Municipal revenue sharing is on the chopping block, and town and city leaders concerned about the elimination of this important piece of state tax policy need to loudly voice those concerns to their lawmakers. Revenue sharing has been the state’s premiere property tax relief program for over 40 years. For the sake of those Mainers struggling to pay the real estate taxes on their homes, the Legislature should not be allowed to kill off this program without a fight.

The 2014 legislative session officially began on Jan. 8 but there is little evidence to suggest that last year’s attack on the revenue sharing program has abated. A year ago almost to the day, Governor LePage proposed the elimination of the municipal revenue sharing program. At the end of the six-month debate that followed, the municipal governments were led to believe that the heavily shortchanged revenue sharing distributions for each year of the biennium were finally established in the state budget – $65 million for the current fiscal year and $60 million for FY 2015.

As it turns out, the municipal officials who believed the revenue sharing allocations in the state budget were reliable, true and dependable were guilty of failing to read the fine print. An ugly little provision buried in “Part S” of the budget document has kept the elimination of municipal revenue sharing in play. The mechanics of how it is being accomplished are not that important. In this case, Part S of the budget created a special Task Force and charged it with cleaning out the Aegean Stables in a single day. Should the Task Force fail (which was inevitable, as with any good Greek myth) Part S required the revenue sharing account to be drained by $40 million to its dregs. Accomplished this way, it isn’t even the Legislature that finally eliminates revenue sharing. Revenue sharing is killed off by an administrative act accomplished by the State Controller as the result of the failure of some unelected Task Force that no longer exists. Its demise could hardly be accomplished more antiseptically.

Against this backdrop, there appears to be one single ray of hope. The Appropriations Committee was authorized by the budget to report out a bill advancing the Task Force’s recommendations. Without skipping a beat, the chairs of the Appropriations Committee, Sen. Dawn Hill of York County and Rep. Peggy Rotundo of Lewiston, have decided to exercise that authority, although they are advancing a crisply edited version of the Task Force’s more rambling report.

The bill is LR 2721, An Act Related to the Report of the Tax Expenditure Review Task Force Pursuant to PL 2013, c. 368, Part S. A better title of the bill would be An Act to Protect the Budgeted FY 2015 Revenue Sharing Distribution from Additional Legislative Raids. An impact analysis of LR 2721’s enactment or non-enactment for Maine’s 16 shire towns is provided in a sidebar to this article.

A full description of the bill follows,

(continued on page 2)
but all municipal officials should be aware that the public hearing on this last-stand opportunity is scheduled for:

**Wednesday, January 22, 2014**

9:00 a.m. (Sign-up sheet becomes available)

10:00 a.m. (Hearing begins)

Room 228 (Appropriations Committee Room)

State House

It is hard to stress the importance of a robust municipal turn-out at this public hearing strongly enough. We know that it is very difficult for many elected officials to attend a public hearing in Augusta during the work week and we know the public hearing process has become very frustrating with the waiting room confusion, “three-minute rules” and all the other pomp and circumstance. We also know that there is a tremendous amount of frustration among municipal officials with respect to the way the Legislature has been treating the revenue sharing program in recent years, and municipal government, generally.

With all of that said, this is the public hearing to attend in 2014 for the purposes of protecting the citizens and small businesses in your community from the property tax increases that will inevitably occur if the Legislature follows through with the scheduled massive reduction in the revenue sharing distribution for next year.

**What LR 2721 does.** A clean bill is legislation that does what it says it does without any gimmicks, smoke and mirrors, or wild assumptions. LR 2721 is a clean bill. First, it repeals the poison-pill provision in the state budget bill enacted last June that calls for the additional $40 million to be automatically “transferred” out of the revenue sharing distribution account and diverted to the State’s General Fund. Beyond that, the bill advances several of the recommendations advanced by the Tax Expenditure Review Task Force that appeared to have the broadest support. Specifically, LR 2721 generates or appropriates state revenue to replace the $40 million restored to revenue sharing by:

- **“LIFO expensing”**. Amending the state income tax code to effectively remove an inventory expensing option used by some businesses, referred to as the “Last In First Out” option. This proposal was one of the recommendations of the Tax Expenditure Review Task Force. In summary, the expensing option allows businesses to assume for tax purposes that the most recently purchased inventory, as opposed to the oldest inventory in stock, is the first inventory to be sold at retail, thus maximizing the tax deduction for businesses moving products with ever-increasing wholesale values (like petroleum). It was represented to the Task Force that this expensing option is being seriously reconsidered at the federal level for a variety of reasons, and although it would put Maine into “nonconformity” with the IRS code, it is entirely possible the federal government will eliminate this option as well in the near future. It was roughly estimated that this proposal would generate $10 million of savings to the state budget.

