

Tax Reform and Budget Repair: Next Steps

How to resolve the ugly state budget Governor LePage has proposed for the next two year period is still anybody's guess. Tea leaves would be an easier read than the Legislature's poker face. Municipal officials, whose budgets hang in the balance, have been looking for a signal or a "tell" of any kind, the facial tic that lets you know they're bluffing. Goat entrails would be more decipherable.

Apparently, the process won't deviate from the traditional script.

As far as the taxation issues go – the threats to municipal revenue sharing, the Homestead Exemption and the Circuitbreaker program – the Taxation Committee will package some revenue proposals and transmit them to the Appropriations Committee, and the Appropriations Committee will take it from there.

In the meantime, what should be made of this outside-the-lines tax reform proposal, LD 1496, *An Act to Modernize and Simplify the Tax Code*, as advanced by the evenly bipartisan group branded with the name "Gang of 11"?

As described in some detail in the May 3rd edition of the Legislative Bulletin, the three big moving parts in LD 1496 are:

- Significant income tax reductions, and the development of an income tax code that could not be made any simpler.
- A significant sales tax base expansion, along with more incremental increases to various sales tax rates.
- And, a restructuring of the way property tax relief resources are provided to local governments and the property taxpayers that support local government. The restructuring involves a much larger Homestead Exemption, a more targeted revenue sharing program, a Circuit-

breaker program embedded within the income tax code, and minimal contributions from tax exempt institutions with demonstrated financial capacities.

LD 1496 was given its public hearing on Friday last week (May 10) and the marathon session was both typical and atypical of bills of this kind.

Eleven people testified on the support side of LD 1496, almost all of whom were municipal officials. Six people testified "neither for nor against." Thirty people spoke in opposition.

The typical part was that the testimony of the tax reform opponents, at least generally, began by effusively praising the "Gang of 11" for their vision and courage in developing a much-needed reform of the antiquated tax code, only to spend the rest of their three minutes eviscerating the proposal as it impacted

(or was perceived to impact) their particular corners of the world.

What was not typical is that a few standard opponents of previous tax reform efforts were actually sincere in their appreciation of the effort to advance true tax reform and expressed an open willingness to participate in the process of developing an improved final product.

There is nothing uncommon about pandering in the State House, but expressions of genuine willingness to take a risk that might yield a larger public benefit at some slight reduction in the maximization of your own personal benefit is so rare as to be unheard of in the dark world of State House advocacy.

Several organizations testifying "neither for nor against" belong in this category, with the Retail Association

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Mandate Watch

A number of bills are working their way through the committee process with majority "ought to pass" reports that will be (or should be) identified as state mandates with financial and administrative impacts to the towns and cities of some significance. We want to make sure municipal officials are aware of these bills, because they will soon be presented to the full Legislature for debate and possible enactment. If you are concerned about the imposition of these mandates on local government, you should communicate those concerns to your legislators loudly, directly and without delay.

LD 235 – Tone-to-Tone. Currently, firefighters and emergency medical personnel receive Workers Compensa-

tion coverage once they enter a public way while carrying out their duties. As originally drafted, this bill sought to extend coverage to volunteer firefighters and emergency medical personnel from the moment they receive the call requesting assistance. The Labor, Commerce, Research and Economic Development Committee was divided in its vote, issuing both a majority and minority amendment (along party lines), and one member voted against passing this legislation altogether. The majority amendment creates a "rebuttable presumption," which means that if the firefighter becomes injured in his or her own home after an emergency tone goes off, it is presumed the injury is work

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related and the municipal employer will have to prove otherwise. The amended bill also extends the legislation's scope from volunteers to include all paid firefighters and emergency medical personnel. The minority amendment also includes a rebuttable presumption, but the presumption only begins once the person reaches a public way. The Senate tabled this legislation on May 15.

