



Motion without enough progress —————

126th Legislature goes home, leaving the business community with mixed bag

After a grueling six month session that featured more than its share of friction, the 126th Legislature has adjourned until December, with perhaps its most notable achievement being the passage of a biennial budget over the objection of Governor Paul LePage.

The elections of 2012, which swept Democrats back into power and Republicans back to minority status, ended the diametrical opposite of the 2010 elections. This session's change in leadership in Augusta brought new committee chairs as well as a very different policy direction from the 125th Legislature.

Early on, legislative leadership assured the business community and the public at large that the mission of the new legislature would not be to spend time in the past, undoing what the previous legislature had done, but rather to focus on moving forward with their own agenda. It turns out that it was sometimes difficult to see the difference between the two.

The 126th Legislature ended up dealing with more than 1,600 pieces of legislation—a more than reasonable number of bills given the late cloture date and the large size of the incoming freshman class. While progress was made in some policy areas—workforce development and training, and energy policy, for example—the fact remained that many in the business community, including the Maine State Chamber, spent considerable time playing defense and fighting attempts to reverse some of the hard-fought, gains achieved during the 125th Legislature.

Whether it was workers' compensation legislation, the chemical or mining laws, health insurance reform, or unemployment insurance changes, these issues were revisited this session with an eye on revising or completely undoing existing law, which had been passed last session with widespread bipartisan support. Many pieces of legislation impacting these policy issues did in fact receive passage at the legislative level. Many of the votes on these issues were closely aligned along party lines—with most Democrats supporting changes to last session's work, and most Republicans opposing the proposals. In the end, it became up to the LePage administration, using the power of the veto pen, to prevent these bills from actually becoming law. Given that all of these vetoes were sustained, it is all the more notable that the budget veto was overridden.

It is never easy to size up a legislature, but it is even more difficult to do so when having to deliver a less than stellar review. The passage of a successful biennial budget, particularly in the face of the objection of the chief executive, is a monumental achievement that cannot be overstated. Paying back hospitals the money they were owed is also an important economic issue resolved this session. However, legislation that advances Maine's economy, creates an environment that will encourage Maine businesses to hire more employees, or improves our overall business attractiveness failed to

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About the Maine State Chamber of Commerce: Since 1889, the Maine State Chamber has been fighting to lower your cost of doing business. Through our Grassroots Action Network and OneVoice program, we work with a network of approximately 5,000 companies statewide who see the value in such a service and provide the financial support that keeps our access, advocacy, and assistance efforts going strong. As Maine's Chamber, we make sure that the business environment of the state continues to thrive. The Maine State Chamber of Commerce advocates on behalf of their interests before the legislature and regulatory agencies and through conferences, seminars, and affiliated programs.

To Our Members...

We are pleased to present you, our valued member, with our annual Legislative Final Summary for 2013. This flagship publication exemplifies the hard work we perform daily on your behalf. We also hope it reflects the value your company receives as a member of Maine's premier business advocacy association, as we represent your voice in the legislature and across the state.

As you will see in the pages that follow, the Maine State Chamber spent much time this session playing defense in efforts to defeat bills that sought to reverse the progress of previous legislatures or to impose new barriers that might stand in the way of economic growth and prosperity. On a positive note, in some instances, we were able to advance initiatives that helped build on prior efforts to improve our economic environment so employers could create jobs and stay competitive in the global economy.

Although the public policy topics grow in intensity each year, they all play an important role in Maine's prosperity. Whether we supported or opposed a piece of legislation — and in some cases, encouraging vetoes to stop bad policy decisions — our constant goal is to promote good public policy that ultimately improve Maine's overall business climate.

Maine is a place of relationships — it's no different at the Statehouse. We are thankful for legislators and administrators who are willing to discuss the tough issues in search of equitable solutions, for partnerships with other associations as we build collaboration, and for members who are willing to lend their voices to our grassroots efforts.

I hope you are able to garner a sense of our work for you this session from this Final Summary. If there are topics you'd like to discuss further, please feel free to contact me or a member of our advocacy team (see page 18).

Sincerely,

Dana F. Connors, President



Meet the Maine State Chamber's Advocacy and Grassroots Team

For the most current information, visit www.mainechamber.org

Tax increases part of final budget deal —

Budget enacted despite Governor's objections

It was heralded as one of the most difficult budgets with which lawmakers have had to grapple. Tough economic times made for difficult choices when crafting the biennial budget.

A unanimous and bipartisan plan emerged after months of work by the Joint Standing Committee on Appropriations and Financial Affairs. The two year \$6.3 billion tax and spending package—which began as **LD 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, 2014 and June 30, 2015**—won approval in the House by a margin of 102-43 and in the Senate by a vote 25-10. The narrow margins of passage were enough to allow the bodies to override Governor Paul LePage's veto of the deal which restores about 65 percent of revenue sharing to municipalities that had been slashed in the Governor's biennial budget plan. Enacted as Public Law 2013 chapter 368, the budget also calls for a temporary increase of the sales tax from 5 to 5.5

percent and increases the meals and lodging tax from 7 to 8 percent. The increases take effect on October 1, 2013, and sunset in two years.

The increases in sales and meals and lodging taxes will pay for about \$125 million of restored revenue sharing. The budget deal also restores \$9.1 million to the homestead property tax exemption that was also cut in the Governor's budget proposal. The enacted budget funds the Business Equipment Tax Reimbursement (BETR) at 90 percent during the fiscal year 2014 and at 80 percent for fiscal year 2015 (see story on page 3). Some of the major tax provisions enacted in this budget include:

- **BETR/BETE Task Force:** Part K of the budget bill establishes a task force to study the most efficient and cost effective way to transition the Business Equipment Tax Reimbursement Program (BETR) into the Business Equipment Tax Exemption (BETE). Appointed by the President of the Senate or the Speaker of the House, the task force will be comprised of one representative of a statewide business

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Members of the Joint Standing Committee on Appropriations and Financial Affairs were joined by members of the Joint Standing Committee on Taxation to hear several hours of testimony on parts of the biennial budget bill on Wednesday, March 13, 2013.

Tax reform dominates committee work as session ends —

Committee likely to review tax expenditures next session

It was a very busy session in the area of taxation. The Joint Standing Committee on Taxation dealt with more than 150 pieces of legislation, and after completing most of their scheduled work, the committee ended up carrying over eight pieces of legislation to deal with during the next legislative session.

In March 2013, Maine State Chamber President Dana Connors expressed the organization's concerns with Part K in the Governor's budget proposal. While Part K would have moved property from the current BETR program into the new BETE program, it would have also eliminated reimbursements under the Business Equipment Tax Reimbursement (BETR) program for calendar year 2013, which was very problematic for businesses in this state. The Governor's office acknowledged that it was a mistake and worked with the business community to try to find a fix. Even though the business community would have preferred to see the program stay completely intact, the reality was that the original provision left an \$11.7 million hole if reinstated without any corresponding reductions. To plug that hole, in the end, the Legislature reduced BETR funding to 90% reimbursement for fiscal year 2014 and 80% reimbursement for fiscal year 2015.

Maine State Chamber staff also testified in opposition to a number of bills that would have increased taxes in a variety of different ways. Many of these bills would have reinstated the top income tax rates back to 8.5% from the current 7.95% with some bills going even further proposing to increase rates to 10% and 12%, targeting higher income taxpayers. When the legislature addressed tax reform two years ago, legislators removed 70,000 Mainers from the tax rolls, reduced the number of income tax brackets, and lowered the top overall income tax rate.

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materialize. Add to this, bond issues still in doubt and medicaid expansion still in limbo. Overall, the business community is left with a feeling of added uncertainty and lost opportunity to build upon what were bi-partisan successes of two years ago.

The 126th Legislature will once again return in December to begin their second session. There remains plenty of time to advance the type of public policies that benefit employers and employees in this state. Ask any business owner or manager and they will surely tell you their greatest asset is the people who work for them. The fact is that Maine businesses of all sizes cannot succeed without their employees. And Maine people need jobs in order for them to build the kind of life they envision for themselves and their family. As we always have, the Maine State Chamber stands ready to work with the 126th Legislature and the governor to build a stronger Maine. □

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State Budget...

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advocacy organization; one representative of an organization that represents municipal interests; one representative of manufacturers who are significant users of BETR/BETE appointed; the Commissioner of Administrative and Financial Services or a designee; and, the Commissioner of Economic and Community Development or a designee. The task force shall report back its findings or recommendations to the Taxation committee by December 1, 2013. The committee is then authorized to report out legislation during the Second Regular Session of the 126th Legislature on the subject matter.

- **Property Tax Fairness Credit:** Part L terminates the Circuit Breaker Program and municipal property tax assistance programs as of August 1, 2013, and instead provides Maine residents with a Maine adjusted gross income of up to \$40,000 a refundable property tax fairness credit against state income taxes. The credit is available for tax years beginning on or after January 1, 2013, in an amount of up to 40% of the amount by which property taxes paid or rent constituting property taxes paid exceeds 10% of the resident individual's Maine adjusted gross income, not to exceed \$300 for resident individuals under 70 years of age and \$400 for resident individuals 70 years of age and older. It requires the Department of Health and Human Services to add to the automated client eligibility system application the determination of eligibility for the credit application to identify renters, persons with disabilities, low-income seniors and others who may be eligible for the credit but do not file an income tax return. It requires the department to develop a process to assist eligible persons with completing then necessary income tax forms to apply for the credit.
- **Meals & Lodging Tax:** Part M increases the tax on sales of prepared food, lodging and liquor sold in bars, restaurants and similarly-licensed establishments to 8%, as well as increasing the general sales tax to 5.5% from October 1, 2013, to June 30, 2015. The amount transferred to the Tourism Marketing Promotion Fund during this period is 5% of the 8% tax.
- **Sales Tax:** Part N provides that the sales tax applies to the sale of products transferred electronically in this state if the product would be subject to the sales tax if sold in a non-digital, physical form. Part P repeals the sales tax exemption for publications regularly issued at average intervals not exceeding three months. Repeal of the exemption applies to sales occurring on or after October 1, 2013.
- **Additional Filing Requirements for BETE:** Part O removes the provision for funding certain payments for adjustments to state valuation for sudden and severe disruption of municipal valuation from the Maine Budget Stabilization Fund. It also amends the provision setting out what constitutes a sudden and severe disruption. Part O clarifies and specifies the procedure for a municipality's filing of a claim for adjustment and the review and determination of that claim by the State Tax Assessor. In addition, it requires a taxpayer seeking a BETE and owning property exceeding 2% of the total valuation of the municipality to provide annually to the municipality income and expense information that is sufficient for the assessor to determine the value of all property owned by the taxpayer located in the municipality, as well as the property for which exemption is sought. The taxpayer's property is ineligible for the business exemption if the taxpayer fails to provide sufficient information. The income and expense information submitted by the taxpayer to the municipal assessor is confidential, and the municipal assessor is prohibited from releasing the information to anyone other than the State

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Maine State Chamber President Dana Connors answered questions from the Taxation committee after delivering testimony in opposition to LD 1496 during the public hearing on Fri., May 10.

Tax Reform... (Continued from Page 3...)

The Taxation committee also considered a number of bills that would have increased the meals and lodging taxes and the sales tax rate; imposed local option sales taxes; and, eliminated sales tax exemptions and expenditures. Maine State Chamber staff testified in opposition to each of these proposals.

Additionally, the Maine State Chamber testified in opposition to one of the most onerous and potentially damaging business bills of the session—**LD 1126, *An Act to Require Corporate Disclosure of Tax Laws***, sponsored by Rep. Peter Stuckey (D-Portland). This bill would have required C-Corps and S-Corps in the state to disclose confidential and proprietary income tax information on the web of the Secretary of State's office, placing Maine businesses at the mercy of both their domestic and international competitors. We received phone calls from many Maine businesses, as well as from national companies with a presence here, expressing huge concerns about this legislation and its potential impact on future investment, existing jobs, and the competitiveness of business in this state. Thankfully, the Taxation committee voted unanimously to defeat this legislation.

Going forward, we expect there will

be significant discussion on tax expenditures and tax exemptions in the Second Regular Session. The committee carried over two pieces of legislation to use as vehicles if the committee chooses to make any changes to existing law: **LD 1120, *An Act to Improve Maine's Tax Laws***, sponsored by Rep. Adam A. Goode (D-Portland); and, **LD 1463, *An Act to Examine Best Practices Relating to Tax Expenditures***, sponsored by Rep. Margaret R. Rotundo (D-Lewiston).

The Taxation committee also spent a fair amount of time working on tax reform. Halfway through the session, the "Gang of 11," a bipartisan group of lawmakers from both legislative bodies, proposed a concept draft bill—**LD 1496, *An Act to Modernize and Simplify the Tax Code***, sponsored by Rep. Gary L. Knight, (R-Livermore)—with the intent of reducing income, property and sales taxes across the board, while exporting much of the burden to out of state residents. The Maine State Chamber testified in opposition to the original concept draft, due in part to its lack of detailed, specific language on the various pieces dealing with definitions, sales tax expansions, and business tax programs that have helped attract new businesses to Maine and keep Maine businesses competitive.

When the actual language of the bill was finally printed, there were a number

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Workforce and skills gap take center stage —

— Bipartisan bill passed to address the issue

When the session began, legislative leadership made it clear that workforce development and the skills gap would be an issue that would receive significant attention. To that end, a special committee was formed, the Joint Select Committee on Maine's Workforce and Economic Future, and spent more than two months hearing from the business community, labor, and education about the state of the workforce in Maine.

Dozens of presentations and work sessions later, a bipartisan piece of legislation—**LD 90 *An Act to Strengthen Maine's Workforce and Economic Future***, sponsored by Senate President Justin Alford (D-Cumberland)—emerged from the committee with unanimous support.

The comprehensive package may well be the shining star of the 126th Legislature's first regular session. The final product provides monies for the Maine Community College System to expand programming in 14 programs that are in high demand and produce high wage jobs, as well as to develop four new degree programs through the system's "Bring College to Me" initiative which brings training programs to rural parts of the state. Additionally, the community college system will provide incumbent worker training on a sliding fee scale. The training is free for companies with less than 50 employees and increases to 25 percent of the cost for companies with 50-99 employees and to 50 percent for companies with 100 or more workers.

Another component of this new law is an improved credit transfer system between the University of Maine System and the Community College System. This has been a long standing issue and source of much frustration for students seeking to transfers from community colleges to the university system.

A one-time allocation of roughly \$500,000 will be given to the University System to provide scholarships to those Mainers who have "some college" to complete their baccalaureate degrees. It is estimated that between 180,000 and 220,000 Mainers have some college training but lack degrees.

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Tax Assessor. It requires the municipal assessor to certify to the State Tax Assessor that the assessor has received the taxpayer's income and expense information and has considered that information in the valuation and exemption determination. If the assessor fails to provide this certification, the municipality is ineligible for the so-called enhanced BETE reimbursement rate for that year. It also requires all municipalities that receive the enhanced rate because of their disproportionate reliance on personal property in their tax base to provide a professional appraisal report that provides an appraisal of the exempt business equipment of all taxpayers whose equalized municipal valuation makes up at least 2% of the overall equalized valuation of the municipality. It clarifies what information must be included in the appraisal report and specifies that the report must be prepared by a qualified professional appraiser, meeting specified requirements. It implements the new requirements on and after April 1, 2014, in order to allow the affected municipalities to engage the necessary professional and otherwise prepare their assessment to meet the mandates (see **page 3**). Part Q suspends the inflation adjustment for income tax brackets for tax years beginning in 2014 and 2015 and provides that the inflation adjustment calculation for tax years beginning after 2015 must be based on the Chained Consumer Price Index instead of the Consumer Price Index.

- **Tax Expenditure Review Task Force Created:** Part S of the budget bill establishes the 13-member Tax Expenditure Review Task Force. The task force is charged with examining tax expenditures as defined in Maine Revised Statutes Title 36, Section 199-A, and to evaluate specific tax expenditures that provide a direct benefit to business as a catalyst for economic growth or that exempt property from



Governor Paul LePage delivered his 2013 State of the State address on February 5.

municipal taxation. This review includes criteria and best practices used by other states in measuring the effectiveness of tax expenditures; determining 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 tax burden for taxpayers in the state; prioritizing tax expenditures and giving the 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; developing 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 to recommend the repeal or reduction of tax expenditures to achieve a savings of at least \$40,000,000. The task force is directed to report back to the Joint Standing Committee on Appropriations and Financial Affairs by December 4, 2013, and authorizes the committee to report out related legislation during the Second Regular Session of the 126th Legislature. If the task force does not come up with

\$40 million in savings that increases General Fund revenue then there will be a corresponding reduction to municipal revenue sharing of \$40 million. The six members of the task force will be appointed by the President of the Senate, including one senator from each of the two parties holding the largest number of seats in the legislature; two persons who are economist, tax experts, or representatives of the business sector; one person who possesses expertise in the area of state budget process; and, one person who possesses expertise in the area of municipal budgeting and property taxes. An additional six members will be appointed by the Speaker of the House, including one member of the House of Representatives from each of the two parties holding the largest number of seats in the legislature; two persons who are economist, tax experts or representatives of the business sector; one person representing a business expertise; one representative from the general public. The final member of the committee will be the commissioner of the Department of Administrative and Financial Services, or the commissioner's designee.

For more information, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □

Tax Reform...

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of provisions in it, which were opposed by the business community, as well as other groups across the state. In the end, the committee ordered that some modeling be done to determine the fiscal impacts of the legislation. The modeling revealed that the majority of the tax burden would have impacted Maine residents and less would have been exported to non-residents. As a result, the legislation died.

Among others things, the bill proposed to reduce income taxes to 4% flat rate and increased the homestead program from \$10,000 to \$50,000—shifting the tax burden to not only out of state residents, but to the owners of business property, rental property and to second-home owners in this state. The bill would have also expanded the sales tax base to tax consumer purchases of food, amusements, haircuts, and the purchase of a host of items currently exempt from sales tax. LD 1496 would have also eliminated reimbursements under the BETR program for years after the twelfth year.

The Maine State Chamber continues to feel that comprehensive tax reform is worthy of pursuing further. This organization is willing to be part of the process and solution going forward in an effort to reform and re-balance Maine's tax code.

However, we firmly believe that any tax reform effort must grow Maine's economy and ultimately allow businesses here to compete in the global market, by creating an environment that allows businesses to expand their operations here in Maine, retaining the jobs they currently have and creating new jobs, if possible.

And, of course, with every session, there is always some unexpected drama, and this session was no different. As soon as the budget was printed, Maine State Chamber staff discovered an error in Part O of the budget, dealing with the issue of municipalities that suffer a sudden and severe drop in valuation provision. An amendment was added to the budget that imposed new filing requirements on businesses that represented more than 2% of the tax base of a municipality when filing their BETE claims. Failure to comply with the new filing requirement, which were made retroactive to April 1, 2103, rendered the equipment taxable.

Under current law, BETE claims are filed on May 1. Because they had already been filed, none satisfied the new requirement, and the equipment would have remained taxable for 2013. Thankfully, Sen. Anne Haskell (D-Cumberland), chair of the Taxation committee, agreed to put in an "after deadline" bill. **LD 1570, *An Act to Delay the Implementation of Changes to the Business Equipment Tax Exemption***, sought to fix the lan-

guage and take out the retroactive clause, preserving the Business Equipment Tax Exemption (BETE) claims for 2013. The bill, which had an emergency preamble, was passed by the House and the Senate immediately after the budget passed and became Public Law 2013, c. 385, upon the signature of Governor Paul LePage.

Finally, the Maine State Chamber will be monitoring the activities of two tax taskforces that will be meeting during the summer. Both were included in the Part I budget bill, Public Law 2013, c. 368. One taskforce was established to study the most efficient and economical way to transition the BETR into the BETE program under the Maine Revised Statutes Title 36, chapter 105, subchapter 4-C. The second taskforce, the Tax Expenditure Review Task Force, will review tax expenditures Maine Revised Statutes, Title 36, section 199-A. Details of both these studies are outlined in the discussion of the Part I budget bill (see page 3).

Clearly, the business community has a lot at stake during the upcoming session as legislators review tax expenditures, many of which are critical to keeping Maine businesses competitive in the global economy. As always, the Maine State Chamber will be present at the legislature to ensure the business community's voice is heard. If you have any questions, please contact Linda Caprara by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. □



A bipartisan group of lawmakers from both legislative bodies, who eventually became known as the "Gang of 11," proposed LD 1496, *An Act to Modernize and Simplify the Tax Code*. The bill was presented with the intent of reducing income, property and sales taxes across the board, while exporting much of the burden to out of state residents. Members of the "Gang of 11," pictured at left during a press conference this spring, included Senate Democratic Leader Seth Goodall of Richmond; Assistant Senate Republican Leader Roger Katz of Augusta; Sen. Dick Woodbury, I-Cumberland; Sen. Emily Cain, D-Orono; Rep. Gary Knight, R-Livermore Falls; Rep. Mark Dion, D-Portland; Rep. Amy Volk, R-Scarborough; Rep. Lance Harvell, R-Farmington; Rep. Nate Libby, D-Lewiston; Rep. Sara Gideon, D-Freeport; and, Rep. Lance Harvell, R-Farmington.

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Senate Majority Leader Seth Goodall (D-Richmond) served as the Senate chair of the Legislature's Joint Select Committee on Maine's Workforce and Economic Future. House Majority Leader Seth Berry (D-Bowdoinham) served as the House chair of the committee.

Workforce... (Continued from Page 5...)

The Maine Industry Partnership (MIP) is created as a result of this bipartisan effort. The program will align education and training programs with industry needs to produce readily employable workers and bring employers together in a collaborative effort to improve the competitiveness of individual businesses, the industry and the state's economy. In addition, MIP will provide the foundation for the state's demand-driven workforce strategy designed to meet the workforce needs of businesses, career goals and training needs of workers and economic development objectives of the state. This partnership model is fashioned after a similar program in Pennsylvania, which has experienced a fair amount of success.

