Taxation Committee Reaches Unanimity on Elements of Budget

On Tuesday this week, the Taxation Committee made progress on several elements of the Governor’s FY 2016 – 2017 proposed General Fund budget affecting municipalities and property taxpayers. After meeting in partisan caucuses, the Committee publicly reconvened to outline areas of agreement between the political parties. The Committee was unanimous on the following recommendations of municipal interests:

Revenue Sharing. The Governor’s budget proposes to fund revenue sharing at the $62.5 million in FY 2016 (40% of the distribution required by law), and to repeal the program in FY 2017.

The Committee recommended retaining the existing Homestead Exemption program, which provides a 50% state reimbursed $10,000 property tax exemption to all qualifying Maine homeowners.

Two-way Telecommunication Property. As proposed by the Governor, taxing jurisdiction over two-way telecommunications property (e.g., telephone cables, broadband infrastructure, etc.) would be shifted from the state to the municipalities beginning on April 1, 2016.

The Committee recommended supporting the Governor’s two-way telecommunications property taxing jurisdiction proposal.

Partial Nonprofit Exemption. As proposed by the Governor, municipalities would be required to apply the property tax to one-half the value of property assessed over $500,000 and owned by charitable and benevolent corporations, literary and scientific institutions, and certain other categories of privately owned tax exempt property.

The Committee recommended rejecting the Governor’s proposal to assess a partial property tax on certain nonprofit organizations. As part of that rejection, some Committee members expressed interest in exploring the feasibility of authorizing municipalities to impose service charges on properties owned by certain nonprofit organizations. LD 565, An Act to Authorize Municipalities To Impose Service Charges on Tax-exempt Property Owned by Certain Nonprofit Organizations, sponsored by Rep. Lawrence Lockman of Amherst, was mentioned as a potential vehicle to achieve that goal. The public hearing on LD 565 is scheduled for Monday, March 30 at 1:00 p.m.

Other Municipal Issues. There are two other elements of the Governor’s budget (continued on page 2)

Fish or Cut Bait on a Coordinated Jail System

Municipal officials ask state government to follow through on commitment

On Monday this week, the Legislature’s Criminal Justice and Public Safety Committee held a hearing on LD 186, An Act To Reverse Jail Consolidation. In 2008, the state took action to coordinate the management of Maine’s 15 county jails in an effort to make the statewide management of the jails more efficient and the individual jails more consistent with one another in terms of operations and inmate boarding costs. There were a few years of slow but steady progress, with some mistakes made along the way. The Legislature overrode a veto last year and enacted legislation that finally brought a systemic disconnect within the management of Maine’s correctional facilities to the brink of a solution.

Governor LePage, however, has not (continued on page 4)
Conversations About Improving Firefighter Recruitment Efforts

On Monday this week, the Taxation Committee held a public hearing on LD 500, An Act To Support Municipal Volunteers. Sponsored by Speaker of the House, Rep. Mark Eves of North Berwick, LD 500 authorizes municipalities to adopt ordinances to provide those firefighters and emergency medical services personnel who receive no remuneration for their services a cash benefit up to $750.

Throughout the hearing, LD 500 was mistakenly described as a $750 property tax exemption for volunteer firefighters and EMS personnel. The proposal is not and cannot be a property tax exemption, but taking into account the evolution of the bill, it is an understandable error.

LD 500 proposes to piggyback on existing law that authorizes municipalities, through the adoption of an ordinance, to provide a cash benefit up to $750 to residents 60 years of age and older who provide volunteer services to the community. When the legislation for this “senior volunteer” bill was originally introduced in 2007, it was drafted as a property tax exemption. After legal review it was determined that providing municipalities with the authority to exempt property from taxation would violate the requirement in Maine’s Constitution that all property tax assessments be apportioned and assessed equally according to “just value.” In other words, “home rule” property tax exemptions are not allowed.

Although municipalities already had the authority to provide compensation to volunteers, regardless of age or function, the bill was amended and subsequently enacted as a cash benefit program for senior volunteers rather than a partial property tax exemption. MMA opposed the legislation at the time and remains opposed to expanding a law that enables municipalities to provide benefits that can be readily provided, and are readily provided, without the need for any enabling state law.