LD 274 – Maintenance of Veterans' Graves. Under existing statutes, municipalities are required to maintain the gravesites of wartime veterans. The existing maintenance standard requires that the grass on veterans' graves be suitably cut and trimmed between May 1 and September 30. As amended by a majority of the State and Local Government Committee LD 274 mandates municipalities to maintain all veterans' graves, not just those veterans who served during wartime periods. The bill also expands the standard of care for veterans' graves to include: (1) leveling and straightening headstones and grave markers; (2) keeping inscriptions visible and legible; (3) keeping the grass cut at an optimum height of 1.5 to 2.5 inches, but no higher than 3 inches; and (4) keeping the gravesite and markers free of grass, debris and vines.

LD 965 – Dig Safe. The Energy, Utilities and Technology Committee will hold its work session on LD 965

the week of May 20. LD 965, as drafted, would require participation in the OK-TO-DIG program, while an amendment proposed by Public Advocate Richard Davies would mandate municipal participation in the Dig Safe program. The 2012 Dig Safe "working group" process that resulted in the mandatory participation recommendation was the most heavily manipulated working group process MMA has participated in over the last 25 years. For a long list of reasons, MMA's Legislative Policy Committee opposes mandatory participation for municipalities in either the Dig Safe or OK-TO-DIG programs.

LD 977 – MUBEC. Current law requires the Maine Uniform Building and Energy Code (MUBEC) to be enforced in a municipality that has more than 4,000 residents. A municipality with 4,000 or fewer residents that has not adopted a building code is exempt and MUBEC does not apply in those municipalities as a matter of law unless the town voluntarily adopts the code. This bill requires MUBEC to be enforced in all municipalities with more than 2,000 residents, beginning July 1, 2014, and further provides that MUBEC applies as a building code in all municipalities statewide, although the towns under 2,000 in population are not required to enforce it.

LD 1133 – Municipal Employees – All for Cause. Under existing practice, employees whose positions are required by general law, charter or ordinance are "for-cause" employees and therefore cannot be discharged without due process, including notice and a hearing. Generally, all other municipal employees are "at will" employees and may be discharged without cause. However there is an exception to that general principle for communities that operate under a town manager system, in which case all employees are "for-cause."

As amended by a majority of the State and Local Government Committee, LD 1133 mandates that all municipal employees are "for cause" and afforded

the right of notice and hearing. LD 1133 is being reported out of the State and Local Government Committee with a majority "ought to pass" report.

Other bills to watch

LD 1303, Resolution, Proposing an Amendment to the Constitution of Maine To Establish the Right To Hunt and Fish. This resolution, which constitutes a local government preemption rather than a mandate, would send out to the voters a proposed constitutional amendment that would create a personal right to hunt, fish and harvest wildlife using traditional methods. This constitutional entitlement would be subject only to statutes enacted by the Legislature and rules adopted by the designated state agencies. No other authority could enforce regulations that might impinge on this constitutional right to hunt, fish and harvest wildlife.

At the time of the public hearing, MMA's Legislative Policy Committee had not had a chance to review the bill, so MMA testified "neither for nor against," but raised questions about whether a constitutional "right to hunt, fish and harvest wildlife," which could only be impacted by the Legislature, would be interpreted as overriding various municipal ordinances, including firearm discharge ordinances, shellfish conservation ordinances, local probations on hunting on municipal public grounds, etc.

Before MMA's Legislative Policy Committee's could meet to vote on this bill, the Committee reported its intention to "carry over" LD 1303 into the 2014 legislative session. Subsequent to that decision, MMA's LPC voted nearly unanimously to oppose LD 1303.

We are now informed that the Inland Fisheries and Wildlife Committee was not given permission to carry over LD 1303, and during a quickly scheduled work session decided to report the bill out with a strong majority "ought to pass report." Apparently the municipal concerns about impacts on local ordinances were not considered important.

