

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

SECOND REGULAR SESSION-2002

Legislative Document

No. 1920

S.P. 718

In Senate, December 17, 2001

An Act to Address Liquidation Harvesting.

Submitted by the Department of Conservation pursuant to Joint Rule 204.

Received by the Secretary of the Senate on December 17, 2001. Referred to the Committee on Taxation and ordered printed pursuant to Joint Rule 308.2

A handwritten signature in cursive script that reads "Pamela L. Cahill".

PAMELA L. CAHILL
Secretary of the Senate

Presented by Senator KILKELLY of Lincoln.

Cosponsored by Representative NASS of Acton and

Senator NUTTING of Androscoggin, Representative: JONES of Greenville.

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

Sec. 1. 12 MRSA §8868, sub-§2-C is enacted to read:

2-C. Landowner. "Landowner" means a person, company or other entity that holds title to land, including joint ownership or tenants in common. If the ownership of the timber located on a parcel is different than the fee ownership of the parcel, the owners of the timber are deemed to be a landowner and are jointly and severally liable with the fee owner of the parcel. If a corporate landowner is a wholly owned subsidiary of another corporation, both parent and subsidiary are deemed to be the same landowner.

Sec. 2. 12 MRSA §8883, sub-§1, as amended by PL 1999, c. 361, §5, is further amended to read:

1. **Notification prior to harvest.** Unless an alternate form or method of reporting is provided in rule, notification must be on forms supplied by the bureau and must include the following information:

A. The name, address and phone number of the landowner, any designated agent, and, if known, any harvester or harvesters;

B. The name and address of any licensed professional forester consulting the landowner on forest management or harvesting practices;

C. The municipality or township and county of harvest;

D. The name of the nearest public or private all-weather road;

E. The approximate dates the harvest will begin and finish;

F. The anticipated acreage to be harvested;

F-1. An indication whether the land being harvested is taxed under the provisions of the Maine Tree Growth Tax Law. If the land being harvested is taxed under the provisions of the Maine Tree Growth Tax Law, the notification must include a sworn statement, signed by the landowner, indicating that the harvest is consistent with the forest management and harvest plan required by Title 36, section 574-B, subsection 1. A licensed professional forester who has a fiduciary responsibility to the landowner may sign the sworn statement required by the landowner in this paragraph.

2 G. Whether the land is being harvested to convert to
another use within 2 years and, if so, what that use is to
be+.

4
6 If the land being converted to another use is taxed under
the provisions of the Maine Tree Growth Tax Law,
8 notification of a change of land use under this subsection
constitutes a withdrawal of that land from taxation under
10 the provisions of the Maine Tree Growth Tax Law, under Title
36, section 581;

12 H. The signatures of the harvester when listed on the form
in accordance with paragraph A and the licensed professional
14 forester when listed on the form in accordance with
paragraph B;

16
18 H-1. The signature of the landowner and the signature of
the designated agent when a designated agent is listed in
accordance with paragraph A. If the designated agent is a
20 licensed professional forester who has a fiduciary
responsibility to the landowner, the signature of the
22 landowner is not required;

24 I. A map locating the harvest site in relation to known or
easily identifiable terrain features, such as a road
26 junction or a stream and road junction. The map must be a
copy of a 7.5 or 15 minute series topographical map produced
28 by the United States Geological Survey or a map of
equivalent or superior detail in the location of roads; and

30
32 J. The date of notification.

34 The Commissioner of Conservation shall adopt rules to carry out
the provisions of this subchapter. Rules adopted to implement
36 changes to this subchapter are routine technical rules as defined
in Title 5, chapter 375, subchapter II-A.

38 **Sec. 3. 36 MRSA §574-B, sub-§1, as amended by PL 1999, c. 33,**
§1, is further amended to read:

40
42 **1. Forest management and harvest plan.** A forest management
and harvest plan has been prepared for the parcel and updated
every 10 years. The landowner shall file a sworn statement with
44 the municipal assessor in a municipality or the State Tax
Assessor for parcels in the unorganized territory that a
46 management plan has been prepared for the parcel. A landowner
with a parcel taxed pursuant to this subchapter on September 30,
48 1989 has until December 31, 1999 to comply with this requirement
or to provide evidence to the municipal assessor or the State Tax
50 Assessor for parcels in the unorganized territory that the

landowner intends to develop a forest management and harvest plan by December 31, 2000 or has executed a contract with a licensed forester for the completion of a forest management and harvest plan by December 31, 2000. Until the plan is prepared or December 31, 2000, whichever is earlier, the land is subject to the applicability provisions under this section as ~~it~~ the provisions existed on April 1, 1982. A landowner who does not provide the municipal assessor or the State Tax Assessor for parcels in the unorganized territory by December 31, 1999 with a sworn statement that a forest management and harvest plan has been prepared or evidence that the landowner intends to develop a forest management and harvest plan or has executed a contract with a licensed forester for the completion of a forest management and harvest plan by December 31, 2000 shall pay a penalty of \$100 to the municipal tax collector or the State Tax Assessor for parcels in the unorganized territory. This penalty is in addition to any penalty that is assessed pursuant to section 581 for withdrawal of land from classification under this subchapter and may be enforced in the same manner as a supplemental assessment under section 713. A landowner who has forest land certified under section 574-C is exempt from this subsection;

Sec. 4. 36 MRSA §574-B, sub-§3, as enacted by PL 1989, c. 555, §16, is amended to read:

3. Transfer of ownership. If the land is transferred to a new owner, a forest management and harvest plan must be prepared for the ~~landowner~~ new owner within one year of the date of transfer or before the new owner can harvest forest products for commercial use, whichever occurs first and a sworn statement to that effect must be ~~submitted within one year~~ to the municipal assessor in a municipality or the State Tax Assessor for the unorganized territory.

Parcels of land subject to section 573, subsection 3, paragraph B or C, are exempt from the requirements under this section.

Sec. 5. 36 MRSA §574-C is enacted to read:

§574-C. Exemption from compliance with plan

If the forest land is certified as being well-managed by a 3rd-party certification organization that is approved by the Maine Forest Service, the landowner is exempt from the requirements of section 574-B, subsection 2. This exemption is valid only as long as the forest land has a valid 3rd-party certification.

Sec. 6. Report. The Maine Forest Service shall report to the joint standing committee of the Legislature having jurisdiction over agriculture, conservation and forestry matters by January 31, 2005 on the impact of this legislation on liquidation harvesting.

SUMMARY

This bill clarifies the harvest notification requirements to include a statement from landowners under the Maine Tree Growth Tax Law program that they are following a management plan as currently required, removes lands that are being harvested for development from the Maine Tree Growth Tax Law program, exempts forest land that is certified by a 3rd-party certification organization as being well-managed from the management plan requirements of the Maine Tree Growth Tax Law program, requires that all new landowners in the Maine Tree Growth Tax Law program have a management plan before harvesting forest products for commercial use and requires the Maine Forest Service to report back to the Legislature in 2005 on the impacts of this legislation on liquidation harvesting.