The Maine State Chamber of Commerce will partner with the state to expand its InternHelpMe.com internship matching website. The platform will serve as a statewide portal connecting students and businesses to internship opportunities across the state and various industries. As the workforce ages and the state's population remains flat, internships are seen as a vital tool to help attract, engage and retain talent in the state.

The Joint Select Committee on Maine's Workforce and Economic Future took the first steps in addressing this major issue. It's estimated that, in the next two decades, the

state will face a shortage of between 50,000 to 60,000 workers. During a session when political partisanship was plenty, this committee was able to begin to chip away at this vital issue. There is strong sentiment that this work needs to continue in the second session.

Maine's economy will not have a workforce with diverse skills unless there are enough people of diverse talents to fill the openings. Maine needs both *quantity* and *quality*. Growing the workforce also involves making sure that everyone who is already here has a chance to work productively. Today, we have people with disabilities, adults without post high school degrees, refugees, retirees, and others who are not fully engaged in the workforce, but could be. It is a loss for them and a loss for Maine's economy.

Many reports have been done on the skill training challenges facing the Maine workforce. These are critical issues. There are Maine workers here today that need a job. There are young people coming up through the education system that must be prepared to succeed in a changing economy. These Mainers must be a top priority for policy makers and for employers if we are to grow the economy at all. There are Maine companies who can teach us how to re-engage these workers and the Maine State Chamber stands ready to continue to work with the legislature to help make Maine a prosperous and thriving place to both live and work.

For more information, please contact Jessica Laliberte by calling (207) 623-4568, ext. 111, or by emailing jlaliberte@mainechamber.org. □

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Omnibus energy legislation passes

One of the hallmark pieces of the 126th Legislature, time will tell its overall impact

The 126th Legislature's Joint Standing Committee on Energy, Utilities and Technology began its work this session with one lofty legislative goal: to pass a comprehensive energy policy for the State of Maine. After several months of public hearings and work sessions on individual bills, the committee combined many ideas into one omnibus piece of legislation that was reported out of committee by a 12-1 committee vote. The legislation overwhelmingly passed the full legislature in the waning days of the session. Committee Chairs, Sen. John Cleveland (D-Androscoggin) and Rep. Barry Hobbins (D-Saco) spent considerable time shepherding the bill through the process, in order to get the broadest support possible. The end result was just that—with overwhelming votes in the House and Senate.

The energy bill is a comprehensive bill that can be broken down into eight separate sections, outlined in Parts A-G:

PART A:

- Changes the structure of the assessment imposed by the Public Utilities Commission for electric efficiency

and conservation programs. The bill repeals the base rate of .145¢ per kilowatt hour effective July 1, 2015, and instead requires the commission to ensure that transmission and distribution utilities have sufficient revenue from rates to provide for the procurement for the benefit of ratepayers of all energy efficiency resources found by the commission to be cost-effective, reliable, and achievable; and, allows the commission to impose any order on transmission and distribution utilities necessary to achieve the energy efficiency savings.

- Decreases the percentage of revenue generated from the use of energy efficiency corridors owned by the Department of Transportation that is deposited into the Secondary Road Program Fund from 90% to 20%, and increases the percentage of revenue deposited in the energy infrastructure benefits fund from 10% to 80%.
- Directs that funds received by transmission and distribution utilities pursuant to Maine Yankee litigation be paid 55% to the Efficiency Maine

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Rep. Barry Hobbins (D-Saco) is the House chair of the Joint Standing Committee on Energy, Utilities and Technology. Above center, Rep. Hobbins discusses energy policy during the Maine State Chamber's annual Leadership Summit. At right is Sen. Roger Katz (R-Kennebec).

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Energy Legislation...

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Trust and 45% to ratepayers pursuant to an order of the commission allocating the funds for the maximum benefit to the Maine economy.

- Allocates 35% of Regional Greenhouse Gas Initiative proceeds to residential fuel switching, as approved by the Efficiency Maine Trust; 50% to electric savings and thermal savings for commercial and industrial facilities; and, 15% to the Public Utilities Commission to be disbursed to transmission and distribution utilities for the maximum benefit to the state's economy.
- Approves a pending long-term contract for energy efficiency resources as recommended by the Public Utilities Commission.

PART B:

- Gives the Public Utilities Commission the authority until December 31, 2018, to execute an energy cost reduction contract to procure natural gas pipeline capacity for the purpose of increasing the flow of natural gas into New England by two billion cubic feet per day.
- Establishes the standards for the Public Utilities Commission to execute an energy cost reduction contract. This part requires consultation with the Office of the Public Advocate and the Governor's Energy Office when the Public Utilities Commission hires a consultant to assist in developing the terms of an energy cost reduction contract. An energy cost reduction contract may not be executed without approval from the Governor. The cost of the contract may not exceed \$75,000,000 annually. The Public Utilities Commission may direct a transmission and distribution utility, a natural gas utility, and a natural gas pipeline utility to assess ratepayers for the cost of an energy cost reduction contract and the cost of the administration of an energy cost reduction contract.
- Authorizes the Public Utilities Commission to establish and collect a



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volumetric fee for use of natural gas by Maine consumers for natural gas not provided to the consumers by a natural gas utility or natural gas pipeline utility.

- Establishes the Energy Cost Reduction Trust Fund, to be administered by the Public Utilities Commission, to receive the revenue from the resale of natural gas pipeline capacity and to direct those funds toward initiatives to reduce energy costs for ratepayers.
- Exempts energy cost reduction contracts and the resale of natural gas pipeline capacity from the competitive bid requirements of the State Purchasing Agent.
- Gives the Public Utilities Commission authority to investigate the exercise of market power by a gas utility, natural gas pipeline utility, and any person who owns rights to natural gas pipeline capacity.
- Authorizes the Public Utilities Commission to adopt rules to implement the provisions of the part.

PART C:

- Prohibits the Public Utilities Commission from issuing a certificate of public convenience and necessity for the construction of a transmission line unless a description of the need for the proposed transmission line is provided, an analysis of non-transmission alternatives is conducted by an independent third party selected by the Public Utilities Commission, and the projected cost of the proposed transmission line is compared to the projected cost of feasible non-transmission alternatives based on total projected costs. Preference must be given to lower-cost alternatives with fewer greenhouse gas emissions. The Public Utilities Commission must make specific findings as to whether non-transmission alternatives can address the identified transmission need at a lower total cost than the proposed transmission line. This part requires that, until December 31, 2015, when the commission determines that non-transmission alterna-

Continued on Page 11...

Energy Legislation...

(Continued from Page 10...)

tives can address the need at a lower total cost but represent a larger increased cost to ratepayers of the state than the proposed transmission line, the commission must make reasonable efforts to achieve an agreement among the states within the New England independent system operator region to allocate the cost of the non-transmission alternatives among the ratepayers of the region using the allocation method used for transmission lines or another allocation method that results in lower increased cost to ratepayers of the state.

- Requires that lower-voltage projects that are capable of operating at less than 69 kilovolts and projected to cost in excess of \$20,000,000 must be reviewed and approved by the Public Utilities Commission before construction of the transmission project and establishes the standards for approval.

PART D:

- Amends the Regional Greenhouse Gas Initiative Act of 2007 to provide consistency with regional targets, directs the Department of Environmental Protection and the Public Utilities Commission to work together to modify a current regional greenhouse gas initiative offset category to allow for fuel switching, and further directs the

Department of Environmental Protection and the Public Utilities Commission to promote this modification with other regional greenhouse gas initiative states.

PART E:

- Requires electricity transmission and distribution utilities to provide new options for municipal street lighting programs and provides for how a municipality may be charged for the utility infrastructure services provided, how the location of street and area lighting will be provided, at what rates or by what methods the electricity delivery charges may be assessed, and how a municipality may transition from one option to another during the course of any year.

PART F:

- Directs the Public Utilities Commission to consider economic efficiency when designing rates.

PART G:

- Authorizes the Public Utilities Commission to extend the number of customers who may participate in the pilot program for efficient electric heat pumps and extend the length of the pilot period, allows more flexibility in the manner in which incentives are provided to customers, and clarifies that nothing in the legislation related to the pilot program is intended to limit any currently existing authority of the Public Utilities Commission to establish special rates with respect to customers participating in the pilot program, as long as the costs of the pilot program are recovered only from customers participating in the program.

The omnibus energy bill is one of the few pieces of legislation that, when we look back on the 126th Legislature in 15 to 20 years, may have had the biggest impact on the state of Maine. The jury is still out on the type of impact, but it will have a lasting impact on the direction of Maine's energy market for years to come.

For more information, please contact Ben Gilman by calling (207) 623-4568, ext. 108, or by emailing bgilman@mainechamber.org. □

E-fairness legislation passes

Levels the playing field for Maine based retailers

The Joint Standing Committee on Taxation unanimously passed **LD 346**, *An Act to Require the Collection of Sales Tax by any Business Making Sales to Persons in Maine*, sponsored by Rep. Gary Knight (R-Livermore). LD 346 was overwhelmingly approved by both bodies and signed into law by Governor Paul LePage on June 5, 2013.

LD 346 creates a presumption that a seller of goods or services is engaged in business in the state and is therefore required to register with the State Tax Assessor as a retailer and collect and remit sales and use tax on purchases made by persons in the state. If a person affiliated with the seller has a substantial presence in the state or a person who has a substantial presence in the state engages in certain activities, such as selling a line of products similar to that of the seller or maintaining an office or distribution center in the state to facilitate the delivery of the seller's products.

The Maine State Chamber represents businesses all over the state, including your everyday, small retail businesses that sell online. Current law requires that small retail businesses located in Maine must collect and submit sales taxes for online sales. On the other hand, businesses based in another state that sell exclusively through the internet *do not* have to collect sales taxes because they have no physical presence in Maine. This created an unfair price advantage for companies that sell exclusively online and places Maine businesses at a competitive disadvantage. LD 346 was critical to fix this disadvantage so that Maine businesses are able to compete on the same playing field as businesses in other states. These are the same businesses that invest in and contribute to our communities, employ Maine people, and pay Maine taxes. The Maine State Chamber testified that the issue is not about raising a tax; it's about collecting a tax that's already due and treating everyone equally.

The Maine State Chamber of Commerce was joined in support of LD 346 by a broad group of associations, including the Retail Association of Maine, the Maine Veterinary Medical Association, the Maine Municipal Association, the Retail Lumber Dealers Association, the Maine Grocers Association, the Augusta Downtown Alliance, and several small businesses.

For more information, please contact Ben Gilman by calling (207) 623-4568, ext. 108, or by emailing bgilman@mainechamber.org. □

THE ROWLEY AGENCY, INC. LAUNCHES AN EMPLOYEE-BENEFITS MARKETPLACE PLATFORM

The Rowley Agency, Inc., an Assurex Global Partner, has announced a unique private marketplace platform that gives employers the widest range of administrative flexibility and employee health benefit options in the industry.

“There is nothing like this in the market today,” said Daniel R. Duhamel, Vice President of The Rowley Agency, Inc. “Our platform gives employers and their employees maximum choice in designing a benefits plan that works for them.”

“Employers have been struggling for years with ever-increasing medical costs,” explained Assurex Global President and CEO Jim Hackbarth. “Health care reform requirements further complicate the decision-making process. This product not only helps employers budget for the future, it expands employee options, thereby allowing them to choose the best plan for themselves.”

The marketplace platform, in collaboration with employee-benefits outsourcing partner Businessolver®, provides the widest range of administrative flexibility available to employers, no matter what benefit decisions they make in response to new provisions of the Affordable Care Act in 2014. Those changes include the creation of insurance exchanges, which Hackbarth said have caused widespread confusion.

The Assurex Global marketplace platform allows employers to maintain a competitive advantage by offering best-in-industry benefits while removing the heavy lifting of benefits administration. Among the key advantages are:

- The ability to choose either a defined contribution or a defined benefits plan
- A prepackaged set of medical and ancillary benefits for employers and their employees
- Support for Affordable Care Act record-keeping responsibilities
- A single-source administrative package
- Marketplace business data integration
- Flexible decision support tools that make employee choice easier

Assurex Global, the world's largest privately held commercial insurance, risk management and employee-benefits brokerage group, expects to begin adding employers to the marketplace platform by the second quarter 2013.

About Assurex Global

With more than \$28 billion in annual premium volume and more than 500 partner offices, Columbus, Ohio-based Assurex Global combines the local expertise and global reach of international brokers on six continents.

About Businessolver

Businessolver delivers online benefits administration services via Benefitsolver – its proprietary single source technology – to deliver a complete benefits solution to employers. Businessolver's benefits outsourcing capabilities include complete benefits administration outsourcing, health insurance exchange consulting and construction, benefits process consulting and engineering, and wellness consulting and integration.

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Governor LePage vetoes workers' compensation legislation

Senate Republicans join with Independent to sustain veto

Legislation that would have fundamentally altered the manner in which individuals qualify for extended benefits under Maine workers' compensation law has been vetoed by Governor Paul LePage, and in a 17-16 vote, the Maine State Senate sustained his veto. With this action, **LD 443, *An Act to Amend the Maine Workers' Compensation Act of 1992 to Provide Benefits to Seriously Injured Workers***, was defeated. Sponsored by Sen. Troy Jackson (D-Aroostook), the bill had already received final enactment in the both the House and Senate roughly along party lines, despite the fact that it could add tens of millions of dollars to the comp premiums of Maine employers.

As finally amended by the Joint Standing Committee on Labor, Commerce, Research and Economic Development (LCRED) in May, LD 443 sought to remove a critical element of legislation passed with bi-partisan support last session. That key component brought long-needed certainty to the section of Maine comp law which pertains to how Maine provides benefits to injured workers with a partial incapacity (PI), for how long a period of time, and who might be entitled to additional benefits beyond duration. That one section of the law had long been a source of uncertainty, and the primary cost driver in Maine's reformed system.

The 125th Legislature decided to tackle the issue head on, despite the controversy that might accompany any effort to address this uncertainty. In 2012, the 125th Legislature agreed to changes to Section 213, *in a bipartisan manner*. It is important to note that the enacted law applied to only cases accruing after January 1, 2013. LD 443 proposed to make changes to a law that was only five and half months old. In addition, the legislation as passed was designed to be cost-neutral in terms of premiums of benefits.

The new law significantly altered how and which injured workers might qualify for extended benefits. Under the

new law, an individual must have a PI rating of at least 18% whole body impairment in order to qualify for benefits at the end of the current 520-week limit. They would also need to have worked within their capacity for a defined period of time and maintain a certain level of earnings (i.e., an inability to earn more than 65% of pre-injury earnings). If an individual met those requirements, they would then be eligible to receive additional benefits, up to lifetime.

None of the changes proposed, or eventually enacted, by the committee impacts a worker that is unable to work or totally incapacitated. This class of injured worker will continue to qualify for lifetime benefits under current law.

At the April public hearing on LD 443, Sen. Jackson introduced an amended version of the bill's original concept draft, which provided greater specifics to his proposed change. As presented in the public hearing, LD 443 represents a significant rollback, not only of the reforms passed in 2012, but of the reforms of 1992 as well.

In addition to total incapacity benefits being unlimited in duration (no change), the amended bill proposed that a new class of long-term partial incapacity benefits be created—not limiting the duration of benefits for individuals with an earning capacity of 70% or less. As found both in the original bill and in current law, the combined use of an objective measure of the severity of the injury (PI percentage) and earnings capacity is eliminated.

In addition, once it is established that the employee qualifies for "long-term partial incapacity" under Section 212, this determination could not be reviewed more than once every two years—apparently regardless of whether earnings change. Lastly, unless the employee refuses suitable work, the employee would qualify for 100% partial benefits simply by satisfying the unemployment benefit work search test—essentially a

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Workers' Comp...

(Continued from Page 13...)

"pro forma" work search that tells little about the labor market. It simply demonstrated a willingness to work.

The Maine State Chamber and others testified in *strong opposition* to the proposed changes to a law that had been in place for less than five months. This proposed change held the certainty of higher costs, because it would enable many more people to qualify for extended benefits—even up to lifetime benefits—based solely on an earning capacity standard, not a work capacity standard.

In an effort to discern the cost impact of this proposed change, the Maine Workers' Compensation Board staff requested pricing from the National Council of Compensation Insurers (NCCI), the group that is partially responsible for establishing comp premium rates in this state and 36 others. After reviewing the language of the bill, NCCI reported back to the WCB and legislators that LD 443 would likely result in a "substantial cost increase" in Maine workers' compensation premiums, if enacted as proposed. In fact, NCCI estimated that on the commercial market side, costs could increase between 5 percent and 20 percent annually. That translates into \$10 million and \$30 million for any large or small business insured through a commercial comp carrier. Those cost figures are roughly the same for any self-insured employers. Bringing the potential total system wide cost increase up to nearly \$60 million annually!

Despite these enormous new costs on all Maine employers' large and small, Democrat legislators voted overwhelmingly to support the proposal. Republican legislators in the House and Senate opposed the measure, along with the lone Independent senator. These party-line votes held up during the July 9 vote on Governor LePage's veto.

The Maine State Chamber remained strongly opposed to LD 443, and encouraged the LePage administration to veto the bill. The work that resulted in the 2012 legislation was a compromise with bipartisan support. While it is not perfect, we believe it is inappropriate to

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Progress stalls in the LCRED committee

Different policy priorities mean a different outcome this session

For roughly the past 10 years, what has traditionally been thought of as the “labor committee” has made great strides toward finding the center regarding policies that impacted both workers and employers. There were times when both parties went to their respective caucuses and voted accordingly. But for the most part, rather than getting caught up in repeated partisan quagmires, recent versions of this committee side-stepped these landmines, and even managed to come together to find bipartisan solutions to the contentious issues.

Chamber members might remember that, prior to the 125th Legislature, traditional “business” and “labor” policy discussions had not been combined at the joint standing committee level. Instead, the Business, Research and Economic Development (BRED) committee heard economic development and business regulatory issues, and the Labor committee heard bills concerning the “workplace” or employment laws and regulations. In an effort to show that economic and labor issues were closely connected—that one could not succeed without the other—it was agreed in 2011 that the two committees would be combined to

form the Labor, Commerce, Research, and Economic Development (LCRED) committee. Membership consisted of some new legislators, but also veterans from both the BRED and Labor committees.

Despite initial concerns, it was an experiment that worked. In fact, with the change in power that resulted from the 2012 election, Democrats agreed to keep the committee structure in place. Unfortunately, despite the same name, a majority of the committee clearly had a commitment to a different set of policy priorities. These priorities too often resembled those of a Labor committee from a decade ago. The result was a high number of partisan reports, greater approval of a number of bills that would damage the business community, and an overall feeling of a lack of willingness to work toward consensus.

Chairs Sen. John Patrick (D-Oxford) and Rep. Erin Herbig (D-Belfast) and Republican leads Sen. Andre Cushing (R-Penobscot) and Rep. Amy Volk (R-Scarborough) were all former members of either last session’s LCRED committee or past versions of the

Continued on Page 16...

Major health insurance issues familiar in 2013

Mandates and changes to PL 90 dominate policy debates this session

With 2014 being a critical year for health care and health insurance reform, the discussion in Maine Legislature took on a familiar theme in this policy area during the First Session of the 126th Legislature.

In many ways, despite the continued importance of health care as an issue for all Mainers, from a public policy perspective the Joint Standing Committee on Insurance and Financial Services (IFS), which has jurisdiction over these policy matters, found itself somewhat in limbo. Next year marks a critical point in the full implementation of the federal Patient Protection and Affordable Care Act (PPACA), the federal health care and insurance reform effort enacted by Congress over two years ago. In between the enactment of the national law and 2014, states have been provided both direction and limited choices as to the level of state versus federal involvement in implementing some of the various elements required under the ACA.

But one of the most significant “choices” was made last session during the 125th Legislature. One critical choice afforded to states was the structure and governance of the Health Care Exchange, which would operate in each state. Last Session, the legislature made the decision, which was supported by the LePage administration, to forgo establishing a state based health care exchange in Maine. Doing so ensured that the health care exchange operating in Maine in January 2014 would be run by the federal government. Maine may, at some point, decide to adopt a different exchange structure, but at least initially, our exchange will be controlled by the feds.

While the legislature could take some action regarding exchanges this session,

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The Maine Statehouse



Workers' Comp... (Continued from Page 14...)

renege on this compromise, and in effect, repeal what was enacted just a year ago, in favor of a significant expansion of benefits. In truth, the Maine business community would not have accepted any changes to the legislation passed last session. However, LD 443 represented a purely partisan attempt to roll back last session's comp reforms, and it was rightfully rejected by the governor and legislators.

It appears for the moment that the concern regarding LD 443 is abated. However, Maine employers can expect a similar assault on the changes made last year to continue into the next session, and beyond. The Maine State Chamber will be there to protect the interest of its members and the Maine business community as a whole. For additional information or questions, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. □

LCRED... (Continued from Page 15...)

Labor committee. The current committee had one of the largest workloads of all joint standing committees this session, with more than 100 bills assigned to consider. Despite the volume of bills, the committee was able to meet its assigned completion deadlines and even finished slightly ahead of many other committees.

However, the outcomes on many of the bills critical to the business community were less than desirable. Along party lines, the committee approved **LD 611**, *An Act To Adjust Maine's Minimum Wage Annually Based on Cost-of-living Changes*, sponsored by Rep. Scott Hamman (D-South Portland); **LD 433**, *An Act To Amend the Maine Workers' Compensation Act of 1992 To Provide Benefits to Seriously Injured Workers*, sponsored by Sen. Troy Jackson (D-Aroostook); and, **LD 1198**, *An Act To Protect Earned Pay*, sponsored by Rep. Herbig.

