.** As reported in detail in the March 11 edition of the Legislative Bulletin, *Wednesday, March 22*, the Taxation Committee will hold public hearings on five revenue sharing bills. The hearing will begin at 1 p.m. and be held in room 127 of the State House. LD 133, *An Act To Support Lower Property Taxes by Restoring State-Municipal Revenue Sharing* is being sponsored by Sen. Shenna Bellows of Kennebec County and Rep. John Madigan, Jr. of Rumford on behalf of MMA’s Legislative Policy Committee. LD 133 incrementally restores the percent of state sales and income tax revenue distributed under the program. As proposed, 3% of total sales and income tax revenue would be distributed under the revenue sharing program in FY 2018, 4% in the following year, and in FY 2020 and subsequent years the full 5%.

If you have questions about the hearing, please contact Kate Dufour at 1-800-452-8786 or kdufour@memun.org.

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**Legislative Bulletin**

A weekly publication of the Maine Municipal Association throughout sessions of the Maine State Legislature.

Subscriptions to the Bulletin are available at a rate of $20 per calendar year. Inquiries regarding subscriptions or opinions expressed in this publication should be addressed to: Legislative Bulletin, Maine Municipal Association, 60 Community Drive, Augusta, ME 04330. Tel: 623-8428. Website: www.memun.org

**Editorial Staff:** Geoffrey Herman, Kate Dufour, Garrett Corbin and Laura Ellis of the State & Federal Relations staff.
LEGISLATIVE HEARINGS

Note: You should check your newspapers for Legal Notices as there may be changes in the hearing schedule. Weekly schedules for hearing schedules and work sessions can be found at: http://legislature.maine.gov/Calendar/#PHWS/

Monday, March 20

Education & Cultural Affairs
Room 202, Cross State Office Building, 9:30 a.m.
Tel: 287-3125
LD 737 – An Act To Allow Public Schools To Reserve Funds Designated for Operating Costs.
LD 738 – An Act To Make the School Budgeting Process a Biennial Process.
LD 748 – An Act To Require at Least a 30-minute Lunch Period for Students.

Health & Human Services
Room 209, Cross State Office Building, 1:00 p.m.
Tel: 287-1317
LD 262 – An Act To Strengthen Kinship Care Opportunities.

Taxation
Room 127, State House, 1:00 p.m.
Tel: 287-1552
LD 291 – An Act To Maintain the Income Tax Rate on Persons with Taxable Income above $200,000.
LD 337 – An Act To Protect Jobs and the Maine Economy by Eliminating the 3% Income Tax Surcharge Imposed on Certain Mainers and the Fund To Advance Public Kindergarten to Grade 12 Education.
LD 571 – An Act To Eliminate the 3 Percent Surcharge on Certain Income and Provide an Alternative Funding Source for the Fund To Advance Public Kindergarten to Grade 12 Education.
LD 829 – An Act To Increase the Income Tax Surcharge Threshold Imposed on Households.

Veterans & Legal Affairs
Room 437, State House, 10:00 a.m.
Tel: 287-1310
LD 795 – An Act To Require the Text of a Direct Initiative To Be Printed on the Ballot.
LD 796 – Resolution, Proposing an Amendment to the Constitution of Maine Regarding Referendum Questions for Statewide Ballots.
LD 813 – An Act To Amend the Laws Governing the Political Party Representation of Election Clerks.
LD 883 – An Act To Establish a Minimum Payment for Signatures Gathered by Maine Citizens for Referendums.
LD 906 – An Act Regarding the Collection of Signatures for a Direct Initiative.

Tuesday, March 21

Energy, Utilities & Technology
Room 211, Cross State Office Building, 1:00 p.m.
Tel: 287-4143
LD 825 – An Act To Ensure Direct Dialing of 911 from Multiline Telephone Systems.

Transportation
Room 126, State House, 1:00 p.m.
Tel: 287-4148
LD 120 – An Act To Impose a Three-month Los of a Driver’s License for Driving While Texting.

Wednesday, March 22

Criminal Justice & Public Safety
Rm. 436, State House, 9:00 a.m.
Tel: 287-1122
LD 142 – An Act To Establish a Statewide Sexual Assault Forensic Examination Kit Tracking System.

