

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 884

H.P. 669

House of Representatives, February 27, 2007

An Act To Provide Funding to Postsecondary Marine Training Programs

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative EMERY of Cutler.
Cosponsored by Senator RAYE of Washington and
Representatives: EDGECOMB of Caribou, FISCHER of Presque Isle, MAZUREK of
Rockland, PENDLETON of Scarborough, PINGREE of North Haven, TIBBETTS of
Columbia, Senators: DAMON of Hancock, ROSEN of Hancock.

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

2 **Sec. 1. 12 MRSA §13002**, as enacted by PL 2003, c. 414, Pt. A, §2 and as
3 affected by c. 614, §9, is amended to read:

4 **§13002. Collection by commissioner**

5 The commissioner or agents of the commissioner shall act on behalf of the State Tax
6 Assessor to collect the use tax due under Title 36, chapters 211 to 225 in respect to any
7 watercraft, snowmobile or ATV for which an original registration is required under this
8 Title at the time and place of registration of that watercraft, snowmobile or ATV.

9 All taxes collected pursuant to this section must be transmitted forthwith to the
10 Treasurer of State and credited to the General Fund as undedicated revenue, except that
11 30% of the use tax collected on watercraft must be deposited in the Marine Training and
12 Education Program Fund established in Title 20-A, section 12892. The Legislature shall
13 appropriate to the department in each fiscal year an amount equal to the administrative
14 costs incurred by the department in collecting revenue under this section. Those
15 administrative costs must be verified by the Department of Administrative and Financial
16 Services.

17 For purposes of this section, "original registration" means any registration other than
18 a renewal of registration by the same owner.

19 **Sec. 2. 20-A MRSA c. 437** is enacted to read:

20 **CHAPTER 437**

21 **MARINE TRAINING AND EDUCATION PROGRAMS**

22 **§12891. Marine training and education programs**

23 The department, in consultation with the Chancellor of the University of Maine
24 System and the President of the Maine Community College System, shall develop marine
25 training and education programs for the University of Maine System and the Maine
26 Community College System.

27 **§12892. Marine Training and Education Program Fund**

28 There is established within the department the Marine Training and Education
29 Program Fund, referred to in this chapter as "the fund." The fund receives revenue from
30 the sales tax imposed on the sale of watercraft pursuant to Title 36, section 1811. The
31 fund must be used for the development and implementation of marine training and
32 education programs within the University of Maine System and the Maine Community
33 College System pursuant to section 12891. Funds in the fund do not lapse but must be
34 carried forward.

1 **§12893. Report**

2 Beginning December 15, 2008 and every 2 years thereafter, the department shall
3 report to the joint standing committee of the Legislature having jurisdiction over
4 education matters regarding the development, implementation and achievement of marine
5 training and education programs established under section 12891 and the use of the fund
6 established under section 12892.

7 **Sec. 3. 36 MRSA §1952-A**, as amended by PL 2005, c. 218, §26, is further
8 amended to read:

9 **§1952-A. Payment of tax on vehicles and recreational vehicles**

10 The tax imposed by this Part on the sale or use of any vehicle, snowmobile, all-terrain
11 vehicle or watercraft must, except where the dealer has collected the tax in full, be paid
12 by the purchaser or other person seeking registration of the vehicle, snowmobile, all-
13 terrain vehicle or watercraft at the time and place of registration. In the case of vehicles,
14 the tax must be collected by the Secretary of State and transmitted to the Treasurer of
15 State as provided by Title 29-A, section 409. In the case of watercraft, snowmobiles and
16 all-terrain vehicles, the tax must be collected by the Commissioner of Inland Fisheries
17 and Wildlife and transmitted to the Treasurer of State as provided by Title 12, sections
18 13002 to 13005. If the dealer collects the tax due under this Part on the sale of watercraft,
19 30% of that tax collected must be deposited in the Marine Training and Education
20 Program Fund established in Title 20-A, section 12892.

21

SUMMARY

22 This bill requires the Department of Education, working with the Chancellor of the
23 University of Maine System and the President of the Maine Community College System,
24 to develop marine training and education programs, to be available within the University
25 of Maine System and the Maine Community College System. The programs are funded
26 by a diversion of revenue from the sales and use tax imposed on watercraft. The current
27 sales and use tax on watercraft is 5%. This bill maintains that rate but allocates 30% of
28 the revenue from the sales and use tax imposed on watercraft, which is equivalent to
29 1.5% of the taxable sales that are subject to the 5% tax.