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“Enough Is Now Way More Than Enough”

Municipal Officials Respond to the Governor’s Excise Tax Proposal

Municipal officials from Saint Agatha to South Portland and points in between, testified before the Transportation Committee on Tuesday of this week in opposition to Governor LePage’s proposed appropriation of municipal motor vehicle excise tax revenues for state budget programs. As drafted, Part I of the FY 14 - FY 15 Highway Fund budget (LD 1480) proposes to appropriate for state transportation related purposes an estimated \$4 million per year in excise tax revenue assessed on truck tractors and retained by the municipalities. Failure to remit the tax revenue to the state would result in a loss of local road assistance program (LRAP) payments.

According to Commissioner David Bernhardt, over the FY 14 – FY 15 biennium the Department of Transportation (DOT) is proposing to expend \$1.14 billion on:

- Maintenance and operations (\$284.1 million).
- Highway and bridge capital projects (\$656.3 million).
- Multimodal programs, including transit, aeronautics, marine and rail (\$100.5 million).
- Local road assistance program payments (\$47.7 million).
- And, administration (\$25.3 million).

In addition to addressing a fuel tax revenue forecast downgrade of \$7.8 million, the Department’s ability to expend the \$1.14 billion is contingent on the enactment of two controversial proposals.

The first proposal is a change in the percentage of the state police budget that is funded with General Fund revenues. Under current practice, the General Fund is responsible for 51% of the state police’s budget, with the Highway Fund contributing 49%. As proposed in both the General Fund and Highway Fund FY 14 – FY 15 budgets, the share of the state police budget funded with General Fund revenues would increase to 67%. Although the change would make an additional \$15.1 million available for highway related projects, the proposal creates a corresponding hole in the General Fund. The challenge therefore is to convince both the Transportation and

Appropriations Committees to support the initiative.

The second controversial initiative, as described above, is the proposal that directly targets and erodes the municipal property tax base by appropriating \$4 million in municipal excise tax revenue. Commissioner Bernhardt defended the proposal on the basis of three “straight-forward policy rationales.”

1. Truck tractors spend a majority of time traveling over state roads.

2. Since unlike the state, municipalities are not mandated to use the excise tax revenues for transportation related purposes, the proposal strengthens the connection between the taxes paid and their use.

3. And, the sharing of revenues between municipalities and the state is common practice, as nearly 10% of DOT’s Highway Fund budget is distributed to municipalities through the local road assistance program.

Municipal officials from Hermon, Lewiston, Saint Agatha and South Portland lined up to testify against the Governor’s excise tax proposal. Despite having struggled to patch their own transportation budgets together, these communities have financially partnered with the DOT on several state and state aid road projects. That the state’s response to now mandate that the municipalities give over to the state budget their road maintenance resources did not sit well with these municipal opponents to the Governor’s proposal.

The Town of Hermon testified in force against the proposal. Not only is Hermon the hardest hit community with respect to actual revenues loss, over \$500,000 annually, the town ranks fourth hardest hit on a per capita analysis, \$101 for each resident.

In addition to focusing on the local level impacts, and the strains the proposal would place on state/local transportation improvement partnerships, Town Manager Roger Raymond, Councilor Anne Freeman and former Councilor Donna Pulver, focused on the negative economic impact of the Governor’s proposal to the state.

Due to the local level economic development and business incentive efforts, over 300 truck tractors are registered and excise their vehicles in Maine. In addition to generating excise tax revenue for Hermon, the state receives over \$300,000 in registration fees. If the Town of Hermon loses the revenue necessary to make the transportation related improvements that benefit the trucking industry, it is likely that these companies will register and pay excise taxes on their fleets in other states.

Hermon resident Don Paige also provided testimony passionately urging the Committee to oppose the excise tax initiative. Mr. Paige called the state’s taking of local road maintenance and improvement funds morally wrong, unfair and disproportionate.

Mayor Robert Macdonald, who is quoted in the title of this article, testified on behalf of both the City of Lewiston and the Mayors’ Coalition. Mayor Macdonald expressed concerns and frustration with the excise tax proposal because it simply transfers revenue from “our budget to yours.” The Mayor reported that Lewiston is barely keeping up with its own road maintenance and improvement costs, and while the City should invest an additional \$9 million each year, it is only able to provide half that amount. By illustrating that \$11 million in excise tax revenue is used to fund the City’s \$14 million transportation budget, the Mayor refuted the claim that excise taxes are being used for non-transportation related purposes.