LD 611 would have increased Maine's minimum wage across a three-year period

(in \$0.50 increments) to \$9.00 an hour. In addition to this unilateral increase, Maine would index on a yearly basis beginning in 2017 the minimum wage based on changes to the Consumer Price Index (CPI).

LD 443 would once again fundamentally change the way Maine provides extended benefits to injured workers with a "partial incapacity." Under LD 433, the current combined use of an objective measure of the severity of the injury (PI percentage) and earnings capacity would have been eliminated. As such, far more people who are far less injured would be entitled to benefits beyond the current limits. It was estimated that the bill would result in tens of millions of dollars in additional annual workers comp costs.

Lastly, LD 1198 would have eliminated the existing four-week offset regarding an unemployed individuals vacation pay, prior to becoming eligible for unemployment insurance benefits.

Various versions of both the LCRED committee and past Labor committees have wrestled with each of these three issues. Even with a similar composition as this

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LCRED...

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year's committee, proposals to increase and index the minimum wage have been rejected due to the impact on the state's economy. In the case of LD 443, it sought to roll back legislation passed in 2012, which made changes to Maine's comp law that had long been a point of contention both at the Workers' Compensation Board (WCB) and employers. Although that LCRED committee split along party lines on the framework of the proposal that eventually made it into Maine law, the final product was the result of a negotiated bi-partisan agreement in both the House and Senate. Lastly, the changes contained in LD 1198 directly repealed the consensus product developed in the LCRED committee in 2011.

The Maine State Chamber, along with a number of other business and trade groups opposed each of these bills. It argued, ultimately unsuccessfully, before the committee and both legislative bodies, that an increase in the cost of doing business places Maine employers at a competitive disadvantage and makes it more difficult for employers to create jobs and opportunities for our citizens. However, the LCRED committee ultimately divided along partisan lines and approved each bill, followed by the approval of the full legislature. The bills only failed to become law because each was vetoed by Governor Paul LePage, and those vetoes were sustained.

To the committee's credit, it did reject proposals to prohibit credit checks by employers on prospective or current employees; and, to allow private action lawsuits against employers or fellow employees due to an "abusive work environment." The committee also carried over a bill to make unemployed individuals a protected class for the purposes of employment.

As the committee's priorities became apparent, what was disappointing was the amount of time and energy being given to revisit and reverse various laws passed last session—laws that in many cases had been enacted with bipartisan support. Ultimately, in the eyes of many, the committee finished their work without enacting any major piece of legislation that advanced the ability of employers to grow their business.

Despite these developments, it is important to note that in every case where the Maine State Chamber appeared before the committee, our spokesperson was treated respectfully and fairly. While some members of the committee did not always agree with the points made, the dialogue was always constructive and reasonable. The Maine State Chamber would like to thank the members of the LCRED committee for their long hours of work and for their willingness to listen. Next session presents the committee with new opportunities, and as always, we stand ready to work with them on behalf of Maine businesses and the people they employ. For questions, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. □

Health Care...

(Continued from Page 15...)

much of that debate is moot without the support of Governor Paul LePage. Repeated attempts were made by Democrats to undo significant portions of Public Law 90 (PL 90), the sweeping health insurance regulatory change enacted by the Republican-led 125th Legislature in 2011. By most accounts, the overall changes envisioned by PL 90 have been a success in both the individual and small group markets. However, not all areas of the state have seen positive benefits from the law, and some consumer activists pushed for changes.

Health Insurance...

Two such bills—**LD 161, *An Act To Restrict a Health Insurance Carrier to Rating on the Basis of One Geographic Area***, sponsored by Rep. Louis Luchini (D-Ellsworth), and **LD 225, *An Act To Restore Consumer Rate Review for Health Insurance Plans in the Individual Market***, sponsored by Rep. Nathan Libby (D-Lewiston)—focused on critical elements of last session's law. LD 161 sought to eliminate the ability of health insurers to establish a separate premium rate variation on the basis of geographic area. Instead they would be limited to a single rating area based on geography within the state when establishing rates for individual and small group health plans issued or renewed on or after January 1, 2015. Such a change reflected the manner in which rating were established prior to PL 90. LD 225 would have once again required the Bureau of Insurance (BOI) to hold public rate reviews when establishing premium costs in the individual market. Furthermore, the bill would have extended this public review process into the small group market as well. Again, the change proposed with respect to the individual filings would have reestablished the process in place prior to the approval of PL 90. However the change with respect to the small group market was new.

In both cases, Governor Paul LePage decided the bills warranted a veto. LD

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Health Care...

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161 would have created more problems than it sought to solve. The use of geographic rating in the manner proposed by the bill had produced worse results. In the case of LD 225, the legislation proposed an additional level of regulator red tape in an area where the BOI already had clear authority and oversight. Both vetoes were sustained by the legislature.

Mandates...

The IFS committee considered a number of health insurance mandates this session as well, including:

- **LD 347**, *An Act to Amend Insurance Coverage for Diagnosis of Autism Spectrum Disorders*, sponsored by Sen. Colleen Lachowicz (D-Kennebec);
- **LD 682**, *An Act to Require Health Insurers to Provide Coverage for Nutritional Wellness and Illness Prevention Measures and Products*, sponsored by Rep. Andrea Boland (D-Sanford);
- **LD 627**, *An Act Relating to Orally Administered Cancer Therapy*, sponsored by Sen. Emily Cain (D-Penobscot);
- **LD 523**, *An Act to Require Health Insurance Coverage for Hearing Aids for Adults*, sponsored by Sen. Linda Valentine (D-York);
- **LD 1236**, *An Act To Amend the Maine Insurance Code To Ensure Fair and Reasonable Coverage and Reimbursement of Chiropractic Services*, sponsored by President Justin Alfond, (D-Cumberland); and,
- **LD 1367**, *An Act To Require Health Insurance Carriers and the MaineCare Program To Cover the Cost of Transition Services To Bridge the Gap between High School and Independence*, sponsored by Rep. Anne Graham, (D-North Yarmouth).

Each of these six mandates holds the

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Bill proposed to roll back changes to Maine's chemical regulation law

LD 1181 went against negotiated deal from past Legislature, failed to pass thanks to Governor's Veto

Maine is one of the few states that have a chemical regulation law already in place, and it is one of the most stringent in the country. The current law was crafted to protect Maine families and kids and this process is one that also delivers regulatory certainty to Maine's business community, was endorsed by Maine's environmental community two years ago and passed unanimously by the Joint Standing Committee on Environment and Natural Resources and the 125th Legislature (140-0 in the House of Representatives; 34-0 in the Senate).

During the 124th Legislature, Maine passed a chemical regulation law that was written very broadly. Due to the broadly written law, many agreed that the law was flawed and needed to be fixed. During the 125th Legislature, the Maine State Chamber was the lead negotiator for Maine's business community, across the table from the Mike Belliveau and Environmental Health Strategies Center. It was a contentious issue at times. In the due course of deliberation, and after substantive public input, the stakeholders came to an agreement on a process in

dealing with toxic chemicals in Maine. At the time, many thought it could not be done, but we proved them wrong, and the day that the deal was presented to the Environment and Natural Resources committee was emotional for many involved—in fact, the Maine State Chamber sat shoulder to shoulder with Mike Belliveau and presented the compromise before the committee.

During the 126th Legislature, Sen. Seth Goodall (D-Sagadahoc) proposed LD 1181 on behalf of the Environment Health Strategies Center. This went against the spirit of the 2011 compromise. The current process agreed to by all parties is based in credible scientific evidence and a deliberative process that gives Maine's business community certainty as it moves forward with the implementation of the law. At no time did the Maine State Chamber ever advocate for a repeal of the law. We came to the table knowing that an overly broad law needed to be fixed. And we did just that. We created a process in dealing with chemi-

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Joint Standing Committee on Environment and Natural Resources dealt with several pieces of controversial legislation this session.

Health Care...

(Continued from Page 18...)

potential for added costs for Maine employers and their employees. LD 347 and LD 523 represent expansions of existing mandates. The legislature enacted mandated coverage for certain treatments of autism spectrum disorder for children up to the age of five, effective in 2010; LD 347 would expand that coverage to age 21. LD 523 expands the hearing aid mandate, which currently covers children up to age 18, to include both children and adults.

LD 682 sought to require individual and group policies sold in Maine to cover nutritional supplements and prevention measures if recommended by an enrollee's doctor. This particular mandate had been proposed a number of times in the legislature and has been rejected each time.

LD 627 would mandate the coverage of orally-administered anti-cancer therapies to the same extent coverage is provided for intravenously-administered or injected anti-cancer medication.

LD 1236 would require that coverage and payment by health insurers and health maintenance organizations for services within the scope of practice of chiropractic doctors be at least equal to and consistent with coverage for services provided by allopathic or osteopathic doctors. It also impact copay amounts on services provided by chiropractic practitioners.

Lastly, LD 1367 would require private health insurance providers to pay providers of behavioral and mental health services for children and to establish or participate in so-called "bridge teams" for the purpose of ensuring continuity of care for students receiving behavioral and mental health services after they graduate from high school and are likely to be in need of such services following graduation.

The Maine State Chamber opposed each of these mandates before the committee, based on the potential for higher health insurance costs. Many of the proposed additions are certainly well-intended. However, Maine's large and small employers have repeatedly cited the cost

Continued on Page 20...

Health Care...

(Continued from Page 19...)

of providing health insurance as one of the most significant challenges they face. Regardless of the well-meaning nature of mandated benefit proposals, if neither the employer nor their employees can afford the premiums necessary to secure coverage, then any mandate is meaningless.

Outcomes...

LD 682 was ultimately voted out of committee with a majority “ought not to pass” recommendation. The bill was defeated in the House and Senate.

With respect to the other five mandates, the IFS committee opted to carry the bills over. LD 347, LD 523, LD 1236 and LD 1367 were sent to the BOI for a required mandate review. The bureau must study and report back to the committee the impact on both utilization and cost. The reports are due back in January of 2014. At that time, the IFS committee will need to make a final decision on the bills. LD 627 was carried over as well, but remains in the possession of the committee awaiting further action next session.

The impact of the pending full implementation of the ACA will continue to influence issues and decisions on the health care front for some time to come. And those decisions apply to not just lawmakers, but also future decisions on the part of employers in Maine and their employees. Without question, this is one of the most important public policy issues the Maine State Chamber follows for its members. When the Maine Legislature resumes its work in January, there will be decisions pending on mandates and other health insurance related bills, as well as breaking developments at the federal level that will require attention. As always the Maine State Chamber will be present to make sure legislators clearly hear the concerns of its members.

For additional information, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. □



The Maine House of Representatives

Chemical Regulation...

(Continued from Page 19...)

cals in Maine that, after two years, is working, and the Department of Environmental Protection has been doing a great job implementing it.

LD 1181 proposed to roll back the changes in the law—and in fact, takes the deal that was struck two years ago and turns it completely on its head. This proposal is 180 degrees from what was agreed upon. For example, one of the keys of the current law was regulatory certainty for the Maine business community. Previously, Maine’s entire list of 1,751 chemicals could be up for prioritization at any time. This listed created pause for many in Maine’s business community. In response, a middle tier list was created, establishing chemicals of “high concern” that would essentially serve as a batter’s box so those in the regulatory community would have advance notice before the prioritization process. The list was to be developed based upon credible scientific evidence and in coordination between Maine DEP and CDC. It is exactly what was done, and the list of 49 chemicals of “high concern” was developed.

LD 1181 would have taken that list and required reporting of all the chemicals on that list for all products that are manufactured, distributed and, sold in the state of Maine. For example, quartz is on the list of 49 “high concern” chemicals, and all watches contain quartz—this would now require reporting to Maine DEP for all watch manufacturers, distrib-

utors, and retailers in the state of Maine. LD 1181 would have taken it even further, forcing the DEP to begin to prioritize at least two chemicals per year contained on the larger list until all chemicals on the list had been prioritized. There is more scrutiny of the chemical the higher up the list you go. This prioritization would not be based on science.

Keep in mind that the DEP has been in the process of prioritizing BPA for the past three years. If LD 1181 would have been adopted in its original form, the Maine DEP would be required to prioritize two chemicals every year. Maine’s business community negotiated the current chemical regulation law in good faith two years ago, and this year, felt that we put the “bullets in the gun” that was being used against us.

Unfortunately, many in the business community have come to the conclusion the LD 1181 has not been proposed to make Maine’s law better or to better protect Maine kids and families. A process is in place for that, one to which everyone agreed. If there are small changes that need to be made to the law to make it better, the Maine State Chamber would have been happy to have those discussions, but LD 1181 was not about that. This had was more about using Maine as a guinea pig and creating an unworkable law at the state level to force federal action. Inaction on the federal level can be frustrating, but Maine should not enact bad laws at the expense of its citizens.

For more information, please contact Ben Gilman by calling (207) 623-4568, ext. 108, or by emailing bgilman@mainechamber.org. □



Top row: Bangor Savings Bank - Augusta, Cumberland County Civic Center
Bottom row: Bigelow Laboratory for Ocean Sciences, Manatee Hospital Cath Lab



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Mining regulations to move forward

— **Maine DEP to report back
the major substantive
rulemaking to the
Second Regular Session
of the 126th Legislature
in January**

After many twists and turns in the waning days of the First Regular Session of the 126th Legislature, the framework mining regulation reform law passed by the 125th Legislature will move forward. Though there were many pieces of legislation that attacked the efforts of the 125th Legislature to update our mining laws, **LD 1302, An Act To Amend the Maine Metallic Mineral Mining Act To Protect Water Quality**, sponsored by Rep. Jeff McCabe (D-Skowhegan), became the vehicle this session. The majority “ought-to-pass” (8-5) report from the Joint Standing Committee on Environment and Natural Resources Committee—supported by all eight Democrats on the committee—made six changes to the original bill but, if passed by the full legislature, would have returned Maine’s mining regulations to its previous restrictive form, deterring any development of mining in Maine.

After an initial vote (91-49) by the House of Representatives on June 6, along mostly party lines, on the proposal that would have ended the possibility of a future of mining in Maine, the Senate reversed the House’s action on LD 1302 in a 19-16 vote on Tuesday, June 19. Five Senate Democrats (Sen. Troy Jackson, Sen. Emily Cain, Sen. David Dutremble, Sen. John Patrick, and Sen. Linda Valentino) joined with most all of the Senate Republicans (Sen. Brian Langley opposed) to vote down the House action.

After the majority report failed, Sen. Jackson offered a compromised amendment that addressed some of the concerns of the environmental community but would still have allowed for mining activity. His amendment was adopted by the

Continued on Page 24...

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July 2013 III **Final Summary** III 21

Legislature enacts changes to Maine's product stewardship law —

— **Work already begun
on needed changes
for the next session**

Passed this session, **LD 1335, *An Act To Implement Recommendations of the Department of Environmental Protection Concerning Product Stewardship in Maine***, expands the state's product stewardship framework and amends three existing programs (mercury lamps, mercury thermostats, and cell phones). While environmental advocates continue to push for products to be added to producer responsibility, the business community has begun evaluating what should be exempt from a broadly-written law. Exempting products will begin to create a line between what is currently recycled at a high rate and products that may need policy change to increase recycling.

One category in which the business community will first look at exempting is "capital goods," which will be an important policy building block for manufacturing growth in our state. A capital good is defined as an object used in the production of other goods or commodities or during the providing of services. This is intended to include machinery, tools, and any other equipment that is used to make something else. These objects are large investments that Maine's product stewardship laws were never intended to impact. These items, such as a paper machine, are high end items, are expensive, have long lives, and their materials have high value at the end of life.

When the legislature returns in next session, business will continue to be in the discussion about the right direction for recycling in Maine. For more information, please contact Ben Gilman by calling (207) 623-4568, ext. 108, or by emailing bgilman@mainechamber.org. □

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Early college program highlight of education action this session

A high marks of the Joint Standing Committee on Education and Cultural Affairs of 126th First Regular Session could be passage of a law that creates a so-called fifth year of high school.

Modeled after the Bridge Year pilot program in Eastern Maine, the new law will allow students enrolled in technical high school programs to take college courses during their junior and senior years. Within one year of graduation, these students will have an associate degree. The bill was championed by Sen. Brian Langley (R-Hancock) and supported by the Maine State Chamber. Governor Paul LePage had earmarked funding for the initiative in his biennial budget proposal.

Under the compromised budget deal enacted by the legislature, the effort will receive \$500,000 in fiscal year 2013-2014. The law also requires that student taking part in the program be organized in group cohorts and be provided with extensive additional guidance and supports. Focus shall be on serving students who might not otherwise pursue a post-secondary education. The goal of this

initiative is to raise aspirations, increase employability, and encourage post-secondary degree attainment.

During the summer of 2012, a collaborative effort was launched between Hermon High School, United Technologies Center in Bangor (the area's career and technical high school), the University of Maine, and Eastern Maine Community College (EMCC). The Bridge Year program has 15 students enrolled. Those students are receiving core academic course work in math, social sciences and English at the college level for a cost of \$20 per credit hour. The courses are taught by Hermon High teachers, and college credit is awarded through EMCC.

Under the new law, students will pay \$35 a credit hour and will receive college credit through the University of Maine. College level course work will be provided by qualified high school instructors who have been approved by the University.

Bangor High School is set to launch a program this coming fall with 29 other

Continued on Page 25...



Sen. Justin Alford (at podium) presented LD 90, *An Act to Strengthen Maine's Workforce and Economic Future*, at a public hearing held on Monday, March 18 before the Joint Select Committee on Maine's Workforce and Economic Future.

Legislature rejects repeal of guns at the workplace law

The Maine Legislature rejected an employer-led effort to repeal the two-year-old law that allowed employees with a concealed weapons permit to bring their handgun to their place of employment, regardless of the employer's objection.

Both the Maine House and Senate rebuffed **LD 265, *An Act To Repeal the Restriction on Employers Regarding Firearms Kept in an Employee's Vehicle***, sponsored by Sen. Stan Gerzofsky (D-Cumberland). The legislation was submitted by Sen. Gerzofsky at the request of the Maine State Chamber of Commerce in an effort to once again allow employers how best to manage their workplace.

A significant amount of individual employers and business associations demonstrated support for LD 265 at a public hearing in early April. During its May work session, a majority of the Criminal Justice and Public Safety committee voted 8-5 to give the proposal an "ought not to pass" recommendation. That final vote was reflective of the controversy that surrounds this policy issue—with three committee Democrats joining the five Republican members in opposing the law's repeal. Five other Democrats on the committee supported the business community's position, including Sen. Gerzofsky, the committee chair and sponsor of the bill.

Maine State Chamber members may remember the bitterly-contested debate that occurred in 2011 concerning legislation to allow employees with a concealed weapons permit to bring their handgun to their place of employment as long as it was kept locked and hidden in the employee's car in the parking lot. The law also includes a "liability protection" clause designed to shield the employer in the event that a third party is injured or killed at the business resulting from an employee-associated handgun incident.

The Maine State Chamber, along with a number of other statewide business associations and individual employers, strongly objected to the passage of the 2011 legislation. It's important to point

Continued on Page 24...

Mining Regulations...

(Continued from Page 21...)

Senate. The House of Representatives insisted upon its previous action, rejecting Jackson's compromise, and LD 1302 died in non-concurrence between the bodies.

Ultimately, no action being taken this session is a good end result, because it allows for the rulemaking already being undertaken by the DEP to move forward. However, it was unfortunate to see the past session's thoughtful compromise, which addresses the concerns around future mining, still be rejected by the environmental community. One can only draw the conclusion that the only compromise is one that would lead to a moratorium of an industry—a Washington, D.C., tactic not seen in Maine often. During the debate on the Senate floor, Sen. Tom Saviello (R-Franklin), the ranking member of the Environment and Natural Resources committee, read an email from geology professor from the University of Maine. According to Sen. Saviello during his speech on the Senate floor, the letter stat-

ed that metals are a part of everyone's daily lives and that most of these come from Third World countries under very little regulation. It also stated that we have the opportunity to do it right and show the world how to do it responsibly, but that cannot mean a moratorium on mining.

If the majority report of the Environment and Natural Resources committee had become law, at risk is the potential mining development at Bald Mountain in Aroostook County that could create up to 700 direct and indirect jobs and generate as much as \$120 million in state and local taxes in an area of the state that needs economic development. It is important to note that the Bald Mountain project has significant and bipartisan support in that area from its entire legislative delegation and the local and regional chambers of commerce.

Sponsored by John Martin (D-Eagle Lake), the update to the mining regulation law passed during the 125th Legislature as part of **LD 1853, *An Act To Improve Environmental Oversight and Streamline Permitting for Mining in Maine***, set up a framework law that instructs the DEP to undergo a major substantive rulemaking

process that will need to then be approved by this Legislature. The major substantive rulemaking is currently going on and needs to return to the 126th Legislature next year for approval. This legislature can adopt the rules, modify the rules, or reject the rules at that time. Clearly, LD 1302 was an attempt to stop the rulemaking process before it even got a chance to be reviewed by the legislature. It is disappointing to see an important economic opportunity in an area of the state that needs it get ambushed by the environmental community.

Though this debate has ended for the first session of the 126th Legislature, when lawmakers return in January, we will continue to urge the legislature to let the process work as it was intended to work, and bring back an industry to the state that has economic promise—an industry that has the ability to create good paying jobs and grow the economy in an area where jobs are scarce and economic development is so desperately needed.

For more information, please contact Ben Gilman by calling (207) 623-4568, ext. 108, or by emailing bgilman@mainechamber.org. □

Guns at the Workplace...

(Continued from Page 23...)

out that this law affects every business in Maine—large or small; public or private; for profit, non-profit, not-for-profit, unionized or open shop; secure or non-secure. All have struggled to find a way to adjust to the fact that, there is likely to be a handgun on their property, despite their objections.

