

MAINE STATE LEGISLATURE

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SMY
R O F S

L.D. 1869

2 Date: 4-2-12

(Filing No. S-512)

3 AGRICULTURE, CONSERVATION AND FORESTRY

4 Reproduced and distributed under the direction of the Secretary of the Senate.

5 STATE OF MAINE

6 SENATE

7 125TH LEGISLATURE

8 SECOND REGULAR SESSION

9 COMMITTEE AMENDMENT "A" to S.P. 653, L.D. 1869, Bill, "An Act To
10 Establish the Dairy Improvement Fund"

11 Amend the bill by striking out everything after the enacting clause and before the
12 emergency clause and inserting the following:

13 'Sec. 1. 7 MRSA §2910-B is enacted to read:

14 **§2910-B. Dairy Improvement Fund**

15 The commissioner shall administer the Dairy Improvement Fund established under
16 Title 10, section 1023-P in accordance with this section and Title 10, section 1023-P. All
17 money received by the fund from any source, including revenue distributed under Title 8,
18 section 1036, subsection 2-A, paragraph M, must be deposited with the Finance Authority
19 of Maine and credited to the fund. Money credited to the fund must be used to provide
20 loans to assist dairy farmers in making capital improvements to maintain and enhance the
21 viability of their farms and to pay the administrative costs of processing loan applications
22 and servicing and administering the fund and loans made from the fund. Repayment of
23 these loans and interest on the loans must be credited to the fund to be available for the
24 same purposes.

25 The commissioner shall adopt rules to implement this section. Rules adopted
26 pursuant to this section are routine technical rules as defined in Title 5, chapter 375,
27 subchapter 2-A.

28 **Sec. 2. 7 MRSA §3153-D**, as amended by PL 2009, c. 467, §5, is further amended
29 to read:

30 **§3153-D. Transfer of revenues**

31 On or before the 18th day of each month, the administrator of the Maine Milk Pool
32 shall ~~certify the amounts~~ subtract the amount in the Maine Milk Pool, Other Special
33 Revenue Funds account that is available for distribution for dairy stabilization support
34 from the total amount to be distributed for the previous month pursuant to section 3153-B
35 and certify this amount to the State Controller, who shall transfer the certified monthly

1 amount when certified from General Fund undedicated revenue to the Maine Milk Pool,
2 Other Special Revenue Funds account.

3 **Sec. 3. 8 MRSA §1036, sub-§2-A, ¶¶J and K**, as enacted by IB 2009, c. 2, §45,
4 are amended to read:

5 J. One percent of the net slot machine income must be forwarded directly to the
6 county in which the casino is located to pay for mitigation of costs resulting from
7 gaming operations; ~~and~~

8 K. One percent of the net slot machine income must be forwarded by the board to the
9 Treasurer of State, who shall credit the money to the Maine Milk Pool, Other Special
10 Revenue Funds account within the Department of Agriculture, Food and Rural
11 Resources to help fund dairy farm stabilization pursuant to Title 7, ~~section~~ sections
12 3153-B and 3153-D. This paragraph is repealed July 1, 2013;

13 **Sec. 4. 8 MRSA §1036, sub-§2-A, ¶¶L and M** are enacted to read:

14 L. Beginning July 1, 2013, 1/2 of 1% of the net slot machine income must be
15 forwarded by the board to the Treasurer of State, who shall credit the money to the
16 Maine Milk Pool, Other Special Revenue Funds account within the Department of
17 Agriculture, Food and Rural Resources to help fund dairy farm stabilization pursuant
18 to Title 7, sections 3153-B and 3153-D; and

19 M. Beginning July 1, 2013, 1/2 of 1% of the net slot machine income must be
20 forwarded by the board to the Treasurer of State, who shall credit the money to the
21 Dairy Improvement Fund established under Title 10, section 1023-P.

22 **Sec. 5. 10 MRSA §1023-P** is enacted to read:

23 **§1023-P. Dairy Improvement Fund**

24 The Dairy Improvement Fund, referred to in this section as "the fund," is created.
25 The fund must be deposited with and maintained by the authority. The Commissioner of
26 Agriculture, Food and Rural Resources shall administer the fund in accordance with Title
27 7, section 2910-B and this section. All money received by the authority in accordance
28 with Title 7, section 2910-B and Title 8, section 1036, subsection 2-A, paragraph M must
29 be credited to the fund. Money credited to the fund must be used to provide loans to
30 assist dairy farmers in making capital improvements to maintain and enhance the viability
31 of their farms and to pay the administrative costs of processing loan applications and
32 servicing and administering the fund and loans made from the fund.

33 Repayment of loans and interest on these loans must be credited to the fund and may
34 be used for the purposes stated in this section and Title 7, section 2910-B.

35 The authority may adopt rules necessary to implement this section. Rules adopted
36 pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375,
37 subchapter 2-A.'

38 **SUMMARY**

39 This amendment clarifies the process for 1% of the net slot machine revenues
40 distributed under the Maine Revised Statutes, Title 8, section 1036, subsection 2-A,

1 paragraph K to be credited to support payments under the dairy stabilization program.
2 Effective July 1, 2013, the 1% credited for dairy stabilization payments will be reduced to
3 1/2 of 1%, with the other 1/2 of 1% being credited to the Dairy Improvement Fund
4 established in the bill. It provides for the Dairy Improvement Fund to be deposited with
5 and maintained by the Finance Authority of Maine. The fund provides loans to dairy
6 farmers for capital improvements.

FISCAL NOTE REQUIRED
(See attached)



125th MAINE LEGISLATURE

LD 1869

LR 2762(02)

An Act To Establish the Dairy Improvement Fund

Fiscal Note for Bill as Amended by Committee Amendment "A" **S-512**

Committee: Agriculture, Conservation and Forestry

Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$0	(\$402,413)	(\$205,231)	(\$209,335)
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$0	\$205,231	\$209,335
Revenue				
General Fund	\$0	\$402,413	\$205,231	\$209,335
Other Special Revenue Funds	\$0	\$402,413	\$410,462	\$418,670

Fiscal Detail and Notes

This legislation dedicates until July 1, 2013, 1% of the Oxford Casino net slot income to the dairy farm stabilization program and starting July 1, 2013, .5% to both the dairy farm stabilization program and the Dairy Improvement Fund, a new fund created within the Finance Authority of Maine to provide loans to assist dairy farmers in making capital improvements. These provisions will increase General Fund revenue and Other Special Revenue Funds revenue to the Department of Agriculture, Food and Rural Resources by \$402,413 in fiscal year 2012-13. This amount is based upon the March 2012 revenue forecast.

Since the provisions in this legislation allow for the Fund to cover the costs associated with administering the Dairy Improvement Fund, the Finance Authority of Maine will require no additional General Fund appropriations.