

Assessing Industrial Property

Local officials gather in Augusta to defend the current system

On Wednesday, the Taxation Committee held a public hearing on LD 1479, *An Act To Modernize and Improve Maine's Property Tax System*. The bill, advanced at the request of a Portland-based attorney representing the interests of several industrial property owners, including SAPPI, Verso, Catalyst Paper and McCain Foods, proposes to make several significant changes to the laws that guide the assessment of large industrial properties.

While municipal officials strongly oppose all of the changes in the bill, two of the proposed changes are especially objectionable.

Of greatest concern to municipalities is the element of the bill that would repeal an existing statute that holds property owners accountable for responding to requests for information made by the assessor during the process of determining an industrial property's value.

Under current law, a taxpayer's failure to comply with requests for information results in the loss of the right to appeal unless good cause for the failure can be shown. This accountability standard was established in Maine's very first statutes enacted in 1820. As provided for in the section of law pertaining to taxable property, *every person liable to be taxed, and not out of this State...who shall refuse or willfully neglect to give the Assessors in writing, and on oath of affirmation, if required,...a true account of all his or her rateable estate, according to the true intent and meaning of this act, shall be doomed by the said Assessor according to their best skill and judgment, to the full amount of his or her rateable estate, and shall likewise be subject to pay a fine of six per centum, on the whole amount of the sums in which they shall have been thus*

doomed by the said Assessors... Without an ability to enforce a good faith response to information requests, the entire structure of the municipal assessment practice breaks down.

This same element of the LD 1479 further limits the number of requests for information the assessor can make of the

property owner. Currently there is no limit. As proposed in LD 1479, only 30 pieces of information could be requested. Proponents of the bill believe that the limit is needed because assessors use the existing authority as an "offensive weapon against the taxpayer." The claim is that assessors

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DOT Seeks Municipal Excise Tax Revenue

The Maine Department of Transportation (MDOT) would like \$8 million of motor vehicle excise tax revenue collected by the towns and cities to be sent to the state's Highway Fund in order to bolster its diminished capacity.

Specifically, MDOT wants the excise tax revenue generated by the trucks with a gross vehicle weight over 26,000 lbs. bequeathed to itself.

With respect to the remaining motor vehicle excise tax revenue, MDOT wants to prohibit municipalities from spending it on anything but "the maintenance or improvement of transportation infrastructure."

The vehicle for implementing those changes is LD 1226, *An Act To Keep Maine's Transportation Infrastructure Safe by Providing More Sources of Revenue for the Highway Fund*. LD 1226 is sponsored by Senator Ron Collins (York Cty.) on behalf of the Department of Transportation. The bill was given its public hearing on Friday, April 21.

In addition to the two motor vehicle excise tax proposals described above, LD 1226 imposes an annual registration fee of \$250 on any hybrid motor vehicle and \$350 on any electric vehicle. That revenue, calculated at something in the annual vicinity of \$4 million, would also

be dedicated to the state's Highway Fund.

Aside from the sponsor, only MDOT testified in support of LD 1226. Eleven people testified in opposition, four with respect to the fees on electric cars and seven with respect to the motor vehicle excise tax proposals.

In the characteristically genuine and straight forward manner elected municipal officials tend to deliver their testimony to the Legislature, three selectmen from small Maine towns, Augusta's mayor and Bangor's assistant city manager explained in various ways why the motor vehicle excise tax proposal was profoundly unfair.

The Maine Motor Transport Association, through its Vice President Tim Doyle, also came to the plate on behalf of the towns and cities by testifying that Maine's truckers, while fully supporting the appropriate capitalization of the Highway Fund, want to see their truck excise tax payments stay with the communities where it is collected. The truckers support their communities, first of all, and they are also aware of the property tax impacts associated with diverting that excise tax revenue to the state.

Dick Worthley, a selectman for the Town of Strong in Franklin County, Galen Larrabee, a selectman from the Town of

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request thousands of documents with the hope the property owner will overlook a single requested item and thus lose out on the right of appeal.

In a straightforward, precise and detailed manner, the assessing community corrected the record for the Taxation Committee. Municipal officials request the data not to frustrate the route of appeal, but rather to avoid the costly appeals process. Brent Martin, a certified assessor and licensed appraiser serving communities in the Midcoast region, explained that although assessors trust that an industrial property owner is providing accurate data, in order to ensure that all property taxpayers are treated fairly the assessors are obligated to verify and test the provided information. The request for data is merely the means necessary for ensuring the assessment is fair.