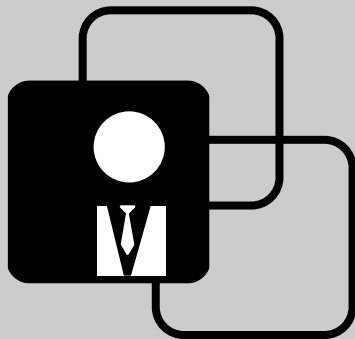
Maine's business community continues to believe the existing law, known as PL 393, interferes with an employer's ability to manage the workplace and protect employees in the way they think is best. For many, this translates into the establishment of "no weapons" policy. Not everyone has adopted such a policy, but doing so is their *choice*. With the passage of PL 393, that choice is gone. "No weapons" policies in Maine are likely to be a thing of the past. Whether a business owner approves of it or not, PL 393 means a handgun can be present on their property, and there isn't a thing they can do or say about it.

Additionally, the "liability protection" provision contained in the law is likely to be meaningless, as any third party injured as a result of a gun in a car or the workplace is likely to sue the "deep pockets" of the employer for any recovery. Furthermore, beyond the bad publicity for an employer as a result of an injury or death associated with a handgun incident, the employer would incur significant legal costs to defend themselves, even with the meager protections of any liability language.

When PL 393 became law, Maine businesses were confronted with a host of unanswered questions — and challenges. What is a federal defense contract-related employer (of which there are several in Maine that employ thousands) with a requirement for a secure facility to do to meet both policies? What about employers who collectively bargain with their employees and have negotiated "no weapons" language into those contracts? Can employers ask prospective employees if they have a concealed weapon permit? They must allow firearms, but can they prohibit ammunition on their property?

Since the passage of the legislation in 2011, Chamber members and other employers have continued to express concern and outrage regarding the presence of guns at their place of business over their objection. It was hoped that the passage of LD 265 and repeal of the current law would once again provide employers the ability to manage their workplace in the manner they feel best fits their culture. However, rather than recognizing the bill for what it is—a workplace management issue—legislators continued to see this as a "gun" issue, and were once again caught up in the ongoing debate between the rights of gun owners in the Second Amendment and the private property rights argument and concerns of employers.

We wish to thank Sen. Gerzofsky for his efforts with this bill on behalf of chamber members and businesses across the state. This issue will remain on the radar of employers for future legislative sessions. For additional information, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. □



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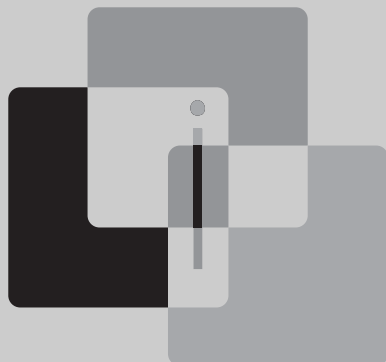
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Education Legislation... **(Continued from Page 23...)**

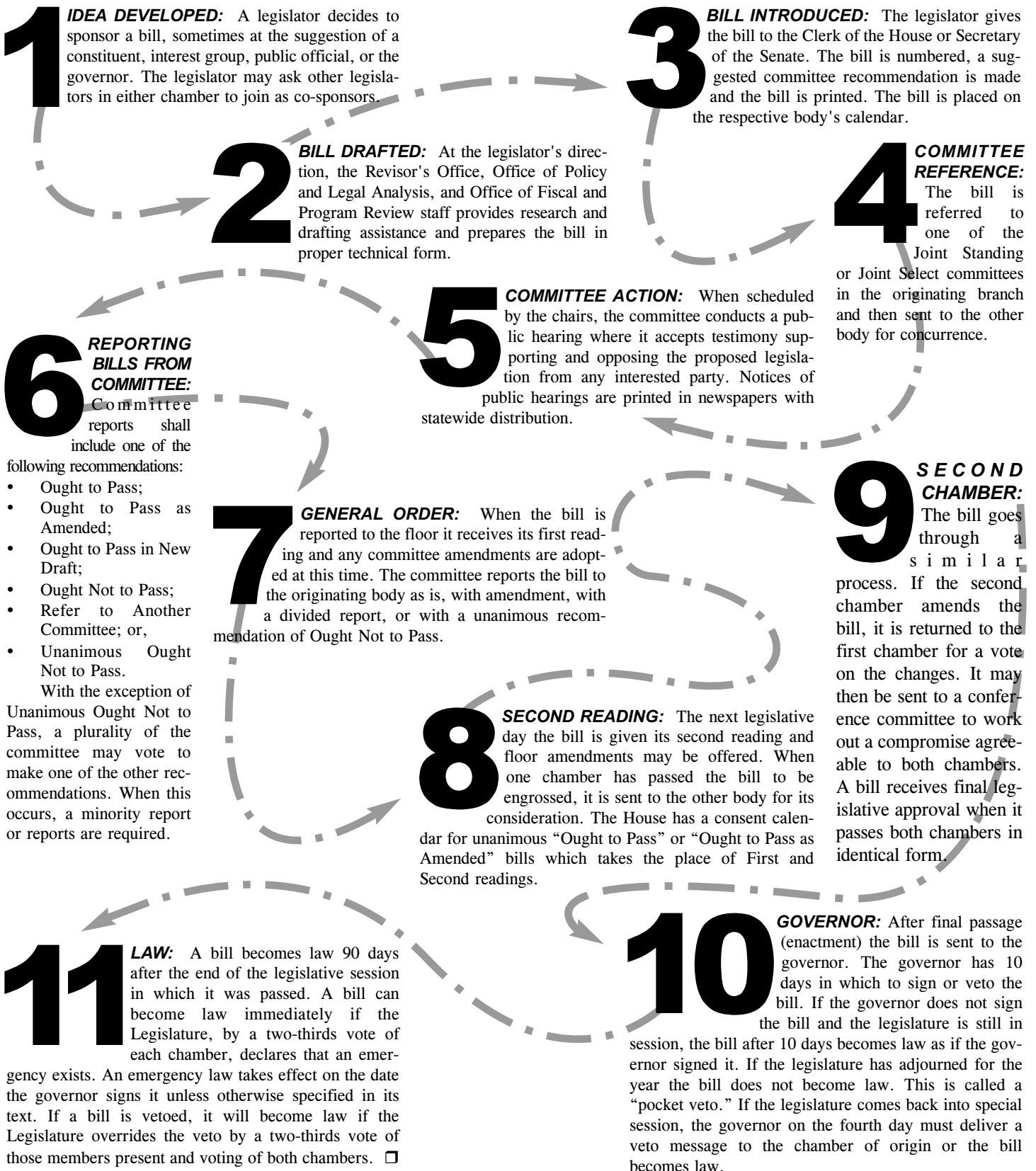
high schools ready to begin the following fall. The hope is to create five or six "Bridge Year" sites across the state.

While the Bridge Year program could be viewed as the gold star of the session for the Education and Cultural Affairs committee, the session as a whole took on a partisan flavor. Several bills before the committee sought to undo, weaken or change policies put in place during the 125th Legislature, including several dealing with charter schools and teacher and administrator evaluations.

In May, Governor Lepage unveiled his report cards on Maine schools. The report cards use existing data that the Maine Department of Education already collects and applies the common A-F grading scale to assess schools. 81 percent of Maine elementary schools and 69 percent of high schools earned a passing grade (A, B or C). Democrats countered with their own grading system, and after winning initial approval in both the House and Senate, the measure—**LD 1540, An Act To Fix and Improve the System Used To Evaluate or Rate Public Schools in Maine**—was defeated in the Senate by a vote of 21-14. The Democrat-led proposal would have accounted for test scores, free and reduced lunch rates, the number of students in special education, and input from educators and community members. A taskforce would have worked through the end of the year to develop the system.

The committee held over a handful of bills including legislation that seeks to put a moratorium on virtual public charter schools, create an alternative certification for teachers, and one that would establish a process to implement voluntary universal pre-k.

For more information, please contact Jessica Laliberte by calling (207) 623-4568, ext. 111, or by emailing jlaliberte@mainechamber.org. □



LEGISLATION SIGNED INTO LAW THIS SESSION

This Final Summary of the First Regular Session of the 126th Maine Legislature discusses legislative initiatives that impact Maine businesses. Elsewhere, we have discussed some of the bills we believe were most significant to the state's business community. In the following pages, we summarize the wide variety of legislative proposals that the Maine State Chamber tracked this year.

As in past years, we have divided the legislation by principal area: Taxation, Health Care, etc. In each section, our description of enacted legislation is followed by similar descriptions of bills that were defeated or carried over.

Entries are in numerical order by their Legislative Document (LD) number. This is the number used throughout the session to refer to a particular bill. Where applicable, the current Public Law (PL), Private and Special Law (P&S), or Resolve (R) number appears in parentheses. Listed at the beginning of the summary of each public law is the name of the bill's sponsor and the committee to which the bill was assigned.

The Maine State Senate adjourned sine die Wednesday, July 10, 2013. Pursuant to the Constitution of Maine, Article IV, Part Third, Section 16, the general effective date for nonemergency laws passed in the First Regular Session of the 126th Legislature is Wednesday, October 9, 2013 (90 days following adjournment). Emergency measures are effective when signed by the Governor. In this *Final Summary*, the effective date for emergency legislation is provided in brackets at the end of each write-up.

Please keep in mind that the contents of this newsletter are intended for informational use only and should not be relied upon as legal advice in any sense. All laws and regulations must be applied to each individual situation by experienced legal counsel. □

A total of 262 business-related bills were tracked on your behalf this session!

BOND ISSUES LEGISLATION

BOND ISSUES CARRIED OVER...

LD 16, *An Act To Authorize a General Fund Bond Issue To Invest in Transportation Infrastructure.* (Rep. Peoples, D-Westbrook) *Joint Standing Committee on Transportation.* The funds provided by this bond issue, in the amount of \$100,000,000, will be used to make improvements to state and local highways, roads and bridges, rail lines, public transportation and pedestrian trails.

LD 138, *An Act To Amend the Laws Governing the Issuance of Bonds That Have Been Ratified by the Citizens of the State.* (Rep. Keschl, R-Belgrade) *Joint Standing Committee on Appropriations and Financial Affairs.* This bill proposes to amend the laws governing the issuance of General Fund bonds that have been ratified at referendum by the citizens of the State.

LD 221, *An Act to Authorize a General Fund Bond Issue to Provide Funds for a Public-Private Partnership for a New Science Facility at the Maine Maritime Academy.* (Rep. Fredette, R-Newport) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in

the amount of \$4,500,000, will be used for a public-private partnership for a building project for a new science facility at the Maine Maritime Academy to be matched by other funds.

LD 228, *An Act To Authorize a General Fund Bond Issue To Reduce Energy Costs by Weatherizing and Upgrading the Energy Efficiency of Maine Homes and Businesses and To Create Jobs by Providing for a Trained Workforce for Maine's Energy Future.* (Rep. Beavers, D-South Berwick) *Joint Standing Committee on Appropriations and Financial Affairs.* The purpose of this bill is to provide funds, through a General Fund bond issue, to reduce energy costs and to create jobs. The funds provided by this bond issue, in the amount of \$55,000,000, will be used to support weatherization and other energy efficiency improvements for Maine homes, businesses and public buildings to save money, reduce dependence on increasingly scarce heating fuels, support health and comfort and protect the environment. Funds are also provided to expand the workforce for weatherization and energy efficiency services and other parts of a new green economy.

LD 513, *An Act To Authorize a General Fund Bond Issue To Invest in Transportation, Broadband Infrastructure,*

Downtown Revitalization, Land for Maine's Future Board and Training Facilities for Tourism-related Training in Labor Market Areas with Higher-than-average Unemployment. (Sen. Lachowicz, D-Kennebec) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$85,000,000, will be used to provide funds over 5 years for the State's transportation biennial capital work plan, the Communities for Maine's Future Program, the ConnectME Authority, the Land for Maine's Future Board, the University of Maine System and the Maine Community College System for tourism-related training, targeted to particular projects in labor markets that have an unemployment rate higher than the statewide average.

LD 636, *An Act to Authorize a General Fund Bond Issue to Support Public Higher Educational Facilities.* (Sen. Cain, D-Penobscot) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$100,000,000, will be used to provide funds to renovate, make health and safety repairs and ensure compliance with the federal Americans with Disabilities Act of 1990, as amended, to the University of Maine System, the

Continued on Page 28...

Bond Issues Legislation... (Continued from Page 27...)

Maine Community College System and the Maine Maritime Academy.

LD 782, *An Act To Authorize a General Fund Bond Issue To Support Science, Technology, Engineering and Mathematics Education To Enhance Economic Development*. (Rep. MacDonald, D-Boothbay) *Joint Standing Committee on Appropriations and Financial Affairs*. The funds provided by this bond issue, in the amount of \$50,000,000, will be used to expand necessary capital improvements in the critical disciplines of science, technology, engineering and mathematics at the University of Maine System.

LD 874, *An Act to Authorize a General Fund Bond Issue to Reduce the Cost of Shipping for Maine Businesses, Attract tourist and Facilitate the Development of Commuter Rail Transportation*. (Sen. Mazurek, D-Knox) *Joint Standing Committee on Appropriations and Financial Affairs*. The funds provided by this bond issue, in the amount of \$27,500,000, will be used to provide funds for railroad reconstruction and expansion to assist Maine's businesses by facilitating the shipment of goods and enhancing the ability of those businesses to compete. It requires that the Department of Transportation consult with the business and economic development sectors to develop a list of priorities in regard to railroad construction and reconstruction projects, focusing on projects important to tourism and projects with greatest potential for increased commuter and passenger rail service and taking into consideration the extent to which the proposed projects reduce the consumption of oil.

LD 1011, *An Act To Authorize a General Fund Bond Issue To Upgrade Facilities and Purchase Classroom Equipment for Maine's Seven Community Colleges*. (Rep. Fredette, R-Newport) *Joint Standing Committee on Appropriations and Financial Affairs*. The funds provided by this bond issue, in the amount of \$15,000,000, will be used to provide funds to renovate and provide for new facilities and to fund a backlog of projects at the 7 Maine community colleges, of which \$13,800,000 is for renovation and new facilities and \$1,200,000 is for funding a backlog of projects.

LD 1043, *An Act To Authorize a General*

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Fund Bond Issue and To Assist in the Creation of Jobs through Regional Economic Development. (Rep. Berry, D-Bowdoinham) *Joint Standing Committee on Appropriations and Financial Affairs*. Part A provides funds in the amount of \$10,000,000 to be used to provide funds for state, regional and local financial intermediaries to make flexible loans to and investments in small businesses and real estate projects to create jobs. Part B amends the laws regarding the Regional Economic Development Revolving Loan Program of the Finance Authority of Maine to include revitalization of downtowns and building stronger communities and a sustainable economy as purposes of the program. It clarifies that a corporation under the program may use revenue from commitment fees and interest to cover its operating costs, including loan fund management, increases the dollar amount of the maximum loan available to a borrower and adjusts other financing terms. It also adds businesses engaged in commercial and mixed-use real estate and community facilities and businesses engaged in serving tourists to the list of businesses that are eli-

gible for financial assistance under the program. Part B takes effect only if the General Fund bond issue proposed in Part A is approved by the voters of the State.

LD 1105, *An Act To Authorize a General Fund Bond Issue To Revitalize Maine's Downtowns through Innovative Business Development and the Creative Economy*. (Sen. Alfond, D-Cumberland) *Joint Standing Committee on Appropriations and Financial Affairs*. The funds provided by this bond issue, in the amount of \$10,000,000, will be used as seed money to capitalize the Downtown Revitalization Fund, a revolving loan and grant fund to encourage business development in downtown areas, targeting innovative businesses, light manufacturing, trades and small businesses and space for artists and artisans. The Downtown Revitalization Fund is administered by a board consisting of public and private members and issues loans that must be matched by \$1 from the recipient for every \$2 received from the fund and issues grants.

LD 1163, *An Act to Authorize a General Fund Bond Issue to Fund Main Street and*

Continued on Page 29...

Bond Issues Legislation... **(Continued from Page 28...)**

Downtown Economic Development Projects. (Sen. Goodall, D-Sagadahoc) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$20,000,000, will be used to provide funds for main street and downtown economic development projects, with \$12,000,000 to be awarded to municipalities that are not automatic recipients of federal Community Development Block Grant funds and \$8,000,000 to be awarded through open competitive grants for all municipalities.

LD 1180, *An Act to Authorize a General Fund Bond Issue for the Maine Community Reinvestment and Job Creation Fund.* (Sen. Gerzofsky, D-Cumberland) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$25,000,000, will be used to establish the Maine Community Reinvestment and Job Creation Fund, to benefit Brunswick Landing, formerly the Brunswick Naval

Air Station, and to benefit the Loring Development Authority of Maine.

LD 1223, *An Act to Authorize a General Fund Bond Issue to Support the Maine Technology Institute's Action Plan Implementation.* (Sen. Cain, D-Penobscot) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$50,000,000, will be used to provide funds over 5 years for research, development and commercialization for targeted technology sectors, awarded after a competitive process administered by the Department of Economic and Community Development, Maine Technology Institute.

LD 1418, *An Act To Authorize a Matching General Fund Bond Issue for Improvements to the Seven Community College Campuses.* (Rep. Campbell, R-Orrington) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$10,000,000, will be used to provide matching funds for the 7 Maine community colleges in order to improve facilities, enhance education grant-issuing foundations and expand academic bridge programs after the

Maine community colleges raise \$2,500,000 in private or in-kind donations.

LD 1492, *An Act To Authorize a General Fund Bond Issue To Strengthen Maine's Economy and Communities.* (Sen. Katz, R-Kennebec) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$85,000,000, will be used to provide funds for development projects for the Communities for Maine's Future Program; for capital investment in programs to train workers for which there is a demonstrated need; for research and development and commercialization of technology; for infrastructure repairs and improvements for public transport and public trails; and for wastewater and safe drinking water infrastructure improvements.

BUDGET AND FINANCE LEGISLATION

BUDGET AND FINANCE ENACTED...

LD 1509 (PL Ch. 368), *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, 2014 and June 30, 2015.* (Rep. Chase, R-Wells, for the Governor) **EMERGENCY** *Joint Standing Committee on Appropriations and Financial Affairs.* This is the biennial budget bill. (Veto overridden)

BUDGET AND FINANCE DEFEATED...

LD 80, *An Act to Change the Schedule for the Beginning of the Biennial Budgetary Cycle.* (Rep. Cotta, R-China)

BUSINESS REGULATION LEGISLATION

BUSINESS REGULATION ENACTED...

LD 15 (PL Ch. 240), *An Act To Amend the Authorized Hours during Which Liquor May Be Sold and Purchased.* (Rep. Gilbert, D-Jay) *Joint Standing*

Continued on Page 30...



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Business Regulation...

(Continued from Page 29...)

Committee on Legal and Veterans Affairs. This law allows for the 5 a.m. sale and delivery of liquor Monday through Saturday but maintains current law prohibiting sale until 9 a.m. on all Sundays, except for Sundays falling on March 17. **LD 46 (PL Ch. 99), An Act To Protect Maine Business Names.** (Rep. Beck, D-Waterville) *Joint Standing Committee on Judiciary.* This law addresses a potential ambiguity with regard to the reservation of a business name under the laws governing nonprofit corporations, business corporations, limited liability partnerships, limited partnerships and limited liability companies. The change clarifies that although a subsequent reservation is not considered a renewal of the reserved name, the same name can be reserved by the same applicant after the 120-day reservation period expires. Another applicant is also eligible to reserve the name once the 120-day period expires. This law also directs the Secretary of State to develop options for the filing and protection of business names, and to report those options to the Joint Standing Committee on Judiciary by February 15, 2014.

LD 808 (PL Ch. 141), An Act To Amend the Laws Concerning Metal Dealers. (Rep. Longstaff, D-Waterville) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development.* This law broadens the form of payment allowed by scrap metal processors for the purchase of scrap metal to include payment by credit card or debit card, in addition to payment by check as currently required by law.

LD 809 (R Ch. 37), Resolve, Directing the Secretary of State To Study the Need for a State Regulatory Process for Scrap Metal Dealers. (Rep. Longstaff, D-Waterville) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development.* This resolve resolve that directs the Secretary of State to study the need for state regulation of scrap metal dealers and review the advantages and disadvantages of pursuing a state license, permit or registration process for scrap metal dealers. It directs the Secretary of State to submit a report on the study and any recommended legislation to

Continued on Page 31...



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Business Regulation...

(Continued from Page 30...)

the Joint Standing Committee on Labor, Commerce, Research and Economic Development by January 30, 2014.

LD 1062 (PL Ch. 361), *An Act To Add Conditions That Qualify for Medical Marijuana Use*. (Rep. Dickerson, D-Rockland) *Joint Standing Committee on Health and Human Services*. This bill amends the Maine Medical Use of Marijuana Act to revise the listed medical conditions that qualify a patient for the medical use of marijuana.

BUSINESS REGULATION DEFEATED...

LD 22, *An Act To Promote Equity in Business Opportunity for Tobacco Specialty Stores*. (Sen. Hamper, R-Oxford)

LD 158, *An Act To Amend the Notice of Risk to Personal Data Act To Further Protect Consumers*. (Rep. Treat, D-Hallowell)

LD 265, *An Act To Repeal the Restriction on Employers Regarding Firearms Kept in an Employee's Vehicle*. (Sen. Gerzofsky, D-Cumberland)

LD 313, *An Act To Create the Maine Online Privacy Protection Act*. (Rep. Russell, D-Portland)

LD 865, *An Act Regarding Contract Indemnification*. (Sen. Cushing, R-Penobscot)

LD 1067, *An Act To Allow Certain Small Retail Businesses To Pass Credit and Debit Card Transaction Fees on to Consumers*. (Rep. Lockman, R-Amherst)

LD 1091, *An Act To Require Nonprofit Corporations To Disclose the Salaries of Their Employees*. (Sen. Thomas, R-Somerset)

LD 1150, *An Act To Require Prevailing Wages To Be Paid on All Public Works Projects Receiving State Funding*. (Rep. DeChant, D-Bath)

LD 1381, *An Act To Promote Rural Job Creation and Workforce Development*. (Sen. Jackson, D-Aroostook)

BUSINESS REGULATION CARRIED OVER...

