

GOVERNOR'S  
VETO  
OVERRIDDEN  
  
JUNE 26, 2013

CHAPTER  
  
368  
  
PUBLIC LAW

STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND AND THIRTEEN

—  
H.P. 1079 - L.D. 1509

**An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2013, June 30, 2014 and June 30, 2015**

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

**Whereas**, the 90-day period may not terminate until after the beginning of the next fiscal year; and

**Whereas**, certain obligations and expenses incident to the operation of state departments and institutions will become due and payable immediately; 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,

**Be it enacted by the People of the State of Maine as follows:**

1741, for the system. In accordance with ~~Title 5, section 1665, subsection 5~~ and Title 5, section 1742-C, subsection 3, the system's public improvements budget must be developed with the advice and assistance of the Bureau of General Services and must represent the capital improvement priorities within the system;

## PART S

**Sec. S-1. Tax Expenditure Review Task Force established.** Notwithstanding Joint Rule 353, the Tax Expenditure Review Task Force, referred to in this Part as "the task force," is established.

**Sec. S-2. Task force membership.** The task force consists of 13 members as follows:

1. Six members appointed by the President of the Senate, including one Senator from each of the 2 parties holding the largest number of seats in the Legislature; 2 persons who are economists, tax experts or representatives of the business sector; a person who possesses expertise in the area of the state budget process; and a person who possesses expertise in the area of municipal budgeting and property taxes;

2. Six members appointed by the Speaker of the House, including one member of the House of Representatives from each of the 2 parties holding the largest number of seats in the Legislature; 2 persons who are economists, tax experts or representatives of the business sector; a person representing a business enterprise; and a person representing the general public; and

3. The Commissioner of Administrative and Financial Services or the commissioner's designee.

The President of the Senate and the Speaker of the House shall coordinate their appointments to avoid duplication.

**Sec. S-3. Chairs.** The first-named member of the Senate is the Senate chair and the first-named member of the House of Representatives is the House chair of the task force.

**Sec. S-4. Appointments; convening; meetings.** All appointments must be made no later than 30 days following the effective date of this Part. The appointing authorities shall notify the Executive Director of the Legislative Council when all appointments have been made. When the appointment of all members has been completed, the chairs shall call and convene the first meeting of the task force. If 30 days or more after the effective date of this Part a majority of but not all appointments have been made, the chairs may request authority and the Legislative Council may grant authority for the task force to meet and conduct its business. The task force may meet up to 6 times to conduct its business.

**Sec. S-5. Duties.** The task force shall:

1. Examine tax expenditures as defined in the Maine Revised Statutes, Title 36, section 199-A and evaluate specific tax expenditures that provide a direct benefit to business as a catalyst for economic growth or that exempt property from municipal taxation;

2. Review best practices and standardized criteria used by other states for measuring the effectiveness of tax expenditures;

3. Determine the purpose of each tax expenditure identified by the task force for evaluation and the data required to measure the economic impact of each tax expenditure, including, but not limited to, revenue loss compared to economic gain, jobs created or retained and administrative burden for taxpayers and the State;

4. Prioritize tax expenditures and give highest priority to those tax expenditures that reduce the tax burden on necessities of life, that avoid pyramiding of taxes or that are essential to Maine's economic growth and job creation;

5. Develop a process, including a time frame and criteria, for ongoing evaluation of tax expenditures that may include the establishment of an independent commission, tax expenditure budgets, tax expenditure caps and sunset reviews; and

6. Recommend the repeal or reduction of tax expenditures to achieve a savings of at least \$40,000,000.

**Sec. S-6. Staff assistance.** The Legislative Council shall provide necessary staffing services to the task force, including from the Office of Program Evaluation and Government Accountability and the Office of Fiscal and Program Review. The presiding officers shall request the assistance of the Department of Administrative and Financial Services, Maine Revenue Services in providing information and expertise to facilitate the work of the task force.

**Sec. S-7. Report.** By December 4, 2013, the task force shall submit a report that includes findings and recommendations, including any necessary implementing legislation, to the Joint Standing Committee on Appropriations and Financial Affairs. The Joint Standing Committee on Appropriations and Financial Affairs may submit a bill related to the report to the Second Regular Session of the 126th Legislature.

**Sec. S-8. Contingent reduction to municipal revenue sharing.** Notwithstanding any provision of law to the contrary, if legislation pursuant to this Part is not enacted into law before July 1, 2014 that generates an increase in budgeted General Fund revenue of at least \$40,000,000 as estimated by the Office of Fiscal and Program Review, the amount transferred from the Local Government Fund to the General Fund under the Maine Revised Statutes, Title 30-A, section 5681, subsection 5-C in fiscal year 2014-15 is increased by \$40,000,000.

**Sec. S-9. Fiscal year 2013-14 year-end unappropriated surplus, 4th priority transfer.** The State Controller shall at the close of the fiscal year ending June 30, 2014, as the next priority after the transfers authorized pursuant to the Maine Revised Statutes, Title 5, sections 1507, 1511 and 1522 and after all required deductions of appropriations, budgeted financial commitments and adjustments considered necessary by the State Controller have been made, transfer from the available balance of the unappropriated surplus of the General Fund up to \$40,000,000 to the Local Government Fund by offsetting the amount of the reduction in that fund on a monthly basis pursuant to the Maine Revised Statutes, Title 30-A, section 5681, subsection 5-C.