



# 125th MAINE LEGISLATURE

LD 191

LR 858(01)

## An Act To Define Lienholder Rights under the Maine Tree Growth Tax Law

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Cushing III of Hampden

Committee: Taxation

Fiscal Note Required: Yes

### Preliminary Fiscal Impact Statement

State Mandate - Unfunded

#### State Mandates

<b>Required Activity</b>	<b>Unit Affected</b>	<b>Local Cost</b>
Provide notice to lienholder regarding failure to comply with Maine Tree Growth tax law when lienholders so request.	Municipality	Insignificant statewide

The required local activities in this bill may represent a State mandate pursuant to the Constitution of Maine. Unless General Fund appropriations are provided to fund at least 90% of the additional costs or a Mandate Preamble is amended to the bill and two-thirds of the members of each House vote to exempt this mandate from the funding requirement, municipalities may not be required to implement these changes.

#### Fiscal Detail and Notes

Under 30-A MRSA §5685 the State may not meet its obligation to provide required state mandate funds by authorizing a local unit of government to levy fees or taxes not previously levied by that local unit of government. Allowing municipalities to charge lienholders for the expense of notification does not eliminate or reduce the amount the State would need to provide to achieve the 90% funding for the mandate.