# MAINE STATE LEGISLATURE

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## 115th MAINE LEGISLATURE

### FIRST REGULAR SESSION-1991

### Legislative Document

No. 937

H.P. 658

House of Representatives, March 6, 1991

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EDWIN H. PERT, Clerk

Presented by Representative KETOVER of Portland.

Cosponsored by Representative MICHAUD of East Millinocket, Representative HOGLUND of Portland, Senator KANY of Kennebec and Representative TUPPER of Orrington.

#### STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY-ONE

An Act to Encourage Recycling of Waste Oil.



Be if	t enacted	by	the	People	of the	State	of	Maine	as	follows:

- Sec. 1. 10 MRSA §1099-A, sub-§3, as enacted by PL 1989, c. 774, §4, is repealed and the following enacted in its place:
- 3. Eligible entity. "Eligible entity" means any business, corporation, association, firm, partnership, municipality or other organization located in the State but does not include any agency of the State.
- Sec. 2. 10 MRSA §1099-B, sub-§§1 and 2, as enacted by PL 1989, c. 774, §4, are amended to read:
  - 1. Program established. There is established the Waste Oil Furnace Loan Program to be administered by the authority through approved lenders. The program subsidizes interest costs of loans made to eligible businesses entities purchasing and properly installing qualified waste oil boilers and furnaces. The program subsidizes loan interest rates made by approved lenders to achieve an effective interest rate to borrowers of 3%, except that for municipalities the effective interest rate is 0%. Loan amounts are limited to the purchase price of the boiler or furnace but may not exceed \$5,000 for any boiler or furnace. The term of loans made under this subchapter may not exceed 5 years.
  - 2. Fund established. There is established the Waste Oil Furnace Loan Fund which is managed by the authority but held separate from other funds of the authority and used by the authority to carry out this subchapter. Payments to approved lenders equal to the present value of the difference between the total interest costs charged by the lenders over the terms of the loans and the interest costs paid by the borrowers at the program effective interest rate of 3% or 0% for municipalities are charged to the fund.

#### Sec. 3. 10 MRSA §1099-B, sub-§4-A is enacted to read:

- 40 4—A. Municipalities. Municipalities participating in the program are responsible for repayment of the principal borrowed, subject to conditions established by the authority and the lenders. As a condition of the loan, municipalities must:
  - A. Properly install the boiler or furnace and consent to post-installation inspection procedures established by the authority; and
- B. Agree to burn only self-generated waste oil or waste oil
  that has the characteristics of specification waste oil as
  defined by rule of the Department of Environmental
  Protection.
- Sec. 4. 38 MRSA §2133-A is enacted to read:

#### §2133-A. Waste oil recycling

1. Technical and financial assistance. The office shall develop a program of technical and financial support to assist municipalities in the collection, recycling and disposal of waste oil. The office shall provide professional technical assistance to municipalities in the planning and development of waste oil collection programs at municipal landfills or transfer stations.

2. Waste oil burning equipment subsidy. The office may enter into annual agreements with a municipality or regional association to reimburse a portion of the direct costs of installing waste oil burning equipment at municipal or other public facilities.

#### STATEMENT OF FACT

This bill changes "eligible business" in the Maine Revised Statutes, Title 10, section 1099-A, to "eligible entity" and includes municipality in the definition of "eligible entity" for purposes of the Waste Oil Furnace Loan Program. This bill also permits municipalities to be eligible for 0% interest loans in the Waste Oil Furnace Loan Program.

The bill also requires the Maine Waste Management Agency, Office of Waste Reduction and Recycling, to provide technical and financial support to municipalities for the collection, recycling and disposal of waste oil.