Seven years later, LD 500 proposes to extend the “senior volunteer” cash benefit system to certain volunteer firefighters and EMS personnel.

Speaker Eves introduced the bill as the catalyst for a serious conversation about how the state and communities can address declines in the number of volunteer firefighters and EMS providers. He believes that a $750 benefit is a good way to keep Maine families safe, but admits that it is only part of a comprehensive plan for addressing what some describe as a “crisis” in the availability of volunteer services.

Representatives Michael Lajoie of Lewiston, retired fire chief, and Timothy Theriault of China, current fire chief, provided testimony in support of LD 500. Both men testified that compensation would assist recruitment efforts, but that it was only one component. Issues such as training requirements and the obligations of work and family commitments have also contributed to declines in the recruitment of volunteers, according to their testimony. Jeff Cammack, the Executive Director of the Maine Fire Chiefs’ Association, also testified in support of LD 500.

As was the case in 2007 with the proposal to compensate senior volunteers, MMA’s Legislative Policy Committee voted to oppose LD 500 as unnecessary law. To show that municipalities both can and routinely do compensate their firefighters and EMS personnel, MMA provided the Committee with two reports. The first document was a survey recently conducted by MMA showing that nearly 90% of the respondent communities with volunteer fire departments provide some level of compensation for volunteer firefighters and EMS personnel. The data published in MMA’s 2013 Salary Survey were also provided to the Committee. That information shows that municipalities with populations under 4,000 compensate volunteer firefighters at an average of $10 per hour or $11 per call and EMS providers at an average of $12 per hour or $13 per call.

MMA’s position is that fire protection and emergency medical services are local government functions and the municipal employers, in negotiation with their employees, are the appropriate decision-makers to establish the compensation systems provided to their employees. No law needs to be enacted for that to happen.

There are, however, three important ways by which the Legislature can help support local level efforts to recruit volunteer firefighters and EMS providers.

Honor state funding commitments, such as the municipal revenue sharing program, which indisputably helps support locally provided public safety programs.

Develop and implement more regionally based firefighter training programs that could help ease the substantial training requirements placed on all firefighters.

Oppose legislation that either increases the burdens of providing public safety services or frustrates the municipal employers’ efforts to determine how best to manage and compensate municipal employees.

The work session on LD 500 has not yet been scheduled.

Tax Committee (cont’d)
Fire Utility Districts – A Fairer Way To Pay

Another article in this week’s Legislative Bulletin describes a bill submitted to the Taxation Committee (LD 500) for the purpose of addressing the declining numbers of volunteer firefighters and EMS personnel in certain regions of the state. On Wednesday this week the State and Local Government Committee considered an approach to more fairly apportion the costs of providing fire services to all the property owners who receive them.

LD 724, An Act To Authorize Municipal Fire Districts To Impose Service Charges, would allow municipalities to create by ordinance municipal and multi-municipal fire districts that could apply service charges to all properties without exception, including those that are tax exempt, to finance fire protection services. This fee-for-service approach would relieve some of the increased reliance on property taxes caused by the deep cuts to the municipal revenue sharing program, the Local Road Assistance Program, and increases in the required local share of education costs over the past several years.

In this context, it is especially fair that the owners of exempt property in Maine contribute to those services as the provision of fire services knows no boundaries – exempt properties require the same fire protection services as taxable property. Not only is the Fire Utility District approach both timely and equitable, it is rational. There is an understandable connection between the basis for the assessment, a building’s square footage, and the service of fighting fires in those buildings.

LD 724 was presented to the Committee on behalf of MMA’s Legislative Policy Committee by its sponsor, Senator Tom Saviello (Franklin Cty.). Lewiston’s City Manager, Ed Barrett, explained the benefits of the bill in three full dimensions of public policy. He explained to the Committee that LD 724 could help eliminate an obstacle to regionalization and reduce the property tax disparity between municipalities in Maine through the creation of multi-municipal fire districts, apportion the cost of fire protection on an equitable basis to all property owners, reduce the state’s overall tax burden thereby helping increase its credit rating, and authorize a new revenue source to partially offset the significant reductions service-center municipalities and others have seen in revenue sharing.

