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No. 1404

H.P. 993

House of Representatives, April 21, 1995

An Act to Amend the Law Regarding the Lease of Submerged Lands.

Received by the Clerk of the House on April 19, 1995. Referred to the Committee on Agriculture, Conservation and Forestry and ordered printed pursuant to Joint Rule 14.

11).//

JOSEPH W. MAYO, Clerk

Presented by Representative KILKELLY of Wiscasset. Cosponsored by Representative GOULD of Greenville and Representatives: CHARTRAND of Rockland, DEXTER of Kingfield, DiPIETRO of South Portland, GATES of Rockport, HARTNETT of Freeport, HEINO of Boothbay, JOYCE of Biddeford, KERR of Old Orchard Beach, KONTOS of Windham, LEMONT of Kittery, MARSHALL of Eliot, MITCHELL of Vassalboro, OTT of York, PEAVEY of Woolwich, REED of Falmouth, RICE of South Bristol, SIMONEAU of Thomaston, SPEAR of Nobleboro, TYLER of Windham, WINGLASS of Auburn, Senators: BUTLAND of Cumberland, GOLDTHWAIT of Hancock, PINGREE of Knox, SMALL of Sagadahoc.

	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 5 MRSA §12004-D, sub-§5 is enacted to read:
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6	<u>5. Submerged Lands</u> <u>Expenses</u> <u>12 MRSA §558-D</u> Public Trust Review Board Only
8	Sec. 2. 12 MRSA §558-A, as corrected by RR 1991, c. 2, §36, is repealed.
10	-
12	Sec. 3. 12 MRSA §558-B, sub-§3, as enacted by PL 1991, c. 427, §4, is amended to read:
14	3. Revenues. Annual revenues in excess of the operating expenses of the submerged lands leasing program described in
16	section $558-A$ <u>$558-C$</u> and the expenses of the abandoned watercraft program described in chapter 202-C must be deposited in the fund.
18	Sec. 4. 12 MRSA §§558-C and 558-D are enacted to read:
20	
2.2	<u>§558-C. Submerged and intertidal lands of the State</u>
22	1. Definitions. As used in this chapter, unless the
24	context otherwise indicates, the following terms have the
26	<u>following meanings.</u>
20	A. "Fishing activity" means any activity involving the
28	landing or processing of shellfish, finfish or other living
30	resources of the sea or other activities, including fueling, directly related to landing, processing, loading or selling
00	of shellfish, finfish or other living resources of the sea.
32	
34	B. "Occupying" refers to the total area of the structure or alteration itself to the extent that the area within its
7.1	boundaries is directly upon or over submerged lands.
36	
38	C. "Permanent" means occupying submerged and intertidal lands held in trust by the State during 7 or more months
30	during any one calendar year.
40	
42	D. "Public trust uses" means uses of submerged or intertidal lands of the State by public and private entities
42	that are reasonably calculated to directly facilitate
44	customary or traditional water-dependent uses, including but
46	not limited to navigation, fowling, fishing and other activities by which those entities may use, enjoy and have
48	access to the public waters and submerged and intertidal lands of the State.
50	E. "Submerged land" means:

	(1) All land from the mean low-water mark or a maximum
2	of 1,650 feet seaward to the mean high-water mark,
2	whichever is closer to the mean high-water mark, out to
4	the seaward boundary of coastal waters as defined in
4	
~	section 6001;
6	(a) All land below the mean low water mark of tidal
0	(2) All land below the mean low-water mark of tidal
8	rivers upstream to the farthest natural reaches of the
10	<u>tides;</u>
10	(a) and below the metured many low meter mark of
10	(3) All land below the natural mean low-water mark of
12	ponds that in their natural state are 10 or more acres
7.4	<u>in size; and</u>
14	(4) The river bed of international boundary rivers,
16	defined as all land lying between defined banks,
10	created by the action of surface water and
18	characterized by a lack of terrestrial vegetation and
18	devoid of topsoil, and the international boundary line.
20	devolu of copsoir, and the international boundary line.
20	F. "Upland uses" include those activities that do not
22	directly facilitate public trust uses and that ordinarily
66	and customarily occur at a location other than on submerged
24	lands.
61	<u>104001</u>
26	2. Public trust use of submerged and intertidal lands.
	Public or privately-owned entities that facilitate public trust
28	uses within the meaning of subsection 1, paragraph D are
	conditionally permitted use of submerged and intertidal lands of
30	the State as long as their structures are not converted to or
	used primarily in support of upland uses. Those structures may
32	include, but are not limited to, boat ramps, piers, docks,
	wharves, marinas, boatyards, boat clubs and other facilities
34	located in, on or over submerged lands and reasonably calculated
	to directly facilitate public trust uses.
36	
	The Director of the Bureau of Public Lands shall establish a
38	program for registration by the Bureau of Public Lands of those
	structures exempt from lease under this section as directly
40	<u>facilitating public trust uses. Those structures must be</u>
	registered with the bureau, beginning on February 1, 1996. The
42	<u>director shall require a registration fee of \$100 and may require</u>
	those structures to be reregistered periodically, but no more
44	frequently than once every 5 years.
46	3. Leases. The director may lease for a term and upon such
	conditions as the director determines reasonable the right to
48	dredge and fill, and to erect permanent causeways, bridges,
5.0	pipelines, underwater cables or other permanent structures that
50	do not facilitate public trust uses in, on or over submerged and
	intertidal land held in trust by the State, provided the director

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_	determines that the lease will not unreasonably diminish,
2	encumber or interfere with the public access ways or public trust
4	rights in, on or over the intertidal or submerged lands and the water above those lands.
1	<u>"acci above (nose lands)</u>
6	A. For fill, permanent causeways, bridges, pipelines, underwater cables or other permanent structures, the
8	director shall collect from the lessee reasonable public
10	<u>compensation for those public trust rights diminished or</u> encumbered by the lessee's occupying the submerged or
10	intertidal land.
12	B. The director may also lease a buffer zone of not more
14	than 30 feet in width around a permanent structure located on submerged or intertidal land, provided the lease is
16	necessary to preserve the integrity and safety of the
	structure and the Commissioner of Marine Resources consents
18	to that lease.
20	C. The director may grant the proposed lease if the director finds that the proposed lease:
22	
	(1) Will not unreasonably diminish, encumber or
24	interfere with the public trust rights of the people of this State; and
26	
	(2) Will not unreasonably interfere with the riparian
28	rights of private property owners.
30	D. For dredging impounded areas and underwater cables and
	pipelines, the director shall establish such additional
32	terms and conditions of lease as the director determines
34	reasonable.
34	E. The director shall require a one-time administrative fee
36	of \$100 for each lease in addition to any public
	compensation required as a condition of that lease.
38	
	4. Constructive easements. Those permanent structures
40	actually upon submerged and intertidal lands on October 1, 1975
4.2	are deemed benefited by a constructive easement on that submerged
42	land directly underlying the structure until October 1, 2005. Beginning on January 1, 1991, the bureau must undertake a
44	registration program for all structures benefited by constructive
	easements. The bureau must complete the registration of
46	constructive easements on or before December 31, 1995.
48	5. Consultation. The director and the board may consult
40	with the Commissioner of Conservation, the Commissioner of Marine
50	Resources, the Commissioner of Inland Fisheries and Wildlife and

other agencies or organizations determined appropriate for the administration of this section.

- 6. Rules. The board in consultation with the director
 shall adopt rules necessary and appropriate to administer this
 section.
- 8 7. Dedication of public compensation. All fees and other consideration received by the bureau as compensation to the 10 public for any diminution of its public trust rights collected under this section accrue to the Submerged Lands Fund established 12 in section 557-A.
- 14 8. Aquaculture exemption. A lease for the use of submerged lands under this section is not required for the development and operation of any aquaculture facility if the owner or operator of the facility has obtained a lease from the Commissioner of Marine 18 Resources under section 6072. Ancillary equipment and facilities permanently occupying submerged lands on the lease site and not 20 explicitly included in the lease granted by the Commissioner of Marine Resources are not exempt from the requirements of this 22 section.