- **BETR and BETE proposals**. The following three elements of the bill make changes to the Business Equipment Tax Reimbursement program (BETR) and the Business Equipment Tax Exemption program (BETE). At the Tax Expenditure Review Task Force level, it was estimated that these proposals would generate approximately $3 million in state savings. The BETR-BETE proposals would:

  - **BETR - Restoration of 12-year reimbursement limit**. Amend the law governing the BETR program to provide that the tax payment reimbursements made to businesses under that program are provided for the first 12 years of the property’s enrollment. The BETR program was enacted in 1996 as a 12-year reimbursement program. When the BETE program was enacted and implemented in 2008, the business reimbursements provided under the BETR program were extended for the lifetime of the enrolled property rather than the 12-year limit. This bill would restore the 12-year standard.

  - **BETR - Elimination of Retail Property**. Amend the BETR statute to eliminate eligibility for all personal property that is located at a retail sales facility and used primarily in retail sales. Under current law, that type of property is eligible for BETR reimbursement except for the personal property located in the “big box” retail stores that are over 100,000 square feet in size. Since 2008, the only type of newly installed personal property that can be enrolled in the BETR program is retail personal property. Other types of business property have to enroll in the BETE program.

  - **BETE – Elimination of the Special Big Box-Mail Order Exception.** Under current law, retail personal property used in a retail sales facility is generally ineligible for tax exempt status under the Business Equipment Tax Exemption (BETE) program. A special exception is provided in law for retail facilities over 100,000 square feet in size that derive less than 30% of their total annual revenue from sales that are made at the brick-and-mortar facility. This bill eliminates that special exception for retail facilities that generate high levels of mail order and on-line transactions.

- **“Tax Relief Fund for Maine Residents.”** The bill also appropriates the money that has been allotted to the “Tax Relief Fund for Maine Residents.” The Tax Relief Fund, created by the Legislature in 2011, is annually capitalized with a certain amount of undesignated and unappropriated surplus General Fund revenue that comes into the state treasury and is identified at the close of each fiscal year. The Fund was established to trap that revenue and use it to incrementally reduce the state’s income tax rate from 7.95% (which is the highest marginal rate currently) to just 4%. Approximately $4 million has accrued to the Fund thus far. Municipal officials fairly argue that one of the reasons the state enjoys some surplus General Fund revenue each year is because the Legislature seriously raids the municipal revenue sharing account each year. The raids help generate the (continued on page 4)
The stress among members of the State and Local Government Committee was evident this week as the Committee held a public hearing and work session on LD 1177, An Act to Implement the Recommendations from the Discontinued and Abandoned Roads Stakeholder Group. (Some of that stress may have been induced by having to hold the work session in the presence of Capitol Security and with the certainty of weapons checks because of threatening statements made at the bill’s public hearing.)

LD 1177, originally introduced in 2013, was carried over into the second session to allow a subcommittee of four members of the Committee time to further explore the road discontinuance and abandonment laws, and make recommendations for changing existing practices, if deemed necessary. On Monday of this week, the Committee held a public hearing on the Subcommittee’s recommendations.

