Let Your Voices Be Heard

Revenue Sharing Hearing Scheduled for Wednesday

The Appropriations and Taxation Committees will hold a hearing to accept public comments on Governor Janet Mills’ FY 2020—FY 2021 budget proposal seeking to increase funding for the state/municipal revenue sharing program from the current two percent of state sales and income taxes to 2.5 percent in FY 2020 and three percent in FY 2021. The hearing will take place on:

Wednesday, March 20
10:00 a.m.
Room 228 of the State House

It is important that municipal officials participate in this public hearing and take the opportunity to show how the reductions to the revenue sharing program have impacted property taxpayers and the ability of communities to provide both mandated and locally desired programs. As the accompanying table shows, over the last decade nearly $700 million in revenue sharing funding - which by statute must be used to reduce property taxes - was deposited into the state’s coffers. If the Legislature adopts the proposal as written, it is estimated that total revenue sharing losses will increase to $780 million in FY 2020 and $854 million in FY 2021. Information regarding the public hearing process and a spreadsheet showing each community’s total revenue sharing losses between FY 2015 and FY 2019, as well as estimated FY 2020 distributions, both at the proposed 2.5 percent and statutorily required five percent levels, is posted on the Association’s website (www.memun.org).

Depending on the number of participants at the public hearing, it is likely to be a long day. The hearing will commence at 10 a.m. with state agency representatives providing an overview of the budget proposals scheduled to be heard at the hearing. It is our hope that public comments will begin to be accepted shortly after 10 a.m. On that note, municipal officials interested in providing oral testimony will be required to sign in. The sign-in process will start at 9 a.m.

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

Revenue Sharing FY 2006 to FY 2019

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Statutorily Required</th>
<th>Actual Receipts</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$123,722,881</td>
<td>$121,386,963</td>
<td>$(2,335,918)</td>
</tr>
<tr>
<td>2007</td>
<td>128,330,756</td>
<td>121,378,821</td>
<td>$(6,951,935)</td>
</tr>
<tr>
<td>2008</td>
<td>135,819,468</td>
<td>133,124,059</td>
<td>$(2,695,409)</td>
</tr>
<tr>
<td>2009</td>
<td>135,468,528</td>
<td>132,759,157</td>
<td>$(2,709,371)</td>
</tr>
<tr>
<td>2010</td>
<td>131,202,116</td>
<td>112,092,617</td>
<td>$(19,109,499)</td>
</tr>
<tr>
<td>2011</td>
<td>124,479,621</td>
<td>89,209,367</td>
<td>$(35,270,254)</td>
</tr>
<tr>
<td>2012</td>
<td>134,350,000</td>
<td>94,000,000</td>
<td>$(40,350,000)</td>
</tr>
<tr>
<td>2013</td>
<td>138,102,675</td>
<td>93,835,332</td>
<td>$(44,267,343)</td>
</tr>
<tr>
<td>2014</td>
<td>138,306,246</td>
<td>65,000,000</td>
<td>$(73,306,246)</td>
</tr>
<tr>
<td>2015</td>
<td>146,678,003</td>
<td>60,728,612</td>
<td>$(85,949,391)</td>
</tr>
<tr>
<td>2016</td>
<td>156,424,711</td>
<td>62,569,884</td>
<td>$(93,854,827)</td>
</tr>
<tr>
<td>2017</td>
<td>155,174,541</td>
<td>64,469,816</td>
<td>$(90,704,725)</td>
</tr>
<tr>
<td>2018</td>
<td>164,527,742</td>
<td>68,211,097</td>
<td>$(96,316,645)</td>
</tr>
<tr>
<td>2019</td>
<td>172,003,750</td>
<td>71,201,500</td>
<td>$(100,802,250)</td>
</tr>
<tr>
<td>Total</td>
<td>$1,984,591,038</td>
<td>$1,289,967,225</td>
<td>$(694,623,813)</td>
</tr>
</tbody>
</table>

Source: Office of Fiscal and Program Review
MMA Broadband Bills

Hearings Scheduled

Three bills that have been printed at the request of the Association’s Legislative Policy Committee have been scheduled for public hearings before the Legislature’s Energy, Utilities and Technology Committee. The hearings will take place:

Wednesday, March 27
9:00 a.m.
Room 211 of the Cross State Office Building
(Next to State House)

The pieces of legislation are the result of conversations regarding obstacles to the expansion of reliable, affordable, high-speed internet infrastructure. The first two of the following bills aim to help facilitate municipal infrastructure development efforts, without seeking new funding from the state or federal governments. The third bill addresses utility responsiveness to municipal requests.