Brenda Cummings, Bath City Assessor, observed that “no assessor and no assessing methodology can be 100% correct all of the time” and that it is incumbent on the property owners to alert government officials of those problems so that issues can be corrected at the time the assessment is being determined. She also noted that the property owners, on occasion, may not be able to objectively evaluate the worth of their property. She believes that the process, by necessity, “depends on a healthy exchange between assessor and taxpayer.” Only through communication and the sharing of information can the value of a property be accurately assessed.

Benjamin Birch, retired Bangor assessor who now provides assessing services for the towns of Hermon, Orrington and Veazie, testified that the potential loss of

the right to appeal compels property owners to provide the requested information. Without that tool, Mr. Birch believes assessors will lose the ability to adequately perform their duties.

LD 1479 also proposes to shift responsibility for determining the just value of industrial properties with assessed values of \$10 million or greater from the municipality to the state. However, the bill fails to provide a detailed definition of “industrial property.” And, with respect to whatever assessed value the state may ultimately determine for an industrial property, the appeal process provided to the municipality and that provided to an industrial property owner differs significantly. The process afforded to the property owner provides access to the local board of assessment review, State Board of Property Tax Review and Superior Court. In comparison, the municipality must first petition Maine Revenue Services for a reconsideration of the assessment. It is only after the initial 90-day reconsideration process that the municipality would be allowed to appeal a determination through the more expensive Superior Court option, essentially frustrating local level efforts to challenge the state’s assessment.

The proponents of the bill testified that this transfer of responsibility was necessary because “just about every assessor in the state will freely admit that they do not possess the training or certifications necessary to value a complex manufacturing facility.”

Taking into consideration that state-level assessors receive the same training as local assessors, opponents of LD 1479 questioned the rationale used to conclude that state officials are more capable than municipal officials to assess large-scale industrial properties. Paul Binette, an assessor with the firm of O’Donnell and Associates, is concerned that the shift in authority will result in the loss of local control. That concern was shared by many of the opponents to the bill. Municipal officials are more familiar with the changes occurring within their communities’ boundaries and are better suited to identify and respond to those changes. In some cases, modifications will result in an increase in assessed value.

In other cases, the assessment is reduced. It works both ways.

Kerry Leichtman, assessor for the communities of Rockport and Camden, underscored the proponents’ mixed messages. On the one hand, supporters of LD 1479 believe that the shift in assessing authority from the municipalities to the state is necessary because of the complexities associated with the assessment of industrial property. On the other hand, these same proponents want to place limits on the amount of information property owners provide to the assessors, which is needed to make fact-based determinations.

MMA also provided testimony in opposition to LD 1479, echoing the same concerns raised by the assessing community.

Over the two-plus hour hearing, the information municipal officials shared with the Taxation Committee clearly conveyed the message that every change proposed in the bill is designed to provide a unique and special advantage to industrial property taxpayers and weaken the capacity of municipal assessors to accomplish the initial assessment, respond properly to abatement requests and defend the municipal assessment at appeal.

If the testimony from these assessors doesn’t demonstrate to the committee that the changes proposed in LD 1479 will compromise the municipal assessment process in Maine’s industrial towns, nothing will.

MMA is grateful to the municipal assessors who took time from their jobs to participate in Wednesday’s hearing, as well as those who submitted written testimony. In all, nine assessors from Sinclair to Portland shared valuable information with the Committee.

A special thank you is owed to Bill Van Tuinen, who kicked off the opponents’ testimony by providing the members of the Taxation Committee with a thorough overview of the pitfalls associated LD 1479, setting the stage for the opponents who followed. Mr. Van Tuinen, having served municipalities for 40 years, is a great asset to the assessing community and the Association greatly appreciates his contributions.

The work session on LD 1479 is scheduled for Wednesday, May 3 at 10 a.m.

Legislative Bulletin

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

Municipalities Negatively Impacted By LD 1226

Loss of Motor Vehicle Excise Taxes Collected From Trucks with a Gross Vehicle Weight over 26,000 lbs.

The following is the list of all towns and cities, not including many negatively affected townships, that will lose motor vehicle excise tax revenue as a result of LD 1226, *An Act To Keep Maine's Transportation Infrastructure Safe by Providing More Sources of Revenue for the Highway Fund*. The impact data was provided by the Bureau of Motor Vehicles (BMV) in lists, alphabetically by town or city, of all the big truck registrations during one fiscal year. Each page of truck registrations on the printed BMV spreadsheet represents 46 separate truck registrations and approximately \$23,000 in tax revenue, on average.

