MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1646

H.P. 1169

House of Representatives, March 24, 1997

An Act to Increase the Effectiveness of the Maine Blueberry Commission.

(EMERGENCY)

Reference to the Committee on Agriculture, Conservation and Forestry suggested and ordered printed.

OSEPH W. MAYO, Clerk

Presented by Representative POVICH of Ellsworth.
Cosponsored by Senator HARRIMAN of Cumberland and
Representatives: BAGLEY of Machias, BUNKER of Kossuth Township, CAMPBELL of
Holden, PINKHAM of Lamoine, RICHARD of Madison, SHANNON of Lewiston, Senators:
GOLDTHWAIT of Hancock, KILKELLY of Lincoln.

	Emergency preamble. Whereas, Acts of the Legislature do not
2	become effective until 90 days after adjournment unless enacted as emergencies; and
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6	Whereas, the growing and processing of wild blueberries is an important industry of this State; and
8	Whereas, the Maine Blueberry Commission will operate more
Ü	efficiently and provide enhanced services as a public
10	instrumentality; and
12	Whereas, in the judgment of the Legislature, these facts
14	create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately
16	necessary for the preservation of the public peace, health and safety; now, therefore,
18	Be it enacted by the People of the State of Maine as follows:
2.0	C. 1
20	Sec. 1. 5 MRSA §12004-H, sub-§13, as enacted by PL 1989, c. 503, Pt. A, §22, is repealed.
22	Sec. 2. 5 MRSA §12004-H, sub-§13-A is enacted to read:
24	70 7 W 1 W 1 7 W 1 7 W 1 7 W 1 7 W 1 W 1 W
26	13-A. Maine Wild Expenses 36 MRSA Blueberry Commission Only §4312-C
28	Sec. 3. 36 MRSA §4301, as amended by PL 1983, c. 836, §1, is further amended to read:
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	§4301. Purpose
32	The production and manheting of wild bluebouries is and of
34	The production and marketing of <u>wild</u> blueberries is one of the most important agricultural industries of the State, and this
	chapter is enacted into law to conserve and promote the
36	prosperity and welfare of this State and of the wild blueberry industry of this State by fostering research and extension
38	programs and, by enecuraging supporting the development of
	expanded-market-opportunities and ether promotional opportunities
40	and other activities related to the wild blueberry industry.
42	Sec. 4. 36 MRSA §4302, sub-§1 is repealed.
44	Sec. 5. 36 MRSA §4302, sub-§1-A, as enacted by PL 1983, c.
	836, §2, is amended to read:
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48	1-A. Grower. "Grower" means any <u>a</u> person, firm, partnership, association or corporation engaged in the growing or
-0	selling of <u>wild</u> blueberries and which <u>that</u> is not a "processor"
50	as defined in subsection 2.

2	Sec. 6. 36 MRSA §4302, sub-§§1-C and 1-D, as enacted by PL
4	1989, c. 214, §1, are amended to read:
I	1-C. Organized crew. "Organized crew" means a group of
6	people working together under the supervision of a crew leader to harvest, pick, rake, possess or remove wild blueberries from
8	the land of an owner.
10	1-D. Owner. "Owner" includes a landowner or leaseholder of
12	land on which <u>wild</u> blueberries are grown and harvested for profit, or the landowner's or leaseholder's authorized agent, and
14	includes a receiver of <u>wild</u> blueberries grown in Canada and purchased from Canadian sellers.
16	Sec. 7. 36 MRSA $\$4302$, sub- $\$2$, as amended by PL 1989, c. 29, $\$1$, is further amended to read:
18	2. Processor. "Processor" means any a person, firm,
20	partnership, association or corporation engaged in the fresh packing, canning, freezing or dehydrating of wild blueberries
22	whether as owner, agent or otherwise.
24	Sec. 8. 36 MRSA §4302, sub-§§3 and 4 are amended to read:
26	3. Seller. "Seller" shall-mean-any means a person, firm,
28	partnership, association or corporation offering fresh wild blueberries for sale, either to themselves or to others.
30	4. Shipper. "Shipper" shall-mean-any means a person, firm,
32	partnership, association or corporation engaged in the shipping, transporting, storing, selling or otherwise handling of wild
34	blueberries either in processed form or as fresh fruit, whether as owner, agent or otherwise.
36	<pre>Sec. 9. 36 MRSA §4302, sub-§5, as enacted by PL 1989, c. 214, §1, is amended to read:</pre>
3 8	5. Transportation permit. "Transportation permit" means an
40	official permit on forms duly adopted and furnished by the Maine Wild Blueberry Commission to owners.
42	Sec. 10. 36 MRSA §4302, sub-§6 is enacted to read:
44	Sec. 10. 30 MRSA 94302, Sub-gu Is enacted to read:
46	6. Wild blueberries. "Wild blueberries" means all lowbush
	blueberries grown, purchased, sold or handled for commercial purposes in this State.
48	Sec. 11. 36 MRSA §4303, as amended by PL 1989, c. 29, §2, is
50	further amended to read:

