



# 116th MAINE LEGISLATURE

## **SECOND REGULAR SESSION-1994**

Legislative Document

No. 1885

H.P. 1386

House of Representatives, February 15, 1994

An Act to Implement the Recommendations of the Maine Sardine Council.

(EMERGENCY)

Reported by Representative MITCHELL for the Maine Sardine Council pursuant to Public Law 1993, chapter 413, section 5.

Reference to the Joint Standing Committee on Marine Resources suggested and printing ordered under Joint Rule 20.

∽OSEPH W. MAYO, Clerk

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

Whereas, the packing of sardines is one of the most important industries of the State; and

8 Whereas, the Maine Sardine Council can more efficiently and effectively perform its duties as a public instrumentality of the 10 State than as a state agency; and

12 Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of 14 Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and 16 safety; now, therefore,

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

Sec. 1. 3 MRSA §927, sub-§7, ¶B, as amended by PL 1991, c. 376, §10, is further amended to read:

B. Independent agencies:

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(1)--Maine-Sardine-Council;

(2) Atlantic Sea Run Salmon Commission;

Public Utilities Commission;

(4) Atlantic States Marine Fisheries Commission;

(5) Maine Development Foundation;

(6) Board of Directors, Maine Municipal and Rural36 Electrification Cooperative Agency;

38 (7) Lobster Advisory Council;

(8) Board of Environmental Protection;

42 (9) Board of Underground Oil Storage Tank Installers;

44 (10) Telecommunications Relay Services Advisory Council; and

(11) Public Advocate.

Sec. 2. 5 MRSA §12004-H, sub-§8, as amended by PL 1991, c. 50 446, Pt. C, §1, is repealed.

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Sec. 3. 10 MRSA §1701, as amended by PL 1977, c. 694, §167, is further amended to read:

#### §1701. Trademarks

In order to carry out better the objectives of the Maine 8 Sardine Tax Law, the Maine Sardine Council may,--by-regulation adopted--in-a-manner-consistent-with-the-Maine-Administrative 10. Procedure-Act, develop and register trademarks. The Commissioner of Agriculture, Food and Rural Resources may delegate to the 12 Maine Sardine Council the authority to regulate the use of the 14 Maine sardines.

Sec. 4. 10 MRSA §1704, as amended by PL 1977, c. 694, §169, is further amended to read:

#### §1704. Rules and regulations

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The Maine Sardine Council may prescribe,--in--a--manner 22 consistent-with-the-Maine-Administrative-Procedure-Act, rules and regulations for carrying out the purposes of this chapter, and 24 may issue licenses to processors who request authority to use the trademark and who shall abide by such rules and regulations. The council may charge a fee on a case basis for the use of 26 trademarks established by the council or of the State of Maine 28 trademark used on canned sardines. The Administrative Court, upon application of the commissioner, the Maine Sardine Council or the 30 Attorney General, shall have the right to cancel any license for failure to abide by the rules and regulations prescribed by the 32 council; and the council shall have the right, after notice and opportunity for a hearing and -- in -- a-- manner -- consistent -- with -- the 34 fule-making-provisions-of-the-Maine-Administrative-Procedure-Act, to cancel all outstanding licenses at any time that the council deems such action necessary to the best interest of the sardine 36 industry as a whole.

Sec. 5. 32 MRSA §4166, sub-§2-A, as enacted by PL 1993, c. 14, 40 §2, is amended to read:

2-A. Council. "Council" means the Maine Sardine Council, as established by Title 5 <u>32</u>, section <u>12004-H7-subsection-8 4167</u>,
or any person authorized by the Maine Sardine Council to act on its behalf.