In an effort to gauge the level of negative impacts, the municipalities marked below with a single asterisk are shown as registering about one page's worth of truck registrations. Two asterisks represent two or more pages, three asterisks represent three or more pages and four asterisks represent 4 or more pages, ranging as high in some cases as 11, 13 or even more pages, at around \$23,000 per page of truck registrations.

Abbot	Bridgewater*	Crystal	Fryeburg*	Kennebunk*	Milbridge	Oxford*	Shapleigh	Van Buren*
Acton	Bridgton*	Cumberland	Gardiner****	Kennebunkport	Milford*	Palermo*	Sherman*	Vanceboro
Addison	Bristol	Cushing	Garland	Kingfield	Millinocket*	Palmyra	Shirley	Vassalboro
Albion	Brooklin	Cutler	Georgetown	Kittery	Milo	Paris****	Sidney*	Veazie
Alexander	Brooks	Damariscotta*	Gilead	Knox	Minot*	Parkman	Skowhegan****	Verona
Alfred*	Brooksville	Danforth	Glenburn	Lagrange	Monmouth	Parsonsfield	Smithfield	Vienna
Allagash	Brownfield	Dayton	Gorham****	Lakeville	Monroe	Passadumkeag	Smyrna	Vinalhaven
Alna	Brownville*	Deblois	Gouldsboro	Lamoine	Monson	Patten*	Solon	Wade
Alton	Brunswick***	Dedham	Grand Isle	Lebanon	Monticello*	Pembroke	Somerville	Waite
Amherst	Buckfield	Deer Isle*	Gray*	Lee	Montville	Penobscot	Sorrento	Waldo
Amity	Bucksport*	Denmark	Great Pond	Leeds	Moose River	Perham	South Berwick	Waldoboro*
Andover	Burlington	Dennysville	Greenbush*	Levant*	Morrill	Perry	South Bristol	Wales
Anson**	Burnham	Detroit	Greene*	Lewiston****	Moscow	Peru	South Portland*	Wallagrass
Appleton	Buxton**	Dexter	Greenville	Liberty	Mount Chase	Phillips	South Thomaston	Waltham
Arrowsic	Byron	Dixfield	Greenwood	Limerick**	Mount Desert	Phippsburg	Southport	Warren*
Arundel**	Calais	Dixmont	Guilford	Limestone**	Mount Vernon	Pittsfield**	Southwest	Washburn*
Ashland	Cambridge	Dover-Foxcroft**	Hallowell	Limington	Naples*	Pittston	Harbor	Washington
Athens*	Camden	Dresden	Hamlin	Lincoln**	New Canada	Plymouth	Springfield	Waterboro*
Atkinson	Canaan*	Durham*	Hammond	Lincolntonville	New Gloucester*	Poland***	St. Albans	Waterford
Auburn****	Canton	Dyer Brook	Hampden****	Linneus	New Limerick	Portage Lake	St. Francis	Waterville**
Augusta****	Cape Elizabeth	Eagle Lake	Hancock*	Lisbon**	New Portland	Porter*	St. George	Wayne
Aurora	Caratunk	East Machias	Hanover	Lisbon Falls*	New Sharon	Portland****	Stacyville	Weld
Avon	Caribou****	East Millinocket	Harmony	Litchfield	New Sweden	Pownal	Standish**	Wellington
Baileysville*	Carmel	Eastbrook	Harpeswell	Littleton*	New Vineyard	Presque Isle****	Starks	Wells*
Baldwin	Carrabasset	Easton*	Harrington	Livermore*	Newburgh	Princeton	Stetson	Wesley
Bancroft	Valley	Eastport	Harrison	Livermore Falls	Newcastle	Prospect	Steuben	West Bath*
Bangor****	Carthage	Eddington	Hartford	Long Island	Newfield	Randolph	Stockholm	West Gardiner**
Bar Harbor	Casco	Edgecomb	Hartland	Lovell	Newport**	Rangeley*	Stockton Springs	West Paris*
Bath	Castine	Edinburg	Haynesville	Lowell	Newry	Raymond	Stoneham	Westbrook****
Beals	Castle Hill	Eliot**	Hebron	Lubec	Nobleboro	Readfield	Stonington	Westfield
Beaver Cove	Caswell	Ellsworth***	Hermon****	Ludlow	Norridgewock*	Reed Pkt.	Stow	Westmanland
Beddington	Chapman	Emden	Hersey	Lyman*	North Berwick	Richmond	Strong*	Weston
Belfast**	Charleston	Enfield*	Hiram	Machias	North Haven	Ripley	Sullivan	Westport Island
Belgrade***	Charlotte	Etna	Hodgdon	Machiasport	North Yarmouth	Robbinston	Sumner	Whitefield
Belmont	Chebeague Island	Eustis	Holden	Madawaska**	Northfield	Rockland***	Surry	Whiting
Benton**	Chelsea	Exeter*	Hollis	Madison*	Northport	Rockport*	Swan's Island	Whitneyville
Berwick**	Cherryfield*	Fairfield**	Hope	Manchester	Norway	Rome	Swanville	Willimantic
Bethel*	Chester***	Falmouth***	Houlton***	Mapleton**	Oakfield	Roque Bluffs	Sweden	Wilton
Biddeford***	Chesterville	Farmingdale	Howland	Mariaville	Oakland**	Roxbury	Talmadge	Windham***
Bingham	China*	Farmington*	Hudson	Mars Hill***	Ogunquit	Rumford**	Temple	Windsor
Blaine*	Clifton	Fayette	Industry	Marshfield	Old Orchard	Sabattus**	Thomaston	Winn
Blue Hill	Clinton*	Fort Fairfield**	Island Falls	Masardis	Beach**	Saco**	Thorndike	Winslow*
Boothbay	Columbia	Fort Kent****	Isle au Haut	Mattawamkeag	Old Town****	Saint Agatha**	Topsfield	Winter Harbor
Boothbay Harbor	Columbia Falls*	Frankfort	Islesboro	Maxfield	Orient	Sanford****	Topsham***	Winterport**
Bowdoin*	Cooper	Franklin	Jackman	Mechanic Falls	Orland*	Sangerville	Tremont*	Winthrop
Bowdoinham	Corinna	Freedom	Jackson	Meddybemps	Orono	Scarborough****	Trenton	Wiscasset
Bowerbank	Corinth	Freeport*	Jay	Medford	Orrington	Searsmont	Troy	Woodland
Bradford	Cornish	Frenchboro	Jefferson**	Medway*	Osborn	Searsport	Turner****	Woodstock
Bradley	Cornville	Frenchville	Jonesboro	Mercer	Otis	Sebago	Union	Woodville
Bremen	Cranberry Isles	Friendship	Jonesport*	Merrill	Otisfield	Sebec	Unity	
Brewer*	Crawford	Frye Island	Kenduskeag	Mexico*	Owl's Head	Sedgwick	Upton	