LD 1063, An Act To Support the Role of Municipalities in Expanding Broadband Infrastructure, sponsored by Rep. Jay McCreight of Harpswell. This bill adds “community broadband systems” to the list of essential types of infrastructure that municipalities may construct for reasons of public necessity.

LD 1192, An Act To Establish Municipal Access to Utility Poles Located in Municipal Rights-of-way, sponsored by Sen. Eloise Vitelli of Sagadahoc County. The purpose of this bill is to restore municipalities’ right to attach municipal facilities to utility poles located in the municipal right of way, without having to pay utilities “make ready” fees to move their facilities out of the space on the poles that has traditionally been reserved for municipal uses.

LD 1206, An Act To Improve Aboveground Utilities’ Responsiveness to Public Interests, sponsored by Rep. Pinny Beebe-Center of Rockland. In light of the increasing number and technological complexity of facilities being installed in the public right of way, this bill authorizes municipalities to impose new permitting, licensing, and penalty requirements on aboveground utilities with the aim of improving their accountability to municipal officials.

Municipal officials with an interest in broadband policy are encouraged to testify to share experiences and perspectives. Those unable to attend in person may submit written testimony to the committee’s clerk, Abben Maguire, at Abben.Maguire@legislature.maine.gov. Testimony and questions may also be directed to MMA Legislative Advocate Garrett Corbin at gcorbin@memun.org or 1-800-452-8786.

FY 2020 Revenue Sharing Projections Posted on State’s Treasurer’s Website

Use with Caution

On Wednesday this week, the Office of the Maine Treasurer posted on its website a spreadsheet showing the projected FY 2020 state/municipal revenue sharing distribution for each municipality. Because Maine statutes currently require the state to fully restore funding for the program as of July 1, 2019, the projections assume that five percent ($174 million) of state sales and income tax revenues will be distributed to municipalities in the upcoming fiscal year.

However, the proposed FY 2020 - FY 2021 biennial General Fund budget includes a provision seeking to increase funding for the program from the current 2 percent of state sales and income tax revenue to 2.5 percent ($89 million) in FY 2020 and three percent ($116 million) in FY 2021. Over the next several months, the level of funding for the revenue sharing program will be reviewed and debated first by the Appropriations and Taxation Committees and then by the entire Legislature.

Until the budget is finally adopted and signed by the governor, it remains unknown how much revenue will be distributed to communities under the state/municipal revenue sharing program.

For this reason, we urge municipalities to be cautious with the state’s recently published projections.
Rather than taking positions on each of the submitted bond bills, MMA’s Legislative Policy Committee (LPC) establishes its borrowing priorities through a survey designed to determine both the size of the bond package and the initiatives to be funded over a two year period. At its February meeting the Policy Committee completed the exercise.

In summary, the LPC supports a bond issue of roughly $182 million over the FY 2020 – FY 2021 biennium, which is targeted, in large part, at infrastructure improvements. As shown in the accompanying table, 50 percent - $89 million - of the bond revenue is dedicated to road and bridge improvements, expansion of broadband infrastructure and investment in the state’s rail system. New to the bonding priority list is $10.3 million to rehabilitate existing or construct new fire stations, and an additional $10.3 million to support workforce attraction and retention efforts, including funding for programs designed to reduce student debt load. A total of $71.6 million in bond revenue is dedicated to other municipally relevant programs and projects, including funding for drinking water and wastewater facilities, investment in public facilities and downtown revitalization, housing, and culvert replacement.

With respect to the “other” category, municipal officials are interested in borrowing $400,000 to invest in winter recreational facilities and $250,000 for funding jail and school operation consolidation efforts.

### LPC Proposed Bond Package – FY 2020 & FY 2021

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highways &amp; Bridges</td>
<td>$60,000,000</td>
</tr>
<tr>
<td>Broadband</td>
<td>17,000,000</td>
</tr>
<tr>
<td>Rail</td>
<td>12,000,000</td>
</tr>
<tr>
<td>Municipal Fire Stations</td>
<td>10,300,000</td>
</tr>
<tr>
<td>Workforce Attraction &amp; Student Debt Reduction</td>
<td>10,300,000</td>
</tr>
<tr>
<td>Career &amp; Technical Education Centers</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Drinking Water &amp; Wastewater Facilities</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Public Facilities/Downtown Revitalization</td>
<td>8,300,000</td>
</tr>
<tr>
<td>Housing for Low Income &amp; Homeless Persons</td>
<td>8,100,000</td>
</tr>
<tr>
<td>Waterfront &amp; Coastal Sea Level Rise</td>
<td>7,000,000</td>
</tr>
<tr>
<td>Culvert Replacement</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Energy Conservation/Weatherization</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Research &amp; Development</td>
<td>4,500,000</td>
</tr>
<tr>
<td>School Revolving Loan Fund</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Land for Maine’s Future</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Municipal Investment Trust Fund</td>
<td>3,200,000</td>
</tr>
<tr>
<td>Riverfront Community Development</td>
<td>1,600,000</td>
</tr>
<tr>
<td>Historic Properties Preservation Revolving Loan Fund</td>
<td>900,000</td>
</tr>
<tr>
<td>Other</td>
<td>650,000</td>
</tr>
<tr>
<td>Total</td>
<td>181,850,000</td>
</tr>
</tbody>
</table>