The five Subcommittee recommendations include:

- Require municipalities by January 1, 2016 to create a comprehensive inventory of all roads in the municipality that have rights of ways or have been active roads at any time in the last 50 years, and record those inventories in the registries of deeds.
- Discontinue the automatic road abandonment statute. Require all roads that would become automatically abandoned to maintenance under current law as a result of 30 straight years of non-maintenance to, instead, be formally discontinued under the road discontinuance process, requiring the payment of damages.
- Establish certain procedures to be followed when discontinuing a town way including:
  - Providing mailed notice of the proposed discontinuance to all abutters.
  - Holding a public hearing on the proposed discontinuance order no less than 10 days before the meeting of the legislative body.
  - Allowing the legislative body, either at the meeting to discontinue the road (and appropriate necessary damages) or within six months thereafter, to choose to: (1) assume maintenance and liability responsibilities for the public easement and determine the extent of those responsibilities, (2) restrict public use of the public easement, and what those restrictions will be (presumably requiring an over/under reconciliation of damages).
- Providing for the permanent easement of public utilities even if no public easement is retained (i.e., establish a mandatory public utility easement over private property).
- Filing the discontinuation order in the registry of deeds.
  - Require municipalities to revisit the discontinuation order 20 years after its approval and vote “to approve the continuance of the order of discontinuance.” If the municipality votes not to continue the order of discontinuance, the roadway reverts to the fee ownership of the abutters, although it is unclear what would occur under that circumstance if the original order of discontinuance extinguished the public easement.
  - Require that the existence of any abandoned or discontinued roads or public easements held by a municipality that abut or are on a property to be identified in residential property disclosure with respect to any real estate transaction.

Although some elements of this bill are supported by municipal officials, three specific elements are strongly opposed and, therefore, the bill is opposed by MMA’s Legislative Policy Committee.

Mandate. As an unwelcome and completely unfunded state mandate, municipal officials strongly oppose the section of the proposal requiring communities to conduct and publish inventories of “all town ways in that municipality with right of ways and town ways that have been active roads at any point since 1965” and to file those lists with the registry of deeds.

If a community believes that conducting a road inventory is a necessary and effective use of extremely limited property taxpayer funds, then that decision should be made at the local level. Taking into account the most recently adopted state budget, which slashed municipal revenue sharing and property tax relief programs, municipal officials will not support creating systems that additionally burden Maine’s property taxpayers. It is especially important that property taxpayers retain all rights to prioritize the use of local level resources.

At the hearing on the Subcommittee recommendations, MMA’s opposition to the mandate provision hit the nerves of several Committee members, who lashed out at municipal government. The municipal concerns were dismissed as insignificant. The financial costs of creating a comprehensive inventory of the legal status of all roads over the last 50 years were described as modest...something that could easily be accomplished at little cost through the use of volunteers. Without being specific, municipalities were generally condemned as mismanaging their road programs. There was no shortage of anti-municipal rhetoric among members of the Legislature’s State and Local Government Committee.

Amending Abandonment Law. Municipal officials also oppose extinguishing the current law that abandons a road to municipal maintenance after 30 years of non-maintenance and, instead, requiring all functionally abandoned roads to go through the formal and extremely expensive road discontinuance process.

From the municipal perspective, the preservation of the abandonment law is just as essential now as it was when the state dumped hundreds of miles of abandoned roads on the towns and cities in the early 1980s. As enacted by the members of 110th Legislature, the definition of town ways that municipalities are responsible to maintain and repair includes “all town or county ways not discontinued or abandoned before July 29, 1976.” As a result, municipalities became responsible for either: (1) maintaining these county roads “gifted” to the towns by the Legislature; or (2) answering abutter challenges regarding the status of an abandoned or discontinued county road. One justification for shifting this responsibility to municipalities was the fact that many of the county roads had long been abandoned.

Scheduled Reaffirmations. Municipal officials also oppose the proposal requiring decisions on discontinued roads to be reaffirmed 20 years after the discontinuation decision is ratified. This proposal adds a layer of unnecessary complication and uncertainty to the process. Under existing law, there is nothing that prevents

(continued on page 8)
Restoring Local Option Property Tax Relief Authority

On Wednesday this week the Taxation Committee hosted public hearings on four bills dealing one way or another with property taxation. This article covers two of those bills that were advanced to fix certain problems created when the Legislature “terminated” the Circuitbreaker property tax relief program as part of the state budget enacted last June, replacing it with the substantially less generous “property tax fairness credit” within the state income tax code.

Correcting a mistake. The first bill on the docket was LD 1607, An Act to Reinstate Statutory Authority for Local Property Tax Assistance Programs, sponsored by Rep. Mike Carey from Lewiston. LD 1607 is a simple bill that un-terminates a piece of property tax relief law that was never meant to be terminated.

