

MAINE STATE LEGISLATURE

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(EMERGENCY)

FIRST REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document

No. 1699

H.P. 1282

House of Representatives, May 26, 1983

Reference to the Committee on Taxation is suggested. Ordered printed and sent up for concurrence.

EDWIN H. PERT, Clerk

Presented by Representative Higgins of Portland.

Cosponsors: Senator Wood of York, Speaker Martin of Eagle Lake and Senator Conley of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-THREE

AN ACT Relating to Ethanol Production
in the State.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the State is heavily dependent on foreign oil and the state's energy policy stresses the need to decrease our dependence on imported oil and to improve the security of energy supplies; and

Whereas, ethanol is a renewable source of energy that extends the available supply of gasoline and adds to the state's gasoline supply security; and

Whereas, the production of ethanol provides other economic benefits, especially through the creation of new jobs; and

1 Whereas, an ethanol production facility is cur-
2 rently being proposed by the New England ethanol
3 project and the project will produce 25 million gal-
4 lons of ethanol; and

5 Whereas, the economic feasibility of ethanol pro-
6 duction in Maine without an exemption from the excise
7 tax on internal combustion engine fuel is uncertain;
8 and

9 Whereas, in the judgment of the Legislature,
10 these facts create an emergency within the meaning of
11 the Constitution of Maine and require the following
12 legislation as immediately necessary for the preser-
13 vation of the public peace, health and safety; now,
14 therefore,

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

17 Sec. 1. Evaluation of excise tax exemption on
18 ethanol fuels. An evaluation of an excise tax exemp-
19 tion on ethanol fuels shall be made to determine the
20 economic feasibility of ethanol fuel production in
21 the State, with and without an exemption, the bene-
22 fits of ethanol production and use to the State and
23 other related issues.

24 The evaluation shall be conducted within the
25 oversight of a steering committee of 7 members. Two
26 legislative members shall be appointed by the Presi-
27 dent of the Senate; 2 legislative members by the
28 Speaker of the House of Representatives; and 3 public
29 members by the Governor. The Office of Energy
30 Resources shall provide or retain staff support for
31 the steering committee. The steering committee shall
32 prepare a final report and recommendations by Septem-
33 ber 1, 1983.

34 The evaluation shall address at least the follow-
35 ing questions.

36 1. Would the New England ethanol project be eco-
37 nomically feasible without an excise tax exemption?

38 2. If the project is not feasible without an ex-
39 emption, what is the optimum level of exemption?

