

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

New Draft of: H. P. 1048, L. D. 1436

ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1751

H. P. 1335

House of Representatives, May 19, 1971

Reported by Mr. Albert from Committee on Agriculture and printed under
Joint Rules No. 18.

BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

AN ACT Revising the Maine Potato Tax Law.

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

Sec. 1. R. S., T. 36, §§ 4562 and 4563, repealed and replaced. Sections 4562 and 4563 of Title 36 of the Revised Statutes are repealed and the following enacted in place thereof:

§ 4562. Definitions

The terms used in this chapter shall be construed as follows:

1. Districts. "Districts" means each one of the geographical divisions of Maine as follows:

A. District 1: Benedicta, Island Falls, Oakfield, Patten, Sherman Mills, Sherman Station, Smyrna Mills, Stacyville, Hodgdon, Houlton, Linneus, Ludlow, New Limerick, North Amity, Bridgewater, Littleton, Monticello.

B. District 2: Blaine, Mars Hill, Robinson, Westfield, Easton, East Chapman, Presque Isle, Castle Hill, Mapleton, West Chapman, Ashland, Garfield, Masardis, Portage.

C. District 3: Fort Fairfield, Caswell, Limestone, Caribou, Connor.

D. District 4: Crouseville, Perham, Wade, Washburn, Woodland, New Sweden, Stockholm, Westmanland, Cyr, Hamlin, Keegan, Van Buren, Frenchville, Grand Isle, Lille, Madawaska, St. Agatha, St. David, Upper Frenchville, Eagle Lake, Fort Kent, Fort Kent Mills, St. Francis, St. John, Soldier Pond, TR 17, Wallagrass, Winterville.

E. District 5: All the remaining counties, towns and townships in the State not included in Districts 1, 2, 3 and 4.

2. Fiscal year. "Fiscal year" means the 12-month period beginning September 1st and ending August 31st.

3. Potatoes. "Potatoes" shall mean and include all potatoes, whether graded or ungraded, including all potatoes sold for processing into food. Potatoes shall not include potatoes under a federal diversion program or potatoes sold for processing into starch.

4. Processor. "Processor" means any person, firm or corporation in Maine engaged in processing potatoes into food or starch.

5. Shipment. "Shipment" shall be deemed to take place when the potatoes are located within the State in the car, boat, truck or other conveyance in which the potatoes are to be transported.

6. Shipper. "Shipper" shall mean any person, partnership, association, firm or corporation engaged in the shipping of potatoes or transporting his own potatoes, whether as owner, agent or otherwise, to other than a licensed shipper, or engaged in the processing of potatoes into food or starch.

§ 4563. Potato Commission

1. Membership. The Maine Potato Commission shall consist of 7 members of whom 5 shall be growers, one shall be a processor and one shall be a shipper, appointed by the Commissioner of Agriculture in the following manner:

A. Growers. The commissioner shall, prior to September 1st of any year in which a grower member or members are to be appointed, appoint one grower member for each of the appropriate districts.

B. Processors. The commissioner shall, prior to September 1st of any year in which a processor member is to be appointed, appoint one processor member of the commission.

C. Shippers. The commissioner shall, prior to September 1st of any year in which a shipper member is to be appointed, appoint one shipper member of the commission.

2. Qualifications. Members of the commission shall be resident citizens of the State of Maine and be actively engaged in shipping or processing of potatoes produced in the State of Maine and in the case of grower members shall be actively engaged in the commercial production of potatoes in the district which they are appointed to represent.

3. Term. Each member appointed under this Act shall assume his office on September 1st of the year appointed and shall serve for a term of 3 years or until his successor is duly appointed and qualified, except that when the commission is first organized under this section the member who is a shipper and the members who are growers from districts 1 and 2 shall be appointed for one-year terms, the members who are growers from districts 3

and 4 shall be appointed for 2-year terms, and the member who is a processor and the member who is a grower from district 5 shall be appointed for 3-year terms. No member is eligible for reappointment to the commission for a period of one year from the date of expiration of a full 3-year term. To fill any vacancy, however caused, the commissioner shall appoint a successor for the unexpired term, which successor shall be appointed from the same district or industry segment as was represented by the predecessor member.