Source: Office of Fiscal and Program Review

It is expected that the state will begin licensing “adult use” (non-medical) marijuana businesses sometime between the fall of 2019 and the spring of 2020. All such businesses licensed by the state will need local approval in order to operate lawfully.

The Maine Municipal Association and Maine Office of Marijuana Policy have issued a survey to municipal officials regarding the types of assistance that would be most helpful to your community’s preparations.

You are invited to participate in the survey by completing it online at: [https://www.surveymonkey.com/r/MMA-MJ-HELP](https://www.surveymonkey.com/r/MMA-MJ-HELP)

Responses by March 25 are most appreciated. Please contact Garrett Corbin at gcorbin@memun.org or 1-800-452-8786 with any questions.
LEGISLATIVE HEARINGS

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

Monday, March 18

Appropriations & Financial Affairs
Room 228, State House, 10:00 a.m.
Tel: 287-1635

LD 1001 – Governor’s Biennial Budget, with the Joint Standing Committee on Innovation, Development, Economic Advancement & Business.

Inland Fisheries & Wildlife
Room 206, Cross Building, 9:00 a.m.
Tel: 287-1338

LD 1147 – An Act To Amend the Laws Regarding the Size and Weight of All-terrain Vehicles, the Operation of Motor Vehicles on Designated All-terrain Vehicle Trails and the Operation of All-terrain Vehicles on Trails Posted with Size or Weight Limits and To Update and Improve Funding Mechanisms for All-terrain Vehicle Trail Development and Maintenance.

Labor & Housing
Room 202, Cross Building, 9:00 a.m.
Tel: 287-1331

LD 670 – An Act to Increase the Minimum Wage for Large Employers.
LD 1098 – An Act To Help Small Employers by Making the Minimum Wage Increase More Gradual in Nonurban Areas.

State & Local Government
Room 214, Cross Building, 1:00 p.m.
Tel: 287-1330

LD 453 – An Act to Ensure the Integrity and Accountability of Persons Who Are Elected to Public Office.
LD 806 – An Act To Clarify the Definition of “Ancient Burying Ground.”
LD 1054 – An Act To Clarify the Use of Burying Grounds and Family Burying Grounds.
LD 1066 – An Act To Address Municipal Conflicts of Interest.

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

LD 1020 – An Act to Modify the Number of Retail Liquor Licenses Allowed in Certain Municipalities.
LD 1068 – An Act To Increase the Number of Agency Liquor Stores Permitted in Municipalities with 10,000 to 20,000 Residents.
LD 1078 – An Act Regarding the Number of Agency Liquor Store Licenses Permitted in a Municipality.

10:30 a.m.

LD 1026 – An Act To Require Election Transparency.

Tuesday, March 19

Appropriations & Financial Affairs
Room 228, State House, 1:00 p.m.
Tel: 287-1635

LD 1001 – Governor’s Biennial Budget, with the Joint Standing Committee on Judiciary

Agriculture, Conservation & Forestry
Room 214, Cross Building, 1:30 p.m.
Tel: 287-1312

LD 1016 – Resolve, To Require the Construction of a New Direct Headquarters Building for the Bureau of Forestry in Fort Kent.

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

LD 1027 – An Act To Eliminate the 100-megawatt Limit on Hydroelectric Generators under the Renewable Resources Laws.

Innovation, Development, Economic Advancement & Business
Room 202, Cross Building, 1:00 p.m.
Tel: 287-4880

LD 897 – An Act To Restore Funding for the Capital Riverfront Improvement District.

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

LD 118 – An Act To Direct Vehicle Excise Tax Revenue for Local Transportation Infrastructure.
LD 1031 – An Act To Base the Vehicle and Mobile Home Excise Tax on Actual Value.
LD 1074 – An Act To Establish a Tax on Water Extracted for Bottling in Order To Secure the Economic Future of Rural Maine.

Wednesday, March 20

Appropriations & Financial Affairs
Room 228, State House, 10:00 a.m.
Tel: 287-1635

LD 1001 – Governor’s Biennial Budget, with the Joint Standing Committee on Taxation regarding the following programs: Revenue Sharing, Elderly Tax Deferral Program, Homestead Exemption, BETE Reimbursements and Tree Growth Reimbursements.