§4303. Rate of tax

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There is levied and imposed a tax at the rate of 1/2¢ per pound of fresh fruit on all fresh wild blueberries grown, purchased, sold, handled or processed in this State. The tax shall-be is computed on a fresh fruit basis, regardless of how the wild blueberries are processed.

Sec. 12. 36 MRSA §4303-A, as amended by PL 1989, c. 29, §3, is further amended to read:

§4303-A. Additional tax

There is levied and imposed an additional tax at the rate of 1/2¢ per pound of fresh fruit on all fresh wild blueberries grown, purchased, sold, handled or processed in this State. The tax shall-be is computed on a fresh fruit basis, regardless of how the berries are processed, and shall may not be neither deducted from the purchase price ner or collected from the seller under section 4306.

Sec. 13. 36 MRSA $\S4304$, as amended by PL 1971, c. 425, $\S2$, is further amended to read:

§4304. Due date

The tax imposed by section 4303 and the additional tax imposed by section 4303-A shall-be are due upon any particular lot or quantity of wild blueberries under section 4307.

Sec. 14. 36 MRSA §4305, as amended by PL 1995, c. 639, §14, is further amended to read:

§4305. Certification

Every processor or shipper of wild blueberries shall obtain certification from the State Tax Assessor annually before processing or shipping wild blueberries. The assessor shall provide the applications for the certification, which must contain the name under which the processor or shipper is transacting business in the State, the place or places of business, the names and addresses of the persons constituting a firm or partnership and, if a corporation, the corporate name and names and addresses of its principal officers and agents in the A processor or shipper may not process or ship wild blueberries until the certification has been Certification may be suspended or revoked by the assessor for failure to pay the tax imposed by section 4303 or for the filing of false or fraudulent reports or returns. All certification expires each year on July 1st. A certificate issued by the assessor pursuant to this section is not a license within the meaning of that term in the Maine Administrative Procedure Act.

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Sec. 15. 36 MRSA $\S4306$, as amended by PL 1983, c. 836, $\S5$, is further amended to read:

§4306. Tax deducted from purchase price

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Each processor or shipper, purchasing wild blueberries and paying or becoming liable to pay the tax imposed by section 4303_τ shall charge and collect from the seller a tax at the rate of $1/2\phi$ per pound, to be deducted from the purchase price of all wild blueberries subject to the tax so purchased by such the processor or shipper.

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Sec. 16. 36 MRSA $\S4307$, as amended by PL 1983, c. 836, $\S6$, is further amended to read:

§4307. Records and reports; payment of tax

Every processor or shipper shall, on or before November 1st of each year, report to the State Tax Assessor, the quantity of wild blueberries grown, purchased or sold by him that processor or shipper during the current season, on forms furnished by the State Tax Assessor. Said The report shall must contain such further the information pertinent thereto to the purchase or sale as said the State Tax Assessor shall-preseribe prescribes. With said the report, each processor or shipper shall forward payment of the tax at the rate of 1¢ per pound upon all wild blueberries so reported as grown, sold or purchased.