Gregory L’Heurux, South Portland’s finance director, also provided testimony in opposition to the Governor’s excise tax proposal. Taken by surprise by the Department’s suggestion that municipalities need to share revenues, Mr. L’Heurux pointed to the fact that over the past five years South Portland has contributed \$3.7 million in local revenues to state and federal projects.

Capping the municipal testimony was St. Agatha Town Manager Christy Sirois, who drove nearly 600 miles round trip from the crown of The County to show how devastating the excise tax provision would be to her small rural community.

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of Maine leading the list, along with the Androscoggin County Chamber of Commerce and the Maine Youth Camp Association, all on the business side. On the other side of the ideological divide, the Maine Center for Economic Policy could have chosen to focus on the half-dozen reasons an organization with a “progressive” orientation like itself would oppose LD 1496, but opted to speak “neither for nor against,” instead, and urged for some reshaping of the bill into a better final product.

Testimony round-up. Marston Lovell, a councilor from the City of Saco, the Vice President of the Maine Municipal Association and the Chair of the Association’s 70-member Legislative Policy Committee, delivered MMA’s testimony, which was in support of the tax reform concepts identified in LD 1496, including:

- Putting a public policy foundation underneath the state’s tax code. The LD 1496 policy is residency; that is, to attract permanent residents to the state – both homeowners and businesses. Whatever the policy foundation of the state’s current tax code once was, it has long since been lost in the sauce.
- Upgrading a tax code that is reflective of the modern economy.
- Providing sustainable and long term property tax relief.
- Creating greater equalization of burden among taxpayers.
- And, creating greater equalization of burden among the state’s three major taxes (income, sales and property).

Councilor Lovell was joined by Councilor Brad Littlefield from Sanford, Selectman John Sylvester from Alfred, City Manager Jim Bennett from Presque Isle, Town Manager Christine Therrien from Madawaska, Selectman Galen Larabee from the Town of Knox and Town Manager John Madigan from Mexico. Proponents who did not come directly from the municipal community were Alan Baker, the owner and publisher of the Ellsworth American, Susan Lamb, the Executive Director of the National Association of Social Workers, Maine Chapter, and Nancy Smith, the Executive Director of GrowSmart Maine.

In contrast, the opponents’ testimony did not focus on the whole bill and how all the moving parts worked together to achieve the goal of greater Maine residency. Instead, the testimony of the 30 opponents grouped itself into six categories:

- Lawyers on behalf of various clients and on their own behalf, in opposition to the potential sales tax on legal services.
- Nonprofit organizations and institutions concerned about having to pay any level of property taxes as well as

the loss of an income tax deduction for charitable giving.

- Beer and wine distributors and tobacco distributors and retailers on arguments of competitiveness.
- Convenience stores and retailers, generally, and companies providing services that would become subject to a sales tax (e.g., architects, surveyors, boat yards, etc.).
- Tourism retailers, innkeepers, restaurants.

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This cartoon, by artist George Danby, is published in honor of the first selectman of the Town of Waldo, Kathy Littlefield, who has capably assisted in the governance of that community for several decades. A charter member of the “Freedom Fighters” in the 1970s, Kathy has fought passionately for the principles of home rule and local decision-making. During the public hearing on Governor LePage’s proposed state budget in March, Kathy observed: “I really hope that you folks won’t fall into the rhetoric of some politicians that say that some cities and towns have to tighten their belts...they have to control their spending...they have to regionalize and consolidate. Rubbish! I think we’ve seen how well regionalization and consolidation has worked for the schools. Towns and cities have shared services and consolidated where it made sense and long before the state started beating that drum....And to the final “tighten their belts” song, cities and towns have tightened their belts so much, there’s no belt left. We’re right up against the buckle. The State has a very large tool shed with many tools in it. Use them. The cities and towns have nowhere near as many tools, if any, to use. And I can tell you firsthand, in Waldo County, we don’t even have a shed. We couldn’t afford to maintain it, and we had to tear it down.”

