

## APPROPRIATIONS AND FINANCIAL AFFAIRS

Public Hearing 2:00 p.m. Tuesday, February 13, 2024

### REVISED DRAFT PROPOSED COMMITTEE AMENDMENT

L.D. 646, "An Act to Provide Appropriations and Allocations for the Operations of State Government" (Concept Draft Carried over from 1<sup>st</sup> Special Session)

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

**"An Act to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program"**

Amend the bill by inserting before enacting clause the following:

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

**Whereas,** certain municipalities have not been fully reimbursed for lost revenue resulting from underfunding of the property tax stabilization program established pursuant to Public Law 2021, chapter 751 and amended by Public Law 2023, chapter 412, section S-10 to apply only to the property tax year beginning April 1, 2023.

**Whereas,** the lost revenue may have an immediate and material effect on municipalities 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,'

Amend the bill by striking out everything after the enacting clause and inserting the following:

**Sec. 1. Transfer to the Department of Administrative and Financial Services, Property Tax Stabilization Program.** Notwithstanding any provision of law to the contrary, on or before March 1, 2024, the State Controller shall transfer \$15,000,000 from the unappropriated surplus of the General Fund to the Department of Administrative and Financial Services, Property Tax Stabilization program, Other Special Revenue Funds account to fully reimburse municipalities for lost revenue under the Property Tax Stabilization program in the property tax year beginning April 1, 2023 only.

**Sec. 2. Transfer from General Fund unappropriated surplus; Property Tax Stabilization Mandate.** Notwithstanding any provision of law to the contrary, on or before June 30, 2024, the State Controller shall transfer \$50,000 from the unappropriated surplus of the General Fund to the Department of Administrative and Financial Services, Property Tax Stabilization - Mandate, Other Special Revenue Funds account for the purposes of funding the reimbursements to municipalities for the state mandated costs related to implementation and administration of the Property Tax Stabilization program enacted in Public Law 2021, chapter 751, An Act To Stabilize Property Taxes for Individuals 65 Years of Age or Older Who Own a Homestead for at Least 10 Years

**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Property Tax Stabilization Z368**

Initiative: Provides a one-time allocation to fully reimburse municipalities for lost revenue under the property tax stabilization program established pursuant to Public Law 2021, chapter 751 as amended by Public Law 2023, chapter 412 sec. S-10.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2023-24</b>	<b>2024-25</b>
All Other	\$15,000,000	\$0
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$15,000,000</b>	<b>\$0</b>

**Property Tax Stabilization Mandate Z369**

Initiative: Provides a one-time allocation to reimburse municipalities for state mandated costs related to implementation and administration of the Property Tax Stabilization program enacted in Public Law 2021, chapter 751 and amended by Public Law 2023, chapter 412 sec. S-10.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2023-24</b>	<b>2024-25</b>
All Other	\$50,000	\$0
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$50,000</b>	<b>\$0</b>

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

**SUMMARY**

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This amendment replaces the original bill, which was a concept draft changes the title and adds an emergency preamble and emergency clause. It transfers \$15,000,000 from the unappropriated surplus of the General Fund to the Department of Administrative and Financial Services, Property Tax Stabilization program, Other Special Revenue Funds account to be used to fully reimburse municipalities for revenue lost under the program. It also transfers \$50,000 from the unappropriated surplus of the General Fund to the Department of Administrative and Financial Services, Property Tax Stabilization Mandate program to reimburse municipalities for implementation and administrative costs of the Property Tax Stabilization program. The Property Tax Stabilization program was established pursuant to Public Law 2021, chapter 751 and amended by Public Law 2023, chapter 412, section S-10 to apply only to the property tax year beginning April 1, 2023.