

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

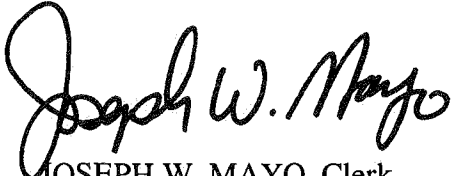
No. 1155

H.P. 850

House of Representatives, February 20, 1997

**An Act to Create a Permanent Funding Source for the Saco River
Corridor Commission.**

Reference to the Committee on Natural Resources suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative O'NEIL of Saco.
Cosponsored by Senator LIBBY of York and
Representatives: CHIZMAR of Lisbon, GREEN of Monmouth, KANE of Saco, KONTOS of
Windham, McALEVEY of Waterboro, MURPHY of Kennebunk, O'NEAL of Limestone,
Senator: PENDLETON of Cumberland.

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

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Sec. 1. 38 MRSA §969 is enacted to read:

§969. Saco River Corridor Fund

1. Fund established. The Saco River Corridor Fund, referred to in this section as the "fund," is established as a private, interest-bearing account. All charges collected pursuant to this section must be deposited into the fund. All interest earned by the account becomes part of the fund. Any balance remaining in the fund at the end of the fiscal year does not lapse but is carried forward into subsequent fiscal years. Revenue to the fund is collected, managed, deposited, invested and disbursed in a manner that is independent of control by the Department of Administrative and Financial Services.

2. Fund purpose. The purpose of the fund is to preserve existing water quality and prevent the deterioration of water supplies in the Saco River, the Ossipee River and the Little Ossipee River within the Saco River Corridor, as created in section 953, by partially underwriting the administration and operation of the Saco River Corridor Commission, as established by Title 5, section 12004-G, subsection 13.

3. Assessment on the sale of water. For purposes of funding its activities, the commission shall impose a fee of 1% on the sale of water and fire protection services by a water utility that draws water either from the Saco River or from a surface or groundwater source located within the Saco River drainage basin for sale and distribution to its customers. The fee must be levied on the rates of the water utility as authorized by the Public Utilities Commission to be charged for services provided by the utility. "Water utility" has the same meaning as the term is defined in Title 35-A, section 102, subsection 22.

The fee must be collected by the water utility and remitted quarterly to the commission. Notwithstanding any limitations set forth in Title 35-A regarding a water utility's right to increase its charges to its customers, a water utility with sales subject to this subsection is authorized to increase its overall charges for the purpose of collecting the fee set forth in this subsection.

Each water utility may retain a portion of the total fees collected equivalent to the utility's administrative costs incurred in the collection and remission of the fees, not to exceed 2% of the total fees collected. For purposes of the Public Utilities Commission's rate-making authority, costs

2 actually incurred by the utility associated with the collection
3 and remission of the fees for the fund are considered just and
4 reasonable for rate-making purposes.

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6 The commission shall adopt rules that are reasonably necessary to
7 carry out the purposes of this section pursuant to section
8 954-C. Rules adopted pursuant to this subsection are routing
9 technical rules as defined in Title 5, chapter 375, subchapter
10 II-A.

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12 4. Reporting requirements. The commission shall submit a
13 report by February 1, 1998 and each subsequent year to the joint
14 standing committees of the Legislature having jurisdiction over
15 natural resources matters, energy and utilities matters,
16 fisheries and wildlife matters and appropriations and financial
17 affairs, identifying the amount collected and how the fund was
18 disbursed by the commission.

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20 5. Additional sources of revenue. Assessment on the sale
21 of water may not remain the sole source of revenue for the fund.
22 The commission shall study river usage within the Saco River
23 Corridor for the purpose of identifying additional management
24 needs and funding sources. The commission shall take all steps
25 necessary to obtain revenue from these funding sources.

26 **Sec. 2. Review.** The Joint Standing Committee on Natural
27 Resources shall review this Act by February 1, 1999 to determine
28 whether additional sources of revenue to support the activity and
29 operations of the Saco River Corridor Commission have been
30 implemented. If the committee determines that sufficient sources
31 of additional revenue have not been implemented by that date, the
32 committee shall propose legislation that repeals the Saco River
33 Corridor Fund.

34 35 36 SUMMARY

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38 The purpose of this bill is to ensure the existence of clean
39 water within the Saco River Corridor for fishing boating,
40 tourism, power generation and drinking and to enhance the
41 economies in York County and Cumberland County. The Saco River
42 Corridor Commission has sought, but has not acquired, sufficient
43 sources of revenue to continue to fulfill its mandate. This bill
44 establishes a source of funding by establishing the Saco River
45 Corridor Fund in order to partially support the activities of the
46 Saco River Corridor Commission. The bill requires that, by
47 February 1, 1999, the Joint Standing Committee on Natural
48 Resources shall review whether additional sources of funding to
49 support the Saco River Corridor Commission have been implemented.
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