



129th MAINE LEGISLATURE

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Legislative Document

No. 1069

H.P. 792

House of Representatives, March 5, 2019

An Act To Amend the Tax Expenditure Review Process

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative TIPPING of Orono.
Cosponsored by Representative: BICKFORD of Auburn.

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

2 **Sec. 1. 3 MRSA §999, sub-§4**, as enacted by PL 2015, c. 344, §4, is amended to
3 read:

4 **4. Action by policy committee.** The policy committee shall review the results of the
5 tax expenditure evaluations and of the committee's review based on materials submitted
6 under subsections 2 and 3. ~~By December 1st of each year, beginning in 2017, the~~ The
7 policy committee shall submit to the Legislature by the later of 90 days after receipt of
8 materials submitted under subsections 2 and 3 and the adjournment sine die of the regular
9 session during which the materials were received, if applicable, a report documenting its
10 activities under this chapter and any recommendations resulting from its review of the
11 materials submitted under subsections 2 and 3. The policy committee may submit a bill to
12 the ~~next regular session of the~~ Legislature to implement the policy committee's
13 recommendations.

14 **Sec. 2. 3 MRSA §1000, sub-§§2 and 3**, as enacted by PL 2015, c. 344, §4, are
15 amended to read:

16 **2. Action by the office.** By July 1st ~~in 2016 to 2018 and by December 15th~~ of each
17 year, ~~beginning in 2016, 2019~~ the office shall collect, prepare and submit to the policy
18 committee the following information to support the expedited reviews under subsection
19 1:

- 20 A. A description of the tax policy under review;
- 21 B. Summary information on each tax expenditure associated with the tax policy
22 under review, including:
- 23 (1) A description of the tax expenditure and the mechanism through which the
24 tax benefit is distributed;
- 25 (2) The intended beneficiaries of the tax expenditure; and
- 26 (3) A legislative history of the tax expenditure; and
- 27 C. The fiscal impact of the tax policy and each related tax expenditure, including
28 past and estimated future impacts.

29 **3. Report by policy committee; legislation.** ~~By December~~ March 1st of each year,
30 ~~beginning in 2016~~ 2020, the policy committee shall submit to the Legislature a report on
31 the results of the expedited reviews conducted pursuant to subsection 1 that year. The
32 policy committee may submit a bill related to the report to the ~~next regular session of the~~
33 Legislature to implement the policy committee's recommendations.

34 **SUMMARY**

35 This bill changes dates for the submission to the Legislature of tax expenditure
36 reports by the joint standing committee of the Legislature having jurisdiction over
37 taxation matters and the date for submission to the committee of certain materials by the
38 Office of Program Evaluation and Government Accountability. These changes are made

1 to accommodate previous reporting changes made with regard to full evaluations of tax
2 expenditures and to facilitate a more efficient review of all tax expenditure provisions.