What happened is that the budget language that “terminated” the Circuitbreaker program reached into unintended areas of statute and “terminated” all locally-funded and locally-administered property tax relief programs, two of which were expressly allowed by law: (1) a local tax relief program that could either operate independently or “piggyback” on the state program; and (2) programs that provide elderly volunteers with a property tax rebate up to $750 in value in recognition of their volunteer contributions. According to information collected by Maine Revenue Services, 13 municipalities have implemented local versions of a circuitbreaker program and five municipalities, with some overlap, are operating the elderly volunteer rebate programs. For all of those towns and cities, the abrupt, unexpected and unannounced termination of their programs must have descended like a cold shot from Augusta.

As recounted by Rep. Carey, who serves on the Appropriations Committee, not a single legislator intended to terminate the local programs. Apparently, the budget bill was structured on the assumption that if the state-level Circuitbreaker program was being terminated, any program in statute that refers to the Circuitbreaker for its operation should be terminated as well.

Since all these Circuitbreaker decisions were made during the last hours of budget negotiations, late in the night after many late nights, there was no time available to carefully review the budget’s “Part L” language before it was printed. That part of the budget document was clearly not read very carefully between printing and enactment either by legislators or others. With the benefit of hindsight it is clear that the termination of the municipal authority to implement and operate local property tax relief programs was both unintended and careless.

Rep. Steve Moriarty of Cumberland also testified in support of LD 1607, along with Bill Stiles, the Chair of the Cumberland Town Council. Rep. Moriarty carefully explained the history of the local authority to implement local property tax relief programs and how the budget bill mistakenly clipped that authority. Councilor Stiles explained how nearly 90 senior citizens in Cumberland could lose the important benefits of the locally funded program if LD 1607 is not enacted. MMA also testified in support of the bill. No testimony was offered from any source in opposition.

Assuming LD 1607 is headed for enactment, it should be noted that the ordinances in those communities administering “piggyback-on-Circuitbreaker” local option property tax relief programs will very likely need to be amended now that the state-level Circuitbreaker program has been terminated. When the state program was in operation, the determination of eligibility for the local benefits was typically contingent on qualifying for the state benefit. Now, the municipalities will need to develop their own qualifying standards.

Reconnecting a Disconnect. If LD 1607 corrects a legislative error, another bill on Wednesday’s docket repairs a disconnect. Sponsored by Sen. Tom Saviello of Franklin County, the bill is LD 1654, An Act To Amend the Municipal Hardship or Poverty Tax Abatement Law To Reflect the Replacement of the Circuitbreaker Program.

As Sen. Saviello explained to the Committee when presenting LD 1654, before the state budget was enacted last June, the law allowed the municipal officers to consider an applicant’s receipt of the Circuitbreaker property tax relief benefits when determining his or her eligibility for a poverty abatement. Because the Circuitbreaker program has now been terminated and replaced with the “property tax fairness credit”, the poverty abatement law deserves to be amended to reflect the replacement.

Tying up that type of loose end was accomplished within the budget bill with respect to a municipal General Assistance administrator’s authority to recognize the property tax fairness credit for General Assistance eligibility purposes in the same way as Circuitbreaker benefits could be recognized. LD 1654 ties up the last of the loose ends that the termination of the state-level Circuitbreaker program created, restoring a level of accountability in the poverty abatement program that was repealed by legislative accident.

MMA testified in support of LD 1654 and no testimony was offered in opposition.

Revenue Sharing (cont’d)

Revenue Sharing (cont’d)

“surplus.”