LD 1085, *An Act To Establish the Renewable Energy Feed-in Tariff*. (Sen. Johnson, D-Lincoln) *Joint Standing Committee on Natural Resources*. This bill requires the Public Utilities Commission to establish a renewable

energy resources feed-in tariff program to encourage the rapid and sustainable development of renewable energy resources and technology for environmentally healthy generation of electricity. It requires that utilities purchase renewably produced electricity from all qualified suppliers. It sets the rate that electric utilities must pay for such power. It requires that utilities enter into a standard contract with all renewable energy suppliers for a set term. It establishes for the Public Utilities Commission management and oversight responsibilities.

LD 1393, *An Act to Encourage Entrepreneurial Investment in Maine*. (Sen. Woodbury, I-Cumberland) *Joint Standing Committee on Joint Select Commitment on Maine's Workforce and Economic Future*. This bill proposes to encourage entrepreneurial investment in Maine in a manner that emphasizes Maine's strengths, focuses on the dynamics of the future economy, envisions Maine's role in a global economy, expands access in Maine to cutting-edge technology, recognizes the importance of small businesses and research organizations as entrepreneurial incubators and emphasizes the advantages of Maine as a healthy and clean environment for families as well as for businesses. The bill proposes to bring together groups of individuals on the cutting edge of entrepreneurship, innovation and economic philanthropy for the following purposes:

1. To identify innovative business models and financing options;
2. To bring together leaders in all aspects of business, social and cultural sectors in the State to serve as a guiding force for the State's economic future. The groups will marshal stakeholders in the State's future and draw on expertise and vision in the fields of business, education, science, technology, culture and the environment;
3. To identify Maine's strengths as the location of education and research institutions with worldwide reputations and significant natural resources and as the home of a working population with significant potential and a reputation for problem solving and hard work;
4. To identify areas where education and government resources can be reallocated to support the development of an entrepreneurial environment that

will attract investment from outside as well as from inside the State by focusing on business sectors that have the best opportunity to grow by taking advantage of the State's strengths; and

5. To develop both a short-term and a long-term strategy for enhancing and increasing awareness of the State's advantages and opportunities for the creation of new businesses and the expansion of existing businesses. A short-term strategy will identify the areas of greatest need for infrastructure and services to support the development of the immediate resources needed for entrepreneurial development and the social and cultural resources that enhance the attractiveness of the State and develop a plan for meeting those needs. A long-term strategy will develop long-term goals and develop a plan and action steps for continuing growth and implementation of a methodology for maintaining the State's activities on the forefront of global opportunities.

ECONOMIC DEVELOPMENT LEGISLATION

ECONOMIC DEVELOPMENT ENACTED...

LD 35 (PL Ch. 102), *An Act To Amend the Law Concerning the Membership of the Maine Economic Growth Council*. (Rep. Hayes, D-Buckfield) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. Under current law, 4 members of the Legislature are appointed to the Maine Economic Growth Council. This bill requires that 2 of the 4 legislative members must be Senators and 2 must be members of the House of Representatives. This bill also requires that, of the 2 members from each body, one must belong to the political party holding the largest number of seats in that body and one must belong to the political party holding the 2nd largest number of seats in that body. Lastly, it changes the condition of terms for appointees, by providing that, beginning in 2015, legislative members must be appointed to the council by March 15th of the first year of the legislative term. The term of legislative members begins on March 15th of the first year

Continued on Page 32...

Economic Development... **(Continued from Page 31...)**

of the legislative term and ends March 15th of the calendar year following the end of that member's legislative term. It also provides that nonlegislative members serve until a successor is appointed.

LD 586 (PL Ch. 206), *An Act To Enable Municipalities To Establish Business Development Loan Programs Using Municipally Raised or Appropriated Money*. (Rep. Johnson, R-Greenville) *Joint Standing Committee on State and Local Government*". This bill amends the Maine Revised Statutes, Title 30-A, section 5726 to provide that municipalities may raise or appropriate money to establish revolving loan fund programs to assist local for-profit and nonprofit enterprises in their job creation and job retention efforts. The law requires a municipality to receive approval at a referendum election before raising and appropriating money to establish a revolving loan fund program to assist in local job creation and retention.

ECONOMIC DEVELOPMENT DEFEATED...

LD 116, *An Act To Amend the Laws Governing Pine Tree Development Zones To Require Payment of a Livable Wage*. (Rep. Shaw, D-Standish)

LD 554, *Resolve, Requiring the Department of Economic and Community Development To Market the Positive Attributes of the State of Maine*. (Rep. Beavers, D-South Berwick)

LD 656, *Resolve, Requiring the Department of Economic and Community Development To Develop Incentives for Industries in the State To Increase Employment of Maine Residents*. (Rep. Beavers, D-South Berwick)

LD 739, *Resolve, To Establish a Task Force To Study Economic Development in Rural Areas*. (Sen. Sherman, R-Aroostook)

LD 1341, *An Act Directing the Department of Economic and Community Development To Establish a Program To Promote Economic Growth and Development*. (Rep. Casavant, D-Biddeford)

ECONOMIC DEVELOPMENT CARRIED OVER...

LD 314, *An Act To Create the Office of Marketing*. (Rep. Volk, R-Scarborough,



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for the Maine Department of Economic and Community Development) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. This bill provides for the creation of a centralized Office of Marketing within the Department of Economic and Community Development, responsible for the coordination of all marketing efforts throughout State Government. The office will coordinate requests for proposals, contracts and participation in conferences and exhibits to create a centralized state marketing effort. This office is responsible for the coordination, development, approval and implementation of the state marketing strategy.

ECONOMIC DEVELOPMENT HELD BY GOVERNOR...

LD 1172, *An Act To Support the Maine Downtown Center*. (Sen. Goodall, D-Sagadahoc) *Joint Standing Committee on Joint Select Committee on Maine's Workforce and Economic Development*. This bill provides ongoing support for the Maine Downtown Center.

EDUCATION LEGISLATION

EDUCATION ENACTED...

LD 112 (PL Ch. 7), *An Act To make Changes to the Educators for Maine Program*. (Rep. Mary Nelson, D-Falmouth) *Joint Standing Committee on Education and Cultural Affairs*. This law changes the Educators for Maine Program by including certain participants in the Jobs for Maine Graduates program as eligible for loan forgiveness.

LD 113 (PL Ch. 4), *An Act to make Changes to the Maine College Savings Program*. (Rep. MacDonald, D-Boothbay) *Joint Standing Committee on Education and Cultural Affairs*. This law makes changes to the Maine College Savings Program, also known as the NextGen or the NextGen College Investing Plan, by adding financial education to the list of permissible program fund uses.

LD 370 (R Ch. 22), *An Act to Increase Elementary School Applied Learning*

Continued on Page 33...

Education Legislation... (Continued from Page 32...)

Opportunities. (Sen. Langley, R-Hancock) *Joint Standing Committee on Education and Cultural Affairs.* This resolve is a concept draft pursuant to Joint Rule 208. This legislation assembles a working group to identify opportunities for and best practices of applied learning opportunities in kindergarten to grade 8. These opportunities and practices will then be posted on the Department of Education's website so that all schools may access them and benefit from them.

LD 843 (PL Ch. 244), *An Act to Promote the Financial Literacy of High School Students.* (Rep. Pouliot, R-Augusta) *Joint Standing Committee on Education and Cultural Affairs.* Current law requires the Commissioner of Education to develop a program of technical assistance that promotes the importance of financial literacy and encourages school administrative units to implement an integrated model for instruction in personal finance that may be

used in secondary schools as part of the instruction in social studies or mathematics. This bill amends the system of learning results to require each student to study and become proficient in personal finance, including instruction in purchasing, using credit, budgeting, saving and investing, banking, simple contracts, state and federal income taxes, personal insurance policies and renting or purchasing a home. The bill takes effect beginning with the 2014-2015 school year and requires all secondary schools to include the personal finance course as part of the instruction required to obtain a high school diploma.

LD 1290 (PL Ch. 176), *An Act To Require High School Students To Complete Community Service.* (Rep. Chenette, D-Saco) *Joint Standing Committee on Education and Cultural Affairs.* This law requires a high school student to complete community service as specified by the high school attended by the student in order to graduate.

LD 1300 (PL Ch. 417), *An Act To Promote and Expand Awareness of the Educational Opportunity Tax Credit.* (Rep. Grant, D-Gardiner) *Joint Standing*

Committee on Joint Select Committee on Maine's Workforce and Economic Future. This bill requires increased promotion and expansion of awareness of the Job Creation Through Educational Opportunity Program by requiring the Department of Education to:

1. Notify superintendents of schools about the program annually and require the superintendents to publicize the availability of the program among parents, students and school staff;
2. Encourage all postsecondary educational institutions in the State and require public postsecondary institutions to provide information about the program as part of, but not limited to, federally required entrance and exit interviews of students; and
3. Contract with a private nonprofit corporation with expertise in the program to market the program.

The bill requires the Department of Labor to require that state and local workforce investment boards and the Competitive Skills Scholarship Program include promotion of the educational opportunity program and provides that the educational opportunity tax credit is refundable for an educational opportunity program participant or the employer of a qualified employee who receives any associate degree and for an employer of a qualified employee who receives a bachelor's degree in science, technology, engineering or mathematics as well as for an educational opportunity program participant.

LD 1412 (PL Ch. 318), *An Act To Create an Educational Collaborative To Implement a Program That Enables Career and Technical Education Students To Earn College Credits while Attending High School.* (Sen. Langley, R-Hancock) **EMERGENCY** *Joint Standing Committee on Education and Cultural Affairs.* This law establishes a collaborative of publicly supported educational institutions in the State, including career and technical education programs, a public secondary school, a private secondary school approved for the receipt of public funds under the Maine Revised Statutes, Title 20-A, chapter 117, subchapter 2 that enrolls 60% or more publicly funded students and public postsecondary institutions in the State, to implement a program that enables career and technical education students to earn college

Continued on Page 34...



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Education Legislation... (Continued from Page 33...)

credits while attending high school. The program runs for 3 years, beginning with students in their junior year in high school, enabling students to earn an associate degree following one year of postsecondary education and saving students time and money in obtaining that degree. The educational collaborative will develop and implement a cohort-based learning pathway that enables career and technical education students to earn academic credits during their junior and senior years of high school that are equivalent to about a year of college. The program includes opportunities for students to attend up to 3 summer career academies held at an area business, a career and technical education program or a public postsecondary education institution in the State. The students will then move into a degree program at a community college or university campus and graduate with an associate degree within one year after receiving their high school diplomas. [June 21, 2013]

EDUCATION DEFEATED...

LD 301, *An Act to Remove Unnecessary Agenda from the School Day*. (Rep. McClellan, R-Raymond)
LD 577, *As Act to Clarify the Role of Career and Technical Education Region Adult Education Programs*. (Rep. Chapman, D-Brooksville)
LD 962, *An Act to Increase Access to Higher Education*. (Rep. Chipman, I-Portland)
LD 1003, *Resolve, To Establish the Commission To Study Accessibility and Affordability of Higher Education*. (Rep. Treat, D-Hallowell)
LD 1261, *An Act To Improve Access for Maine Students to Postsecondary Education*. (Rep. Libby, D-Lewiston)
LD 1301, *An Act to Create the Maine Education Investment Board*. (Rep. Nelson, D-Falmouth)
LD 1332, *An Act to Increase the College Graduation Rate in Maine*. (Sen. Boyle, D-Cumberland)
LD 1346, *An Act to Ensure That Charter Schools Are Funded by the State*. (Rep. Campbell, I-Newfield)
LD 1349, *An Act to Change the Process for Approval of Charter Schools*. (Rep.



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LD 1350, *An Act Regarding School Administrator Effectiveness*. (Sen. Cain, D-Penobscot)

LD 1383, *An Act to improve the Delivery of Early Child Care and Education Services*. (Rep. Berry, D-Bowdoinham)

LD 1407, *An Act To Increase Access to Postsecondary Education for Maine's Children*. (Rep. Hayes, D-Buckfield)

LD 1524, *An Act to address the Burden Placed on Students as a Result of Requirements to Take Remedial Courses*. (Rep. Cotta, R-China, Governor's Bill)

LD 1529, *An Act to Expand School Choice for Maine Students*. (Sen. Mason, R-Androscoggin, Governor's Bill)

EDUCATION CARRIED OVER...

LD 1330, *An Act to Establish in law a Method for Alternative Certification of Teachers*. (Sen. Mason, R-Androscoggin) *Joint Standing Committee on Education and Cultural Affairs*. This bill establishes an alternative pathway to teacher certification. Under this bill, programs that prepare persons for alternative certification are certified by the Commissioner of

Education. The programs must provide targeted course work in teaching, mentoring or student teaching experience, classroom preparation and student assessments. Graduates of these programs are eligible to obtain professional teacher certificates. The bill also requires the State Board of Education to establish minimum standards of performance for these programs and, by October 31, 2016, to develop minimum standards of performance for all teacher preparation programs.

LD 1361, *An Act to Strengthen the Teaching of Writing and Mathematics and Improve Maine's High School Graduate's College and Career Readiness*. (Rep. Nelson, D-Falmouth) *Joint Standing Committee on Education and Cultural Affairs*. The purpose of this bill is to strengthen the teaching of writing and mathematics in public schools in the State, to improve literacy and mathematics education and to improve Maine high school graduates' college and career readiness. The bill does the following:

1. It establishes a standards-based approach to assessing the proficiency

Continued on Page 35...

Education Legislation... (Continued from Page 34...)

and competency of new teachers and teachers seeking a renewal of a professional teacher certificate in order to prepare teachers and ensure that school administrative units are prepared to implement the Common Core State Standards in English language arts and mathematics.

2. It requires the Education Coordinating Committee to conduct a review of college placement tests, including the ACCUPLACER test, used by the University of Maine System, the Maine Community College System, the Maine Maritime Academy and secondary schools in the State to determine a high school graduate's college readiness.
3. It requires the Board of Trustees of the University of Maine System to establish graduation requirements that ensure that graduates of any baccalaureate degree program within the system can demonstrate writing com-

petencies that are appropriate to the demands of careers that require a baccalaureate degree.

LD 1530, *An Act to Establish a Process for the Implementation of Universal Voluntary Prekindergarten Education.* (Sen. Goodall, D-Sagadahoc) *Joint Standing Committee on Education and Cultural Affairs.* This bill requires implementation of universal voluntary prekindergarten education by the 2017-2018 school year. The Commissioner of Education is required to establish a stakeholder group to work with the commissioner and interested parties to establish a plan to implement the requirement. The stakeholder group is required to develop standards for prekindergarten education programs, recommend uniform statewide procedures for screening children and assessing program performance and recommend best practices to coordinate early childhood education programs with child care providers. The commissioner is required to submit a report of the work of the stakeholder group to the Joint Standing Committee on Education and Cultural Affairs by January 15, 2014, and the com-

mittee is authorized to submit a bill to the Second Regular Session of the 126th Legislature regarding the report. The bill also clarifies the role of the State Board of Education with regard to prekindergarten education, changes the compulsory age for school attendance from 7 years of age to 5 years of age beginning July 1, 2016 and provides that funding provided to a school administrative unit for prekindergarten purposes may not be used for other purposes. The bill provides that the Commissioner of Education must provide implementation grants and provides funds for those grants and for a position in the Department of Education to oversee early childhood education programs.

EDUCATION HELD BY GOVERNOR...

LD 963, *An Act To Expand Access to Early Postsecondary Education.* (Rep. Nelson, D-Falmouth) *Joint Standing Committee on Education and Cultural Affairs.* This bill makes the following changes to the early postsecondary education programs statutes:

1. It creates a permanent Commission on Expanding Early Postsecondary Access for High School Students;
2. It clarifies that adult education students, home school students and students from private schools are eligible for state subsidy for postsecondary courses. It also clarifies that a student may be eligible if the parents, school administrative unit and postsecondary institution approve;
3. It requires high schools to grant academic credit for postsecondary courses rather than allowing discretion;
4. It requires postsecondary institutions to provide information to students on the transferability of academic credit between postsecondary institutions;
5. It requires the Department of Education to pay 50% of tuition for up to 12 credit hours in an academic year rather than only the first 3 credit hours up to a possible 6-credit-hour maximum;
6. It adds instructors of postsecondary education courses that are offered in secondary schools to the list of personnel that are subject to the fingerprinting and background check requirements; and,

Continued on Page 36...



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Education Legislation...

(Continued from Page 35...)

7. It requires career and technical education centers to serve as sites for the administration of assessment tests to determine college-level academic skills.

ENVIRONMENTAL LEGISLATION


ENVIRONMENTAL ENACTED...

LD 141 (R Ch. 43), *Resolve, Directing the Department of Environmental Protection To Develop Quantitative Odor Management Standards*. (Rep. Ken Fredette, R-Newport) *Joint Standing Committee on Natural Resources*. This resolve requires the Department of Environmental Protection to adopt routine technical rules by March 15, 2014 concerning septage and wastewater treatment sludge processing facilities, who process septage and wastewater from publically owned treatment facilities, that incorporate quantitative odor management standards.

LD 157 (PL Ch. 22), *An Act To Modify Administration of the Fund Insurance Review Board*. (Rep. Joan Welsh, D-Rockport) *Joint Standing Committee on Natural Resources*. This bill changes the duties of the Fund Insurance Review Board to require that the board will no longer consult with or contract for assistance with the Finance Authority of Maine but rather with the Department of Environmental Protection.

LD 373 (PL Ch. 232), *An Act To Provide Clarity to Priority Chemical Reporting Requirements*. (Sen. Hamper, R-Oxford) *Joint Standing Committee on Natural Resources*. This bill amends the current law regarding the reporting requirement for children's products that contain priority chemicals by requiring that manufacturers or distributors provide notice within 30 days to the Department of Environmental Protection when the product is sold in the State after the initial 180-day reporting period ends.



LD 596 (PL Ch. 140), *An Act To Help Small Businesses and Promote Tourism by Allowing the Construction of a Platform, Walkway or Deck over a River or Marshland*. (Rep. Parry, R-Arundel)



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Joint Standing Committee on Natural Resources. This bill provides that construction of a platform or of a deck of up to 700 square feet in area over a river without meeting certain otherwise applicable water and wetland setback requirements if the proposed deck will be located within a downtown revitalization project and is either attached to or accessory to a use in a structure that was built prior to 1971 may be exempt from the Department of Environmental Protection's rules relative to significant wildlife habitat under certain conditions, including if the affected municipal government finds that the platform, walkway or deck would not negatively affect any significant wildlife habitat and the project is approved by local referendum.

LD 694 (PL Ch. 243), *An Act To Clarify Solid Waste Policy*. (Sen. Cain, R-Penobscot) *Joint Standing Committee on Natural Resources*. The law provides that the Department of Environmental Protection may not process or act on an application for a new, modified or amended solid waste license for a solid waste disposal facility acquired by the State after

January 1, 2007 until the facility has applied for and received a public benefit determination from the department. It provides that a solid waste disposal facility owned by the State before January 1, 2007 is deemed to hold a public benefit determination for the licensed disposal capacity at the facility on the effective date of the Act. In addition, for such facilities owned by the State before January 1, 2007, it authorizes the department to require an application for a modified public benefit determination if the department finds that a material change in the underlying facts or circumstances has occurred or is proposed. The law also clarifies that, regardless of the date of state ownership, the department may not process or act upon any application to expand a facility until the facility has applied for and received a public benefit determination.

LD 695 (PL Ch. 183), *An Act To Amend the Site Location of Development Laws*. (Sen. Boyle, D-Cumberland) *Joint Standing Committee on Natural Resources*. This bill exempts from review under the laws governing site location of

Continued on Page 37...

Environmental Legislation...

(Continued from Page 36...)

development new construction at or modification of an existing licensed development that is permitted if the additional disturbed area not to be revegetated, does not exceed 10,000 square feet ground area in any calendar year and does not exceed 20,000 square feet ground area in total and the construction or modification does not involve a division of the parcel of land.

LD 902 (R Ch. 44), *Resolve, Regarding Legislative Review of Portions of Chapter 882: Designation of Bisphenol A as a Priority Chemical and Regulation of Bisphenol A in Children's Products, a Major Substantive Rule of the Department of Environmental Protection*. (Rep. Welsh, D-Rockport) **EMERGENCY Joint Standing Committee on Natural Resources**. This resolve provides for legislative review of portions of Chapter 882: Designation of Bisphenol A as a Priority Chemical and Regulation of Bisphenol A in Children's Products, a major substantive rule of the Department of Environmental Protection.

LD 1308 (PL Ch. 395), *An Act To Establish a Stewardship Program for Architectural Paint*. (Sen. Saviello, R-Franklin) **Joint Standing Committee on Natural Resources**. This law establishes a product stewardship program for architectural paints sold in the State. Under the program, consumers are able to return their unused architectural paint to designated locations throughout the State for recycling and proper disposal. The collection, transportation and recycling of paint is managed by architectural paint manufacturers or a designated representative organization. The program is financed by a stewardship assessment on architectural paint sold in the State.

