

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Resolve, To Establish a Committee To Examine Issues Relating to the Administration and Distribution of Municipal Revenue Sharing

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation needs to take effect before the expiration of the 90-day period in order to provide sufficient time for meetings and for the preparation of the report of the committee; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Sec. 1 Revenue sharing committee established. Resolved: That the Treasurer of State shall convene a municipal revenue sharing committee, referred to in this resolve as "the committee," composed of 6 municipal officials interested in the administration and distribution of municipal revenue sharing, with 3 of those officials recommended by the Maine Service Centers Coalition and 3 of those officials representing rural and suburban municipalities and recommended by the Maine Municipal Association; and be it further

Sec. 2 Committee duties. Resolved: That the committee shall examine and make recommendations regarding the following issues:

1. The reasons for the general reductions in the distribution of municipal revenue sharing in fiscal year 2007 and the effect of those reductions on compliance with the municipal property tax levy limitation established in the Maine Revised Statutes, Title 30-A, section 5721-A;

2. The reasons for the volatility in the distribution of municipal revenue sharing in fiscal year 2007, including but not limited to the legislative adjustments to the Revenue Sharing I and Revenue Sharing II distribution pools, the legislative reductions to the Revenue Sharing I distribution pool, the definition of "disproportionate tax burden" and annual adjustments to state valuation;

3. The reasons the Fund for the Efficient Delivery of Local and Regional Services has failed to be properly capitalized from the Local Government Fund as directed by the voters on June 8, 2004; and

4. The obstacles to efficiently administering the municipal property tax levy limitation established in the Maine Revised Statutes, Title 30-A, section 5721-A, particularly with respect to the net new funding calculation, that are related to the administration and distribution of municipal revenue sharing; and be it further

Sec. 3 Reports. Resolved: That the committee shall submit a report of its findings and recommendations no later than December 15, 2007 to the Joint Standing Committee on Appropriations and Financial Affairs. Following receipt and review of the final report, the joint standing committee may submit legislation based on the report to the Second Regular Session of the 123rd Legislature.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

SUMMARY

This resolve establishes a municipal revenue sharing committee to examine various issues relating to municipal revenue sharing and report to the Joint Standing Committee on Appropriations and Financial Affairs no later than December 15, 2007.