Knox in Waldo County and Gary Haynes, a selectman from the Town of Winn in Penobscot County, did a superb job each in their own way to explain the negative impacts of the proposal on their property taxpayers.

Mr. Worthley described the enormous pressure facing the property taxpayers of his community and the degree to which his town relies on the excise tax revenue to keep their roads passable and to relieve, from time to time, the property tax pressure with any surplus. More first notices of property tax delinquency are going out of the town office now than ever before, according to this selectman, and more foreclosures than ever are heading toward maturity.

Mr. Larrabee explained how the road financing system in his community is organized in such a way that all the motor vehicle excise tax revenue will be likely spent on the roads in Knox over any seven-year period, but there may be individual years within the amortization cycle where that may not be the case.

Mr. Haynes indicated that as much as one-third of Winn's motor vehicle tax revenue would be taken by the state under this proposal, precipitating a huge impact on a very small town's budget. For his small town, LD 1226 is anything but a good way for finding money for better roads. It's a guaranteed property tax increase, instead.

Not to be outdone by their small-town compatriots, Augusta's Mayor Dave Rollins and Bangor's Assistant City Manager Mike Crooker also testified in opposition. Mayor Rollins testified on behalf of the Mayor's Coalition, reminding the committee that the motor vehicle excise tax system was nothing more than an "in lieu" property tax and, as such, constitutes an important component of every municipality's tax base. With municipalities collectively responsible for 14,000 miles of local roadways, taking the municipal revenue out of their treasuries for state government purposes is nothing more than a tax shift. Mr. Crooker asked the committee members to consider the degree to which Bangor's local road network supports the transportation needs of an influx of commuters every day into the city. Taking the motor vehicle excise tax revenue out of Bangor's coffers would only increase

the burden on local property taxpayers to support regionally-utilized transportation infrastructure.

MMA also testified in opposition to LD 1226. According to the data provided by the Bureau of Motor Vehicles, about 450 municipalities will be negatively impacted if the state takes the municipal "big truck" excise tax revenue. Based on the volume of big truck registrations, the negative impact would be particularly significant for 125 of those municipalities. Any representation that this raid on local resources affects only a small number of municipalities is false. The most seriously affected municipalities reflect a mix of service center communities, industrial or forest products-based municipalities, and agricultural municipalities. Accompanying this article is a list of the municipalities that would lose motor vehicle excise tax revenue under LD 1226 (on page 3).

