

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

SECOND REGULAR SESSION-1996

Legislative Document

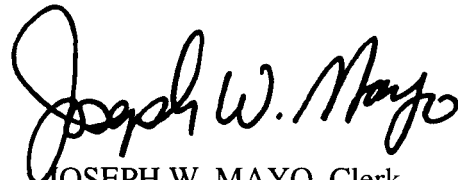
No. 1841

H.P. 1346

House of Representatives, March 11, 1996

**An Act to Distribute the Assets of the Maine Sardine Council to Council
Members upon Dissolution of the Council by the Legislature.**

Reported by Representative LOOK for the Joint Standing Committee on Marine Resources
pursuant to Joint Order H.P. 1300.


JOSEPH W. MAYO, Clerk

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

Sec. 1. 32 MRSA §4167, sub-§§7, 8 and 9 are enacted to read:

7. Dissolution; assets to council members. Upon dissolution of the council by the Legislature, all assets of the council, including property, equipment and unexpended cash balances derived from the tax imposed on sardines under Title 36, chapter 713 and any other sources, must be distributed by the Legislature in an equitable manner among all companies with representatives on the council on the date of dissolution. Prior to distributing the assets of the council, the Legislature must review recommendations from the joint standing committee of the Legislature having jurisdiction over marine resource matters regarding the distribution of assets to council members.

8. Audit prior to dissolution. Prior to the dissolution of the council, the State Auditor must conduct an audit of the financial records of the council and report the findings to the joint standing committee of the Legislature having jurisdiction over marine resource matters. The council may request the State Auditor to conduct that audit. The council shall reimburse the State Auditor for costs incurred by the State Auditor to conduct that audit.

9. Annual report. The council shall present annually a report no later than February 1st to the joint standing committee of the Legislature having jurisdiction over marine resource matters. The report must describe the council's finances and activities in the previous calendar year.

FISCAL NOTE

The requirement that, upon dissolution, assets of the Maine Sardine Council must be distributed by the Legislature to companies represented on the council will result in a loss of state assets which would, under current law, revert to the General Fund. The amounts and the timing can not be determined at this time.

In the event of the dissolution of the Maine Sardine Council, the State Auditor would be required to conduct a financial audit of the council. The anticipated cost of that audit in current dollars would be \$3,500. It is projected that the Sardine Council would have adequate funds to reimburse the State Auditor for the costs of the audit.

STATEMENT OF FACT

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4 This bill provides that all assets of the Maine Sardine
6 Council, including property, equipment and unexpended cash
8 balances derived from the sardine tax and any other sources, must
10 be distributed by the Legislature in an equitable manner among
12 all companies with members on the council who are council members
14 upon the date of dissolution. The Legislature is required to
16 review recommendations from the Joint Standing Committee on
Marine Resources regarding the distribution of assets to council
members. The bill also requires the State Auditor to perform an
audit of the council's finances prior to the council's
dissolution.

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16 The bill also requires the council to report annually to the
Joint Standing Committee on Marine Resources.