

L.D. 1147

## (Filing No. H-350)

## STATE OF MAINE HOUSE OF REPRESENTATIVES 116TH LEGISLATURE FIRST REGULAR SESSION

COMMITTEE AMENDMENT "H" to H.P. 842, L.D. 1147, Bill, "An Act to Amend the Laws Relating to the Lobster Promotion Council"

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Amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

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

Whereas, the Lobster Promotion Council serves an important role in promoting Maine Lobster; and

Whereas, this Act must take effect on July 1, 1993; and

Whereas, in the judgment of the Legislature, these facts 30 create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately 32 necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 12 MRSA §6455, sub-§3-A is enacted to read:

 3-A. Employees. The council shall hire a full-time
executive director and may hire clerical staff as needed to perform its duties. Employees of the Lobster Promotion Council
serve at the pleasure of the council. Except as provided in this subsection, employees of the council are not state employees and
are not subject to the provisions of Title 5, chapters 71 and 372 or Title 5, Part 20. The salary and benefits for employees of

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employees of the council are determined by the council. For the purposes of the Maine Tort Claims Act, the council is a governmental entity and its employees are employees as those terms are defined in Title 14, section 8102.

Sec. 2. 12 MRSA §6455, sub-§4, ¶D-1 is enacted to read:

8 <u>D-1. Market and sell goods directly related to the</u> <u>functions of the council and deposit all proceeds in the</u> 10 <u>Lobster Promotion Fund;</u>

Sec. 3. 12 MRSA §6455, sub-§4,  $\P E$ , as enacted by PL 1991, c. 523, §2, is amended to read:

E. Make expenditures from the Lobster Marketing Fund to carry out the purposes of this subchapter. Money in the fund may be used only for the following purposes:

(1)Promotion, advertising and marketing development. The council may implement programs and activities to promote, advertise and develop markets for lobster and make or enter into contracts with any local, state, federal or private agency, department, firm, corporation, entity or person for those purposes. At least 50% of the money expended from the fund annually must be expended for the purposes set forth in this subparagraph; and

(2) The hiring of staff and the payment of <u>compensation for employees</u>, payment of per diem and reimbursement of expenses for members pursuant to Title 5, section 12004-H and payment of administrative and overhead costs associated with the business of the council,---Any-person-hired-by-the-council-is-a-state employee,--subject--to-the-personnel-laws-of-the-State; and

Sec. 4. 12 MRSA §6455, sub-§5, as enacted by PL 1991, c. 523. §2, is amended to read:

Fund established; license surcharge 5. assessed. The 42 Lobster Promotion Fund, referred to in this subchapter as the is established in the department to carry out "fund," the purposes of this subchapter. The council shall administer the 44 fund and the department shall transfer to the fund all money appropriated or received by the department for the purposes of 46 this subchapter. The fund is capitalized from the following 48 annual surcharges assessed on the following licenses issued by the department for ealender calendar years 1992 and, 1993, 1994, 1995, 1996 and 1997: 50

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A. Class I crab and lobster licenses for persons 18 to 69 years of age, \$25;

B. Class II crab and lobster licenses, \$50;

C. Class III crab and lobster licenses, \$75;

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D. Wholesale seafood licenses with lobster permits, \$200; and

E. Lobster transportation licenses, \$200.

A person holding more than one of the licenses listed in this 14 subsection is assessed a surcharge only on the highest surchargeable license held.

The Treasurer of State shall hold all surcharges assessed by this subsection in the fund and invest all money in the fund until disbursement is authorized by the council. Interest from investments accrues to the fund.

22 All money in the fund is subject to allocation by the Legislature. Unexpended balances in the fund at the end of the 24 fiscal year may not lapse but must be carried forward to be used for the same purposes.

In addition to payment of the regular license fee and the surcharge, a person purchasing a license subject to the surcharges established in this subsection may make voluntary contributions to the fund at the time the license is purchased. Voluntary contributions received by the department from a licensee pursuant to this subsection must be deposited in the fund by the department and must be used by the council for the purposes of this subchapter.

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Sec. 5. PL 1991, c. 523, §8 is repealed.

38 Sec. 6. Transition. The Lobster Promotion Council shall act expeditiously to set the compensation level and hire a full-time 40 executive director as required by the Maine Revised Statutes, Title 12, section 6455, subsection 3-A.

Sec. 7. Current allocations adjusted. The following funds are 44 allocated from the Lobster Promotion Fund to carry out the purposes of this Act.

1992-93

LOBSTER PROMOTION COUNCIL

Lobster Promotion Fund

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Positions - Other Count

Provides for the elimination of a part-time Executive Director position and a full-time Clerk Typist II position by the removal of those positions from the State Civil Service System.

Sec. 10. Allocation. The following funds are allocated from 10 the Lobster Promotion Fund to carry out the purposes of this Act.

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1993-94 1994-95

#### 14 LOBSTER PROMOTION COUNCIL

16 **Lobster Promotion Fund** 

18	Positions - Other Count	(-1.5)	(-1.5)
	Personal Services	(\$55,922)	(\$57,204)
20 2	All Other	106,326	103,379
22	TOTAL	\$50,404	\$46,175

Provides for the elimination of a part-time Executive Director position and a full-time Clerk Typist II position by the removal of those positions from the State Civil Service System. Provides for the transfer of funds from Personal Services to All Other to pay for employees and authorized expenses of the council.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

## FISCAL NOTE

38 1993-94 1994-95 40 APPROPRIATIONS/ALLOCATIONS 42 Other Funds \$50,404 \$46,175 44 This bill extends the ability of the Lobster Promotion Council to collect revenues through calender year 1997. 46 Governor's proposed current services budget already, incorrectly, includes allocations and budget revenues for the 48 Lobster Promotion Council in fiscal years 1993-94 and 1994-95. 50

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This bill includes an allocation section that deauthorizes the council's 1.5 positions and reallocates Personal Services line category allocations to All Other and allocates an additional amount to allow the council to hire a full-time executive director on a contract basis. These allocations are from existing dedicated revenues.

By being able to sell and market certain items, the Lobster Promotion Council will generate additional dedicated revenues for the Lobster Promotion Fund. The amounts can not be determined at 10 this time.'

## STATEMENT OF FACT

This amendment replaces the bill and makes the bill an emergency.

Existing law provides revenue to the Lobster Promotion Fund from surcharges assessed on certain licenses sold for calendar 20 years 1992 and 1993. This amendment extends that revenue source 2.2 for 4 additional years by assessing those surcharges on licenses sold for calendar years 1994, 1995, 1996 and 1997. The amendment 24 also privatizes employees of the Lobster Promotion Council by removing all employees from the State Civil Service System, 26 eliminating all state position counts and allowing the council to set the level of compensation for its employees. The amendment 28 allows the council to accept voluntary contributions from license holders that are paid in addition to the surcharge assessed by 30 law.

32 allocations in this amendment, when combined with The allocations in the Part I budget, will provide total allocations for the council of \$400,000 in All Other funds in fiscal year 34 1993-94 and \$400,000 in All Other funds in fiscal year 1994-95.

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The amendment adds a fiscal note to the bill.

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Reported by the Majority of the Committee on Marine Resources Reproduced and distributed under the direction of the Clerk of the House 5/18/93 (Filing No. H-350)

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