LD 1335 (PL Ch. 315), *An Act To Implement Recommendations of the Department of Environmental Protection Concerning Product Stewardship in Maine*. (Rep. Welsh, D-Rockport) **Joint Standing Committee on Natural Resources**. The law establishes a framework for the implementation of product stewardship programs. The law provides that a product stewardship program established for products designated by the

Legislature for inclusion in a product stewardship program must be established and implemented in accordance with the provisions of the law. The bill also makes changes to the law concerning the recycling of cellular telephones. It repeals the requirement that retailers that sell cellular telephones accept used cellular telephones from any person. It also removes reporting requirements that ended in February 2013.

LD 1340 (PL Ch. 349), *An Act To Ensure Maine's Preparedness for Hazardous Oil Spills*. (Rep. Tipping-Spitz, D-Orono) **Joint Standing Committee on Natural Resources**. This bill amends the laws governing the Maine Coastal and Inland Surface Oil Clean-up Fund to require a person transporting crude oil by rail or highway to pay an assessment of 3¢ per barrel of crude oil being transported; currently, the assessment is imposed only on a person transporting refined oil.

LD 1359 (PL Ch. 221), *An Act To Update and Simplify Maine Gasoline Requirements*. (Sen. Tuttle, D-York)

EMERGENCY Joint Standing Committee on Natural Resources. This law, beginning May 1, 2014, requires a retailer who sells gasoline in York, Cumberland, Sagadahoc, Androscoggin, Kennebec, Knox or Lincoln County to sell only reformulated gasoline in those counties. It also directs the Department of Environmental Protection to study the feasibility of the use of a single type of gasoline throughout the State and report to the Joint Standing Committee on Environment and Natural Resources by December 4, 2013. The committee may report out a bill on the subject matter of the department's report to the Second Regular Session of the 126th Legislature.

LD 1360 (PL Ch. 219), *An Act To Amend the Motor Fuel Distribution and Sales Act*. (Sen. Tuttle, D-York) **Joint Standing Committee on Natural Resources**. This law makes changes to the Motor Fuel Distribution and Sales Act by allowing a franchisor that has entered into a consignment agreement with a franchisee to set the price at which the motor fuel must be sold without being subject to the motor fuel price-fixing prohibition for motor fuel franchise agreements. The law also makes a variety of technical changes to the laws governing motor fuel franchise agreements.

LD 1363 (R Ch. 43), *An Act To Ensure Landfill Capacity and Promote Recycling*. (Rep. Chipman) **Joint Standing Committee on Natural Resources**. The resolve imposes a moratorium on the issuance of licenses to expand solid waste disposal facilities that are landfills until after April 30, 2014. The moratorium applies to applications filed after the effective date of the legislation.

LD 1497 (PL Ch. 300), *An Act To Make Minor Changes and Corrections to Statutes Administered by the Department of Environmental Protection*. (Rep. Welsh, D-Rockport) **Joint Standing Committee on Natural Resources**. This law makes minor changes to the laws administered by the Department of Environmental Protection to remove inconsistencies and inefficiencies. The law removes redundant reporting requirements; reflects current processes being used and established by rule; expands the scope of projects that qualify for general permits and reduces the permit fees; accounts for name changes in boards and the dissolution of the State Planning Office; aligns revenue of funds with expenses; revises provisions to be consistent with laws concerning rulemaking; establishes reporting dates for industry that are consistent with those of other New England states; and provides more effective means of notification of various proceedings.

ENVIRONMENTAL DEFEATED...

LD 7, *An Act To Equalize the Premiums Imposed on the Sale of Motor Vehicle Oil*. (Rep. Harvell, R-Farmington)

LD 105, *An Act To Allow Motor Fuel Containing Five Percent Ethanol To Be Sold in the State*. (Rep. Jeff Timberlake, R-Turner)

LD 336, *An Act Relating to Clean Water Certification by the Department of Environmental Protection*. (Rep. Shaw, D-Standish)

LD 365, *An Act To Define "Contaminant" in the Laws Governing Toxic Chemicals in Children's Products*. (Sen. Hamper, R-Oxford)

LD 674, *An Act To Clarify the Natural Resources Protection Act*. (Rep. Libby, R-Waterboro)

LD 824, *Resolve, Directing the Department of Environmental Protection*

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Environmental Legislation...

(Continued from Page 37...)

To Develop a Rural Land Use Development Process. (Rep. Campbell, I-Newfield)

LD 825, *Resolve, To Study Climate Change and Implement the Recommendations of the Department of Environmental Protection Report on Climate Change.* (Rep. Noon, D-Sanford)

LD 844, *Resolve, To Require a Study of the Availability of Food Packaging without Bisphenol A.* (Rep. Gideon, D-Freeport)

LD 845, *An Act To Change the Classification of the Lower Androscoggin River.* (Rep. Daughy, D-Brunswick)

LD 907, *An Act To Encourage Recycling.* (Rep. Stanley, D-Millinocket)

LD 1050, *An Act Requiring the Labeling of Food Packaging That Contains Bisphenol A.* (Rep. Devin, D-Newcastle)

LD 1059, *An Act To Protect Maine's Environment and Natural Resources Jeopardized by Mining.* (Rep. Chipman, I-Portland)

LD 1181, *An Act To Further Strengthen the Protection of Pregnant Women and*

Children from Toxic Chemicals. (Sen. Goodall, D-Sagadahoc)

LD 1186, *An Act To Allow Removal of Trees for Shoreline Stabilization Adjacent to Coastal Wetlands under the Natural Resources Protection Act.* (Rep. Campbell, R-Orrington)

LD 1292, *An Act To Minimize the Use of Plastic Bags.* (Rep. McGowan, D-York)

LD 1302, *An Act To Amend the Maine Metallic Mineral Mining Act To Protect Water Quality.* (Rep. McCabe, D-Skowhegan)

LD 1362, *Resolve, To Establish a Moratorium on the Transportation of Tar Sands.* (Rep. Chipman, I-Portland)

LD 1450, *An Act To Connect the Citizens of the State to the State's Natural Resources by Establishing Standards for Relief from Regulatory Burdens.* (Sen. Collins, R-York)

LD 1501, *An Act To Apply the Precautionary Principle to Decision Making in Certain State Agencies.* (Rep. Boland, D-Sanford)

ENVIRONMENTAL CARRIED OVER...

LD 931, *An Act To Prevent Fish Kills and To Allow for Recreational Use of Sebago Lake.* (Rep. Shaw, D-Standish) *Joint Standing Committee on Natural Resources.* This bill establishes water flow requirements for a dam and bypass area that controls the water level of Sebago Lake and the flows entering the Presumpscot River to prevent fish kills and to allow for recreational use of public access to Sebago Lake.

LD 1010, *An Act To Authorize a General Fund Bond Issue To Ensure Clean Water.* (Rep. Chipman, I-Portland) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$50,000,000, will be used to provide funds for the Maine Clean Water Fund to assist municipalities in achieving clean water by addressing various water quality issues and mandates, including, but not limited to, separate and combined sewer and storm water overflow and sewage treatment.

LD 1483, *An Act To Promote and Enhance State Policy To Preserve and Support Existing Methods of Disposal of Municipal Solid Waste.* (Sen. Cain, D-Orono) *Joint Standing Committee on Natural Resources.* The purpose of this bill is to assist in the stabilization of the statutorily established solid waste management hierarchy, to promote and strengthen the waste management system in the State and to enhance the continued operation of the existing waste processing incineration facilities located in the State. This bill directs the Department of Environmental Protection to:

1. Impose on each licensed landfill a solid waste stabilization assessment on all solid waste, including, but not limited to, household and commercially sourced solid waste and all other material deposited at the licensed landfill;
2. Deposit solid waste stabilization assessment funds in a solid waste stabilization account within the Maine Solid Waste Management Fund;
3. Disburse the funds from the solid waste stabilization account through periodic payments to qualified municipalities and recycling and composting programs located in the State; and,
4. Develop a process to maximize the use of existing incineration facilities

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Environmental Legislation...

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in the State and increase the amount of Maine-sourced solid waste that is processed at those facilities annually and report its recommendations to the Joint Standing Committee on Energy, Utilities and Technology by January 1, 2014.

HEALTH CARE LEGISLATION

HEALTH CARE ENACTED...

LD 812 (PL Ch. 271), *An Act To Create an Open Enrollment Period Consistent with Federal Regulations for Health Insurance Exchanges*. (Rep. Beck, D-Waterville) **EMERGENCY** *Joint Standing Committee on Insurance and Financial Services*. This law permits carriers to restrict enrollment in individual health insurance plans to open enrollment periods and special enrollment periods consistent with requirements of the federal Patient Protection and Affordable Care Act. The amendment also adds an emergency preamble and emergency clause to the bill.

LD 990 (PL Ch. 332), *An Act To Require Public Disclosure of Health Care Prices*. (Sen. Woodbury, I-Cumberland) *Joint Standing Committee on Health and Human Services*. This law requires health care practitioners to maintain and make available to clients a price list of their most frequently provided services and procedures. The prices stated are the prices charged to a patient when there is no insurance coverage or when reimbursement by an insurance company is denied. It requires that the prices must be accompanied by the applicable standard medical codes listed by diagnosis, as well as requiring health care practitioners to make available written information on health claims data that may be obtained through the publicly accessible website of the Maine Health Data Organization.

LD 1094 (PL Ch. 338), *An Act To Clarify Certification of Navigators and the Availability of Regional Health Plans*. (Sen. Woodbury, I-Cumberland) *Joint Standing Committee on Insurance and*

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Financial Services. This law seeks to makes changes to the current provisions in law relating to navigators to make them consistent with recent federal regulations and clarifies that navigators are subject to the provisions prohibiting unfair trade practices, as well as allow an insurance company authorized to do business in Vermont to offer individual health insurance for sale in this State. Current law limits that business to insurance companies authorized to do business in Connecticut, Massachusetts, New Hampshire and Rhode Island.

HEALTH CARE DEFEATED...

LD 161, *An Act To Prohibit a Health Insurance Carrier from Establishing a Separate Premium Rate Based on Geographic Area*. (Rep. Luchini, D-Ellsworth)

LD 162, *An Act To Repeal the Maine Certificate of Need Act of 2002*. (Rep. Malaby, R-Hancock)

LD 225, *An Act To Restore Consumer Rate Review for Health Insurance Plans in the Individual and Small Group Markets*. (Rep. Libby, D-Lewiston)

LD 537, *An Act To Help Maine Residents*

Receive Private Health Care Insurance. (Rep. Parry, R-Arundel)

LD 546, *An Act To Improve Transparency and Oversight of the Maine Guaranteed Access Reinsurance Association and To Make Changes Necessary To Comply with Federal Law*. (Rep. Treat, D-Hallowell)

LD 547, *An Act To Ensure the Accountability of Taxpayer Funds and State Collaboration, Planning and Oversight in the Implementation and Operation of a Health Exchange in Maine*. (Rep. Treat, D-Hallowell)

LD 680, *An Act To Nullify the Federal Patient Protection and Affordable Care Act of 2010*. (Rep. Libby, R-Waterboro)

LD 681, *An Act To Improve Oversight of Insurance Rates and Ensure Consistency with Federal Law*. (Rep. Treat, D-Hallowell)

LD 682, *An Act To Require Health Insurers To Provide Coverage for Nutritional Wellness and Illness Prevention Measures and Products*. (Rep. Boland, D-Sanford)

LD 691, *An Act To Prohibit Enforcement of Federal Laws Regulating Commerce in Violation of the Constitution of the United States*. (Rep. Libby, R-Waterboro)

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Health Care Legislation... (Continued from Page 40...)

LD 755, *An Act To Require Estimates of Patient Costs Prior to Treatment*. (Rep. Boland, D-Sanford)

LD 991, *An Act To Promote Wellness and Prevention through Health Plans*. (Sen. Woodbury, I-Cumberland)

LD 1049, *An Act To Establish an Insurance Exchange*. (Rep. Campbell, I-Newfield)

LD 1162, *An Act To Ensure the Rights of Patients*. (Sen. Jackson, D-Aroostook)

HEALTH CARE CARRIED OVER...

LD 230, *An Act To Establish the Commission on Health Care Cost and Quality*. (Rep. Graham, D-North Yarmouth) *Joint Standing Committee on Health and Human Services*. This bill establishes the Commission on Health Care Cost and Quality to monitor the accessibility, cost and quality of health care in the State. The bill also reestablishes the State Health Plan and requires the commission to develop the plan on a biennial basis.

LD 347, *An Act To Amend Insurance*

Coverage for Diagnosis of Autism Spectrum Disorders. (Sen. Lachowicz, D-Kennebec) *Joint Standing Committee on Insurance and Financial Services*. A mandate expansion. This bill expands health insurance coverage for autism spectrum disorders to persons 21 years of age and under. Current law requires coverage for only those 5 years of age and under. The bill applies to individual, group health and group health maintenance organization insurance policies, contracts and certificates issued or renewed on or after January 1, 2014.

LD 523, *An Act To Require Health Insurance Coverage for Hearing Aids for Adults*. (Sen. Valentino, D-York) *Joint Standing Committee on Insurance and Financial Services*. A mandate, this bill requires health insurance coverage of hearing aids for persons over 18 years of age.

LD 1236, *An Act To Amend the Maine Insurance Code To Ensure Fair and Reasonable Coverage and Reimbursement of Chiropractic Services*. (President Alfond, D-Cumberland) *Joint Standing Committee on Insurance and Financial Services*. This bill requires that coverage

and payment by health insurers and health maintenance organizations for services within the scope of practice of chiropractic doctors be at least equal to and consistent with coverage for services provided by allopathic or osteopathic doctors. It requires insurers to provide benefits covering and paying for care by chiropractic doctors at least equal to and consistent with the benefits paid to other health care providers treating similar conditions within the scope of practice of chiropractic doctors. Under the bill, these carriers may not classify services provided by chiropractic doctors as physical therapy or place these services into other categories that unreasonably limit coverage or payments for such services, or impose copayments, coinsurance requirements or deductibles that are more burdensome or limiting than those imposed with respect to services provided by allopathic or osteopathic doctors.

LD 1345, *An Act To Establish a Single-payor Health Care System To Be Effective in 2017*. (Rep. Priest, D-Brunswick) *Joint Standing Committee on Insurance and Financial Services*. This bill establishes both a state healthcare exchange and insurance plan to be sold through the exchange with the goal of creating a single payor system in Maine.

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INSURANCE LEGISLATION

INSURANCE ENACTED...

LD 603 (PL Ch. 52), *An Act To Repeal an Insurance Reporting Requirement*. (Rep. Stanley, D-Medway for the Department of Professional and Financial Regulation) *Joint Standing Committee on Insurance and Financial Services*. This bill repeals a requirement that the Department of Professional and Financial Regulation, Superintendent of Insurance provide an annual report to the Department of Labor, Bureau of Labor Standards regarding workers' compensation insurance premium and loss costs data as well as similar information with respect to workers' compensation self-insurance.

LD 1167 (PL Ch. 273), *An Act Regarding the Maine Guaranteed Access Reinsurance Association*. (Sen. Whittemore, R-Somerset) *Joint Standing*

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Insurance Legislation...

(Continued from Page 41...)

Committee on Insurance and Financial Services. This law makes a variety of changes to the governing structure of the Maine Guaranteed Access Reinsurance Association. It requires the Board of Directors of the Maine Guaranteed Access Reinsurance Association to post its meeting schedule, meeting agenda and meeting minutes on its publicly accessible website. It requires the board to provide a mechanism on its website for the public to comment on matters related to the operations of the association and to establish a process for taking public comments at selected board meetings. It adds one consumer member to the board and clarifies that that member may not be associated with or formerly associated with the medical profession, a hospital, an insurer or an insurance producer. It suspends the authority of the association to collect assessments or provide reinsurance and reimbursement during the period in which the federal transitional reinsurance program is operating in this State and also requires that the association submit an amended plan of operation to the Superintendent of Insurance to address the operations of the association, the treatment of funds held by the association during the suspension period, the reactivation of the association and any necessary plan for distribution of any surplus funds not required for such purposes. Lastly, it directs the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters to evaluate the transitional reinsurance program operating in the State from January 1, 2014 until December 31, 2016 under federal law. Before January 1, 2016, the committee is required to make a recommendation to the Legislature as to whether the Maine Guaranteed Access Reinsurance Association should resume operations and whether statutory changes should be made.

INSURANCE DEFEATED...

LD 83, *An Act To Protect Health Insurance Ratepayers from Undocumented Rate Increases.* (Sen. Patrick, D-Oxford)

LD 102, *An Act To Improve Health Insurance Transparency.* (Rep. Adam Goode, D-Bangor)

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LD 651, *An Act To Amend the Captive Insurance Laws.* (Sen. Cushing, R-Penobscot)

LD 1176, *An Act To Require Health Insurers To Use One Geographic Area as Permitted by the Federal Patient Protection and Affordable Care Act.* (Sen. Gratwick, D-Penobscot)

INSURANCE CARRIED OVER...

LD 1367, *An Act To Require Health Insurance Carriers and the MaineCare Program To Cover the Cost of Transition Services To Bridge the Gap between High School and Independence.* (Rep. Graham, D-North Yarmouth) *Joint Standing Committee on Insurance and Financial Services.* A mandate, this bill requires the Department of Health and Human Services to require providers of behavioral and mental health services for children to establish or participate in so-called bridge teams for the purpose of ensuring continuity of care for students receiving behavioral and mental health services who graduate from high school and are likely to be in need of such services following graduation. The bill also requires MaineCare and private health insurance carriers to provide coverage for such services.

JUDICIARY LEGISLATION

JUDICIARY DEFEATED...

LD 420, *An Act To Implement the Recommendations of the Right To Know Advisory Committee Concerning Public Records Exceptions.* (Rep. Priest, D-Brunswick)

LD 458, *An Act Regarding Comparative Negligence.* (Rep. Beck, D-Waterville)

LABOR LEGISLATION

LABOR ENACTED...

LD 103 (PL Ch. 5), *An Act To Correct an Inconsistency in Maine's Apprenticeship Laws.* (Rep. Gilbert, D-Jay, for the Maine Department of Labor) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development.* This bill repeals a provision of law that is in conflict with changes enacted in Public Law 2011, chapter 491

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Labor Legislation...

(Continued from Page 42...)

establishing minimum wages under the Maine Apprenticeship Program.

LABOR DEFEATED...

LD 418, *An Act To Enforce Wage Laws by Preventing Misclassification of Employees.* (Rep. Russell, D-Portland)

LD 431, *An Act To Amend the Laws Governing the Work Permit Process for Minors and To Conform the Laws Governing Allowable Places of Work for Minors to Federal Law.* (Sen. Cushing, R-Penobscot, for the Maine Department of Labor)

LD 496, *Resolve, To Ensure That Standards for Performance-based Contracts for Individuals with Intellectual Disabilities Include All Employment Options.* (Sen. Flood, R-Kennebec)

LD 611, *An Act To Adjust Maine's Minimum Wage Annually Based on Cost-of-living Changes.* (Rep. Hamann, D-South Portland)

LD 777, *An Act To Protect Working Mothers Who Breast-feed.* (Rep. Graham, D-North Yarmouth)

LD 830, *An Act To Further Protect Pregnant Women under the Maine Human Rights Act.* (Rep. Dorney, D-Norridgewock)

LD 976, *An Act To Reform Employer-provided Benefits.* (Rep. Parry, R-Arundel)

LD 1069, *An Act To Provide Flexibility in the State Prevailing Wage and Benefit Rates.* (Rep. DeChant, D-Bath)

LD 1087, *An Act Concerning Workers' Compensation and Short-term Disability Insurance in Maine.* (Sen. Tuttle, D-York)

LD 1194, *An Act To Protect Social Media Privacy in School and the Workplace.* (Rep. McClellan, R-Raymond)

LD 1195, *An Act To Protect the Privacy of Job Applicants.* (Rep. Jones, D-Freedom)

LD 1201, *An Act To Protect Employees from Abusive Work Environments.* (Rep. Gideon, D-Freeport)

LABOR CARRIED OVER...

LD 1157, *An Act To Establish the Fair Chance for Employment Act.* (Rep. Russell, D-Portland) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development.* This bill makes a number of changes to maine employment law: It prohibits

employers from refusing to consider for employment or offer employment to an individual based on the individual's status as employed or unemployed. Employers are also prohibited from advertising that current employment status is a qualification or requirement for a job or that the employer will not consider an applicant based on current employment status. Employers are prohibited from directing an employment agency to take current employment status into consideration when screening or referring applicants; prohibits employment agencies from failing to consider or refer applicants based on employment status, advertising that employment status is a qualification or requirement for a job or that an employer will not consider applicants based on current employment status or discriminating against individuals in any manner that may limit their access to information about jobs or limit the individuals' number of referrals for consideration of jobs because of their current employment status; prohibits online job websites from publishing any advertisement for a job vacancy that includes any provision requiring or indicating that current employment status is a qualification or requirement for a job or that an employer will not consider applicants for employment based on current employment status; prohibits an employer or employment agency from interfering with individuals exercising their rights under this Act or otherwise discriminating against individuals for opposing any practice made illegal by this Act. It also prohibits discriminating against any individual who has filed a complaint or caused to be instituted any proceeding under this Act or who otherwise gives or may give information or testimony in connection with any inquiry or proceeding under this Act; requires employers to keep records with respect to compliance with this act; it creates a right for a person who has been affected by a violation under this Act to bring a civil action against the employer or employment agency responsible. A person may bring a civil action on behalf of another individual who has been affected by a violation of this Act or a group of individuals similarly situated.; it grants the Department of Labor the power to file a civil action on behalf of an individual or

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Labor Legislation...

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group of individuals against an employer or employment agency that violates the Act. Once the director begins such a lawsuit, there is no more private right to a civil action on behalf of the individual and would not prohibit employment decisions or advertisements when a requirement related to employment status is a bona fide occupational qualification reasonably necessary to successful performance in the job. It also would not preclude an employer from considering employment history or the reasons underlying an individual's employment status.