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Sec. 17. 36 MRSA §4308, as amended by PL 1979, c. 731, §19, is further amended to read:

§4308. Inspection

The State Tax Assessor or his the assessor's duly authorized agents shall have authority to enter any place of business of any processor or shipper or any car, boat, truck or other conveyance in which wild blueberries are to be transported and to inspect any books or records of any processor or shipper, or any premises where wild blueberries are stored, handled, transported or merchandised, for the purpose οf determining blueberries are taxable under this chapter or for the purpose of determining the truth or falsity of any statement or return made by any processor or shipper, and he-shall-have authority-to the State Tax Assessor may delegate such that power to Commissioner of Agriculture, Food and Rural Resources, his or the commissioner's deputies, agents,-servants or employees.

Sec. 18. 36 MRSA §4311-A, as amended by PL 1985, c. 779, §81, is further amended to read:

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§4311-A. Appropriations of money received

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Money received from the tax levied by sections 4303 and 4303-A shall must be appropriated for the following purposes:

- 10 Collection and enforcement. For-the-collection-of-the taxes - imposed -by - this - law - and - the -enforcement - of - this - chapter. Any-funds-which-accrue-to-the-blueberry-tax-account-and-are-held 12 by--the--Treasurer--ef--State--shall--be--invested--by--him--until disbursement -- is -- authorized - by -- the -- Maine -- Blueberry -- Commission -14 The-first-\$20,000,-each-year,-of-income-from-any-investment-of blueberry-tax-funds-shall-acerue-to-the-General-Fund-undedicated 16 revenue, - any-additional-amounts-shall-accrue-to-the-blueberry-tax account -- and -- shall -- be -- appropriated -- for -- the -- same -- purposes -- as 18 specified-elsewhere in this-section. The commission shall pay a 20 sum to the State Tax Assessor representing the cost incurred by the State in collection of the taxes imposed by this chapter and the enforcement of this chapter; 22
- 24 Transfer, allocation and appropriation. received by the Treasurer of State under this chapter, including all receipts of taxes levied under section 4303 and 4303-A, must 26 be transferred to the Maine Wild Blueberry Commission in its 28 capacity as an independent agency on a monthly basis by the 15th of the month following collection and be used for all activities 30 of the commission authorized under this chapter. All money received by the Treasurer of State under this chapter, including all receipts of taxes levied under sections 4303 and 4303-A, must 32 be allocated or appropriated to the commission by the 34 Legislature. Money received by the commission does not lapse and may be invested until expended for activities authorized under 36 this chapter;
 - 2. Promotion and advertising. The Maine <u>Wild</u> Blueberry Commission may implement programs and activities to promote and advertise <u>wild</u> blueberries; and join with any local, state, federal or private agency, department, firm, corporation or association to implement the purposes of this section. ——At-least 25%-of-the-funds-collected-shall-be-allocated-for-these-purposes;

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3. Research and extension educational programs. Thirty percent of the funds collected, but not to exceed \$85,000, shall must be dedicated to the University of Maine System for the purpose of supplementing its research and extension programs related to improved methods of growing, harvesting, processing and marketing of wild blueberries. The Maine Wild Blueberry

Commission may allocate additional funds to the University of Maine System or other organizations for research and extension programs as may be appropriate to implement the purposes of this section; and

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- 4. Administration and other activities. The Maine-Blueberry Commission, -as-authorized-under-section-4312-B, -shall commission may allocate net-mere-than-15%--ef--the funds cellected-fer employment-of-personnel-and-expenses-incurred necessary for the administration of this chapter and for other activities related to the economic viability of the Maine wild blueberry industry; and
- 5. Balance of funds. Any funds remaining over and above the expenses incurred for-subsections-l--2, under subsection 3 and-4 shall do not lapse, but shall-be must be carried forward to the same fund and for the same purposes for the next fiscal year.
- Sec. 19. 36 MRSA \$4312, first \P , as amended by PL 1989, c. 503, 20 Pt. B, \$166, is further amended to read:

The University of Maine System <u>Wild</u> Blueberry Advisory Committee, as authorized by Title 5, chapter 379, shall—be is appointed by the Maine <u>Wild</u> Blueberry Commission. The committee shall—eensist <u>consists</u> of 7 members who are active in and representative of the <u>wild</u> blueberry industry. The duty of the committee shall—be is to advise and work with the University of Maine System to develop and approve a plan of work and budgets for research and extension programs related to the production and marketing use of 1,000,000 pounds of wild blueberries in a calendar year. A grower who processes less than 1,000,000 pounds of wild blueberries in a calendar year is not precluded from serving as a grower representative.