Remainder from Budget Stabilization Fund. Finally, the bill calls for the difference between the $40 million goal and the revenue generated by the five revenue-generating proposals identified in the bill to be covered by an appropriation from the state’s Budget Stabilization Fund, otherwise known as the Rainy Day Fund. Similar to the “Tax Relief Fund for Maine Residents” discussed above, the Budget Stabilization Fund is capitalized in large part with unappropriated state revenues that are identified at the close-out of each fiscal year. It could be fairly argued that a sizeable chunk of that unexpected revenue is available to the state because of the raid during the same fiscal year on the municipal revenue sharing program. For example, at the close-out of FY 2013, $46 million of unanticipated and unappropriated state revenue was identified. During the same fiscal year, the Legislature took $44 million out of the revenue sharing account and used it for other state financial priorities. Using some resources in the budget stabilization fund to avoid the elimination of municipal revenue sharing is a way of restoring the revenue sharing funds to where they belong.
Code Enforcement Officers…
To Train or Not to Train

In the sea of state mandates placed on municipalities, one for which the state still covers the costs is barely keeping afloat: Code Enforcement Officer training. LD 1565, An Act to Preserve Code Enforcement Officer Training and Certification, would transfer the responsibility of CEO training and certification from the Department of Economic and Community Development (DECD) to the Department of Environmental Protection’s (DEP) Bureau of Land Quality Control. The bill would also remove a provision in current law that allows the training to be suspended in the event state funds are not allocated to cover the costs.

Last year, the Governor’s proposed budget eliminated the DECD staff position responsible for overseeing the CEO training and certification program. The Appropriations Committee salvaged the position and Rep. Michael Carey of Lewiston, who sits on the Committee, decided to introduce this bill in an effort to ensure the state would continue to provide this service. He proposed moving the staff position to DEP for two reasons. First, DEP has jurisdiction over shoreland zoning, which constitutes a significant portion of CEO responsibility. Second, municipal officials have been given the impression that DECD is less than enthusiastic about providing the service. They currently have their relevant staff person devoting only two days per week to CEO-related duties. The position was established to cover this service full-time. This shift has been felt at the local level, with many municipal officials reporting a noticeable short-changing of the CEO training program.

While DECD has privately assured some stakeholders of their intention to continue staffing this service, they have not yet committed to doing so in writing, as Rep. Carey has requested. Perhaps tellingly, DECD did not testify at LD 1565’s hearing before the Legislature’s Labor, Commerce, Research and Economic Development Committee on Tuesday. DEP’s Commissioner, however, testified that her department “is not able to absorb this program,” and recommended the position remain within DECD.

Municipalities are not particularly concerned with which state agency provides the training. Rather, local government officials believe it is imperative that the state continue to cover the cost. The state instituted the policy in order to ensure CEOs have a consistent, uniform level of knowledge and training to do their job effectively throughout the state. Practically, the state has a valid interest in continuing this service because CEOs are vital to economic development; new businesses cannot get off the ground without navigating the proper permitting channels.

That said, the bill’s sponsor as well as the state’s Small Business Advocate, a position within the Secretary of State’s Office, have suggested that unless municipalities financially contribute, the bill will likely fail and CEO’s will be left to go it alone.

MMA’s 70-member Legislative Policy Committee voted on Thursday to support LD 1565 to the extent it provides for continued state funding of CEO training and certification. MMA opposes any attempt to make municipalities financially contribute to cover the training they are mandated by the Legislature to obtain in order to provide the services they are mandated by the Legislature to perform.

PSAP Post-Mortem

In 2010, the Legislature directed the Emergency Services Communication Bureau to monitor, review, and evaluate medical calls to the E-911 system in an effort to better train the staff at the state’s 26 Public Safety Answering Points (PSAP’s) and improve the way medically-related calls are handled. All stakeholders agreed that quality assurance was worth pursuing for emergency medical calls but, as with so many state-instituted policies, MMA questioned who would pick up the tab, which was identified at $465,000 annually in a 2012 report. This is another statewide mandate with no state resources or phone surcharge revenues available to offset the cost, which is currently borne entirely by Maine’s property taxpayers.

LD 196, sponsored on MMA’s behalf by Rep. Beavers of South Berwick and introduced during the 2013 legislative session, directed the Public Utilities Commission (PUC) to implement the quality assurance program through means other than increased assessments on municipalities given that the program benefits the state and all of its residents and visitors. The bill also directed the PUC to delegate a private, third-party vendor as the administrator for the quality assurance program on the premise it would save money.