Opposition to this legislation was much more metered than when similar proposals were advanced in the past, possibly due to the current state budget’s proposal to allow for the taxation of tax exempt non-profits. The hospitals, nonprofits, independent colleges, and YMCA/YWCA all testified that this legislation, while not preferable, might actually be palatable. Amenable amendments were offered by the Maine Association of Nonprofits to ensure that districts cover the whole municipality to prevent cherry-picking of tax-exempt properties, and that the fees be apportioned on the same basis for all; that is, so the system would not allow the municipality’s fire protection budget to be financed by fees for some and property tax contributions for others.

The work session on this legislation has not yet been scheduled.

Restoring the Local Road Assistance Program

MMA’s 2015 legislative policy platform devotes significant attention to the difficult issue of transportation infrastructure funding. Local transportation infrastructure is deteriorating, the cost of improving roads and bridges is climbing, and the revenue available to make necessary improvements is declining. The previous Legislature enacted a Highway Fund Budget that brought the 10% level of funding for the Local Road Assistance Program (LRAP) down to 9%. This permanent change yields approximately $3 million more each year for the state’s highway and bridge budget, but places the equivalent burden on local road programs.

LD 505, An Act To Increase the Funding Level of the Local Road Assistance Program, seeks to restore LRAP funding to its time-honored 10% level. Introduced with expert first-hand knowledge by Searsport Town Manager and longtime Transportation Committee member Rep. James Gillway, this legislation would help restore the long-established revenue sharing program for the Highway Fund as well as the recent sense of a lost state-municipal partnership. Rep. Gillway described in terms of both dollars and their consequences the trouble towns like his are having making ends meet, pointing out that even modest amounts of state funding (or the lack thereof) make a significant difference at the local level.

The state has partnered with municipalities to create and maintain roads for over a century, with state funding being provided for nearly 70 years at the reliably fixed amount of 10% of the state’s road budget (today the Department of Transportation’s total Highway Fund allocation for highway and bridge purposes). The state and national economies have seen their share of ups and downs since 1945, but the state held strong to its 10% commitment.

The idea that the state would choose to raid municipal resources, rather than working with municipalities to find alternative and sustainable sources of revenue, frustrated municipal officials when it occurred in 2013. Communities maintain state aid roads during the winter months, enter into contracts with the state to share plow routes in order to make the most effective use of limited resources, and collaborate on projects to make improvements to state roads.

Support for this legislation came not only from the Maine Service Center Coalition, MMA and Rep. Gillway, but two members of Sangerville’s selectboard as well, who happened to be in the audience to testify on another piece of legislation. Their impromptu testimony keenly provided detailed budget figures off the top of their heads, describing a road budget “tighter than the bark on a birch tree.” The only opposition testimony came from the MDOT.

Committee members and the MDOT questioned whether restoring LRAP would be a good idea if it took away from the same pot of money that the MDOT uses to fund its Secondary Road Program and (continued on page 5)
Bill Would Require Municipal Councilor/Selectperson Participation in All Labor Contract Negotiations

The Labor, Commerce, Research and Economic Development Committee held a public hearing midweek on LD 530, An Act To Improve Public Sector Collective Bargaining Laws. Sponsored by Senator John Patrick (Oxford Cty.) and focused on municipal and school labor negotiations only, LD 530 would require that at least one member of the board with final authority to approve a collective bargaining agreement attend every contract negotiation meeting with the labor union’s bargaining agent. At the municipal level, this means that at least one town or city councilor or member of the selectboard must attend every meeting between the parties throughout the entire negotiation process.

Sen. Patrick presented his bill to the Committee but largely deferred to others to explain the motivation. Three union representatives testified in support of LD 530, Joe Piccone, a business agent for the Teamsters’ Union, Charles Bettit, who negotiates on behalf of the Maine Education Association, and Matt Schlobohm, the Executive Director of the AFL-CIO.