- Sec. 20. 36 MRSA §4312-B, as amended by PL 1995, c. 331, §2, is repealed.
- Sec. 21. 36 MRSA §4312-C is enacted to read:

§4312-C. Maine Wild Blueberry Commission

1. Commission established as a public instrumentality. The
Maine Wild Blueberry Commission, as established by Title 5,
section 12004-H, subsection 13-A and referred to in this section
as the "commission," is established as a public body corporate
and politic and an incorporated public instrumentality of the
State. The exercise of powers conferred by this chapter is held
to be the performance of essential government functions.

2	state employees for any purpose, including the state civil
	service provisions of Title 5, Part 2 and Title 5, chapter
4	<u>372.</u>
6	B. The commission may not be construed to be a state agency
	for any purpose, including the budget, accounts and control,
8	auditing, purchasing or other provisions of Title 5, Part 4.
10	C. Notwithstanding paragraphs A and B:
12	(1) Employees of the commission may be state employees
	for the purposes of the state retirement provisions of
14	Title 5, Part 20 and the state employee health
	insurance program under Title 5, chapter 13, subchapter
16	II;
18	(2) For the purposes of the Maine Tort Claims Act, the
	commission is a governmental entity and its employees
20	and members are employees as those terms are defined in
-	Title 14, section 8102; and
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	(3) Funds received by the commission pursuant to this
24	chapter must be allocated to the commission by the
	Legislature in accordance with Title 5, section 1673.
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	2. Appointment. Appointments to the commission are made by
28	the Commissioner of Agriculture, Food and Rural Resources.
30	3. Membership. The commission consists of 8 members who are
	active in and representative of the wild blueberry industry,
32	appointed by the Commissioner of Agriculture, Food and Rural
	Resources. Three members must be grower representatives. Five
34	members must be processor representatives who process more than
	1,000,000 pounds of wild blueberries in a calendar year.
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	4. Term. Members serve 4-year terms.
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	5. Organization. Members of the commission shall elect
40	annually by majority vote one member of the commission to serve
	as chair and one member to serve as vice-chair. The commission
42	may appoint by majority vote an executive director who is the
	commission's chief administrator and such personnel as the
44	commission considers necessary to administer policies and
	programs established by the commission. The executive director
46	and other staff serve at the pleasure of the commission. The
	salaries paid to the executive director and other staff of the
48	commission are fixed by the commission. The executive director
	and other staff are not subject to the personnel laws of the

A. Employees of the commission may not be construed to be

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State.

2 6. Compensation of commissioners. Members of the commission are entitled to compensation in accordance with Title 5, chapter 379.

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- 7. Function of commission. It is the responsibility of the commission to utilize and allocate such funds as may be available from the funds collected under section 4307. The commission may make contracts or enter into contracts with any local, state, federal or private agency, department, firm, corporation or association as may be necessary to carry out the purposes of this chapter.
 - 8. Debt. A debt or obligation incurred by the commission is not a debt or obligation of the State.
 - 9. Books and records. The commission shall keep books, records and accounts of all its activities, which must be open to inspection and audit by the State at all times. An independent certified public accountant shall conduct an annual audit of the financial records of the commission and report the results of the audit to the commission, the Commissioner of Agriculture, Food and Rural Resources, the Treasurer of State and the Legislature.
 - 10. Funding. The commission may receive and expend funds from any source, public or private, that it determines necessary to carry out its purposes.
 - 11. Appropriation and use of money received. The commission may accept grants or contributions of money or other things of value from any source, public or private. Those grants or other contributions must be held by the commission and used to carry out the purposes of this chapter, subject to any condition under which the grant or contribution was accepted by the commission.
 - 12. Bylaws. The commission may adopt bylaws to govern its functions.
 - Sec. 22. 36 MRSA §4314, sub-§1, as enacted by PL 1989, c. 214, §2, is amended to read:
 - 1. Possession or removal unlawful. It shall-be is unlawful for any a person to harvest, pick, rake, possess or remove wild blueberries from the land of an owner without first securing written permission from the owner or the owner's authorized agent. This section shall does not apply to members of an organized crew, previded if the crew leader has first secured the written permission of the owner. Any A person authorized to make inspections under this chapter may require any a person on the