4. **Officers.** At their first meeting of any fiscal year commission members shall select both a chairman and a vice-chairman from among their number. Five members of the commission shall be necessary to constitute a quorum and 4 concurring votes shall be required to pass any motion or approve any commission action. The members of the commission shall serve without pay except the chairman, or vice-chairman when acting as chairman, who shall receive a per diem of \$25 when in the performance of his duties and all commissioners shall be reimbursed for expenses incurred in the performance of their duties.

5. **Administration.** The commission is authorized to select and employ an executive director to administer the policies established by the commission, and to fix his salary and term of employment. The executive director, with the consent of the commission, is authorized to engage sufficient clerical personnel and other employees for the efficient performance of his duties. Neither the employment of the executive director by the commission or the employment of other employees by the executive director shall be subject to the Personnel Law.

Sec. 2. R. S., T. 36, § 4565, repealed and replaced. Section 4565 of Title 36 of the Revised Statutes is repealed and the following enacted in place thereof:

§ 4565. Rate of tax

A tax is levied and imposed at the rate of \$.012 per hundredweight on all potatoes raised in this State, except that no tax shall be imposed upon any potatoes which are retained by the grower to be used by him for seed purposes or for home consumption.

Sec. 3. R. S., T. 36, § 4568, repealed and replaced. Section 4568 of Title 36 of the Revised Statutes is repealed and the following enacted in place thereof:

§ 4568. Tax deducted from selling price

Each shipper purchasing potatoes and paying, or becoming liable to pay, the tax imposed by section 4565 shall charge and collect from the seller a tax at the rate of \$.006 per hundredweight, to be deducted from the purchase price of all potatoes subject to the tax so purchased by such shipper.

Sec. 4. R. S., T. 36, § 4569, amended. The next to the last sentence of section 4569 of Title 36 of the Revised Statutes is repealed and the following enacted in place thereof:

At the time of filing said report, each shipper shall pay to the State Tax Assessor a tax at the rate of \$.012 per hundredweight upon all potatoes so reported as purchased, sold or shipped.

Sec. 5. R. S., T. 36, § 4571, repealed and replaced. Section 4571 of Title 36 of the Revised Statutes, as amended, is repealed and the following enacted in place thereof:

§ 4571. Appropriation of moneys received

Moneys received through this chapter by the Treasurer of State shall be appropriated and used for the following purposes:

1. Collection and enforcement. For the collection of the tax provided for by section 4565 and the enforcement of this chapter;

2. Better methods. A sum which shall equal at least \$50,000 shall be used and applied for the purpose of investigating and determining better methods of production, shipment and merchandising of potatoes, and for the manufacture and merchandising of potato by-products under the supervision of the Maine Potato Commission;

3. Advertising. For the general purpose of merchandising and advertising Maine potatoes for food and for seed purposes under the direction of the Maine Potato Commission. The commission may use the advice and facilities of the Department of Economic Development and the Department of Agriculture in carrying out this subsection.

4. Balance of funds. The funds remaining over and above the expenses of carrying out this chapter, including the expenditures authorized under subsections 2 and 3, may be expended by the Potato Commission for such purposes as it may determine to be in the best interests of the Maine potato industry.

STATEMENT OF FACT

The purposes of this Act are to 1) require the Commissioner of Agriculture to appoint members of the Maine Potato Commission so that the composition of the commission will reflect, as nearly as possible, the geographical distribution of growers and each additional tax-paying segment of the potato industry; 2) establish a specific period as a fiscal year; 3) provide for staggered terms for commission members in order to enhance the continuing nature of the commission by requiring appointment or reappointment of 2 commission members each year and change the terms of commission members from 2 to 3 years; 4) provide for the election of officers and for administrative personnel; 5) require that all potatoes sold be subject to the tax; 6) change the unit upon which the tax is based from barrel to hundredweight; 7) remove the minimum amount which must be expended for merchandising and advertising, and remove the maximum which may be expended for enforcement of branding laws.