With respect to the proposed dedication of motor vehicle excise tax revenue for the "maintenance or improvement of transportation infrastructure," MMA made two points.

First, even the state's Constitution, in Article IX, Section 19, expressly recognizes that the municipal motor vehicle excise tax system, enacted in 1929 in replacement of the general taxation of all motor vehicles as personal property, was established "in lieu" of the personal property tax. That means the excise tax system was enacted as an alternative to the general property tax for the purpose of

establishing a common mill rate structure across municipal jurisdictions. It was not enacted for the purpose of establishing a dedication.

The second observation reflects on how the same section of the Constitution (Article IX, Section 19) governs the dedication of the state-established motor fuel taxes and certain other fees to the Highway Fund. The strict dedication of the excise tax revenue in LD 1226 prohibits spending those resources beyond the maintenance or improvement of transportation infrastructure. In marked contrast, the dedication of state revenue for Highway Fund purposes expressly authorizes that revenue to also be used to support the Maine State Police budget as well as on "administration", which has always been interpreted to allow for the Highway Fund to support some of the Secretary of State's budget and some of the Department of Administration and Financial Services' budget.

That LD 1226 sets up a dedication double-standard is clear enough. What is not clear is which small army of accountants is going to be responsible for: (1) determining what is and is not a proper expenditure of motor vehicle excise tax revenue under the terms of LD 1226; (2) whether each of the 492 towns and cities did or did not meet that standard each year or over any given period of time; and (3) what the enforcement mechanism might entail.

The work session for LD 1226 has not yet been scheduled.

Applicant Information Remains Confidential

An article published in the April 14 edition of the Legislative Bulletin described the public hearing on LD 1084, *An Act To Require That Certain Applicant Information for Certain Local Government and School Administrative Positions Be Public upon Application*. As originally proposed by the sponsor, Representative John Spear of South Thomaston, the legislation would have established that the name and address of applicants for the position of school superintendent, county administrator, town or city manager are public records.

At Wednesday's work session, of the members present, the State and Local Government Committee voted "ought

not to pass" on LD 1084 by a margin of 7-3. The sponsor, who is a member of the committee, along with two of his colleagues—Representative Pinny Beebe-Center of Rockland and Representative Lester Ordway of Standish—voted in favor of an amended version of the bill. The amendment would authorize municipal hiring authorities to make the publication of applications at a specified point in the hiring process, such as the interview phase, a condition of eligibility for the position.

LD 1084 will move on to the House of Representatives for debate after the Committee conducts a review of the finalized language of this amendment.

Doubling the Time on Roadway Signs

Amendments to state's informational sign law to move forward

A year ago Maine's informational signage statute was substantially amended in order to conform to a 2015 U.S. Supreme Court decision that effectively requires any state law or municipal ordinance governing the placement of temporary, informational signs in public areas, such as road right of ways, to be "content neutral."

Background. As a result of the amendments to Maine's "categorical signs" statute, instead of the law referring to the various allowable signs by content as was formerly the case (e.g., the scheduled meetings of religious or civic organizations, memorial signs, political signs, farm stand or farmers' market signs, etc.), the statute now provides that any temporary sign bearing a non-commercial, informational message may be placed in the right-of-way, but there are four "content neutral" conditions. The four conditions were essentially developed by the Legislature in 2016 by homogenizing the different sign size and durational standards that applied in the old sign statute, which needed to be replaced. The four conditions are:

- The informational sign cannot exceed 4' by 8' in size.
- The sign cannot be installed in the right of way for more than 6 weeks in any calendar year.
- Signs with the same message must be placed in the right of way at least 30 feet apart.
- And, each sign must be labeled with the name and address of the individual, organization or entity that placed the sign, as well as the designated duration of the sign's placement.

The last standard, obviously was included so that whatever governmental entity takes up the task of enforcing the first three standards would be able to do so.

Complaints. In apparent response to complaints from two primary sectors,

at least four bills were submitted this legislative session to amend the newly designed "content neutral" sign law.

A number of politicians do not like the six-week limitation. Politicians in Maine have been generally allowed to install their signs in the right of ways for up to six weeks for any election in which they are a candidate. In any election year, they can certainly be a candidate in both the primary and the general election, so in that circumstance the 12-week former allowance was cut in half by the new law.