land of an owner who has possession of <u>wild</u> blueberries or is found harvesting, raking, picking or removing <u>wild</u> blueberries to show a current written permit.

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Sec. 23. 36 MRSA §4315, as amended by PL 1989, c. 859, §1, is further amended to read:

§4315. Transportation of wild blueberries

- Transportation of wild blueberries without permit. 10 is unlawful for any a person to transport wild blueberries in 12 quantities exceeding 25 pounds without first obtaining transportation permit on an official form to be furnished by the Maine Wild Blueberry Commission. 14 The Maine <u>Wild</u> Blueberry Commission shall issue official transportation permit forms to owners who may issue the transportation permits to individuals. 16 Each permit issued must bear a different number and expire at the end of the calendar year. When an owner issues a transportation 18 permit, the owner shall immediately send a copy to the Maine Wild Blueberry Commission. The commission shall keep a permanent 20 record of all permits issued. The commission may promulgate adopt rules establishing the form and content of transportation 22 and governing the means of their issuance establishing the record-keeping functions of the commission and 24 the owners. Notwithstanding any provision of Title 1, chapter subchapter I to the contrary, records pertaining to 26 transportation permits required to be kept by the Maine Wild Blueberry Commission under this section are confidential to the 28 necessary to preserve the identity of parties individual business transactions. 30 The confidential status does apply when records kept by the Maine Wild Blueberry Commission are needed as evidence in any proceeding to enforce any provision of section 4314 or this section, or in any prosecution for a violation of any other criminal law. 34
 - 2. Permits subject to forgery laws. Every permit specified under this section is deemed to be a written instrument subject to the laws of forgery.
 - 3. **Violation.** Any person who transports <u>wild</u> blueberries in violation of this section is guilty of a Class E offense. Any other violation of this section is a civil violation punishable by a fine of not more than \$500.

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- **4. Exceptions.** A person is not guilty of transporting <u>wild</u> blueberries without a transportation permit if:
- A. The person is transporting <u>wild</u> blueberries that were not harvested in this State; or

B. That person purchased the <u>wild</u> blueberries at a store, farm stand, produce market or other retail outlet.

Sec. 24. 36 MRSA §4316, as amended by PL 1989, c. 859, §§2 and 3, is further amended to read:

§4316. Receivers of wild blueberries

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1. Record keeping required. Any \underline{A} person who receives wild blueberries must shall keep a permanent record of each lot or load of wild blueberries received. The record shall must include the name of the driver of the vehicle used to deliver the wild blueberries, the date of delivery, the delivery point, the number of the transportation permit, the driver's license number and the total pounds of wild blueberries delivered.

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2. Inspection of permit required. It shall-be is unlawful for any a person to receive or accept delivery of any wild blueberries in lots of greater than 5 pounds without first inspecting the transportation permit of the driver of the vehicle used to deliver the wild blueberries and recording the transportation permit number in accordance with subsection 1 efthis-section.

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3. Violation. The failure to keep the permanent records of wild blueberries received as required in this section, failure to inspect the transportation permit of a driver of a vehicle used to deliver wild blueberries or any other violation of this section is a civil violation punishable by a fine of not more than \$1,000.