Permissive Foreclosure Proceeds Reimbursement

The Judiciary Committee heard LD 851, *An Act To Require the Return of Excess Funds by a Municipality That Forecloses on Real Estate*, on Wednesday, May 8 and held its work session Monday, May 13. While MMA opposed this legislation as drafted, it was nonetheless invited by Rep. Steve Moriarty of Cumberland, a member of the Committee, to craft an amendment which ultimately received overwhelming committee support.

The initial draft of LD 851 was complicated. It would have required a municipality to provide to former owners of tax-acquired property all “excess funds” derived from the disposition of the real estate (less all taxes, administrative costs, court costs, and property disposition costs). Lengthy details were prescribed governing the fund return. Binding arbitration was also required if requested by the foreclosed former owner, and a provision of the bill seemed to require (perhaps inadvertently) municipalities to dispose of the acquired property within 180 days of the foreclosure. This law was clearly not attractive to MMA’s Legislative Policy Committee.

Because LD 851’s sponsor, Rep. Elizabeth Dickerson of Rockland, acknowledged she was mainly trying to correct what seemed to be a court-imposed prohibition on the return of foreclosure proceeds to former owners by municipalities, MMA wondered whether her goal might be accomplished by legislating that municipalities may adopt ordinances allowing for the return of such proceeds if they so choose. Several committee members, as well as the sponsor, expressed an interest in this simplified approach.

The amendment requires municipalities that wish to return foreclosure proceeds to former owners to promulgate an ordinance providing for the standards governing the return of the proceeds, as well as the procedures necessary to ensure the interests of municipal taxpayers are protected. The amendment also specifies that proceeds may only be returned to the *immediate* former owner and may not exceed the actual proceeds

received. Furthermore, to ensure municipalities do not wind up paying the delinquent owner before covering their own costs, the amendment requires proceeds to first be used to cover various municipal expenses such as back taxes and disposition costs.

Ultimately, only two members of the committee who were present opposed the amendment. Their opposition was reasonably based on the potential uncertainty returned proceeds ordinances may create for lien holders, and the risk of incentivizing tax delinquency. Rep.

Jarrod Crockett of Bethel wondered whether such an ordinance might cause a person to avoid paying their taxes when their home is under water, knowing they might actually make money once their municipality sells the home and returns the proceeds. While the points raised in opposition are valid and much appreciated, at the end of the day MMA believes municipalities ought to have the right, individually, to weigh these issues and answer the question of how to dispose of their acquired foreclosed property proceeds.

Tax Reform and Budget Repair: Next Steps (cont’d)

- Individuals or organizations opposed to the regressivity of the income tax reductions.

Where from here? The Taxation Committee took up LD 1496 for its first work session on Tuesday this week, for a component-by-component walk-through of the relatively detailed (but not completely detailed) “concept draft” legislation. Senator Richard Woodbury (Cumberland Cty.), the chief architect of the plan, was available to the Committee to answer questions.

It became clear during that walk-through that certain elements of the tax reform plan need more time, first for analysis and then to be crafted into specifically worded legislation. Time, however, is a commodity in short supply. There are 44 days between now and the beginning of the next state fiscal year, which is a hard deadline.

For example, the “Gang of 11” recognizes that the elements of its proposal to expand the sales tax base in the area of certain basic necessities, such as the sales tax on heating fuel, conflicts too dramatically with the state’s cultural norms.

In addition, it is apparently the case that the plan was incorrectly interpreted as immediately repealing certain business income tax credits. Instead, those credits would continue to be available until they expire by attrition.

On top of that, the task of defining

the slate of proposed expansions to the sales tax base in the area of services faces the challenge of crafting the definitions in a way to avoid “pyramiding” or “stacking”, where the tax would apply to an input of product as well as the product itself.

Taking into account the challenges associated with these complex elements of the bill and the time constraints, there was the suggestion to implement the tax reform in two stages, putting the simpler elements in place this legislative session and dealing with the more complicated elements next year.