There was also a good deal of concern expressed by politicians with respect to the sign labeling requirement. They generally felt they should not be obligated to label their signs because their name is already emblazoned on each sign and the designated time period (six weeks around the election) is also well known. Each bill submitted to provide special standards for political signs, however, was challenged by both DOT and MMA for either making the sign installation standards unenforceable or violating the content neutrality standard that is now the law of the land, or both.

That pesky U.S. Constitution!

The other sector that voiced complaints about the new roadside signage law came from the farmers' marketers. Farmers' markets are generally in operation throughout the summer and fall, so the six-week provision severely limited their ability to effectively provide directional signs altogether.

Transportation Committee's solution. At a work session on April 20, the Transportation Committee reviewed the various bills on this subject and unanimously endorsed a proposed solution, which was placed into LD 209, a "concept draft" bill with the generic title "*An Act To Amend the Laws Governing Temporary Sign Usage.*" LD 209 will make two changes to the current state

law on roadside sign placement:

- The bill will allow signs to be installed in the right of way for 12 weeks every calendar year, instead of six weeks.
- And, it will still require the name and address of the person responsible for the sign, but instead of also requiring the intended duration of the installation, the sign need only contain the initial date of its installation.

Another "solution" to the perceived problem with the current sign law was discussed by the Committee but it did not need to be included in LD 209. It was represented to the Committee that an interpretation of the existing sign law has been floated to which the Attorney General's Office apparently does not object. That interpretation is that the time limit for sign installation in the law, six weeks currently, only applies to the installation of a sign with respect to the specific place of its location. Therefore, if at the conclusion of the six-week time period, the person responsible for the sign chooses to remove it to another location in the same roadway, perhaps just a few feet away, the six-week clock would get started all over again. Such an interpretation, obviously, makes the time limit standard somewhat nonsensical, but it was enough to satisfy the concerns of the farmers' market advocates, who had not themselves anticipated this liberal interpretation of the law.

Municipalities have all the home rule authority they need to adopt and enforce ordinances governing the placement of informational signs on the municipal roadways that are stricter than those contained in the state's road signage statute, either in its plain reading or as it may be interpreted by the Department of Transportation. The towns and cities that wish to regulate roadway signage differently than the state law, however, must take care to ensure the "content neutrality" of their ordinances.

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, May 1

Criminal Justice & Public Safety **Rm. 436, State House, 9:00 a.m.** **Tel: 287-1122**

LD 1366 – An Act To Protect Maine Consumers by Creating a White-collar Crime Registry.

LD 1390 – An Act To Enhance the Rights of Families of Missing Persons and Homicide Victims.

1:00 p.m.

LD 1427 – An Act To Make Community Paramedicine Projects Permanent.

LD 1462 – Resolve, to Establish a Pilot Project To Facilitate the Acquisition of Basic Emergency Medical Training in Rural Communities in the State.

Education & Cultural Affairs **Room 202, Cross State Office Building, 9:30 a.m.** **Tel: 287-3125**

LD 1470 – An Act To Facilitate Voluntary Cooperation among School Systems.

1:00 p.m.

LD 1452 – An Act To Ensure Student Privacy in the Digital Age.

LD 1483 – An Act To Safeguard Student Contact Information Provided to Schools.

Marine Resources **Room 206, Cross State Office Building, 10:00 a.m.** **Tel: 287-1337**

LD 1438 – An Act To Improve the Aquaculture Leasing and Licensing Laws.

LD 1519 – An Act To Define the Intertidal Zone for the Management and Enforcement of Shellfish Conservation Ordinances.

State & Local Government **Room 214, Cross State Office Building, 10:00 a.m.** **Tel: 287-1330**

LD 1142 – An Act To Repeal the Laws Establishing the Cumberland County Recreation Center and to Transfer Authority to Cumberland County.

LD 1269 – An Act To Adjust the Timing for Recounts in Certain Municipal and Local School Elections.

LD 1498 – An Act To Clarify the Applicability of the Records Preservation Surcharge within County Registries of Deeds.

LD 1505 – An Act To Create Consistency in the Regulation of Pesticides.

Veterans & Legal Affairs **Room 437, State House, 10:00 a.m.** **Tel: 287-1310**

LD 1533 – An Act To Update the Laws Relating to Liquor Licensing and Enforcement.

LD 1536 – An Act To Allow Maine Manufacturers To Sell Products for Off-premises Consumption at Taste-testing Events and Farmers' Markets and To Allow Taste Testings at Farmers' Markets.

Tuesday, May 2

Agriculture, Conservation & Forestry **Room 214, Cross State Office Building, 1:00 p.m.** **Tel: 287-1312**

LD 151 – Resolve, To Authorize the Transfer of State-owned Property to the Town of St. Agatha.