LD 196 was carried over to this year’s legislative session. On Tuesday this week, the Legislature’s Energy, Utilities and Technology Committee held a work session on this bill, as well as two other PSAP-related bills. Technically there was only one other carryover bill, which would have expanded the quality assurance program beyond medically-related calls to cover police and fire calls as well. The third bill, proposing a pilot quality assurance program in a limited number of PSAP’s, was killed last session yet somehow managed to color the majority of the Committee’s discussion on Tuesday. After picking apart the logistics of a pilot program at length, the Committee was repeatedly told by its chair that the members faced two choices: either pay for quality assurance with increased phone rates, or pay with the state’s General Fund revenue. The third choice, the status-quo of continuing to require municipalities and their property taxpayers to pay the freight, was lost on the Committee.

All three legislative proposals were muddled together into one cloudy cocktail for most of the debate. By the time the Committee members finally got around to distilling the policy proposals into a recommendation, they killed both bills on the table, including LD 196, leaving municipalities with the tab for covering this 2010 unfunded state mandate.
Note: You should check your newspapers for Legal Notices as there may be changes in the hearing schedule. Weekly schedules and supplements are available at the Senate Office and the Legislature’s website at [http://www.state.me.us/legis/senate/Documents/hearing/ANPHFrame.htm](http://www.state.me.us/legis/senate/Documents/hearing/ANPHFrame.htm). If you wish to have updates to the Hearing Schedules e-mailed directly to you, sign up on the ANPH homepage linked above. Work Session schedules and hearing updates are available at the Legislative Information page at [http://janus.state.me.us/legis/lilo/](http://janus.state.me.us/legis/lilo/).

**Monday, January 20 – HOLIDAY**

**Tuesday, January 21**

*Labor, Commerce, Research & Economic Development*

Room 208, Cross State Office Building, 1:00 p.m.
Tel: 287-1331

LD 1633 – An Act To Extend the Date for a Business in a Tier 2 Location To Qualify for Pine Tree Development Zone Benefits.

*Veterans & Legal Affairs*

Room 437, State House, 1:00 p.m.
Tel: 287-1310

LD 1713 – An Act To Permit the Sharing of Revenue from the Sale of Alcoholic Beverages at Sporting Events.

**Wednesday, January 22**

*Appropriations & Financial Affairs*

Room 228, State House, 10:00 a.m.
Tel: 287-1316

LR 2721 – An Act Related to the Report of the Tax Expenditure Review Task Force Pursuant to PL 2013, c. 368, Part S.

**Thursday, January 23**

*Education & Cultural Affairs*

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

LD 1591 – An Act To Amend the Process for Controlling the Transfer of a Student between School Administrative Units.


**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.)

**Education & Cultural Affairs**

LD 1635 – An Act To Clarify the School Budget Development Process in Certain Charter Municipalities. (Emergency) (Sponsored by Sen. Gratwick of Penobscot Cty; additional cosponsors.)

This emergency bill clarifies that the school budget development and approval process established in statute does not override or preclude any school budget development, review or recommendation procedures established in a municipal charter that occur prior to and in preparation for the budget meeting of the municipal legislative body. LD 1638 – An Act To Improve Educational Outcomes for Students in Poverty in Maine’s Public Schools. (Emergency) (Sponsored by Sen. Gratwick of Penobscot Cty; additional cosponsors.)

Under current law, the value of $40 million of federal “Title 1” funds that are distributed to certain schools to help with the education of disadvantaged students is subtracted in the calculation of what a school’s operating costs should be under the Essential Programs and Services school funding model (EPS) on a theory of redundant subsidy. Specifically, because the Title 1 teachers are not separated out in the calculation of the student-teacher ratios that are applied by EPS, those ratios are lower than they would be if purely state-and-local funded teachers were used to create those ratios. This emergency bill removes that system of subtracting the value of those federal funds from the calculation of supportable operational costs, and appropriates $40 million from the state’s General Fund to provide those state resources.

**Energy, Utilities & Technology**

LD 1628 – An Act To Require a Timely Response by a Gas Company to a Municipal Request for Service Expansion. (Sponsored by Sen. Gratwick of Penobscot Cty; additional cosponsors.)

This bill requires a natural gas utility to respond within 6 months to a municipality’s request for the utility to build a pipeline extension within that municipality provided the municipality is within the utility’s service territory. Within that 6-month period, the utility must state whether or not it will build the extension and the estimated time of completion. If the utility requires a financial contribution from the municipality to build the extension, it must provide a justification for the financial contribution.

