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STATE OF MAINE
ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE
COMMITTEE ON NATURAL RESOURCES

MEMORANDUM

2009 MAR 17 AM 10:47
O.F.P.R.

TO: Senator Bill Diamond, Senate Chair
Representative Emily Cain, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Seth Goodall, Senate Chair *SG*
Representative Bob Duchesne, House Chair *BD*
Joint Standing Committee on Natural Resources

DATE: March 17, 2009

SUBJ: Recommendations on the Governor's Proposed Biennial Budget (LD 353)

The Joint Standing Committee on Natural Resources reviewed the budget items in LD 353 that pertain to the agencies under the Committee's jurisdiction. With the exception of the FAME budget item as discussed below, the Committee unanimously voted to accept the budget proposals as specified below.

Department of Environmental Protection

The 12 members voting recommend acceptance of the Department of Environmental Protection's budget proposals as printed in LD 353 and as presented in OFPR Worksheet pages NAT-1 through NAT-31 and NAT-37 & 38.

Maine Joint Environmental Training Coordinating Committee (JETCC)

The 12 members voting recommend acceptance of the budget proposed for JETCC as printed in LD 353 and as presented in OFPR Worksheet ref. #: 3707 on NAT-33.

Saco River Corridor Commission

The 12 members voting recommend acceptance of the budget proposed for the Saco River Corridor Commission as printed in LD 353 and as presented in OFPR Worksheet ref. #: 3608 on NAT-34 & 35.

St. Croix International Waterway Commission

The 12 members voting recommend acceptance of the budget proposed for the St. Croix International Waterway Commission as printed in LD 353 and as presented in OFPR Worksheet ref. #: 3648 on NAT-36.

Finance Authority of Maine

The Committee has met twice to discuss the proposal in LD 353 relating to the Finance Authority of Maine and the Waste Motor Oil Disposal Site Remediation Program. The Committee is meeting again today, Tuesday, March 17th, to review proposed language regarding this issue. **We respectfully request an extension of time within which to submit our recommendation on this issue to your committee.**

Attached is the OFPR Worksheet indicating the Committee vote on each initiative.

Please let us know if we can provide any additional information or assistance in connection with budget items related to the agencies under our jurisdiction. We will submit our recommendation regarding the FAME budget issue shortly.

Enc.

cc: Members, Joint Standing Committee on Appropriations and Financial Affairs
Members, Joint Standing Committee on Natural Resources

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Sec. A-27. Appropriations and allocations.

The following appropriations and allocations are made.

FINANCE AUTHORITY OF MAINE

Waste Motor Oil Disposal Site Remediation Program Z060

Initiative: BASELINE BUDGET

OTHER SPECIAL REVENUE FUNDS

All Other

OTHER SPECIAL REVENUE FUNDS TOTAL

History 2007-08	History 2008-09	2009-10	2010-11
\$2,193,750	\$2,925,000	\$2,925,000	\$2,925,000
\$2,193,750	\$2,925,000	\$2,925,000	\$2,925,000

Justification:

This funding is used to make bond interest and principal payments for bonds issued by the Finance Authority of Maine to fund the clean up of waste motor oil disposal sites across Maine in accordance with Public Law 2007, chapter 464.

Waste Motor Oil Disposal Site Remediation Program Z060

Initiative: Provides funding from revenue for a premium on the first sale or distribution of bulk motor vehicle oil.

Ref. #: 1973

Committee Vote: Tabled.

AFA Vote: _____

*Please see
cover letter.*

OTHER SPECIAL REVENUE FUNDS

All Other

OTHER SPECIAL REVENUE FUNDS TOTAL

2009-10	2010-11
\$32,596	\$32,596
\$32,596	\$32,596

Justification:

This request provides funding from revenue for a premium on the first sale or distribution of bulk motor vehicle oil in the Waste Motor Oil Disposable Site Remediation Program in accordance with Public Law 2007, chapter 618.