There was also the recommendation to carry over the entire bill until next year, which is generally understood as a method of killing the bill entirely, but politely.

At this point in time, the Taxation Committee is taking its rightful possession of LD 1496. A second work session of the bill scheduled for today (May 17) may shed some more light, but the most likely immediate use of LD 1496 will be to provide the Committee members with some enriched ideas as they develop a package of revenue recommendations for the Appropriations Committee’s consideration.

LD 1496 may become something of a parts car to assist in the budget process. In this case, the parts car being cannibalized is in better shape than the on-the-road vehicle being repaired.

Right to Know Law Potpourri

The Judiciary Committee heard a potpourri of legislation related to Maine's Freedom of Access law on Tuesday, May 14 and held its work session the following day. Three bills were discussed that bear directly on local government: LD 104 (heard Feb. 19), LD 258, and LD 1216.

LD 104, An Act To Amend the Laws Governing Public Records

MMA helped draft this bill, which sought to amend the laws applying to public records in three ways. First, it would add an exception to the definition of public records under the Freedom of Access Act (FOAA) for email addresses obtained by a political subdivision of the state for the sole purpose of disseminating non-interactive notifications to individuals. Second, the bill would have eliminated the cap on the hourly rate that a governmental entity may charge to cover the actual cost of searching for, retrieving and compiling a requested public record, and would have established a definition of "actual cost" that is tied to the hourly rate paid to employees to fulfill a request. Third, the bill would have created an exception in the FOAA for documents submitted to a municipal board of appeals that describe or verify the mental or physical disabilities of a person who is seeking a variance from certain land use regulations in order to accommodate the disability.

At the end of the day, MMA scored one of its three shots on this bill. The Committee decided to accept the first aspect, exempting email addresses obtained for non-interactive notifications from qualifying as a public record subject to FOAA requests. There was one small change added by Rep. Charles Priest of Brunswick, which kept email addresses obtained for "newsletters or other similar communications" in the definition of public record subject to FOAA requests. This aspect of the bill's language seemed too vague and issue-prone to him. The second part of LD 104, an hourly rate cap and establishment of an "actual cost" definition, did not appeal to the Committee and they struck it from the bill. The third aspect, excepting documents pertaining to health-related variances, was also struck. The Committee was not swayed by MMA's concern over potential HIPAA issues with such documents.

LD 258, An Act To Implement the

Recommendations of the Right To Know Advisory Committee Concerning Meetings of Public Bodies

This bill amends Maine's Freedom of Access Act, or "Right to Know" law, to authorize the use of remote-access technology to conduct public proceedings. Specifically, the bill authorizes a body to conduct a public proceeding during which a member of the body participates in the discussion or transaction of public or government business through telephonic, video, electronic or other similar means of communication, according to a long list of terms and conditions.

The Judiciary Committee voted unanimously against passing this bill. The Right To Know Advisory Committee issued a split vote on this recommendation, which gave the Judiciary Committee pause. The Committee appeared to be closing in on a vote to allow appointed officials to attend meetings remotely, but to require physical presence for elected officials. After further discussion, it was decided that more thought should be given to the wording of this legislation. The Judiciary Committee recommended to the Advisory Committee that they give this legislation further consideration, reporting back a more thorough bill for the second session next year.

LD 1216, An Act to Amend the Freedom of Access Act

This bill sought to amend Maine's Freedom of Access Act to require governmental officials to respond to requests for public records within five calendar days, with a good faith nonbinding cost estimate. The cost estimates would have to reference the statutes governing the confidentiality of any redacted information. The bill also makes the refusal or failure to provide a written denial or the requested records a failure to allow inspection and therefore an action subject to an appeal to Superior Court. The Superior Court by this bill would have been given the discretion to award attorney's fees and litigation expenses to the substantially prevailing plaintiff without making a finding of bad faith.