Education & Cultural Affairs
Room 202, Cross State Office Building, 9:00 a.m.
Tel: 287-3125
LD 752 – An Act To Enhance the Safety of Schoolchildren by Requiring the Posting of the School Zone Speed Limit.
LD 809 – An Act To Address Student Hunger with a “Breakfast after the Bell” Program.

Energy, Utilities & Technology
Room 211, Cross State Office Building, 10:00 a.m.
Tel: 287-4143
LD 422 – An Act To Facilitate the Creation of the Maine Water Trust To Regulate and Protect Maine’s Water Supply and To Ensure the Quantity and Quality of Maine’s Drinking Water.
LD 757 – An Act To Amend the Charter of the Richmond Utilities District.
LD 759 – An Act To Clarify the Financial Authority of Sewer and Sanitary Districts.

Environment & Natural Resources
Room 216, Cross State Office Building, 10:00 a.m.
Tel: 287-4149
LD 867 – An Act To Mitigate the Spread of Invasive Milfoil in Wilson Stream.

Labor, Commerce, Research & Economic Development
Room 208, Cross State Office Building, 10:00 a.m.
Tel: 287-1331
LD 86 – An Act To Protect Worker Wages and Benefits.
LD 554 – An Act To Require Paid Paternal Leave for Employees.

State & Local Government
Room 214, Cross State Office Building, 9:00 a.m.
Tel: 287-1330
LD 876 – Resolve, To Increase Pedestrian Crosswalk Safety.
LD 882 – An Act Prohibiting Public Entities from Contracting with and Investing in Companies That Boycott the State of Israel.
LD 895 – An Act To Help Maine Manufacturing.

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Taxation
Room 127, State House, 1:00 p.m.
Tel: 287-1552
LD 74 – An Act To Realign the State-Municipal Revenue Sharing Distribution.
LD 492 – An Act To Restore Revenue Sharing.
LD 875 – An Act To Reduce Property Taxes.
LD 887 – An Act To Provide Relief to Maine Property Tax Payers.

Veterans & Legal Affairs
Room 437, State House, 9:00 a.m.
Tel: 287-1310
LD 852 – An Act To Make Changes to the Maine Liquor Liability Act.
LD 879 – An Act To Allow Any Person To Purchase Voter Registration Lists.

Thursday, March 23
Environment & Natural Resources
Room 216, Cross State Office Building, 1:00 p.m.
Tel: 287-4149
LD 881 – An Act To Amend the Laws Governing the Burial or Cremation of Certain Persons.

Health & Human Services
Room 209, Cross State Office Building, 1:30 p.m.
Tel: 287-1317
LD 518 – An Act To Amend the Laws Governing the Burial or Cremation of Certain Persons.

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.)

Appropriations & Financial Affairs
LD 638 – An Act To Authorize a General Fund Bond Issue for Transportation Projects. (Sponsored by Rep. McLean of Gorham; additional cosponsors.)
This bill sends out to the voters a proposed $50 million bond issue, $35 million of which would be dedicated to reconstruct and renovate bridges and to meet the state’s highway and bridge capital goals, and $15 million of which would be dedicated to improve or replace facilities or equipment related to ports, harbors, marine transportation, aviation, freight and passenger railroads, transit and bicycle and pedestrian facilities.
LD 743 – An Act To Authorize a General Fund Bond Issue to Promote and Improve the Intermodal Transportation System in Maine. (Sponsored by Rep. Sheats of Auburn; additional cosponsors.)
This bill sends out to the voters a proposed $25 million bond issue to promote and improve intermodal transportation systems, with the funds used exclusively for public transportation, including but not limited to rail and bus transportation, bicycle lanes and pedestrian sidewalks.

Labor, Commerce, Research & Economic Development
Room 208, Cross State Office Building, 1:00 p.m.
Tel: 287-1331
LD 777 – An Act To Establish a Conditional Presumption of Compensability for Corrections Employees in Cases of Impairment from Hypertension or Heart Disease.
LD 848 – An Act To Support Law Enforcement Officers and First Responders Diagnosed with Post-traumatic Stress Disorder.
LD 927 – An Act To Establish a Presumption of Impairment of Health in the Line of Duty for Corrections Employees under the Workers’ Compensation Laws.