MISCELLANEOUS LEGISLATION

MISCELLANEOUS DEFEATED...

LD 19, *An Act To Facilitate Access to Information by Legislators.* (Sen. Craven, D-Androscoggin)

MISCELLANEOUS HELD BY GOVERNOR...

LD 718, *An Act To Protect Maine Food Consumers' Right To Know about Genetically Engineered Food and Seed Stock.* (Rep. Harvell, R-Farmington) *Joint Standing Committee on Agriculture, Conservation, and Forestry.* This bill requires disclosure of genetic engineering at the point of retail sale of food and seed stock and provides that food or seed stock for which the disclosure is not made is considered to be misbranded and subject to the sanctions for misbranding. The bill provides that food or seed stock may not be labeled as natural if it has been genetically engineered. The bill exempts products produced without knowledge that the products, or items used in their production, were genetically engineered; animal products derived from an animal that was not genetically engineered but was fed genetically engineered food; and products with only a minimum content produced by genetic engineering. The bill also provides that the disclosure requirements do not apply to restaurants, alcoholic beverages or medical food. The disclosure provisions are administered by the Department of Agriculture, Conservation and Forestry.

REGULATORY REFORM LEGISLATION

REGULATORY REFORM DEFEATED...

LD 1039, *An Act To Promote Regulatory Fairness.* (Sen. Thomas, R-Somerset)

TAXATION LEGISLATION

TAXATION ENACTED...

LD 278 (PL Ch. 67), *An Act to Provide Greater Access to Capital for Certain Business Through Advanced Payment of Employment Tax Increment Financing Benefits.* (Sen. Patrick, D-Oxford) *Joint Standing Committee on Taxation.* This bill allows a qualified business to assign its claims for payment under the Business Equipment Tax Reimbursement Program (BETR) and the Maine Employment Tax Increment Financing Program to the Finance Authority of Maine (FAME) to secure a loan from FAME. The bill permits the State Tax Assessor to make payments directly to FAME and in such circumstances to disclose otherwise protected taxpayer information to FAME necessary for the administration of the assignment and payment of the claims.

LD 279 (PL Ch. 379), *An Act to Sustain Maine's Aviation Industry by Extending the Exemption from Sales and Use Tax for Aircraft and Parts.* (Sen. Cushing, R-Penobscot) *Joint Standing Committee on Taxation.* Originally, the bill permanently exempted aircraft and aircraft parts from Maine's sales and use tax. The exemption was scheduled to expire on June 30, 2015. LD 279 amends the budget bill PL 2013 c. 368 to implement the substance of the changes proposed by the Taxation Committee when considering LD 279. These changes include extending the expiration date of the exemption to June 30, 2033, and extending the date the committee is required to review the exemption to June 30, 2023.

LD 346 (PL Ch. 200), *An Act to Require the Collection of Sales Tax by Any Business Making Sales to Persons in Maine.* (Rep. Knight, R-Livermore Falls) *Joint Standing Committee on Taxation.* This bill creates a presumption that a seller of goods or services is engaged in business in this State and therefore required to register with the State

Tax Assessor as a retailer and collect and remit sales and use tax on purchases made by persons in the State, if a person affiliated with the seller has a substantial presence in the State or a person who has a substantial presence in the State engages in certain activities, such as selling a line of products similar to that of the seller or maintaining an office or distribution center in the State to facilitate the delivery of the seller's products. Alternatively, a seller is presumed to be required to register with the State and collect and remit sales and use tax if the seller has an agreement with a person to refer potential customers to the seller and the seller generates more than \$10,000 in sales in the State annually. Both presumptions may be rebutted. This bill also requires any agreement or ruling by the Governor or an executive branch department or agency that allows a seller to avoid registering as a seller to be approved by both Houses of the Legislature.

LD 563 (PL Ch. 184), *An Act to Clarify Tax increment Financing.* (Rep. Rochelo, D-Biddeford) *Joint Standing Committee on Taxation.* This bill as amended makes changes to the tax increment financing laws. The amended version replaces the original bill. As amended, the bill provides that the municipal vote provides the date for determining the original assessed value for development districts and allow flexibility in the review and approval timing by the Department of Economic and Community Development. It retains the language pertaining to a statutory cap on areas that may be included in the development district to maintain an exclusion that exists in current law. It removes a provision that allows as a proposed project cost capital costs for an eligible commercial development district. The bill as amended also clarifies that the proposed project costs allowed for skills development and training for jobs created or retained in the municipality or plantation where the development district is located may include scholarships for tuition at in state educational institutions or online learning entities when in state options are not available. The amended bill also clarifies the 30 tax year permissible duration of a development program related to a tax increment financing district and ties the start up of the 30 year period to the date the municipality or plantation

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Taxation Legislation...

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begins the operational function of the development program. The bill as amended also removes the provision that permits a municipality or plantation to delay the operational functioning of a tax increment financing district until a later year and allows the municipality or plantation to continue spending tax increment financing revenues for 3 years following the final year of the tax increment financing district. Lastly, the bill as amended permits a municipality or plantation to determine the starting date of the development program which may be the current year or a subsequent tax year as specified in the development program.

LD 988 (PL Ch. 331), *An Act to Amend the Tax Laws*. (Sen. Haskell, D-Cumberland) **EMERGENCY Joint Standing Committee on Taxation**. This bill makes the following changes to the laws governing taxation. The bill makes a number of technical changes to the tax laws. Part of A of the bill amends tax law (1) pertaining to the issuance of resale certificates to provide the State Tax Assessor with greater flexibility in allowing renewal of resale certificates; (2) amends the law regarding the imposition of the Maine estate tax lien to exempt real property passing to a surviving joint tenant who is also a surviving spouse of the decedent from the Maine estate tax lien and to provide a 10 year expiration period for Maine estate tax liens; and (3) amends the law concerning the income addition modification regarding certain estate tax administration expenses to include the new Maine estate tax law applicable to estates of decedents dying on or after January 2, 2013. Part B gives taxpayers additional time (20 days) to request an appeals conference with the Maine Board of Tax Appeals after they have filed a statement of appeal. Current law requires an appeals conference to be requested in the statement of appeal when filed. Many taxpayers are unaware of this requirement. Part B also provides in the exemptions provision of the law regarding the confidentiality of tax records that the Department of Administrative and Financial Services, Bureau of Revenue Services may disclose to the Maine Board of Tax Appeals only confidential taxpayer

information that is pertinent to an appeal before the board and that the board may disclose confidential taxpayer information only to the extent that it is necessary for the resolution of an appeal. The board may also publish its decisions in redacted format to provide guidance regarding Maine tax law to taxpayers and professionals while protecting the identity of the taxpayer involved in the appeal and any confidential tax information. The bill also corrects a reference to the state telecommunications excise tax under Title 36, section 187-B, deletes an obsolete reference to watercraft under Title 36, section 1760, subsection 45 and amends the law applying the sales and use tax to casual sales of certain items, including automobiles, so that the tax does not apply when the purchaser is a corporation or other business entity and the seller owns 50% or more of the stock or other ownership interests of the purchaser. In addition, the bill adds to the law governing the method of computing the amount of tax imposed on the gross direct premiums from insurance contracts a cross-reference to a recently enacted provision of law regarding taxation of nonadmitted insurance coverage. The bill also simplifies and clarifies the statutory provisions that impose the Maine blueberry tax and associated reporting requirements. The bill also amends the provision regarding the income subtraction modification of military survivor benefit payments to clarify that the modification is limited to benefits paid on a death resulting from military service. It also adds a cross-reference to the individual income tax pension deduction law that applies to tax years beginning after 2013 and repeals and replaces the provision regarding the income subtraction modification for non-Maine active duty military pay in order to clarify under what conditions the military pay is eligible for the modification. The bill repeals the definition of a term relevant to the new markets capital investment credit that was erroneously included in the section of law governing the Maine capital investment credit and inserts that definition into the relevant provision. These changes are made retroactive to the effective date of the law enacting the new markets capital investment credit. Lastly, the bill deletes changes to the minimum tax credit made in Public Law 2011, chapter 644, section 27 that require the credit to be

reduced by certain other refundable tax credits claimed by the taxpayer.

LD 1109 (PL Ch. 75), *An Act to Clarify the Maine New Markets Capital Investment Program Tax Credit*. (Rep. Stanley, D-Medway) **EMERGENCY Joint Standing Committee on Taxation**. This bill amends the laws governing the Maine New Markets Capital Investment Program tax credit. The bill amends the definition of “qualified low income community investment” that appears in current law to provide that the maximum investments of \$10,000,000 and \$40,000,000 are on a per project basis regardless of whether there is common ownership of each project and provides definitions for the term “project”. It requires that projects to which the \$40,000,000 limitation applies must create or retain more than 200 jobs and that component pieces of an integrated manufacturing or production process do not qualify as a project.

LD 1570 (PL Ch. 385), *An Act to Delay the Implementation of Changes to the Business Equipment Tax Exemption*. (Sen. Haskell, D-Cumberland) **EMERGENCY Joint Standing Committee on Taxation**. The bill removes a retroactive clause in Public Law 2013, C. 368 that would have invalidated claims for the Business Equipment Tax Exemption (BETE) for certain taxpayers in 2013. As enacted in Public Law 2013, chapter 368, a taxpayer seeking a business equipment tax exemption and owning property exceeding 2% of the total valuation of the municipality is required to provide annually to the municipality income and expense information that is sufficient for the State Tax Assessor to determine the value of all property owned by the taxpayer located in the municipality as well as the property for which exemption is sought. The taxpayer’s property is ineligible for the business equipment tax exemption if the taxpayer fails to provide sufficient information. This bill delays by one year the effective date of the reporting requirements to apply to property tax years beginning on or after April 1, 2014. This bill applies the change in the application date retroactively to June 26, 2013, the effective date of Public Law 2013, chapter 368.

TAXATION DEFEATED...

LD 50, *An Act to Exempt Fuel Used in Small Commercial Aircraft from Fuel*

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Taxation Legislation...

(Continued from Page 45...)

Sales Tax. (Rep. Johnson, R-Greenville)

LD 55, *An Act to Promote Filmmaking in the State.* (Rep. Harvell, R-Farmington)

LD 65, *An Act to Reduce the Income Tax on Capital Gains.* (Rep. Malaby, R-Hancock)

LD 119, *An Act to Exempt from the Use tax \$1,000 of Internet Purchases from Out-of-state Sellers.* (Rep. Wilson, R-Augusta)

LD 150, *An Act to Modernize State Income Tax Returns.* (Rep. Duprey, R-Hampden)

LD 167, *An Act to Base the Motor Vehicle Excise Tax on the Purchase Price of the Motor Vehicle.* (Sen. Patrick, D-Oxford)

LD 317, *An Act Regarding The Business Equipment Tax Reimbursement Program and the Business Tax Exemption Program.* (Rep. Libby, D-Lewiston)

LD 318, *An Act to Establish a Sales Tax Holiday for Purchases Made During the Month of January.* (Rep. Rykerson, D-Kittery)

LD 319, *An Act To Provide Tax Fairness to Small Businesses.* (Rep. Berry, D-Bowdoinham)

LD 400, *An Act To Amend the Maine Tree Growth Tax Law.* (Rep. Jones, D-Freedom)

LD 412, *An Act To Expand Employment Tax Increment Financing To Support Job Creation.* (Rep. Chenette, D-Saco)

LD 427, *An Act To Authorize Options for Local Revenue Enhancement.* (Rep. MacDonald, D-Old Orchard Beach)

LD 614, *An Act To Adjust Fuel Taxes To Improve Sustainability.* (Rep. Peoples, D-Westbrook)

LD 692, *An Act To Provide Funding for Education by Restoring the 8.5 Percent Income Tax Rate for High-income Taxpayers.* (Rep. MacDonald, D-Boothbay)

LD 693, *An Act To Provide Solar Energy Tax Credits to Maine Homeowners.* (Rep. Kusiak, D-Fairfield)

LD 815, *An Act to Tax Political Action Committees.* (Rep. Hayes, D-Buckfield)

LD 834, *An Act to Make the Income Tax More Equitable for Citizens of the State.* (Rep. Hayes, D-Buckfield)

LD 901, *An Act To Modify the Mining Excise Tax.* (Rep. Chapman, D-Brooksville)

LD 989, *An Act to Conform the Maine Tax laws for 2012 to the United States Internal Revenue Code.* (Sen. Haskell, D-Cumberland)

LD 1099, *An Act To Provide an Internship Employment Tax Credit.* (Sen.

Goodall, D-Sagadahoc)

LD 1110, *An Act To Simplify the Tax Code.* (Rep. Parry, R-Arundel)

LD 1113, *An Act To Provide Tax Fairness to Maine's Middle Class and Working Families.* (Rep. Berry, D-Bowdoinham)

LD 1124, *An Act To Provide Income Tax Relief.* (Rep. Stuckey, D-Portland)

LD 1126, *An Act Regarding Corporate Income Tax Disclosure.* (Rep. Stuckey, D-Portland)

LD 1141, *An Act To Increase the Sales Tax To Support Revenue Sharing.* (Rep. Theriault, D-Madawaska)

LD 1206, *An Act to Ensure Equity in the Taxation of Food Items.* (Rep. MacDonald, D-Boothbay)

LD 1227, *An Act to Promote Tourism and Economic Development.* (Rep. Chipman, I-Portland)

LD 1255, *Resolve, To Provide Greater Depth and Transparency to the Review of Forgone Revenue Identified in the Biennial Tax Expenditure Report.* (Rep. Stuckey, D-Portland)

LD 1256, *An Act to Establish Tax Fairness.* (Rep. Chipman, I-Portland)

LD 1297, *An Act to Provide Funding for Public Education by Increasing the Sales Tax.* (Rep. Chenette, D-Saco)

LD 1314, *An Act to Allow a Local Option Tax on Meals and Lodging.* (Rep. Moonen, D-Portland)

LD 1409, *An Act To Promote Tourism and Foster Economic Development.* (Rep. Hamann, D-South Portland)

LD 1446, *An Act To Review Tax Expenditures on a Revolving Basis.* (Sen. Haskell, D-Cumberland)

LD 1477, *An Act to Impose a Temporary One Percent Sales Tax for Education and Revenue Sharing.* (Rep. Gideon, D-Freeport)

LD 1488, *An Act To Create a Tax Expenditures Budget Process.* (Sen. Cain, D-Penobscot)

LD 1496, *An Act To Modernize and Simplify the Tax Code.* (Rep. Knight, R-Livermore Falls)

TAXATION CARRIED OVER...

LD 136, *An Act Connect Benefits Provided under the Circuit breaker Program with the Payment of Property Taxes.* (Rep. Hayes, D-Buckfield) *Joint Standing Committee on Taxation.* This bill requires that the application form for the Circuit breaker Program include a method of determining whether the property taxes being claimed

have been paid at the time of application to the program. If the State Tax Assessor determines that the property taxes have not been paid, the benefit would be issued to the claimant and the municipality jointly. The bill also requires the municipality to endorse the benefit to the claimant but can withhold an amount equal to the amount of property taxes owed for the year for which the benefit is being issued. The bill allows a municipality to retain an amount in excess of the amount of property taxes owed only with the express written permission of the claimant.

LD 234, *An Act to Provide Tax Treatment Consistency for Limited Liability Companies and S Corporations.* (Sen. Woodbury, I-Cumberland) *Joint Standing Committee on Taxation.* This bill allows a member of a pass-through entity, such as a limited liability company or S corporation, to receive an income tax credit against taxes imposed on that member's distributive share or pro rata share of the pass-through entity's income, and ensures that the amount used to calculate the income tax credit for certain members of pass-through entities cannot also be used as a deduction from income. This bill applies to tax years beginning on or after January 1, 2014.

LD 996, *An Act to Improve the Accuracy of Fuel Tax Reporting.* (Sen. Thibodeau, R-Wadlo) *Joint Standing Committee on Taxation.* This bill improves the accuracy of Maine's fuel taxes by taking temperature into account when calculating inventory taxes on internal combustion engine fuel and special fuel. Given Maine's climate, fuel distributors, wholesalers, importers and exporters experience fuel shrinkage during cold weather periods. Currently, taxes are based on gross fuel amounts without adjustments for temperature or barometric pressure. This bill provides consistency with practices in other states by requiring that fuel be measured in gallons after it is adjusted to a temperature of 60 degrees Fahrenheit and a barometric pressure of 14.7 pounds per square inch or in gross gallons if elected by the licensed supplier or licensed distributor.

LD 1120, *An Act To Improve Maine's Tax Laws.* (Rep. Goode, D-Bangor) *Joint Standing Committee on Taxation.* This bill is a concept bill that proposes to improve the tax laws by amending the law to reduce the use of so-called off-

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Taxation Legislation...

(Continued from Page 46...)

shore tax havens, thus reducing the loss of revenue to the State and establishing a task force to undertake a comprehensive analysis of the biennial report of tax expenditures prepared by the Department of Administrative and Financial Services, Bureau of Revenue Services pursuant to the Maine Revised Statutes, Title 36, chapter 10. The bill requires the task force to identify any tax expenditures that may be reduced or eliminated with the goal of achieving a targeted savings of \$30,000,000 in fiscal year 2014-15.

LD 1402, *An Act to Amend the Taxes imposed on Alcohol and Lodging*. (Rep. Moonen, D-Portland) *Joint Standing Committee on Taxation*. The bill repeals the excise taxes and premiums imposed on spirits, wine and malt liquor and the requirements regarding those excise taxes and premiums. It also increases the sales and use tax imposed on lodging from 7% to 9% and on liquor sold for consumption on or off the premises of licensed establishments from 7% to 9%. Part B also amends the exemption of casual rentals of living quarters to decrease the exempt period from fewer than 15 days to fewer than 8 days.

LD 1421, *An Act To Permit a Student Holding a Degree from a Non-Maine Institution To Participate in the Job Creation Through Educational Opportunity Program*. (Rep. Nadeau, D-Winslow) *Joint Standing Committee on Taxation*. This bill provides that an individual whose associate degree or bachelor's degree was obtained from an accredited non-Maine institution may participate in the Job Creation Through Educational Opportunity Program if the degree obtained was not available from an accredited Maine institution.

LD 1463, *An Act To Examine Best Practices Relating to Tax Expenditures*. (Rep. Rotundo, D-Lewiston) *Joint Standing Committee on Taxation*. This bill is a concept draft that proposes to direct the Joint Standing Committee on Taxation to examine best practices relating to tax expenditures. The bill directs the tax committee to examine various approaches to tax expenditures, including but not limited to placing a cap on tax expenditures and developing expenditure budgets, in order to determine the best way to achieve the

goals of tax expenditures in the most effective and efficient manner possible and to ensure transparency and accountability.

TAXATION HELD BY GOVERNOR...

LD 743, *An Act To Extend and Improve the Maine Seed Capital Tax Credit Program*. (Sen. Valentino, D-York) *Joint Standing Committee on Taxation*. This bill extends the Maine Seed Capital Tax Credit Program, which is approaching the statutory cap on credits that can be authorized, and makes a number of improvements and clarifications. The bill makes the amount of the tax credit the same for individual investors and venture capital funds, clarifies that producers of value-added natural resource products are eligible, removes the ambiguous eligibility for businesses that "bring capital into the State" and specifies that eligible businesses must certify that the investment is necessary to allow the business to create or retain jobs in the State. The bill increases the maximum annual sales limit of \$3,000,000, which has been in effect since 1997, to \$5,000,000 for investments made in 2014 or after. The bill authorizes additional tax credits of \$2,000,000 for investments made between June 1, 2013 and December 31, 2013, \$4,000,000 for investments made in calendar year 2014 and \$5,000,000 each year for investments made in each subsequent year. An investor in a venture capital fund requesting a refundable tax credit may not file for a refund until the calendar year after the calendar year in which the investment is made.

TRANSPORTATION LEGISLATION

TRANSPORTATION ENACTED...

LD 109 (PL Ch. 55), *An Act To Exempt All Vehicles Delivering Home Heating Fuel, Including Wood Pellets, from Weight Limits*. (Rep. Davis, R-Sangerville) *Joint Standing Committee on Transportation*. This law clarifies that the provision of law stating provides that rules adopted by the Department of Transportation to ensure proper use and prevent abuse of public ways under the jurisdiction of the department are routine technical rules. In addition, under current law, county commissioners and municipal officers may impose restrictions on gross weight, speed, opera-

tion and equipment on public ways within their jurisdictions. The law clarifies that restrictions adopted by county commissioners and municipal officers are not rules subject to the Maine Administrative Procedure Act. The law also directs the department to include in the definition of "home heating fuel" oil, gas, coal, stove-length wood, propane and wood pellets, vehicles delivering home heating fuel are exempt from weight limits includes vehicles delivering firewood, wood pellets, propane and fuel oil, thus allowing such vehicles to use posted roads.

LD 721 (PL Ch. 208), *An Act To Provide Transparency in Public-private Partnerships for Transportation Projects*. (Rep. McCabe, D-Skowhegan) *Joint Standing Committee on Transportation*. The law repeals the requirement that the Department of Transportation determine whether a public-private partnership proposal and corresponding transportation facility are in the best interest of the public. The law also provides that information obtained by the department relating to a public-private partnership transportation project proposal is a public record as defined in the Freedom of Access Act, except for information designated by the private entity as a trade secret or as information that, if disclosed, would result in a business or competitive disadvantage, loss of business, invasion of privacy or other significant detriment to the private entity to whom the information belongs or pertains.