**Health & Human Services**

LD 1592 – An Act To Improve and Modernize the Authority of Local Health Inspectors. (Sponsored by Rep. Cooper of Yarmouth; additional cosponsors.)
This bill requires the Department of Health and Human Services to train local health inspectors to perform limited inspections of licensed restaurants and lodging for health and safety violations. Local health officers who have completed this training are required under the bill to order the immediate and temporary closing of an establishment when health and safety violations are found that pose an imminent threat to the public health and welfare. Such an order to temporarily close an establishment would remain in effect until the department issues an order to remain closed or allows the establishment to reopen.

**Judiciary**

LD 1194 – An Act To Protect Social Media Privacy in School and the Workplace. (Sponsored by Rep. McClellan of Raymond; additional cosponsors.)

This bill prohibits an employer or educational institution, whether public or private, from requiring or requesting an employee or a student, or a prospective employee or student, to disclose the username or account password for a personal social media account or e-mail account or to otherwise provide the employer or institution with access to those accounts.

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

LD 1565 – An Act To Preserve Code Enforcement Officer Training and Certification. (Sponsored by Rep. Carey of Lewiston.)

This bill establishes the Bureau of Land Quality Control within the Department of Environmental Protection as the state agency responsible for providing training programs and certification for municipal code enforcement officers. Under current law, the Office of Community Development within the Department of Economic and Community Development is responsible for conducting the CEO training and certification programs.

LD 1622 – An Act To Amend the Laws Governing Firefighter Absence from Work for Emergency Response. (Sponsored by Rep. Parry of Arundel; additional cosponsors.)

Current law prohibits an employer from discharging or otherwise disciplining for absence an employee who is a volunteer firefighter and who responds to an emergency in his or her capacity as a volunteer firefighter. This bill applies the same policy with respect to full time, part time, or on-call firefighters.

**Taxation**

LD 1547 – An Act To Support Municipal Volunteers. (Sponsored by Rep. Eves of North Berwick; additional cosponsor.)

This bill amends expands the authority currently provided to municipalities to adopt ordinances to provide homeowners over the age of 60 with a $750 property tax exemption in compensation for their volunteer contributions. The expansion would allow municipalities to adopt ordinances extending the special property tax exemption to voluntary firefighters and emergency medical services providers.

LD 1610 – An Act To Allow a Municipality To Abate Taxes Assessed on Property That is Destroyed. (Sponsored by Rep. Cooper of Yarmouth; additional cosponsors.)

This bill creates an authority for the municipal assessors to abate a resident’s property taxes to reflect the loss in value of improved residential real estate when that property has been destroyed after the April 1 universal date of assessment. To obtain the abatement, the property owner must apply in writing within 18 months from the date of destruction and the property must have incurred at least 50% damage from fire, explosion or natural disaster. The bill would allow this authority retroactively to any destruction that occurred on or after April 1, 2013.

LD 1627 – An Act To Amend the Reporting Requirements for the Business Equipment Tax Exemption. (Emergency) (Sponsored by Sen. Haskell of Cumberland Cty.)

The biennial state budget bill enacted in 2013 created new requirements for municipal assessors to prepare appraisal reports for properties owned by a single taxpayer that have a value 2% or greater than the municipality’s total valuation, and those reports must show consideration of all three approaches to value, including the income approach. In that context, the budget bill also requires the owner of any such business to provide income and expense information to the municipal assessor every year when applying for the Business Equipment Tax Exemption program (BETE), and further requires the municipal assessor to certify to the state that the business owner has provided that information. If the business fails to provide the information, it is not eligible for the BETE exemption for that year, and if the municipality fails to certify that the business provided the information, the municipality loses eligibility for any “enhanced” BETE reimbursement. This emergency bill repeals the requirement for the business to provide the income and expense information as well as the requirement for the municipality to certify the receipt of that information. The bill also provides blanket confidentiality to any proprietary information that may be provided to the municipal assessor.

LD 1646 – An Act To Provide Property Tax Relief to Seniors Residing in Maine. (Sponsored by Sen. Dutremble of York Cty; additional cosponsors.)