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

LD 1093 – An Act To Clarify That Involuntary Transfers of Teachers and Municipal Public Employees Are Subject to Collective Bargaining.

LD 1215 – An Act To Clarify Collective Bargaining in School Districts.

Energy, Utilities & Technology **Room 211, Cross State Office Building, 1:00 p.m.** **Tel: 287-4143**

LD 1516 – An Act To Encourage Broadband Development through Private Investment.

Environment & Natural Resources **Room 216, Cross State Office Building, 1:00 p.m.** **Tel: 287-4149**

LD 1262 – An Act To Protect Monhegan Island by Limiting Wind Turbines.

Health & Human Services **Room 209, Cross State Office Building, 1:00 p.m.** **Tel: 287-1317**

LD 607 – An Act to Enhance Maine's Coordinated Response to Mental Health Crises.

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

LD 1179 – An Act To Increase Funding for Programs That Support the Mission of the Department of Inland Fisheries and Wildlife.

Labor, Commerce, Research & Economic Development **Room 208, Cross State Office Building, 1:00 p.m.** **Tel: 287-1331**

LD 942 – An Act To Prohibit a Prospective Employer from Asking a Prospective Hire about the Person's Compensation History until after a Job Offer Is Made.

LD 1402 – An Act Regarding Payroll Deductions.

Transportation **Room 126, State House, 1:00 p.m.** **Tel: 287-4148**

LD 1440 – An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, Highway Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2018 and June 30, 2019.

LD 1523 – An Act To Exempt Motor Vehicles Less than 12 Years Old from Inspection.

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LEGISLATIVE HEARINGS (cont.)

Wednesday, May 3

Criminal Justice & Public Safety
Rm. 436, State House, 9:00 a.m.
Tel: 287-1122

LD 1428 – An Act to Relieve Overcrowding in County Jails.
LD 1490 – An Act Regarding Community Corrections Funds.
LD 1512 – An Act To Protect the Health and Safety of First Responders.
LD 1526 – An Act To Provide Funds for Access to Federal Training Facilities for First Responders.

Education & Cultural Affairs
Room 202, Cross State Office Building, 9:00 a.m.
Tel: 287-3125

LD 818 – An Act To Improve the Quality of Teachers.

Health & Human Services
Room 209, Cross State Office Building, 1:00 p.m.
Tel: 287-1317

LD 1429 – An Act Regarding the Epidemic of Opiate Abuse.

Taxation
Room 127, State House, 1:00 p.m.
Tel: 287-1552

LD 915 – An Act To Lower Property Taxes.
LD 1230 – An Act To Allow a Local Option Sales Tax on Meals and Lodging.
LD 1245 – An Act To Ensure the Effectiveness of Tax Expenditures.
LD 1265 – An Act To Allow the Creation of a Local Option Sales Tax by Referendum.

LD 1405 – An Act To Require Remote Sellers To Collect and Remit Sales and Use Tax on Sales into Maine and To Provide Retailers a Collection Allowance.

LD 1522 – An Act To Authorize a Local Option Sales Tax.

Veterans & Legal Affairs
Room 437, State House, 9:00 a.m.
Tel: 287-1310

LD 1543 – An Act To Simplify the Licensing Process for Off-site Catering.

Thursday, May 4

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

LD 864 – An Act To Provide for a Statewide Contract for School Teachers.

Energy, Utilities & Technology
Room 211, Cross State Office Building, 1:00 p.m.
Tel: 287-4143

LD 1373 – An Act To Protect and Expand Access to Solar Power in Maine.

Friday, May 5

Labor, Commerce, Research & Economic Development
Room 208, Cross State Office Building, 10:00 a.m.
Tel: 287-1331

LD 1377 – An Act To Prohibit Posing as a Governmental Entity in Commerce.

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.)

Energy, Utilities & Technology

LD 1472 – An Act To Lower the Costs of Broadband Service by Coordinating the Installation of Broadband Infrastructure. (Sponsored by Rep. McLean of Gorham.)

This bill requires the installation of broadband conduit during all roadway-related construction projects that are financed in whole or in part with federal, state or local funding and that construct new or replace existing water or sewer lines in a public road right of way, construct a new highway or road, or construct or relocate an additional lane or shoulder for an existing highway or public road. The public entity responsible for the construction is authorized by the bill to lease the broadband conduit at a cost-based rate to providers to install fiber-optic or other cables that support broadband and wireless facilities for broadband service.