Transportation
Room 126, State House, 1:00 p.m.
Tel: 287-4148
LD 712 – Resolve, To Designate a Portion of Route 43 in Corinth, Exeter and Corninna the Donald Strout, Sr. Memorial Highway.
LD 788 – An Act To Require Motor Vehicles To Be Registered on a Biennial Basis.
LD 790 – Resolve, To Name the Bridge between Indian Township and the town of Princeton the Sakom John Stevens Bridge.
LD 905 – An Act To Authorize the Construction of a Maine Turnpike Connector to Gorham.

Friday, March 24
Health & Human Services
Room 209, Cross State Office Building, 9:00 a.m.
Tel: 287-1317
LD 108 – An Act To Allow a Law Enforcement Agency That Treats a Person with Naloxone Hydrochloride To Bill That Person for That Treatment.
LD 153 – An Act Regarding Transportation of Methadone Patients.
LD 448 – An Act To Fund Research on Cancer in Firefighters.
Criminal Justice & Public Safety
LD 1050 – An Act To Protect the Safety of Emergency Medical Services Personnel and Patients. (Sponsored by Rep. Sheats of Auburn; additional cosponsors.)

This bill authorizes a political subdivision of the state, including counties and municipalities, to adopt an order, ordinance, rule or regulation that prohibits a person from having a firearm in the person’s possession while inside an emergency medical services vehicle that is owned or operated by the political subdivision.

Education & Cultural Affairs
LD 1016 – An Act To Provide Funding for Career and Technical Education Based on Projected Enrollment. (Sponsored by Rep. Mastraccio of Sanford; additional cosponsors.)

This bill amends the Essential Programs and Services school funding model to require state subsidy to be distributed to schools that are starting up career and technical education (CTE) centers or regions on the basis of projected costs, projected enrollment, and a “program-driven” model that considers components for direct instruction, central administration, supplies, operation and maintenance of plant and other student and staff support equipment. Under current law, CTE programs are subsidized after their start-up based on enrollments in a prior year.

Environment & Natural Resources
LD 1040 – An Act Regarding Permitting under the Natural Resources Protection Act. (Sponsored by Rep. Picchiotti of Fairfield; additional cosponsors.)

This bill makes a number of amendments to the state’s Natural Resources Protection Act (NRPA). Among the various amendments, the bill: (1) Allows the establishment of significant groundwater wells for a community public water system, including a public water system used solely or partially to bottle water for sale, without first obtaining a NRPA permit; (2) changes the notification standard that applies to a community public water system when a person seeks to alter the area over groundwater utilized by that system from a certified mail notice to a regular U.S. mail notice; (3) includes existing water or sewer lines, road crossing culverts and natural gas pipelines in the NRPA permit exemption for existing crossings; and (4) provides that a replacement of existing public works does not require a NRPA permit and that the exemption applies, as well, to outstanding river segments.

Judiciary
LD 1084 – An Act To Require That Certain Applicant Information for Certain Local Government and School Administrative Positions Be Public upon Application. (Sponsored by Rep. Spear of South Thomaston; additional cosponsors.)

This bill establishes that the name and addresses of applicants for the position of school superintendent, county administrator, town manager or city manager are public records upon application by the applicant.

Labor, Commerce, Research & Economic Development
LD 1036 – Resolve, To Study Repeal of Occupational Licensing Requirements for Certain Occupations. (Sponsored by Sen. Brakey of Androscoggin Cty; additional cosponsors.)

This bill directs the Department of Professional and Financial Regulation to study and develop recommended legislation that leads to the removal of all licensing, permit, certification or other occupational authorizing requirements for 24 potential occupations, including underground oil storage tank inspector, animal control officers, teacher assistant, and fire alarm installer. The Department’s report and recommendations must be submitted to the Legislature by December 1, 2017.

Marijuana Legalization Implementation
LD 797 – An Act to Fund Railroad Infrastructure and Operations. (Sponsored by Rep. Talbot Ross of Portland; additional cosponsors.)

This bill dedicates 20% of the revenue generated by the sales tax on the retail sale of marijuana to the Multimodal Transportation Fund to be used to support the multimodal forms of transportation limited to passenger marine, road surface and passenger rail transit of the state, municipalities and multimodal providers.

State & Local Government
LD 1058 – An Act To Modernize Ballot Notices for City Elections. (Sponsored by Rep. Hamann of South Portland; additional cosponsors.)