This bill allows the owner of real property to obtain a property tax abatement from the municipal officers to effectively exempt from taxation any additional value attributed to the owner’s residential property after the owner reaches the age of 65. In order to qualify for the exemption, or the freeze in assessed value of the home, the owner must be a Maine resident at least 65 years of age with an annual household income no greater than $65,000 who has lived in the residence for at least the last 5 years and who has been retired for at least 5 years.

LD 1654 – An Act To Amend the Municipal Hardship or Poverty Tax Abatement Law To Reflect the Replacement of the Circuitbreaker Program. (Sponsored by Sen. Saviello of Franklin Cty; additional cosponsors.)

State law governing the abatement of property taxes for reasons of hardship or poverty allows the municipal officers to recognize an applicant’s receipt of benefits under the Maine Residents Property Tax Program, also known as the Circuitbreaker program, and potentially “set off” the poverty abatement by the value of the Circuitbreaker benefit. The Circuitbreaker program was terminated in 2013 and replaced with the Property Tax Fairness Credit, to become available on and after January 1, 2014 as part of the personal income tax code. This bill establishes the authority of the municipal officers to recognize the receipt of the refundable credit in their calculation of an applicant’s eligibility for a poverty abatement, just as they could formerly recognize Circuitbreaker receipts.

LD 1696 – An Act To Extend the Veterans’ Property Tax Exemption to Veterans Who Served in Iraq or Afghanistan. (Sponsored by Rep. Fowl of Vassalboro; additional cosponsors.)

The veterans’ exemption provides a $6,000 homestead-type property tax exemption to veterans over the age of 62 who served during specified periods of war. The last wartime period recognized in this program is the Gulf War of 1990-1991. This bill would expand the exemption to include veterans of the wars recently conducted in Iraq and Afghanistan.

LD 1715 – An Act To Provide Property Tax Relief to Persons Receiving Long-term Care. (Emergency) (Sponsored by Rep. Harlow of Portland.)

This bill provides a property tax exemption for Maine residents who own residential property and are receiving long term care. The bill creates a 100% exemption for a homeowner in a nursing home if the home is occupied by a co-owner. The bill also creates an exemption for a homeowner who is receiving home health care services. The value of that exemption is calculated by dividing the actual costs of the home health care services incurred by the person applying for the exemption by the average cost of nursing home care in the county in which the home is located and multiplying the result by the property taxes assessed on the home. The exemption may not exceed 100%.

LD 1733 – An Act Regarding the Registration of Motor Vehicles of Deployed Members of the National Guard or Reserves of the
**Transportation**  
LD 1692 – An Act To Ensure That Local Businesses Are Notified of Construction Projects. (Sponsored by Rep. Werts of Auburn; additional cosponsors.)  
This bill requires the Department of Transportation, a municipality or a quasi-municipal corporation or district to provide notification to affected businesses during the planning phases of any transportation-related construction activity that could impact businesses’ on-site customers. The governmental entity must directly notify by letter, telephone, e-mail or in person all such businesses in the vicinity of a proposed construction project and give the business an opportunity to identify and comment on concerns during the planning phase of the project.

**Veterans & Legal Affairs**  
LD 1662 – An Act To Clarify the Law Governing the maintenance of Veterans’ Grave Sites. (Sponsored by Sen. Johnson of Lincoln Cty; additional cosponsors.)  
The law requiring municipalities to maintain veterans’ graves was significantly expanded in 2013 to require municipalities to maintain all veteran gravesites, all gravesites of any kind in “ancient burial grounds” and to maintain those sites according to statutory standards that include grave stone and grave stone inscription maintenance. This bill amends the newly enacted mandate to require the municipalities, in collaboration with veterans’ organizations, cemetery associations, civic groups and other interested parties, to achieve cemetery maintenance standards as adopted by the municipalities by ordinance.

**Roads (cont’d)**

LD 1177 the Committee postponed taking a vote on the bill until next Wednesday, Jan. 22. January 22 is when the Appropriations Committee will be hosting a public hearing on the bill to prevent municipal revenue sharing from being automatically cut by another $40 million. Municipal officials attending the hearing on the revenue sharing bill are more than welcome to swing by State and Local Government Committee room to witness the final vote on the road discontinuance and abandonment bill.