

L.D. 2442

DATE: 4-27-00

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### STATE OF MAINE HOUSE OF REPRESENTATIVES 119TH LEGISLATURE SECOND REGULAR SESSION

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P.
16 1736, L.D. 2442, Bill, "An Act Regarding the Requirement of Notice in the Acquisition of Solid Waste Hauling, Incineration
18 Residue Disposal and Related Assets"

20 Amend the amendment by striking out everything after the 2nd indented paragraph after the title and before the summary and 22 inserting in its place the following:

'Sec. 1. 38 MRSA §2111 is enacted to read:

26 §2111. Acquisition of solid waste and residue hauling assets

 1. Prohibition. A person may not acquire, directly or indirectly, controlling stock or substantial assets that include
 those used in solid waste or residue hauling from a business engaged in and of which more than 1/2 of the revenue is derived
 from solid waste or residue hauling in the State without prior notice as required under subsection 2.

- For the purposes of this subsection, "solid waste or residue hauling" means the collection, transportation or delivery of solid waste or residue to a transfer facility or station, incinerator or disposal site from residential or commercial generators and customers and includes hand pickup, containerized pickup and roll-off services.
- 42 2. Notice. The person acquiring controlling stock or substantial assets under subsection 1 shall provide notice of this acquisition to the Department of the Attorney General at least 30 days prior to the date of acquisition. That period may be shortened with the consent of the Attorney General.

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**3. Exception.** Notwithstanding subsection 1, this section does not apply if the business from which controlling stock or substantial assets are being acquired employs 5 or fewer individuals.

**4. Confidentiality.** Information received by the Department of the Attorney General as a result of the notice requirement under subsection 2 is confidential.

 5. Penalty. A person that violates this section is subject to a civil penalty not to exceed \$10,000, payable to the State.
 The penalty is recoverable in a civil action. The violation constitutes a prima facie violation of Title 5, section 207.

6. Repeal. This section is repealed 90 days after
 adjournment of the First Regular Session of the 120th Legislature.

18 Sec. 2. Task Force to Study Market Power Issues Related to the Solid Waste Hauling and Disposal Industry established. The Task Force to 20 Study Market Power Issues Related to the Solid Waste Hauling and Disposal Industry, referred to in this section as the "task 22 force," is established.

- 24 1. The task force consists of 5 members of the Joint Standing Committee on Natural Resources, appointed as follows:
- A. Two members from the Senate, appointed by the President 28 of the Senate; and
- 30 B. Three members from the House of Representatives, appointed by the Speaker of the House of Representatives.
- The first Senate member named is the Senate chair and the first 34 House member named is the House chair.
- 36 Legislators may continue to serve while they are Legislators until they are replaced by new appointments.
- 2. All appointments must be made no later than 30 days following the effective date of this Act. The appointing 40 the authorities shall notify Executive Director of the Legislative Council upon making their appointments. The chairs 42 of the task force shall call and convene the first meeting of the task force within 30 days of the date the last member is 44 appointed. 46
- 3. The task force shall conduct a study of market power 48 issues in all aspects of the public and private solid waste hauling and disposal industry. The task force may examine any

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- issue that the task force determines to be relevant to assessing market power issues. The task force shall examine at a minimum:
  - A. Issues of market concentration or horizontal market power;
- B. Issues of vertical market power arising from integrated
   ownership or control of solid waste hauling, disposal and
   other related assets;
- 10 C. The existence of barriers to entry into the solid waste hauling industry, including required capitalization;
- D. The reasonable geographic areas and markets in which market power could be exercised;
- E. The extent to which imbalances of supply and demand create opportunities for the unreasonable exercise of market
   power;
- F. Issues of solid waste hauling and disposal pricing, including debt service of public facilities and its
   relationship to tipping fees;
- G. The advantages and disadvantages of altering the current market system in the solid waste hauling and disposal industry; and
- 28 H. The approaches taken in other states to address market power issues.
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The task force shall consult with the following
 interested parties in conducting the study: the Department of the Attorney General; the Executive Department, State Planning
 Office; the Public Utilities Commission; the Department of Environmental Protection; municipal representatives; industry
 representatives; and other parties as determined appropriate by the task force.

- 5. The task force may retain experts or other consultants 40 as determined necessary in order to conduct the study.
- 6. Members of the task force are entitled to receive the legislative per diem and reimbursement of necessary expenses for
   their attendance at authorized meetings of the task force.
- 46 7. Upon approval of the Legislative Council, the Office of Policy and Legal Analysis shall provide necessary staffing
   48 services to the task force.

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# HOUSE AMENDMENT

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The task force shall submit an interim report of its 8. findings and recommendations no later than December 6, 2000 and a 2 final report of its findings and recommendations no later than December 5, 2001 to the joint standing committee of the 4 Legislature having jurisdiction over natural resources matters. The interim and final reports must include any legislation 6 necessary to implement the recommendations of the task force. If 8 the task force requires an extension of time to make its reports, it may apply to the Legislative Council, which may grant the 10 extension.

9. The chairs of the task force, with assistance from the task force staff, shall administer the task force's budget.
Within 10 days after its first meeting, the task force shall present a work plan and proposed budget to the Legislative
Council for approval. The task force may not incur expenses that would result in the task force exceeding its approved budget.

Sec. 3. Legislation. The joint standing committee of the Legislature having jurisdiction over natural resources matters may report out a bill related to the solid waste industry to the First Regular Session of the 120th Legislature.

24 Sec. 4. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

2000-01

#### LEGISLATURE

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 Task Force to Study Market Power
 Issues Related to the Solid Waste Hauling and Disposal Industry

All Other

\$4,500

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	Provides funds for the Task Force to Study
38	Market Power Issues Related to the Solid
	Waste Hauling and Disposal Industry and for
40	the costs to retain experts or consultants.'

#### **FISCAL NOTE**

This amendment reduces the General Fund cost of the bill by \$3,100 in fiscal year 2000-01.

48 As amended, this bill includes a General Fund appropriation of \$4,500 in fiscal year 2000-01 for the Legislature for the Task

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# HOUSE AMENDMENT

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Force to Study Market Power Issues Related to the Solid Waste Hauling and Disposal Industry to retain experts or consultants.

The additional costs associated with the payment of per diem
 and expenses of legislative members of the task force can be
 absorbed by the Legislature utilizing existing budgeted resources.

#### SUMMARY

This amendment adds an emergency preamble and emergency 12 clause, provides language for replacement of legislative members on the task force and changes the date by which appointments to 14 the task force must be made.

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18	SPONSORED BY:
	(Representative TOWNSEND)
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	TOWN: Portland
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