24 §558-D. Submerged Lands Public Trust Review Board

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- 1. Creation of review board. The Submerged Lands Public 26 Trust Review Board, as established by Title 5, section 12004-D, subsection 5, is created within the Department of Conservation 28 for the purposes of deciding appeals from submerged lands 30 lease-related decisions of the Director of the Bureau of Public Lands and adopting in consultation with the director rules related to submerged lands. The Submerged Lands Public Trust 32 Review Board, in this chapter called the "board," consists of 7 34 public members. Members must be experienced, knowledgeable and actively involved in an enterprise directly facilitating public 36 trust uses and are appointed as follows: Two by the President of the Senate; 2 by the Speaker of the House of Representatives; and 38 3 by the Governor.
- Members of the board serve 3-year terms. Of the initial appointees, 2 must be appointed for a one-year term, 2 must be appointed for a 2-year term and 3 must be appointed for a 3-year term. Thereafter, appointees are appointed to serve 3-year terms. A member may not be a state employee. Members hold office until the appointment of their successors. A vacancy during an unexpired term must be filled as provided in this section, but only for the unexpired portion of the term. The board shall elect a chair from among its members annually.
- 50 The director shall attend all meetings of the board and is permitted to participate fully but may not vote. The board may 52 request staff assistance from the director as needed.

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2	2. Board meetings and rules. Meetings must be held at least
	quarterly, or at the call of the chair or at the call of more
4	than 1/2 of the board. In accordance with Title 5, chapter 375,
	subchapter II, the board in consultation with the director may
6	adopt rules necessary to carry out its responsibilities under
	this section. The board shall keep minutes of all of its
8	proceedings, which must be a public record available and on file
	in the bureau. Members of the board are entitled to reimbursement
10	for direct expenses of attendance at board meetings. A guorum of
	the board for the transaction of business is 4 members. No action
12	may be taken by the board unless upon approval by a vote of 4
	members.
14	
	3. Appeal of decisions by the director. Any person
16	aggrieved by a decision of the director made under section 558-C,
	<u>subsection 3 may appeal that decision to the board within 30 days</u>

18 of that decision. The board shall review the decision of the director. The board shall give reasonable notice to interested 20 persons. The board may hold a hearing on the appeal and may affirm, modify or reverse the decision of the director. The board may allow the record to be supplemented when it finds that 22 the evidence offered is relevant and material. The board is not bound by the director's findings, but any changes made by the 24 board under this subsection must be based upon the board's review of the record and any supplemental evidence admitted by the 26 board, including evidence in the record of any hearing held by the board. 28

Within 45 days of receiving the appeal, the board shall hold a hearing or make findings of fact and issue a decision affirming,
 modifying or reversing the decision of the director. If a hearing is held, a decision must be made within 45 days after
 adjournment of the hearing.

36 All hearings are subject to Title 5, chapter 375, subchapter IV.

Sec. 5. Effective date. This Act takes effect January 1, 1996, except that the members of the Submerged Lands Public Trust
 Review Board must be appointed, effective November 1, 1995. After November 1, 1995, the board shall take action necessary to
 ensure the readiness of the board to comply with this Act on January 1, 1996.

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STATEMENT OF FACT

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This bill repeals existing law related to the granting of 4 leases and easements for submerged and intertidal lands held in trust by the State and establishes a new procedure for allowing use and construction upon those lands. 6 Entities, public and private, that use submerged lands for fishing, navigation, 8 fowling or other traditional public trust uses are granted exclusive use of the submerged lands without requirement of lease or easement as long as those uses continue. Structures that 10 facilitate those traditional uses must be registered and are subject to a \$100 registration fee. 12 Structures that do not facilitate those uses require a lease from the Bureau of Public Lands and payment of a one-time administrative fee of \$100. This 14 bill also establishes a Submerged Lands Public Trust Review Board 16 with authority to adopt rules governing submerged lands and to hear appeals of submerged lands leasing-related decisions made by the Director of the Bureau of Public Lands. 18