Education & Cultural Affairs
Room 208, Cross Building, 1:00 p.m.
Tel: 287-3125

LD 736 – An Act To Protect Students during Elections Held at Their Schools.

Health & Human Services
Room 209, Cross Building, 1:30 p.m.
Tel: 287-1317

LD 761 – An Act To Clarify and Affirm Medicaid Eligibility for Incarcerated Individuals.
LD 915 – An Act To Provide Adequate Reimbursement under MaineCare for Ambulance and Neonatal Transport Services.

State & Local Government
Room 214, Cross Building, 9:00 a.m.
Tel: 287-1330

(continued on page 5)
LONG LIST OF LDs OF MUNICIPAL INTEREST

LD 1054 – An Act To Clarify the Use of Burying Grounds and Family Burying Grounds. (Sponsored by Rep. Bailey of Saco)

This bill clarifies the law relating to the use of burying grounds and family burying grounds. It requires that the description of a burying ground or family burying ground be recorded only in the registry of deeds and not with the town clerk. The bill also allows property surrounding a family burying ground to be conveyed as long as reasonable access, including the establishment of an easement route, is provided to the spouse, ancestors and descendants of persons interred there.

LD 1066 – An Act To Address Municipal Conflicts of Interest. (Sponsored by Rep. Sampson of Alfred)

This bill minimizes conflicts of interest in municipal government operations. The bill precludes the municipal treasurer and tax collector, or town officer performing the duties of either, from simultaneously acting as the municipality’s code enforcement officer. The bill requires the town manager to implement a training program for municipal officers and employees on the ethical standards applicable to and the performance risks associated with hiring professional consultants. The bill prohibits a person contracted to provide professional services to a municipality from having a direct or indirect pecuniary interest in the business of the municipality. A “pecuniary interest” is defined as any benefit from the professional services provided to the municipality under a contract if the person has an ownership interest in more than 10% of the land area within the municipality and further defines “professional services” as including, but limited to, the services provided by accountants, architects, attorneys, consultants and engineers.

(continued on back page)
Taxation
LD 1074 – An Act To Establish a Tax on Water Extracted for Bottling in Order To Secure the Economic Future of Rural Maine. (Sponsored by Rep. Gramlich of Old Orchard Beach)

This bill creates an excise tax of 12¢ per gallon on the extraction of groundwater or surface water for commercial bottling for sale. Sixty-five percent of the revenue from the tax must be used to support the expansion and improvement of high-speed broadband access and 35 percent used to provide tuition grants for up to two years for postsecondary education.

Transportation
LD 478 – An Act To Allow All-terrain Vehicles To Be Used on a Public Way. (Sponsored by Sen. Jackson of Aroostook Cty.)

This bill, beginning in 2020, allows the operation of an all-terrain vehicle, or ATV, on a public way as long as the ATV is registered and meets specified safety equipment requirements and the operator is licensed and has insurance. This bill establishes an annual registration fee of $33, the same as for ATVs under current law. The bill does not affect the operation of ATVs off of public ways. This bill prohibits the operation of an ATV on a public way with a posted speed limit of more than 50 miles per hour. The Department of Transportation may adopt rules or a municipality or county may adopt an ordinance to restrict or prohibit the operation of an ATV on a way if the department, county or municipality determines that the prohibition or restriction is necessary in the interest of public safety.

LD 1084 – An Act Regarding the Operation of Pedal-powered Tour Vehicles. (By Request) (Sponsored by Sen. H. Sanborn of Cumberland Cty.)

This bill defines “pedal-powered tour vehicle” and permits such vehicles to be used on public ways. The bill restricts municipal regulatory authority over the operation of a pedal-powered tour vehicle on a public way within the municipality to require evidence of liability insurance and compliance with equipment standards and traffic restrictions established by the municipality.

Veterans and Legal Affairs
LD 1083 – An Act To Implement Ranked-choice Voting for Presidential Primary and General Elections in Maine. (Sponsored by Sen. Jackson of Aroostook Cty.)

This bill provides that, whenever the state committee of a qualified political party certifies that there is a contest among candidates for nomination as the presidential candidate of the party and that the committee has voted to conduct a presidential primary election, the State shall hold a presidential primary election on a date in March of the presidential election year chosen by the Secretary of State in consultation with the parties. Only voters who are enrolled in the party may vote in that party’s presidential primary election. The votes cast in the presidential primary for each party must be tabulated according to the ranked-choice method of tabulating votes. The selection of delegates to the national presidential nominating convention for each party and allocation of those delegates among primary candidates must be in accordance with any reasonable procedures established at the state party convention. The state is required to cover all municipal costs. This bill also requires the ballots cast for presidential electors during the general election to be tabulated according to the ranked-choice method of tabulating votes.