The proponents argued that having at least one person on the board of municipal or school officers participating in union negotiations is impliedly required by the spirit of public labor relations law under the umbrella of “good faith” bargaining. The proponents recognized that municipal or school officers attend negotiations in many cases, but sometimes their participation is replaced by the municipality’s manager or a professional negotiator. The problem with that approach, they said, was that the professionals may not convey to the board that municipal or school officers attending the meeting on behalf of the labor union’s bargaining agent. At the municipal level, this means that at least one town or city councilor or member of the selectboard must attend every meeting between the parties throughout the entire negotiation process.

The Committee’s work session on LD 530 is scheduled for Tuesday, March 31 at 1:00 p.m.

Jail System (cont’d)

LD 186 was submitted by former State Trooper Sen. Paul Davis (Piscataquis Cty.) to return jails to county control on the premise that consolidation has created more problems than it has solved. As drafted, the legislation seeks continued state funding of Maine’s county jails at $12.2 million per year, allocated to the respective counties according to a competitive grant system.

Most but not all of Maine’s sheriffs testified in support of LD 186, with many seeming to believe that they can count on the state for continued funding. A few less naïve supporters requested at least a “soft landing” of state support over the next biennium, meaning they were asking the state to withdraw its financial support over time rather than all at once. The Maine Sheriffs’ Association (MSA), echoed by the Maine County Commissioners Association (MCCA), did acknowledge that property taxpayers do not deserve to foot the entire prison bill, especially in light of the significant medical costs incurred due to the state’s recent transfer to the prisons of many mentally ill patients formerly housed in one of two Maine psychiatric boarding facilities. In the MSA’s view, the consolidation effort is seeking to repeal has led to more county collaboration and budget scrutiny, resulting in a renewed readiness by the sheriffs to run the jails entirely on their own.

MMA's Legislative Policy Committee voted to oppose LD 186. Municipal officials have no reason to believe the state will continue to provide any significant amount of annual funding after the law has been repealed. The state struggled to provide its required share while the law...
Municipal Partnership Initiative. That program leverages municipal money to assist with state roads. The Local Road Assistance Program exists, as it has since enacted as the Town Road Improvement Fund in 1945, to provide a share of Highway Fund resources to help finance improvements to local roadways.

Municipal officials hope the Transportation Committee will consider the municipal request in the context of the Committee’s current search for innovative solutions to Maine’s critical infrastructure needs. Restoring Maine’s infrastructure is a tall order that neither the state nor the municipalities can solve without working together.

To assist with the state’s retreat from the coordinated corrections system state government initiated seven years ago, the county sheriffs and commissioners are offering to establish their own voluntary advisory committee—a knock-off version of the State Board of Corrections—but the details of how this committee might work remain unclear.

To municipal officials and at least some county commissioners it is deeply troubling for the state to initiate a very significant structural change entailing the creation of new standards, policies, practices and clearly delineated financial obligations and then, seven years later, say “never mind.” Local governments ought to be able to rely on commitments made by state government, especially when those commitments have significant ramifications for property tax allocations and budgeting. The property taxpayers, who already fund 74% of the unified system’s costs, should not bear the brunt of state government retreating from another commitment.

The Criminal Justice Committee will be considering drafting its own replacement for the consolidation repeal proposal at work sessions beginning immediately and likely carrying into the weeks to come.

**Legislative Hearings**

Note: You should check your newspapers for Legal Notices as there may be changes in the hearing schedule. For the Legislative Events Calendar, see the Legislature’s web site at [http://www.mainelegislature.org/legis/calendar/](http://www.mainelegislature.org/legis/calendar/). If you wish to look up schedules by Committee, go to [http://www.mainelegislature.org/legis/bills/phwkSched.html](http://www.mainelegislature.org/legis/bills/phwkSched.html).

**Monday, March 30**

**Criminal Justice & Public Safety**

Rm. 436, State House, 1:00 p.m.
Tel: 287-1122

**Education & Cultural Affairs**

Room 202, Cross State Office Building, 1:00 p.m.
Tel: 287-3125
LD 240 – An Act To Amend the School Funding Formula.
LD 441 – An Act To Amend the Laws Governing Local Share of Education Costs.
LD 728 – An Act To Limit the Amount of Money a Municipality May Spend on Education.
LD 876 – An Act To Encourage Equity in School Funding by Limiting a Municipality’s Contribution Based on Its Student Enrollment.