LD 1516 – An Act To Encourage Broadband Development through Private Investment. (Sponsored by Rep. Wadsworth of Hiram; additional cosponsors.)

This bill establishes a new chapter in the laws governing broadband communication systems entitled "Municipal Broadband Private Industry Safeguards". Through the new chapter of law, the bill creates requirements that a municipality must meet in order to provide broadband services to its residents. Those requirements include: (1) the municipality's legislative body holding a public hearing to consider providing the service; (2) the municipality ordering a feasibility study

to be accomplished and provided to the legislative body before deciding whether to establish the broadband service; (3) a referendum question placed before the voters to determine whether the municipality will establish the broadband service; (4) a series of general operation limitations governing the establishment of rates, the prohibition of the services being subsidized by tax or other resources, and a prohibition on the use of eminent domain; and (5) the required adoption of an ordinance relating to service quality and quality enforcement. The bill also removes antitrust liability protections from a municipality with respect to the municipality's provision of broadband services and further requires that any municipality that seeks grants from the ConnectME Authority must meet all the standards of this chapter of law.

Marine Resources

LD 1519 – An Act To Define the Intertidal Zone for the Management and Enforcement of Shellfish Conservation Ordinances. (Sponsored by Rep. Devin of Newcastle; additional cosponsors.)

This bill amends the law governing municipal shellfish conservation ordinances to establish that the intertidal zone extends from the high-water mark to the extreme low-water mark and that the shellfish conservation ordinances apply only with in the intertidal zones.

State & Local Government

LD 1505 – An Act To Create Consistency in the Regulation of

(continued on page 8)

HOPPER (cont.)

Pesticides. (Governor's bill) (Sponsored by Sen. Davis of Piscataquis Cty.)

This bill prohibits a municipality from adopting or continuing to enforce any ordinance or rule regarding the sale of use of pesticides. All existing pesticide related ordinances that have been adopted by the various municipalities are made void by this bill.

Taxation

LD 1521 – An Act To Amend the Property Tax Laws. (Sponsored by Rep. Hilliard of Belgrade; additional cosponsor.)

This bill amends the laws governing the tax exemption for “benevolent and charitable” corporations, the Open Space tax law system, and the Motor Vehicle Excise Tax rate structure. Specifically, the bill establishes that holding land primarily for conservation or public access purposes is not a benevolent and charitable purpose. The bill allows, however, a land trust organization to enroll land owned by it in the Open Space tax law program, which would provide up to a 95% reduction in the assessed value of that land as long as certain conditions are met. The bill also removes the 15,000-acre limit on the size of land that may be enrolled in the Open Space tax law program.

The bill expands the authorization for the municipal assessment of service charges for certain municipal costs against certain property exempt from the property tax. The amendments to the existing “service charge” statute remove the exemption for student housing and parsonages and remove the limit on application of the charge to residential property used for rental income. Under the bill, the service charges may not be levied against any churches and may be levied only against an owner that has total real estate assets in the municipality with an assessed value of \$10,000,000 or more. The services charges must be designed

to reflect the value of municipal services the exempt entities receive for fire protection, police protection and snow removal. The existing cap of 2% of the gross annual revenues of the institution or organization is retained.

Finally, in an overall revenue-neutral fashion, the bill reduces the rate of the excise tax imposed on motor vehicles for the first and 2nd year from 24 mills to 18 mills and 17 1/2 to 16 mills, respectively; and increases the excise tax for the 3rd, 4th, 5th and 6th year from 13 1/2 mills to 14 mills, 10 mills to 11.5 mills, 6 1/2 mills to 10 mills and 4 mills to 6 mills, respectively. For the seventh year and thereafter, the mill rate reverts to 4 mills.

LD 1522 – An Act To Authorize a Local Option Sales Tax. (Sponsored by Rep. Sylvester of Portland; additional cosponsors.)

This bill authorizes a municipality to adopt a local option sales tax if approved by the municipal voters at referendum. The local option sales tax rate and the specific uses of the local option sales tax revenue must be part of the referendum question to be approved by the voters. A municipality adopting a local option sales tax may not alter the range of items subject to taxation under the state sales tax code, but it may adopt a “single transaction limitation” of up to \$100, which is a dollar limit placed on the amount of tax the municipality collects from a single transaction. The collection of the tax would piggy-back on the collection of the state sales tax, with the municipality's portion of the collected taxes being distributed by the state. The bill provides that the municipality must be remitted 50% of the net sales tax revenue. 25% of the net local option tax revenue must be distributed to the municipal revenue sharing's “Local Government Fund” and 25% must be distributed to the Regional Economic Development Revolving Loan Program.