LD 985 (PL Ch. 41), *Resolve, To Repeal the Requirement That the Department of Transportation Facilitate a Feasibility Study of an East-west Highway and Provide for Public Access to Certain Documents*. (Sen. Mazurak, D-Knox) *Joint Standing Committee on Transportation*. This resolve repeals Resolve 2011, chapter 147, "Resolve, To Require the Department of Transportation To Facilitate and Oversee a Study of the Feasibility of an East-west Highway." This resolve specifies that any documents created in connection with Resolve 2011, chapter 147 are public documents and are not confidential. This resolve also prohibits the department from seeking reimbursement for any study conducted pursuant to Resolve 2011, chapter 147.

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Transportation Legislation... **(Continued from Page 47...)**

TRANSPORTATION DEFEATED...

LD 165, *An Act To Prohibit the Use of Eminent Domain in Certain Public-Private Partnerships*. (Sen. Thomas, R-Somerset)

LD 569, *Resolve, To Study the Impact of Higher Maine Turnpike Tolls on Workers, Businesses and Economic Development*. (Rep. Bolduc, D-Auburn)

LD 870, *Resolve, Regarding a Study by the Department of Transportation of the Most Efficient Options for Improving East-west Transit and Transportation*. (Sen. Mazurak, D-Knox)

UNEMPLOYMENT INSURANCE LEGISLATION

UNEMPLOYMENT INSURANCE ENACTED...

LD 1250 (PL Ch. 178), *An Act To Revise Maine's Unemployment Compensation Laws*. (Rep. Beaulieu, R-Auburn) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. This law expands the current exceptions under which no unemployment benefit charges are made to an individual employer's experience rating record to include a situation in which the employer hired an individual to temporarily cover a position vacant due to a leave of absence for family medical leave provided under Maine or federal law and the claimant's employment was subsequently terminated when the permanent employee returned at the completion of the leave of absence. Any unemployment benefits paid out as a result of this type of job separation would be charged to the General Fund within the Unemployment Trust Fund.

UNEMPLOYMENT INSURANCE DEFEATED...

LD 159, *An Act Regarding the Laws Governing Unemployment Compensation Benefits for Employees of Temporary Staffing Agencies*. (Rep. Volk, R-Scarborough for the Maine Department of Labor)

LD 853, *Resolve, Requiring the Department of Labor To Establish a Fund*

To Assist Unemployed Individuals Lacking Transportation to Job Interviews. (Rep. Beavers, D-South Berwick)

LD 1033, *An Act To Help the Unemployed Find Work*. (Re. Parry, R-Arundel)

LD 1198, *An Act To Protect Earned Pay*. (Rep. Herbig, D-Belfast)

UNEMPLOYMENT INSURANCE CARRIED OVER...

LD 690, *An Act To Ensure Efficiency in the Unemployment Insurance System*. (Rep. Herbig, D-Belfast) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. This bill requires that determinations on all nonmonetary issues related to a claim for unemployment compensation be made within specified time frames; specifically 80% within 21 days, and all not to exceed 30 days unless the delay is caused by the recipient.

UTILITIES AND ENERGY LEGISLATION

UTILITIES AND ENERGY ENACTED...

LD 175 (PL Ch. 120), *An Act To Update the Laws Governing Energy Efficiency Building Performance Standards*. (Sen. Cleveland, D-Androscoggin) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. The law directs the Public Utilities Commission to repeal rules that established the standards that comprised the Maine Model Building Energy Code.

LD 302 (R Ch. 20), *Resolve, Directing the Public Utilities Commission To Review Certain Electricity Distribution Charges Assessed on Businesses*. (Rep. Guerin, R-Glenburn) *Joint Standing Committee on Utilities and Energy*. The Public Utilities Commission shall submit a report to the Joint Standing Committee on Energy, Utilities and Technology regarding the demand charges placed on the medium rate class by an investor-owned transmission and distribution utility

LD 385 (PL Ch. 325), *An Act To Improve Wind Energy Development Permitting*. (Rep. Beavers, D-South Berwick) *Joint Standing Committee on Utilities and Energy*. The law modifies the permitting process for grid-scale wind energy developments by providing for public comment and the opportunity for the public to

request a hearing and by permitting an intervenor to request an adjudicatory hearing. The law provides a rebuttable presumption that wind energy development constitutes a significant adverse effect on natural resources if proposed in a Bicknell's Thrush habitat 25 acres or larger in which Bicknell's Thrush have been documented. The law also requires that a grid-scale wind energy development permit application must contain options for best practical mitigation to reduce impacts on scenic or wildlife resources.

LD 437 (PL Ch. 177), *An Act To Streamline the General Permit Process for Tidal Power*. (Sen. Thibodeau, R-Waldo) *Joint Standing Committee on Utilities and Energy*. This law streamlines the permitting of a tidal energy demonstration project by the Department of Environmental Protection by specifying that the environmental assessment that includes a finding of "no significant environmental impact" is not required for the department to accept the application for processing. The law establishes that the date of the notification of acceptance of the application for processing must be within 30 days of the filing of the assessment if it was not filed at the time of the initial application.

LD 441 (R Ch. 47), *Resolve, Directing the Public Utilities Commission To Develop a Plan To Reform Water Regulation*. (Sen. Haskell, D-Cumberland) *Joint Standing Committee on Utilities and Energy*. This resolve directs the Public Utilities Commission to develop a plan to reform regulation of consumer-owned water utilities and report to the Joint Standing Committee on Energy, Utilities and Technology by January 31, 2014. It also directs the commission to continue to process any filings submitted by consumer-owned water utilities for exemptions under the laws governing utilities with as much deliberate speed as possible, within the constraints of existing resources.

LD 876 (PL Ch. 28), *Resolve, To Establish a Working Group To Study Issues Relating to Broadband Infrastructure Deployment*. (Sen. Johnson, D-Lincoln) *Joint Standing Committee on Utilities and Energy*. This resolve directs the ConnectME Authority to establish a working group to identify technical, legal, funding and jurisdictional chal-

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Utilities and Energy...

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lenges to the deployment of broadband conduit for fiber-optic communications and to develop solutions necessary to achieve and facilitate the deployment of broadband infrastructure. The resolve directs the authority to submit a written report of findings and recommendations to the Joint Standing Committee on Energy, Utilities and Technology and the Joint Standing Committee on Transportation no later than February 1, 2014.

LD 927 (PL Ch. 415), *An Act To Further Energy Independence for the State*. (Rep. McGowan, D-York) *Joint Standing Committee on Utilities and Energy*. This law consolidates various reporting requirements of the Governor's Energy Office into 2 primary reports, the annual report under the Maine Revised Statutes, Title 2, section 9, subsection 3, paragraph C-1 and the biennial update to the comprehensive state energy plan under Title 2, section 9, subsection 3, paragraph C.

LD 1178 (PL Ch. 124), *An Act To Encourage the Use of Biofuels in the State*. (Sen. Saviello, R-Franklin) *Joint Standing Committee on Natural Resources*. This bill requires that a seller provide documentation of the amount of biofuel in certain blended products at the time of sale. It allows a buyer of these blended products to rely on the information contained in this documentation and relieves the buyer of liability arising from this reliance.

LD 1442 (PL Ch. 17), *An Act To Establish a Pilot Natural Gas Utility District in Maine*. (Rep. Nadeau, D-Winslow)

EMERGENCY *Joint Standing Committee on Utilities and Energy*. This law establishes the Kennebec Regional Gas District to assist and help coordinate with the provision of natural gas from 3rd-party suppliers or distributors of natural gas to the citizens, organizations and businesses of the district, including through grants, loans or other financial assistance; to assist in aggregating customers for the purpose of procuring natural gas supply to customers within the district who elect to participate in such aggregation; to provide grants, loans or other financial assistance to residential and commercial customers in the district to obtain natural gas or to assist

such customers with natural gas conversions; to own, operate or assist in the development or operation of one or more facilities that use natural gas to cogenerate electric power and other useful energy; and to manage the district.

UTILITIES AND ENERGY

DEFEATED...

LD 247, *An Act To Amend the Law Governing Appeals of Final Agency Action on Applications Concerning Wind Energy Development*. (Sen. Valentino, D-York)

LD 261, *An Act To Provide That a Distributor, Blender or Retail Dealer of Motor Fuel May Not Be Required To Sell, Consign or Distribute Motor Fuel Containing Ten Percent or More Ethanol*. (Sen. Jackson, D-Aroostook)

LD 697, *An Act To Increase Maine's Energy Competitiveness*. (Sen. Katz, R-Kennebec)

LD 797, *An Act To Strengthen Basic Telephone Service*. (Rep. Daughy, D-Brunswick)

LD 827, *An Act To Increase Access to Natural Gas*. (Rep. Dunphy, R-Emden)

LD 863, *Resolve, To Reduce Greenhouse Gases and Consumer Energy Costs*. (Sen. Youngblood, D-Penobscot)

LD 964, *An Act To Encourage Community-based Renewable Energy*. (Rep. Fredette, R-Newport)

LD 1145, *An Act To Help Homeowners Reduce Heating Costs through Energy Efficiency*. (Rep. Chapman, D-Brooksville)

LD 1187, *An Act To Create the Maine Energy Cost Reduction Authority*. (Rep. Fredette, R-Newport)

LD 1262, *An Act To Reduce Energy Costs*. (Rep. Fredette, R-Newport)

LD 1323, *An Act Regarding Wind Power Siting in the Unorganized Territory*. (Rep. Hayes, D-Buckfield)

LD 1324, *An Act To Protect Local Communities When a Mining Project Is Terminated*. (Rep. Kruger, D-Thomaston)

LD 1325, *Resolve, To Place a Temporary Suspension on Permitting of Certain Expedited Grid-scale Wind Energy Developments*. (Rep. Kaenrath, D-South Portland)

LD 1375, *An Act To Enhance Maine's Economy and Environment*. (Sen. Patrick, D-Oxford)

LD 1386, *An Act To Allocate Net Revenue from Energy Corridor Leases on*

the Maine Turnpike for Purposes of Energy and Environmental Conservation. (Rep. Hobbins, D-Saco)

LD 1425, *An Act To Create Affordable Heating Options for Maine Residents and Reduce Business Energy Costs*. (Rep. Dunphy, R-Emden)

LD 1426, *An Act To Improve Maine's Economy and Lower Energy Costs through Energy Efficiency*. (Sen. Boyle, R-Cumberland)

UTILITIES AND ENERGY

CARRIED OVER...

LD 616, *An Act To Amend the Expedited Permitting Area for Wind Energy Development under the Jurisdiction of the Maine Land Use Planning Commission*. (Rep. Dunphy, R-Emden) *Joint Standing Committee on Utilities and Energy*. This bill amends unallocated language in Public Law 2007, chapter 661, "An Act To Implement Recommendations of the Governor's Task Force on Wind Power Development," to remove Carrying Place Township, Concord Township, Highland Plantation, Lexington Township and Pleasant Ridge Plantation from the expedited permitting area for the purposes of that Act and directs the Maine Land Use Planning Commission to amend its rules accordingly.

LD 796, *Resolve, To Enhance Economic Development by Encouraging Businesses Adjacent to Electric Power Generators To Obtain Power Directly*. (Rep. Campbell, R-Orrington) *Joint Standing Committee on Utilities and Energy*. This resolve is a concept draft pursuant to Joint Rule 208. This resolve proposes to establish a stakeholder group to identify barriers to and incentives for the direct purchase of electricity by businesses adjacent to electricity-generating facilities, with the intent that the direct purchase of the electricity will decrease total electricity costs to the businesses.

LD 916, *An Act To Promote Investment in Maine's Communications Network and Natural Gas Network*. (Rep. Brooks, I-Winterport) *Joint Standing Committee on Utilities and Energy*. This bill provides sales tax exemptions for telecommunications equipment sold to a provider of telecommunications services and natural gas heating equipment sold to a business or residential consumer.

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Utilities and Energy...

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LD 965, *An Act To Improve Maine's Underground Facility Damage Prevention Program.* (Rep. Beaulieu, R-Auburn) *Joint Standing Committee on Utilities and Energy.* This bill establishes the Dig Safe Advisory Board, which will collaborate with the Public Utilities Commission for the purpose of improving the protection of underground facilities. The bill also requires that persons who own underground facilities and who are not members of the underground facility damage prevention system register their facilities with the Public Utilities Commission and provide the commission with current 24-hour contact information for purposes of notification regarding excavations.

LD 1013, *An Act To Create the Children's Wireless Protection Act.* (Rep. Boland, D-Sanford) *Joint Standing Committee on Utilities and Energy.* This bill provides that a retailer may not sell at retail in this State a cellular telephone unless the cellular telephone and its packaging bear a warning label relating to the potential health effects associated with nonthermal effects of cellular telephone radiation. It requires the manufacturer of the cellular telephone to provide the warning labels to the retailer at no cost to the retailer. This bill also requires the retailer to provide an information bulletin to the purchaser of a cellular telephone informing the purchaser of potential health risks associated with the use of cellular telephones. A violation of this provision is a violation of the Maine Unfair Trade Practices Act.

LD 1060, *An Act To Address Rising Electric Transmission Rates.* (Rep. Newendyke, R-Litchfield) *Joint Standing Committee on Utilities and Energy.* This bill requires that the Public Utilities Commission may not issue a certificate of public convenience and necessity for the construction of a transmission line unless a description of the need for the proposed transmission line is provided; an analysis of nontransmission alternatives is conducted by an independent 3rd party selected by the Public Utilities Commission; the projected cost of the proposed transmission line is compared to the projected cost of feasible nontransmission alternatives

based on total projected costs, regardless of who pays; preference is given to lower-cost alternatives; cleaner alternatives are given preference over alternatives that rely on fossil fuels; the Public Utilities Commission makes specific findings as to whether alternatives can address the identified need at lower total cost; and all cost-effective energy efficiency and demand response resources are being acquired in the applicable service territory of the utility that has proposed the project.

LD 1252, *An Act To Improve Maine's Economy and Energy Security with Solar and Wind Energy.* (Rep. Morrison, D-South Portland) *Joint Standing Committee on Utilities and Energy.* This bill reinstates the solar and wind energy rebate program, which provided rebates for the purchase of certain solar and wind energy equipment, until June 30, 2018. The program had expired December 31, 2010. This bill also increases the limit on the total amount of renewable capacity allowed under the community-based renewable energy pilot program from 50 megawatts to 60 megawatts and requires the Public Utilities Commission to reserve 10 megawatts in that program for solar-powered generating systems. The bill increases the limit on the contract price the commission can authorize for eligible solar-power generation and indexes the price limit to the Consumer Price Index. It also extends the repeal date for the Community-based Renewable Energy Act from December 31, 2015 to December 31, 2017. The bill requires the commission to submit to the Legislature by January 15, 2014 a report on options for establishing a solar carve-out, or solar set-aside, an amount of energy purchased that must be solar, within the State's renewable portfolio standard.

LD 1479, *An Act To Clarify Telecommunications Regulation Reform.* (Rep. Hobbins, D-Saco) *Joint Standing Committee on Utilities and Energy.* This bill limits the amount of funds a provider of provider of last resort service can receive from the state universal service fund. The bill establishes a procedure for the Public Utilities Commission to conduct an emergency rate case in response to a petition for a temporary increase in rates. This bill provides that the Public Utilities Commission may not reassign the provider of last resort service obligation without the

consent of the current service provider unless that provider is unable to provide the service in accordance with state law. This bill provides that the rate charged to customers for provider of last resort service must be uniform throughout the State for a service provider, must be within 2 standard deviations of the national average and may not be set at a level that will jeopardize the receipt of federal funding to support telecommunications services. This bill amends the section of law related to the assessment to fund the Public Utilities Commission and the Office of the Public Advocate to include all utilities that were included prior to the enactment of Public Law 2011, chapter 623. It expands the assessment to include a person that provides voice over Internet protocol service over facilities that it, or an affiliated company, owns or leases, regardless of whether that service provider paid the assessment prior to March 1, 2012.

WORKERS' COMPENSATION LEGISLATION

WORKERS' COMPENSATION ENACTED...

LD 1 (PL Ch. 63), *An Act To Amend the Maine Workers' Compensation Act of 1992.* (Sen. Partrick, D-Oxford, for the Maine Workers' Compensation Board) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development.* This bill makes a variety of technical changes to the Workers' Comp Act of 1992. Some of these changes are corrective measures to legislation passed in the 125th legislative session.

LD 444 (R Ch. 40), *Resolve, Directing the Workers' Compensation Board To Study Improving Protections for Injured Workers Whose Employers Have Wrongfully Not Secured Workers' Compensation Payments.* (Sen. Jackson, D-Aroostook) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development.* This resolve directs the Workers' Compensation Board to study the issue of improving protections for injured workers whose employers have wrongfully not secured workers' compensation payments and to report to the Joint Standing Committee on

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Workers' Compensation...

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Labor, Commerce, Research and Economic Development with recommendations and draft implementing legislation to address this problem by January 30, 2014. The Joint Standing Committee on Labor, Commerce, Research and Economic Development has authority to report out a bill related to the report to the Second Regular Session of the 126th Legislature.

LD 706 (PL Ch. 172), *An Act To Amend the Workers' Compensation Self-insurance Laws*. (Sen. Tuttle, D-York) *Joint Standing Committee on Insurance and Financial Services*. This law provides flexibility to modify retention levels for self-insurance reinsurance accounts in response to medical inflation and other changes in circumstances with approval of the Superintendent of Insurance. The law also revises the investment standards for self-insurance deposits and trusts to reduce concentration risk and other market risks posed by specifying a narrow range of permitted investments.

LD 761 (PL Ch. 87), *An Act To Clarify the Agricultural Exemption to the Workers' Compensation Laws*. (Rep. Cray, R-Palmyra) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. This law reorganizes the text of the existing agricultural labor exemption for workers' compensation liability to provide more clarity in the law. The law also adds the spouses of parents, brothers, sisters and children under the definition of "immediate family members" not considered agricultural or aquacultural laborers.

LD 949 (PL Ch. 152), *An Act To Ensure the Proportional Offset against Retirement Benefits of Workers' Compensation Awards*. (Sen. Johnson, D-Lincoln) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. Current law allows workers' compensation awards to be offset by the full after-tax amount of a pension or retirement benefit received by an injured employee, for those employees that did not contribute directly to the pension or retirement plan or program. For employees that did contribute to their pension or retirement plan or program, their work-

ers' compensation awards are offset only by the proportional amount that the employer contributed to their plan. This bill would allow for the same proportional offset of pension and retirement benefits, based on the employer's contributions to the pension or retirement program, to apply to workers' compensation awards regardless of whether or not the employee had contributed directly to the pension or retirement plan or program.

LD 1376 (PL Ch. 164), *An Act To Ensure the Choice of a Pharmacy for Injured Employees under the Maine Workers' Compensation Act of 1992*. (Sen. Patrick, D-Oxford) *Joint Standing Committee on Labor, Commerce, Research, and Economic Development*. This law gives an injured employee the right under the Maine Workers' Compensation Act of 1992 to choose the provider, pharmacy or pharmacist to dispense any drugs or medication prescribed to treat the injury or disease for which compensation is claimed.

WORKERS' COMPENSATION DEFEATED...

LD 235, *An Act To Improve Insurance Coverage for Volunteer First Responders*. (Sen. Johnson, D-Lincoln)

LD 443, *An Act To Amend the Maine Workers' Compensation Act of 1992 To Provide Benefits to Seriously Injured Workers*. (Sen. Jackson, D-Aroostook)

WORKFORCE DEVELOPMENT LEGISLATION

WORKFORCE DEVELOPMENT ENACTED...

LD 90 (PL Ch. 368), *An Act to Strengthen m Maine's Workforce and Economic Future*. (Pres. Alfond, D-Cumberland) *Joint Standing Committee on Joint Select Committee on Maine's Workforce and Economic Future*. This legislation became part of the budget. It creates the Maine Industry Partnership, expands the community college system to address the backlog in high demand programs, creates a credit transfer system between UMS and MCCS.

LD 1132 (PL Ch. 410), *An Act to Achieve Economic Growth by Enhancing Science,*

Technology, Engineering and Mathematics Education and To Meet Workforce Needs. (Sen. Cain, D-Penobscot) *Joint Standing Committee on Joint Select Committee on Maine's Workforce and Economic Future*. This bill authorizes and provides funding for the Science, Technology, Engineering and Mathematics Council to establish the office of executive director to provide leadership and management expertise that will assist the council in achieving its goals.

WORKFORCE DEVELOPMENT DEFEATED...

LD 516, *An Act To Create the Integrated Manufacturing Program Fund*. (Sen. Tuttle, D-York)

LD 737, *An Act To Promote Workforce Development and Training in the Heating, Ventilation, Air Conditioning and Energy Efficiency and Conservation Trades*. (Sen. Gerzofsky, D-Cumberland)

WORKFORCE DEVELOPMENT HELD BY GOVERNOR...

LD 1489, *An Act To Address Maine's Immediate Workforce Needs*. (Sen. Langley, R-Hancock for the Department of Economic and Community Development) *Joint Standing Committee on Joint Select Committee on Maine's Workforce and Economic Future*. This bill creates the Maine Skills Gap Program to address the immediate hiring needs of Maine employers. Its goal is to encourage students and qualified experienced workers to take positions with Maine companies representing industries with significant unmet demand for skilled labor by reimbursing a portion of an employee's student debt or, in the absence of student debt, reimbursing a portion of an employee's housing expense during the employee's employment. The reimbursement is not subject to Maine income tax. A qualified employer will be considered eligible for reimbursement by the State under the Maine Employment Tax Increment Financing Program and will be reimbursed 50% of the qualified employer's employment, payroll and state income tax withholding taxes paid by the qualified employer for each qualified employee. The Maine Skills Gap Program is repealed March 31, 2021. □

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A SPECIAL NOTE OF THANKS

Thank you to Governor Paul LePage and the countless legislators and administrators for their willingness to discuss the tough issues in search of equitable solutions; for partnerships with other associations as we build collaboration; and, for members who are willing to lend their voices to our grassroots efforts.

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