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

Room 208, Cross State Office Building, 9:30 a.m.
Tel: 287-1331
LD 699 – An Act To Update Maine Law To Conform to New Federal Occupational Safety and Health Administration Regulations.
LD 803 – Resolve, To Establish the Task Force To Develop Strategies To Protect Towns.
LD 961 – An Act To Support Tourism Development in the City of Sanford.

**State & Local Government**

Room 214, Cross State Office Building, 1:00 p.m.
Tel: 287-1330
LD 874 – An Act To Provide Transparency and Accountability of Taxpayer Funds.

**Taxation**

Room 127, State House, 1:00 p.m.
Tel: 287-1552
LD 541 – An Act To Promote Sustainability in Home Ownership for First-time Home Buyers.
LD 542 – An Act To Reduce Property Taxes.
LD 565 – An Act To Authorize Municipalities To Impose Service Charges on Tax-exempt Property Owned by Certain Nonprofit Organizations.
LD 575 – An Act To Provide Property Tax Relief to Maine’s Working Families.
LD 786 – An Act To Help Property Tax Payers.

**Veterans & Legal Affairs**

Room 437, State House, 10:00 a.m.
Tel: 287-1310
LD 617 – An Act To Change Municipal Campaign Contribution Limits.

**Tuesday, March 31**

**Energy, Utilities & Technology**

Room 211, Cross State Office Building, 1:00 p.m.
Tel: 287-4143
LD 880 – An Act To Permit Rate-adjustment Mechanisms for Water Utilities.

**Judiciary**

Room 438, State House, 2:00 p.m.
Tel: 287-1327
LD 199 – An Act To Improve the Reporting of Child Abuse.

**Transportation**

Room 126, State House, 1:00 p.m.
Tel: 287-4148
LD 844 – An Act To Improve Transit Services Statewide.
LD 845 – An Act To Address Unmet Public Transportation Needs.
**LEGISLATIVE HEARINGS (cont.)**

**Wednesday, April 1**

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

LD 793 – Resolve, To Examine Unfunded Mandates in the Education Laws and To Recommend Unfunded Mandates To Be Eliminated.

**Energy, Utilities & Technology**  
Room 211, Cross State Office Building, 2:00 p.m.  
Tel: 287-4143

LD 89 – An Act To Improve Telecommunications in Maine.  
LD 466 – An Act to Increase Competition and Ensure a Robust Information and Telecommunications Market.

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

LD 727 – An Act To Allow the Retrofit of Underground Oil Storage Tanks.  
LD 1044 – An Act To Ensure That Collection Facilities Can Participate in the Architectural Paint Stewardship Program.

**Judiciary**  
Room 438, State House, 1:00 p.m.  
Tel: 287-1327

LD 136 – An Act To Clarify That the Medical Records of Applicants for Disability Variances Submitted to Municipal Boards of Appeal Are Not Public Records.  
LD 206 – An Act To Clarify Restrictions on Disclosure of E-9-1-1 System Information.  
LD 448 – An Act Regarding the Use of Remote-access Technology at Public Meetings of the Public Utilities Commission.  
LD 756 – An Act To Enhance the Address Confidentiality Program Regarding Property Records.

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

LD 744 – An Act To Permit Unenrolled Voters To Cast Ballots in Primary Elections.  
LD 770 – An Act To Permit Maine Residents To Register To Vote Online.  
LD 858 – An Act To Better Inform the Public of Election Results.

**Thursday, April 2**

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

LD 708 – An Act To Limit the Use of Pesticides on School Grounds.

**Energy, Utilities & Technology**  
Room 202, Cross State Office Building, 1:00 p.m.  
Tel: 287-3125

LD 711 – An Act To Provide for a Later Starting Time for High Schools.

**Environment & Natural Resources**  
Room 211, Cross State Office Building, 1:00 p.m.  
Tel: 287-4143

LD 465 – An Act To Eliminate the Broadband Sustainability Fee.  
LD 826 – An Act To Promote Maine’s Economic Development and Critical Communications for Rural Family Farms, Businesses and Residences by Strategic Public Investments in High-speed Internet.  
LD 912 – An Act To Allow the Establishment of Regional Municipal Utility Districts To Support Telecommunications, Broadband Communications and Energy Infrastructure.

