

## STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND NINETEEN

H.P. 792 - L.D. 1069

## An Act To Amend the Tax Expenditure Review Process

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

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

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

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

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

- A. A description of the tax policy under review;
- B. Summary information on each tax expenditure associated with the tax policy under review, including:
  - (1) A description of the tax expenditure and the mechanism through which the tax benefit is distributed;
  - (2) The intended beneficiaries of the tax expenditure; and
  - (3) A legislative history of the tax expenditure; and

C. The fiscal impact of the tax policy and each related tax expenditure, including past and estimated future impacts.

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