The Committee voted unanimously to pass this bill, with some amendments. First, the provision requiring various details in the cost estimates was removed. Second, a finding of bad faith

will still be required for a Superior Court to award attorney's fees and litigation. Third, the bill was clarified to only require acknowledgment of the receipt of the request (rather than the full response to the request) within five days, and the proposed change from working days to calendar days was eliminated. Finally, after hearing testimony regarding FOAA "abusers," House Committee Chair Priest requested the Right to Know Advisory Committee study the issue of abusive, excessive FOAA requests and develop recommendations to limit that practice.

Enough is Enough (cont'd)

According to Ms. Sirois, the loss of the excise tax revenue, an estimated \$65,000, would account for a 28% decrease in road project revenues. In order to replace the lost revenues, the mill rate in St. Agatha would have to increase by 1.35 mills. Ms. Sirois also pointed out that the community takes every opportunity possible to work with the state and area communities to provide services in the most cost effective way possible and finds the excise tax proposal impossible to absorb.

MMA and the Maine Service Center Collation (MSCC) also offered testimony in opposition but the most powerful testimony was provided by the municipal officials and residents directly impacted by the proposed change. The testimony offered by Richard Trahey on behalf of MSCC focused on the need to work together with the DOT to find new and sustainable sources of revenue. MMA cautioned that while the truck tractor excise tax proposal may temporarily resolve a state-level funding shortfall, the long term effect would be the erosion of the trust and sense of partnership that communities across the state have developed with DOT.

Based on the comments shared by some of the Transportation Committee members, there appear to be grave reservations with adopting a proposal that will shift additional burdens onto the property taxpayers. That being said, this issue will not be finally resolved until the Committee votes on the budget proposal and the Legislature enacts the budget. In the weeks ahead, we will be keeping municipal officials informed of the progress made on the Highway Fund budget. Please stay tuned.

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 1524 – An Act To Address the Burden Placed on Students as a Result of Requirements To Take Remedial Courses. (Governor's Bill) (Sponsored by Rep. Cotta of China.)

This bill requires the University of Maine System, the Maine Community College System and the Maine Maritime Academy to report to the state all costs associated with providing remedial courses to students matriculating to those schools who graduated from Maine public high schools. The bill further requires the Commissioner of the Department of Education to subtract those costs from the school subsidy that would otherwise be distributed to the individual high schools and redistribute it, instead, to the post-secondary schools providing the remedial courses.

LD 1529 – An Act To Expand School Choice for Maine Students. (Governor's Bill) (Sponsored by Sen. Mason of Androscoggin Cty; additional cosponsors.)

This bill allows colleges and universities to authorize public charter schools and removes the current 10-school limit on public charter schools that may be authorized by the Maine Charter School Commission. The bill also allows private religious schools to receive public funds as long as they comply with standards applicable to other, non-religious private schools eligible to receive tuitioned students. The bill also allows the Commissioner of the Department of Education to expend funds from the "miscellaneous cost" component of the General Purpose Aid for Local Schools appropriation to pay for the transportation, tuition and room and board expenses of students from low income households who utilize school choice opportunities to attend other public or private schools.

LD 1530 – An Act To Establish a Process for the Implementation of Universal Voluntary Prekindergarten Education. (Sponsored by Sen. Goodall of Sagadahoc Cty; additional cosponsors.)

This bill requires implementation of universal voluntary pre-Kindergarten education by the 2017-2018 school year. The bill requires the Commissioner of the Department of Education to establish a stakeholder group to develop a plan to meet the requirement. The report of the stakeholder group must be submitted to the Legislature by January 15, 2014.

Taxation

LD 1534 – An Act To Allow a Motor Vehicle Excise Tax Credit for a Vehicle No Longer in Use. (Sponsored by Sen. Thibodeau of Waldo Cty; additional cosponsors.)

Current law creates a system whereby the motor vehicle excise taxes paid on one vehicle can be credited in the process of registering another vehicle if the first vehicle is totally lost by fire, theft, accident or abandonment. This bill also allows the credit to be applied if the use of the vehicle is totally discontinued.