This bill repeals the requirement in current law that before a “city’s” local election, the election clerk must publish a composite specimen ballot containing the names of all the nominees in a newspaper having general circulation in the city. The bill also removes the requirement that in those “city” elections, the clerk post multiple copies of the instruction poster and specimen ballot in the voting room, and specifies instead that at least one each of those documents be posted.

LD 1068 – An Act To Require That State-funded Buildings Be Constructed with Wood Products. (Sponsored by Rep. Campbell of Orrington; additional cosponsors.)

This bill requires a person that engages in the construction or repair of public buildings or public works constructed or established by state government or otherwise financed by state funds, including public school buildings, to use wood products, including cross-laminated timber, for structural components to the extent that suitable wood products are feasible for use, competitively priced and permitted under applicable building codes.

Taxation
LD 875 – An Act To Reduce Property Taxes. (Sponsored by Rep. Cebra of Naples; additional cosponsors.)

This bill repeals and replaces the law governing the distribution of municipal revenue sharing. The bill establishes a threshold full value property tax rate of 10 mills in order to receive any revenue sharing. For those municipalities with a full value mill rate over 10 mills, the bill creates an additional adjustment to the distribution that advantages those municipalities with a current mill rate that is greater than the previous 5-year average property tax rate and disadvantages municipalities with a current mill rate that is less than the previous 5-year average property tax rate. The bill establishes the total distribution at the historical 5% of state sales and income tax revenue, except that for the FY 2018-2019 fiscal year, the distribution is fixed at 2% of those revenues.

LD 887 – An Act To Provide Relief to Maine Property Tax Payers. (Sponsored by Sen. Brakey of Androscoggin Cty; additional cosponsors.)

This “concept draft” proposes to change the method for providing property tax relief through the state-municipal revenue sharing system by providing benefits directly to property tax payers through a state tax credit rather than through distributions to municipalities. The
maximum an individual taxpayer could receive would be 80% of the individual’s annual property tax bill. The maximum a corporate taxpayer could receive would be 40% of its annual property tax bill. The credit would be calculated as a percentage of the total revenue sharing funds based on a taxpayer’s annual bill, the percentage of total revenue sharing funds attributable to the municipality where the taxpayer’s property is located and the taxpayer’s annual property tax liability as a percentage of annual property tax liability statewide.

LD 1071 – An Act To Modify the Tax Increment Financing Laws. (Sponsored by Sen. Saviello of Franklin Cty; additional cosponsors.)

Under current Tax Increment Financing law, a component of the overall economic development program to which TIF revenues can be dedicated are the costs of services and equipment to provide skills development and training, including scholarships to in-state educational institutions or to online learning entities when in-state options are not available. The skills being developed must be for jobs created or retained because of the TIF program. This bill: (1) caps the dedication of TIF resources for this purpose to no more than 20% of total project costs, but (2) relaxes the strict requirement that the skills development be focused only on the locally created or retained jobs.

LD 1076 – An Act To Replace Municipal Property Tax Revenue Lost Due to Land Acquisitions under the Land for Maine’s Future Fund. (Sponsored by Rep. Hanington of Lincoln; additional cosponsors.)

This bill requires the state to reimburse any municipality for its lost tax revenue associated with the conversion of taxable real estate to tax exempt real estate associated with an acquisition of land after April 1, 2018 under the Land For Maine’s Future program.

Transportation

LD 1010 – An Act To Allow for the Regulation of Transportation Network Companies at Airports by Municipalities. (Emergency) (Sponsored by Rep. Farnsworth of Portland; additional cosponsors.)

Current state law provides a blanket preemption of municipal authority to enact ordinances that regulate the activities of transportation network companies such as Uber or Lyft. This bill allows a municipality to adopt an ordinance governing the operations of a transportation network company at an airport located within that municipality.

LD 1059 – An Act Concerning Bridges on Discontinued Town Ways. (Sponsored by Rep. Parry of Arundel.)

This bill provides that when a municipality or a county discontinues a town way that includes a bridge, the Department of Transportation (DOT) must engage in the establishment of an agreement as to the governmental entity responsible for ownership and maintenance of the bridge or to understand that the DOT may choose to remove the bridge.