**Judiciary**  
Room 438, State House, 1:00 p.m.  
Tel: 287-1327

LD 531 – An Act To Establish the Maine Fourth Amendment Protection Act.

**Friday, April 3**

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


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**IN THE HOPPER**

**Criminal Justice & Public Safety**  
LD 1074 – An Act To Create a Cause of Action for Damage to Public Easements. (Sponsored by Sen. Davis of Piscataquis Cty; additional cosponsors.)  
This bill establishes the offense of operating a motor vehicle to damage a public easement as a Class E crime. The bill defines public easements as the easements created as a result of the abandonment or discontinuance of a town way.

**Energy, Utilities & Technology**  
LD 1063 – An Act To Promote Community Broadband Planning and Strengthen Economic Opportunity throughout Maine. (Sponsored by Rep. Gideon of Freeport; additional cosponsors.)  
This bill amends the law governing the state’s policy on the deployment of broadband infrastructure and services to unserved and underserved regions as well as the role of the ConnectME Authority to implement that policy. The bill: (1) rewrites the state’s 3 broadband goals and 5 broadband policies; (2) directly assigns the ConnectME Authority to implement those goals and policies; (3) directs the ConnectME Authority to provide technical and financial assistance to communities in the state that include unserved and underserved areas in order to generate broad band investments; (4) prohibits the ConnectME Authority from undertaking projects that would occur in the same time frame without the efforts of the Authority; and (5) establishes the 5 required elements of the plans developed by a municipality or a group of municipalities with grant funds potentially provided by the ConnectME Authority to expand the availability of broadband in their region.

LD 1124 – An Act To Manage Risks Associated with the Installation
of Natural Gas Pipelines. (Sponsored by Rep. Dunphy of Embden; additional cosponsors.)

This bill establishes construction standards for the installation of natural gas pipelines that would be applied to all gas utilities. The bill: (1) expressly requires a gas utility to provide notice of an installation to all other owners of facilities within the right-of-way when it applies for an installation permit to the municipality or other permitting authority; (2) authorizes the owners of the other infrastructure buried in the right-of-way to file objections with the permitting authority within 14 days; (3) establishes minimum vertical and horizontal separation distances governing the installation of the gas pipelines, including a 6 foot horizontal clearance and a 2 foot vertical clearance; (4) requires marking tape and tracer wire or other similar means of locating buried pipelines to be installed with the gas pipelines; (5) requires a gas pipeline to cross other underground infrastructure at an angle as close to 90 degrees as possible; and (6) requires consultations between the owners of gas pipelines and the owners of other underground facilities and required notification when electric current is applied to gas pipelines for corrosion control or other purposes.

Health & Human Services

LD 1035 – An Act To Create a 9-month Time Limit on General Assistance Benefits. (Sponsored by Sen. Bracey of Androscoggin Cty; additional cosponsors.)

This bill limits the amount of time a person without dependents and who is capable of working to no more than 275 days of General Assistance every 5 years.

LD 1036 – An Act To Prioritize Use of Available Resources in General Assistance Programs. (Sponsored by Sen. Bracey of Androscoggin Cty; additional cosponsors.)

This bill makes an applicant for General Assistance (GA) who voluntarily abandons or refuses to use an available resource ineligible to receive GA for 120 days from the date the resource was abandoned or refused. The bill also makes an applicant for GA who forfeits an available resource through fraud, misrepresentation or intentional violation of the rules pertaining to that resource ineligible for GA for 120 days or for the duration of the sanction imposed on the application for the rule violation, whichever is greater.

LD 1037 – An Act To Establish a 180-day Residency Requirement for Welfare Benefits. (Sponsored by Sen. Bracey of Androscoggin Cty; additional cosponsors.)

This bill establishes a 180-day residency requirement for applicants for MaineCare benefits, food supplement assistance, the Temporary Assistance for Needy Families program and General Assistance. With respect to the GA program, the applicant must have been a resident of the municipality to which he or she is applying for GA for 120 days or longer in order to be potentially eligible for benefits.