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4. Audits. The Maine Wild Blueberry Commission may request the Department of Agriculture, Food and Rural Resources to conduct audits of the records of receivers for the purpose of ascertaining compliance with this section. The commissioner, or a duly authorized agent, has free access, during normal business hours, to all records required to be kept by receivers pursuant to this section and also to receivers' accounts payable, accounts receivable, records of inventories, actual inventories, records of shipments and such other business records as are needed to ascertain compliance with this section. Any documents inspected or taken by the department in furtherance of the audit functions or any other information collected by the department pursuant to the audit must be kept confidential notwithstanding any provision to the contrary contained in Title 1, chapter 13, subchapter I. This confidential status does not apply to any documents, records or information that is needed as evidence in any civil or criminal proceeding to enforce any law under this chapter or any other criminal law.

Sec. 25. Transition provisions. The following provisions apply to the Maine Wild Blueberry Commission on July 1, 1997.

1. Funds transferred. All funds held by the State for distribution to the Maine Blueberry Commission pursuant to the Maine Revised Statutes, Title 36, section 4307 must be transferred to the Maine Wild Blueberry Commission in its capacity as an independent agency.

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- 2. Personnel transferred. Employees of the Maine Blueberry Commission must be transferred from state employment to the Maine Wild Blueberry Commission in its capacity as an independent agency.
- Retirement benefits. 3. Employees of the Maine Commission may continue to be treated as 16 Blueberry employees for purposes of rights and benefits under the Maine State Retirement System. The retirement accounts of employees 18 transferred to the commission in its capacity as an independent agency must remain in the state regular plan. New employees may 20 also become members of the Maine State Retirement System under the state regular plan. The commission shall make employer 22 contributions at the state regular plan rate for member 24 employees. Member employees shall make employee contributions at the state regular plan rate.
 - 4. Health insurance. Employees of the Maine Wild Blueberry Commission may continue to be treated as state employees for the purposes of the state employee health insurance program. Commission employees covered by the state employee health insurance program are entitled to the same health benefits as state employees.
 - 5. Debt or obligation. A debt or obligation incurred by the Maine Blueberry Commission prior to July 1, 1997 that remains, in whole or in part, payable to any person becomes a debt obligation of the Maine Wild Blueberry Commission.
 - 6. Contracts and agreements. All contracts and agreements with the Maine Blueberry Commission in effect prior to July 1, 1997 remain in effect following the effective date of this Act.
 - 7. Terms of council members. Members of the Maine Blueberry Commission on June 31, 1997 serve as members of the Maine Wild Blueberry Commission in its capacity as an independent agency until their terms expire.
- 48 **8. Accrued fringe benefits.** The accrued fringe benefits of employees transferred to the Maine Wild Blueberry Commission in its capacity as an independent agency, including vacation and

sick leave, health and life insurance and retirement, remain with the transferred employee.

9. Transfer of property and equipment. All property and equipment owned by the Maine Blueberry Commission remains the property and equipment of the Maine Wild Blueberry Commission as an independent agency.

Sec. 26. Transitional actions. From the effective date of this Act until July 1, 1997 the executive director of the Maine Blueberry Commission is authorized to sign contracts and take planning measures necessary for the transition of the commission to be an independent agency.

- 1. Assistance. The Department of Administrative and Financial Services shall assist the Maine Blueberry Commission and the commission's executive director with the orderly implementation of transition provisions under this Act.
- Sec. 27. Members of Maine Wild Blueberry Commission. Members serving on the Maine Blueberry Commission on the effective date of the Act continue to serve as members on the Maine Wild Blueberry Commission for the duration of the terms to which they were appointed. Notwithstanding the Maine Revised Statutes, Title 36, section 4312-C, subsection 4, the Commissioner of Agriculture, Food and Rural Resources shall make initial appointments so that 2 members' terms expire each year on August 31st. Appointments made to fill positions that do not expire on August 31st are shortened so that 2 of those appointments expire on August 31st of each year. A vacancy must be filled for the duration of the unexpired term.

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

SUMMARY

This bill amends the laws regarding Maine Blueberry Commission by changing its name to the "Maine Wild Blueberry Commission" and changes references from "blueberries" to "wild blueberries." The bill also makes the commission a public instrumentality of the State. The bill also amends the terms of members of the commission so that terms will end on August 31st and will be staggered.