Sec. 6. 32 MRSA §4167, sub-§1, as enacted by PL 1991, c. 446, 48 Pt. C, §3, is amended to read:

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Council established incorporated 1. as an public instrumentality of the State. The Effective July 1, 1994, the 2 Maine Sardine Council, -- as -- established -- by -- Title -- 5, -- section 4 12004-H,--subsection--8, referred to in this subchapter as the "council," is a body corporate and politic and an incorporated б public instrumentality of the State and the exercise of powers conferred by this Part is held to be the performance of essential government functions. For the purposes of the budget, accounts 8 and control, purchasing or other provisions of Title 5, Part 4 the council may not be construed to be a state agency. The 10 council consists of not more than 9 nor fewer than 3 members to 12 be appointed by the Commissioner of Marine Resources. Fifty-one percent of the members of the council constitutes a quorum and the affirmative vote of at least 51% of the members is necessary 14 for the transaction of all business and the carrying out of the 16 duties of the council. A quorum of council members may be determined through the use of proxy voting and telephone polls. 18 The members must be sardine packers operating within the State who have been actively engaged in packing sardines, kippers or steaks for not less than 2 years and must remain so while in 20 office. A person is considered to be actively engaged in packing sardines, kippers or steaks if that person has derived, during 22 the period, a substantial portion of income from packing sardines, kippers or steaks or has been the director or manager 24 of an entity that derives a substantial portion of its income from packing sardines, kippers or steaks. 26

Sec. 7. 32 MIRSA §4167, sub-§§4 to 6, as enacted by PL 1991, c. 446, Pt. C, §3, are amended to read:

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4. Compensation. The members of the council are entitled
to compensation according to the-provisions-of-Title-5,-ehapter
379 such guidelines as the council may establish. Each council
member's designated alternate is entitled to reimbursement for
expenses incurred in the performance of that alternate's duties,
but at no time may a regular council member and that member's
designated alternate be reimbursed for expenses incurred for
attendance at the same meeting.

Executive director; staff. The council, in concurrence 40 5. with the Commissioner of Marine Resources, may select and employ 42 and fix the salary of an executive director-advertising and merchandising manager to administer the advertising, 44 merchandising, research and development program. The executive director, with the consent of the council, may engage,-subject-te 46 the-Civil-Service-Law, sufficient clerical personnel and other employees for the efficient performance of the executive After July 1, 1994, employees of the council 48 director's duties. may not be considered state employees for any purpose, including 50 the state civil service provisions of Title 5, Part 2 and Title

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5, chapter 372. 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.

Proceedings. Administrative-proceedings-of-the-council б. б must--be--in--accordance--with--the--Maine-Administrative--Procedure Act --- Meetings-and-records-of-the-council are -subject-to-Title-17 8 ehapter-13,--subehapter-1,--except-that-all <u>All</u> council records containing tax records filed in accordance with Title 36, section 10 4697, including individual plant pack data; quality control information records compiled pursuant to section Title 36, 12 section 4699, subsection 2, paragraph C; and any other information obtained from individual proprietary processing 14 plants, including information concerning packing technology, are confidential.

Sec. 8. 32 MRSA §4168, sub-§3, as enacted by PL 1991, c. 446, 18 Pt. C, §3, is amended to read:

20 3. Grades. The council may adopt rules establishing official grades for sardines, kippers and steaks packed within 22 the State, and for the marking, branding or labeling of sardines, kippers and steaks and the use of the grades. Prior-to-adopting 24 rules-under-this-section,-the-council-shall-hold-public-hearings in-places-reasonably-convenient-for-the-packers-Notice-of-the 26 hearings-and-of-the-final-action-must-be-sent,-by-certified-mail, to-all-license-holders-under-section-4153. The council may use 28 the seal of the State of Maine in support of all quality control and promotion activities. 30

The grades may specify the number of fish per container; Α. the amount, quality and nature of the packing medium or fill; the quality, appearance, odor, character, taste and texture of the fish packed; the style of pack, the quality of the packing and arrangement in the container; the quality of the substances contained in the container; the size and type of the container; and tolerances allowing for reasonable variation from grades.

