

# LEGISLATIVE UPDATE

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MAINE MUNICIPAL ASSOCIATION

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# OVERVIEW

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- MMA's 70-member Legislative Policy Committee
  - Adopts MMA's two-year legislative platform.
  - Establishes MMA's position on all bills of municipal relevance.
- 2,300 bills in the hopper for the first session, only. Just printed LD 1068 yesterday (3/6).
  - Context: 130<sup>th</sup> Legislature process 2030 bills over the two-year session.
  - MMA normally tracks 1/3 of all bills... 760 bills of varying impact on municipalities.

# 2022-2024 MMA LEGISLATIVE PLATFORM

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- School Budget Referendum (LD 1022)
- Sharing Cannabis Revenue (LD 88)
- 1<sup>st</sup> Responder Health – Prevention
- Shared Training Cost for EMS/Dispatch
- Non-residential LEO Training (LD 673)
- Affordable Housing TIF/Workforce Pine Tree Zone
- LD 2003 Implementation Delay (LD 665)
- Tree Growth Tax Program
- Increase GA Reimbursement
- GA Program Reform
- Property Tax Stabilization Amendment

# HOUSING LEGISLATION

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- **LD 2003:** Rulemaking in process. Comments due March 13.
- **LD 337:** Concept draft amending regulation of manufactured housing to increase affordable housing.
- **LD 341:** Reduce Tree Growth Tax program penalty for withdrawing property used to build single-family residential housing.
- **LD 371:** Concept draft bill to address certain local ordinances.
- **LD 388:** Require state and municipalities to reimburse landlords for losses in rental income associated with laws/ordinances placing a moratorium on evictions.

# HOUSING, CONTINUED

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- **LD 492:** Concept draft bill repurposing vacant shopping malls into mixed-use housing.
- **LD 602:** Concept draft bill providing regional planning partners resources to help the development of ordinances and examine the regional sustainability of new housing development.
- **LD 721:** Concept draft bill preserving historic buildings and promote affordable housing.
- **LD 801:** Requires municipalities to obtain and maintain one housing unit for every 1,000 residents to provide living spaces for persons experiencing homelessness.
- **LD 853:** Amends Constitution to provide a right to housing.

# PROPERTY TAX STABILIZATION

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- MMA: Replace stabilization law with an enhanced senior resident homestead exemption.
  - All current homestead program regulations apply.
  - 65 years of age or older
    - Earning less than 80% regional median family income, eligible for \$25,000 increase (total of \$50,000),
    - Earning between 80% -100% regional median family income, eligible for \$15,000 increase (total of \$40,000).
  - 100% state reimbursement for the property tax loss due to senior resident homestead.
  - Reduce administration burdens, by directing Maine Revenue Services to determine eligibility.

# STABILIZATION LEGISLATION

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- **LD 37 & LD 529:** Eliminates the annual application requirements.
- **LD 89:** Clarifies that the widow/widower of an individual for stabilization, remains eligible for the benefit, provided they were married for at least 10 years prior to death.
- **LD 130:** As of April 1, 2024 replaces the stabilization program with a \$75,000 homestead exemption for a 65 year old plus homesteader who has resided in the homestead for at least 10 years.
- Public hearings scheduled for March 16 @ 1:00 p.m.

# OTHER TAX POLICY BILLS

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- **LD 101:** Requires “excess funds” from the disposal of tax acquired property to be returned to the former owner. Property sold within 180 days of acquisition = the sales price less back taxes and related costs. Property retained by the municipality and unsold after 180 days of acquisition = fair market value less related costs. (Tabled)
- **LD 167:** Extends the homestead exemption to an individual holding a life lease, provided the occupant pays the taxes and utilities, carries homeowner’s insurance and pays for home maintenance costs. (Tabled)
- **LD 191:** Excludes from BETE/BETR eligibility the property owned by a person that bans, boycotts, or otherwise restricts or prevents the sale or distribution of any product that is legally produced, harvested, or grown in Maine.



# OTHER TAX POLICY, CONTINUED

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- **LD 286:** Use of TIF revenue to repair or build municipal buildings, subject to a cap equal to the lesser of 10% of the district's assessed value or \$3 million. (Tabled)
- **LD 793:** Allows municipalities to elected to swap current revenue sharing distribution for 10% of the sales and use tax revenue collected within the community.
- **LD 996:** Allow municipalities to establish a local option sales take via approval of the legislative body or via municipal referendum.
- **LD 1060:** Increases revenue sharing from 5% to 7%, with the 2% used to employ, train and provide public safety services.

# PREEMPTION OF LOCAL CONTROL

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- Prohibits municipalities from:
  - **LD 620:** Prohibiting the sale of legal product or service. (SLG)
  - **LD 629:** Assessing tax or fee on firearms or ammunition. (TAX)
  - **LD 662:** Prohibiting the sale of flavored tobacco products. (SLG)
  - **LD 894:** Prohibiting the installation of a heating or energy systems. (SLG)
  - **LD 1027:** Imposing a local sales tax. (TAX)

# FY 2024 – FY 2025 GENERAL FUND BUDGET

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- **LD 258**

- 55% of K-12 Education (\$1.40 billion)
- Increased Homestead Exemption Reimbursement
  - FY 24 = 76% (\$103.5 Million)
  - FY 25 = 79% (\$108.5 Million)
- 100% Stabilization Act Reimbursement/Mandate Reimbursement
  - FY 24 = \$15 million & \$500K
  - FY 25 = \$31 million & \$550K
- Revenue Share @ 5%
  - FY 24 = \$252 million
  - FY 25 = \$259 million

# FOR MORE INFORMATION

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- Subscribe to...
  - Legislative Bulletin, printed each Friday during session.
  - LD List, which is posted on MMA's website each Friday and linked to the electronic Bulletin.
  - Potholes & Politics podcast for a summary of the week's legislative activities.
- Connect with...
  - Your LPC representatives.
  - MMA's advocacy staff. Kate Dufour, Rebecca Graham, Rebecca Lambert & Laura Ellis
    - 1-800-452-8786 or email, which is first initial, last name @memun.org (kdufour@memun.org)