Labor, Commerce, Research & Economic Development

LD 1120 – An Act To Repeal the Maine Uniform Building and Energy Code. (Sponsored by Sen. Davis of Piscataquis Cty; additional cosponsors.)

This bill repeals the Maine Uniform Building and Energy Code as enacted in 2008 and currently required to be enforced in all municipalities with a population greater than 4,000 inhabitants.

State & Local Government

LD 1093 – An act Regarding the Municipalities to Which the Maine Uniform Building and Energy Code Applies. (Sponsored by Rep. Higgins of Dover-Foxcroft; additional cosponsors.)

Current law requires the enforcement of the Maine Uniform Building and Energy Code in all municipalities with populations over 4,000. This bill establishes the population threshold triggering mandatory enforcement of the MUBEC code at over 5,000.

Taxation

LD 541 – An Act To Promote Sustainability in Home Ownership for First-time Home Buyers. (Sponsored by Rep. Bryant of Windham; additional cosponsors.)

Under current law, eligibility for the Homestead property tax exemption requires the homesteader to have had a primary residence in Maine for at least one year. This bill would allow the exemption to be provided to people who have had a homestead for less than one year if they have completed a home ownership education course approved by the Maine State Housing Authority.

LD 965 – RESOLUTION, Proposing an Amendment to the Constitution of Maine To Permit the Freezing of Property Taxes on the Homes of Maine Residents Who Are 65 Years of Age or Older. (Sponsored by Rep. Parry of Arundel; additional cosponsors.)

This resolution sends out to the voters a proposed amendment to the state’s Constitution that would authorize the Legislature to establish a property tax program that would freeze the property taxes on the primary residence of homeowners who are 65 years of age or older,
with no other member of the household being less than 55 years of age, and with the primary residence being the only property owned by any household member.

LD 980 – An Act To Restore Revenue Sharing. (Emergency) (Sponsored by Rep. Tepler of Topsham; additional cosponsors.)

The municipal revenue sharing distribution required by law has been raided in ever increasing amounts over the last 10 years by the Legislature by “transferring” fixed amounts of each year’s projected distribution from the Local Government Fund to the state’s General Fund. This bill attempts to phase out those “transfers” by establishing a smaller transfer for the next fiscal year (FY 2016) and an even smaller transfer for FY 2017 and an even smaller transfer for FY 2018, at which point, allegedly, the transferring process would end.

LD 1007 – Resolve, To Study the Tax Exemption Provided to Nonprofit Entities. (Sponsored by Sen. Burns of Washington Cty; additional cosponsors.)

This “concept draft” resolve proposes to examine the property tax exemption given to property of nonprofit organizations, including land trusts, and determine whether the loss of revenue to a municipality is outweighed by the benefits provided to that municipality by the local nonprofits.

LD 1055 – An Act To Allow a Municipality To Abate Taxes Assessed on Property That Is Destroyed. (Sponsored by Rep. Cooper of Yarmouth; additional cosponsor.)

This bill authorizes the assessors on written application or on their own initiative to grant an abatement to a property owner when the real property of the owner has been damaged from fire, explosion or natural disaster and the damage has reduced the value of the improved property by at least 50%. No individual abatement may exceed 10% of the overlay established for that tax year, and the abatements of this kind in the aggregate cannot exceed 50% of the total overlay. Applications for this abatement must be filed within 18 months of the date of the damage to the property.

LD 1126 – An Act To Provide Property Tax Deferral for Senior Citizens and People with Disabilities. (Sponsored by Rep. Cooper of Yarmouth; additional cosponsors.)

This bill reinstates a property tax deferral program that operated in the mid-to-late 1980s and was discontinued by state law in the early 1990s. Under the program, homesteaders who were 65 years of age or older and had a household income less than $32,000 could apply to the local assessor for a property tax deferral. If eligible, the homesteader’s property taxes were paid to the town by the state, and the state had a lien on the property so that it could eventually recover the value of the taxes paid. In reinstating this program, the bill changes the income threshold governing eligibility for the deferral program from $32,000 to $40,000. The bill also extends the program to otherwise qualifying homesteaders who may be below the age of 65 but are retired from gainful employment by reason of physical disability.

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