

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 1064

S.P. 381

In Senate, March 1, 2005

An Act To Clarify the Laws Governing Agricultural Composting Operations

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator WOODCOCK of Franklin.
Cosponsored by Representative CARR of Lincoln and
Senator: NUTTING of Androscoggin, Representatives: PINEAU of Jay, SAVIELLO of
Wilton.

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

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4 **Sec. 1. 17 MRSA §2805, sub-§1**, as amended by PL 1999, c. 723, §2, is further amended to read:

6 **1. Definition.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

10 A. "Farm" means the land, buildings and machinery used in the commercial production of farm products.

12 B. "Farm operation" means a condition or activity that occurs on a farm in connection with the commercial production of farm products and includes, but is not limited to, operations giving rise to noise, odors, dust, insects, and fumes; operation of machinery and irrigation pumps; ground and aerial seeding; ground spraying; ~~composting of material produced by the farm or to be used at least in part on the farm;~~ agricultural composting operations; disposal of manure; the application of chemical fertilizers, soil amendments, conditioners and pesticides; and the employment and use of labor.

24 C. "Farm product" means those plants and animals useful to humans and includes, but is not limited to forages and sod crops, grains and food crops, dairy products, poultry and poultry products, bees, livestock and livestock products and fruits, berries, vegetables, flowers, seeds, grasses and other similar products.

32 D. "Agricultural composting" means the controlled decomposition of organic materials to produce a product beneficial to plant growth and suitable for agronomic use. "Agricultural composting" is limited to operations that produce compost with materials generated on a farm as a primary ingredient and operations that produce compost on a farm for use on that farm. "Agricultural composting" does not include operations that use municipal solid waste, municipal sludge, septage or pulp and paper mill sludge.

42 **Sec. 2. 26 MRSA §1043, sub-§1, ¶A**, as amended by PL 1979, c. 515, §1-A, is further amended to read:

44 A. On and after January 1, 1978, "agricultural labor" includes any service performed:

48 (1) On a farm, in the employ of any person, in connection with cultivating the soil or in connection with raising or harvesting any agricultural,

50

2 aquacultural, or horticultural commodity, including the
3 raising, shearing, feeding, caring for, training and
4 management of livestock, bees, poultry and fur-bearing
5 animals and wildlife;

6 (2) In the employ of the owner or tenant or other
7 operator of a farm, in connection with the operation,
8 management, conservation, improvement or maintenance of
9 such farm and its tools and equipment, or in salvaging
10 timber or clearing land of brush and other debris left
11 by a hurricane, if the major part of such service is
12 performed on a farm;

13 (3) In connection with the production or harvesting of
14 any commodity defined as an agricultural commodity in
15 section 15(g) of the Agricultural Marketing Act, as
16 amended, 12 U.S.C. 1141j, or in connection with the
17 ginning of cotton, or agricultural composting as
18 defined in Title 17, section 2805 or in connection with
19 the operation or maintenance of ditches, canals,
20 reservoirs or waterways, not owned or operated for
21 profit, used exclusively for supplying and storing
22 water for farming purposes;

23 (4) In the employ of the operator of a farm, in
24 handling, planting, drying, packing, packaging,
25 processing, freezing, grading, storing or delivering to
26 storage or to market or to a carrier for transportation
27 to market, in its unmanufactured state, any
28 agricultural or horticultural commodity; but only if
29 such operator produced more than 1/2 of the commodity
30 with respect to which such service is performed; in the
31 employ of a group of operators of farms, or a
32 cooperative organization of which such operators are
33 members, in the performance of service described in
34 this subparagraph, but only if such operators produced
35 more than 1/2 of the commodity with respect to which
36 such service is performed. The provisions of this
37 subparagraph shall ~~do not be deemed to be applicable~~
38 apply with respect to service performed in connection
39 with commercial canning or commercial freezing or in
40 connection with any agricultural or horticultural
41 commodity after its delivery to a terminal market for
42 consumption; hatching or processing of poultry,
43 transportation of poultry; grading of eggs or packing
44 of eggs, transportation of eggs; the processing of any
45 meat product or the transportation of any meat product;
46 or to any potato packing business which that
47 customarily operates during a regularly recurring
48 business season.

2 period of at least 140 working days in a calendar year;
or

4 (5) On a farm operated for profit if such service is
not in the course of the employer's trade or business.

6 **Sec. 3. 36 MRSA §2013, sub-§1, ¶A,** as amended by PL 1993, c.
8 151, §1, is further amended to read:

10 A. "Commercial agricultural production" means commercial
12 production of crops for human and animal consumption,
including the commercial production of sod, agricultural
14 composting as defined in Title 17, section 2805, the
commercial production of seed to be used primarily to raise
16 crops for nourishment of humans or animals and production of
livestock.

18 **Sec. 4. Retroactivity.** This Act applies retroactively to
January 1, 1994. Notwithstanding the 36-month limitations on
20 applications for refunds under the Maine Revised Statutes, Title
36, section 2013, subsection 1, the State Tax Assessor shall
22 refund taxes paid when a person produces the evidence required
under Title 36, section 2013, subsection 2 for eligible purchases
24 relating to agricultural composting made on or after January 1,
1994.

26 An employer who, after January 1, 1994, has paid into the
28 Unemployment Compensation Fund for workers engaged in
agricultural composting is entitled to reimbursement for payments
30 paid into the fund less the amount paid out of the fund for any
claims against that employer by workers engaged in agricultural
32 composting. The Commissioner of Labor shall develop a process by
which a person can apply for and receive reimbursement under this
34 section.

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SUMMARY

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This bill enacts a definition of "agricultural composting."
40 It clarifies that agricultural composting operations qualify for
certain sales tax exemptions. It also specifically includes work
42 in connection with "agricultural composting" in the definition of
"agricultural labor" as that term is used in Maine's unemployment
44 compensation statutes.