B. When adopting rules under this section, the council may consider packing practices in the State and in other jurisdictions, consumer expectancy, habits and desires, the types of fish available, conditions of sanitation, tastes and preferences of varying parts of the consumer public, marketing practices and market experience.

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Sec. 9. 36 MRSA §4692-A, sub-§2, as enacted by PL 1991, c. 446, Pt. B, §3, is amended to read:

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**2. Council.** "Council" means the Maine Sardine Council established by Title 5 <u>32</u>, section **12004-H** <u>4167</u>,-subsection-8.

Sec. 10. 36 MRSA §4699, first  $\P$ , as amended by PL 1991, c. 446, Pt. B, §8, is further amended to read:

Money received under this chapter by the Treasurer of State must be appropriated <u>transferred to the Maine Sardine Council in</u> <u>its capacity as an independent agency on a monthly basis</u> and used for the following purposes:

Sec. 11. 36 MRSA §4699, as amended by PL 1991, c. 446, Pt. B, §8, is further amended by adding at the end a new paragraph to read:

 16 The Maine Sardine Council may receive and accept from any source allocations, appropriations, loans, grants and
 18 contributions of money or other things of value to be held, used or applied to carry out this chapter, subject to the conditions
 20 upon which those loans, grants and contributions are made, including but not limited to, appropriations, allocations, loans,
 22 grants or gifts from any state or federal agency.

24 Sec. 12. Transition provisions. The following provisions apply to the Maine Sardine Council on July 1, 1994.

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Funds transferred. All funds held by the Treasurer of
 State pursuant to the Maine Revised Statutes, Title 36, section
 4699 must be transferred to the Maine Sardine Council in its
 capacity as an independent agency.

32 2. Equipment and property transferred. All equipment and property of the Maine Sardine Council must be transferred to the
 34 Maine Sardine Council in its capacity as an independent agency and may be sold, transferred or disposed of as determined by the
 36 Maine Sardine Council.

38 Personnel transferred. The Maine 3. Sardine Council employees must be transferred from state employment to the Maine Sardine Council in its capacity as an independent agency. Fringe 40 benefits from state employment of the transferred personnel, 42 including vacation and sick leave, health and life insurance and retirement, remain with the transferred personnel. Upon the 44 effective date of this Act, the employees of the council are exempted from all furlough and shutdown days and 39-hour workweek 46 restrictions imposed by earlier budget acts of the Legislature. After the transition on July 1, 1994, the council may elect to 48 become a participating local district for purposes of the Maine State Retirement System and all employee benefit elections,

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including the option of retaining state employee health insurance program benefits for transferred employees may be made by the council. All employee benefit elections, including the retention insurance program benefits of state employee health for made by the council. transferred employees, may be The Department of Administrative and Financial Services shall assist the council and the executive director with the orderlv implementation of these provisions to be completed by July 1, 1994.

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

### STATEMENT OF FACT

This bill establishes the Maine Sardine Council as a public 18 instrumentality of the State on July 1, 1994. Upon passage, it would immediately exempt Maine Sardine Council employees from all 20 furlough and shutdown days and the 39-hour workweek restrictions imposed by earlier budget acts of the Legislature. Once the 22 council becomes a public instrumentality, its employees are no longer state employees and the council is no longer considered a 24 state agency for the purposes of the budgeting, accounts and Department control and purchasing systems of the of Administrative and Financial Services. After July 1, 1994 the 26 Maine Sardine Council may elect to become a participating local 28 district so that retirement benefits under the Maine State Retirement System are made available to its employees. Other 30 employee benefit elections, including the retention of state health insurance program benefits for transferred employee 32 employees, will be made by the council. The bill also clarifies that the council may use the seal of the State of Maine in support of its quality control and promotional activities, allows 34 the council to utilize funds from sources other than the Maine 36 Sardine Tax and allows proxy and telephone voting to ensure a quorum at council meetings. 38

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This document has not yet been reviewed to determine the need for cross-reference, stylistic and other technical amendments to conform existing law to current drafting standards.

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