HP1294, LD 1807, item 2, 124th Maine State Legislature, Amendment C "A", Filing Number H-758, Sponsored by 'An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2010-11 and To Make Certain Changes in the Laws Governing Tax Increment Financing Payments in the Unorganized Territories'

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

Amend the bill by striking out the title and substituting the following:

'An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2010-11 and To Make Certain Changes in the Laws Governing Tax Increment Financing Payments in the Unorganized Territories'

Amend the bill by inserting after the enacting clause the following:

PART A

'Sec. .

Amend the bill in section 1 in the heading "County Reimbursements for Services:" in the 5th line (page 1, line 35 in L.D.) by striking out the following: "880" and inserting the following: '933' and in the last line (page 1, line 42 in L.D.) by striking out the following: "\$5,820,971" and inserting the following: '\$5,821,024'

Amend the bill by inserting at the end before the emergency clause the following:

PART B

Sec. B-1. 36 MRSA §1603, as amended by PL 2007, c. 627, §34, is further amended to read: § 1603.Definition of "municipal cost component"

1. Definition. For the purposes of this chapter, "municipal cost component" means the cost of funding services in the Unorganized Territory Tax District that would not be borne by the State if the Unorganized Territory Tax District were a municipality, but does not include a state cost allocation charge, including, without limitation, reimbursement to the General Fund for departmental functions such as accounting, personnel administration and supervision. "Municipal cost component" also includes the cost of funding obligations of the unorganized territory under the terms of a tax increment financing district approved by the Commissioner of Economic and Community Development prior to July 1, 2008 pursuant to Title 30-A, chapter 206. The "municipal cost component" includes, but is not limited to:

A. The cost of education, as would be determined by the Essential Programs and Services Funding Act if the unorganized territory were a municipality;

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- B. The cost of services the state funds in the unorganized territory that are funded locally by a municipality; the cost of forest fire protection to be included in the cost component must be determined in accordance with Title 12, section 9205-A and collected in the same manner as other portions of the municipal cost component;
- C. The cost of reimbursement by the State for services a county provides to the unorganized territory in accordance with Title 30-A, chapter 305. A county may not be reimbursed for services provided on or after January 1, 1979, unless a legislative allocation is obtained pursuant to this chapter. If a county receives, in addition to its budget, funds that are designated by the Legislature for a specific purpose and the county does not spend those funds for that specific purpose in that fiscal year, then the reimbursement under this chapter to that county for the next fiscal year must be reduced by an amount equal to the amount of funds so designated that were not expended for that specific purpose; and
- D. The cost for payments that the unorganized territory is required to make pursuant to the terms of a tax increment financing district approved by the Commissioner of Economic and Community Development pursuant to Title 30-A, chapter 206 prior to July 1, 2008 with respect to taxable property in the Unorganized Territory Tax District.

Sec. B-2. 36 MRSA §1606, sub-§2, as enacted by PL 2007, c. 627, §35, is amended to read:

2. Tax increment financing payments. With respect to a tax increment financing district located in the unorganized territory and approved by the Commissioner of Economic and Community Development pursuant to Title 30-A, chapter 206 prior to July 1, 2008, the Treasurer of State must deposit into the development program fund established by a county for the tax increment financing district pursuant to Title 30-A, section 5227, subsection 3 the tax increment revenues on the captured assessed value, as that term is defined in Title 30-A, section 5222. The payment must be made on or before October 15th following the date of assessment or within 30 days after the taxes constituting the tax increment are paid, whichever is later. The amount of the assessment is appropriated for the purposes of this subsection.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment corrects a mathematical error. In addition, the amendment removes the date that limited tax increment financing payments in the unorganized territories to tax increment financing districts approved by the Commissioner of Economic and Community Development prior to July 1, 2008.