**WASTE MOTOR OIL DISPOSAL SITE REMEDIATION PROGRAM Z060
PROGRAM SUMMARY**

OTHER SPECIAL REVENUE FUNDS

All Other

OTHER SPECIAL REVENUE FUNDS TOTAL

History 2007-08	History 2008-09	2009-10	2010-11
\$2,193,750	\$2,925,000	\$2,957,596	\$2,957,596
\$2,193,750	\$2,925,000	\$2,957,596	\$2,957,596

SENATE

SETH A. GOODALL, DISTRICT 19, CHAIR
DEBORAH L. SIMPSON, DISTRICT 15
DOUGLAS M. SMITH, DISTRICT 27

O.F.P.R.

2009 MAR 20 AM 8:20



HOUSE

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STATE OF MAINE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE

COMMITTEE ON NATURAL RESOURCES

MEMORANDUM

TO: Senator Bill Diamond, Senate Chair
Representative Emily Cain, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Seth Goodall, Senate Chair *SLB*
Representative Bob Duchesne, House Chair *R&D*
Joint Standing Committee on Natural Resources

DATE: March 19, 2009

SUBJ: Follow-up Recommendations on LD 353 Relating to the Finance Authority of
Maine

As noted in our recommendation letter dated March 17, 2009, the Joint Standing Committee on Natural Resources has reviewed the budget item in LD 353 that pertains to the Finance Authority of Maine (OFPR ref.# 1973, Page NAT-32) and unanimously recommends that LD 353 be amended as shown on the attached amendment.

Please let us know if we can provide any additional information or assistance in connection with this budget item.

Enc.

cc: Members, Joint Standing Committee on Appropriations and Financial Affairs
Members, Joint Standing Committee on Natural Resources

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**RECOMMENDATION OF
THE JOINT STANDING COMMITTEE ON NATURAL RESOURCES
RELATING TO THE FAME BUDGET ITEM ON
OFPR WORKSHEET REF. #1973 ON PAGE NAT-32**

AMENDMENT TO LD 353

Amend the bill in Section A-27 by striking lines 26 to 33 on page 249 in the LD.

Amend the bill by adding a new Part:

Sec. 1. 10 MRSA §1020, sub-§1, ¶F is amended to read:

F. "Motor vehicle oil" means any lubricating oil that is reclaimable and classified for use in ~~the crankcase of~~ an internal combustion engine, transmission, gearbox, hydraulic reservoir or differential for a motor vehicle, including but not limited to natural, synthetic and rerefined motor oils, whether or not in retail containers.

Sec. 2. 10 MRSA §1020, sub-§6-A is amended to read:

6-A. Premium. In addition to any other tax or charge imposed under state or federal law, ~~effective August 1, 2008~~ a premium is imposed on bulk motor vehicle oil and prepackaged motor vehicle oil sold or distributed in the State as provided in this subsection. A motor vehicle oil dealer that makes the first sale or distribution of bulk motor vehicle oil or prepackaged motor vehicle oil in the State shall pay the premium. Gasoline engine bulk motor vehicle oils are subject to a premium of \$1.10 per gallon. Diesel engine bulk motor vehicle oils are subject to a premium of 35¢ per gallon. Prepackaged motor vehicle oils are subject to a premium of 35¢ per gallon. All premiums must be paid to the State Tax Assessor and are subject to the administrative provisions of Title 36, Parts 1 and 3, as though they were a sales tax liability. By the 20th day of each month, the State Tax Assessor shall notify the State Controller and the Treasurer of State of the amount of revenue attributable to the premium collected under this subsection in the previous month. When notified by the State Tax Assessor, the State Controller shall transfer that amount to the fund. The premium imposed on prepackaged motor vehicle oil takes effect October 1, 2009.

Sec. 3. 10 MRSA § 1020-B is enacted to read:

§1020-B. Status Reports. The following reports related to the waste motor oil disposal site remediation program must be submitted to the joint standing committee of the Legislature having jurisdiction over natural resources matters.

1. Program report. By January 15, 2010 and every 2 years thereafter, the Finance Authority of Maine and the Department of Environmental Protection shall report on the status of the waste motor oil disposal site remediation program under this chapter; and