

MAINE STATE LEGISLATURE

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Date: 4/1/08

L.D. 1947
(Filing No. H-894)

NATURAL RESOURCES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
123RD LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1383, L.D. 1947, Bill, "An Act To Clarify the Waste Motor Oil Disposal Site Remediation Program"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 10 MRSA §963-A, sub-§47-B, ¶D, as enacted by PL 2007, c. 464, §2, is amended to read:

D. A payment or payments, including any settlement premium, that a responsible party is required to make pursuant to a final de minimis or cash-out settlement among the United States, the State and one or more responsible parties or pursuant to a final de minimis or cash-out settlement among 2 or more responsible parties; and

Sec. 2. 10 MRSA §1020, sub-§1, ¶A-1 is enacted to read:

A-1. "Bulk motor vehicle oil" means all motor vehicle oil other than prepackaged motor vehicle oil.

Sec. 3. 10 MRSA §1020, sub-§1, ¶A-2 is enacted to read:

A-2. "Diesel engine bulk motor vehicle oil" means diesel engine bulk motor vehicle oil meeting the performance requirements of American Petroleum Institute CJ-4 standards and all preceding specifications under those standards, inclusive of all viscosity grades.

Sec. 4. 10 MRSA §1020, sub-§1, ¶B, as enacted by PL 2007, c. 464, §6, is repealed.

Sec. 5. 10 MRSA §1020, sub-§1, ¶C-1 is enacted to read:

C-1. "Gasoline engine bulk motor vehicle oil" means gasoline engine bulk motor vehicle oil meeting the performance requirements of American Petroleum Institute SM and International Lubricant Standardization and Approval Committee GF-4

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1 standards and all preceding specifications under those standards, inclusive of all
2 viscosity grades.

3 **Sec. 6. 10 MRSA §1020, sub-§1, ¶E**, as enacted by PL 2007, c. 464, §6, is
4 repealed.

5 **Sec. 7. 10 MRSA §1020, sub-§1, ¶F** is enacted to read:

6 F. "Motor vehicle oil" means any lubricating oil classified for use in the crankcase of
7 an internal combustion engine, including but not limited to natural, synthetic and
8 rerefined motor oils, whether or not in retail containers.

9 **Sec. 8. 10 MRSA §1020, sub-§1, ¶G** is enacted to read:

10 G. "Motor vehicle oil dealer" means any person, firm or corporation engaged in the
11 business of producing, packaging or otherwise preparing motor vehicle oil for
12 market, or selling or distributing motor vehicle oil.

13 **Sec. 9. 10 MRSA §1020, sub-§1, ¶H** is enacted to read:

14 H. "Prepackaged motor vehicle oil" means motor vehicle oil sold in a container with
15 a volume not in excess of 5 gallons.

16 **Sec. 10. 10 MRSA §1020, sub-§6**, as enacted by PL 2007, c. 464, §6, is amended
17 to read:

18 **6. Premium.** In addition to any other tax or charge imposed under state or federal
19 law, a premium is imposed on all motor vehicle oil changes sold in the State at retail in
20 the amount of \$1 per oil change on a vehicle with a gross vehicle weight of under 10,000
21 pounds, \$2 on a vehicle with a gross vehicle weight of 10,000 pounds to 25,999 pounds
22 and \$3 on a vehicle with a gross vehicle weight of 26,000 pounds or more. Any person
23 that owns a fleet of vehicles and performs oil changes on those vehicles shall pay a
24 premium of \$1 for each oil change performed on each vehicle in the fleet with a gross
25 vehicle weight of under 10,000 pounds, \$2 for each vehicle with a gross vehicle weight of
26 10,000 pounds to 25,999 pounds and \$3 for each vehicle with a gross vehicle weight of
27 26,000 pounds or more. All premiums must be paid monthly to the State Tax Assessor.
28 By the 20th day of each month, the State Tax Assessor shall notify the State Controller
29 and the Treasurer of State of the amount of revenue attributable to the premium collected
30 under this subsection in the previous month. When notified by the State Tax Assessor,
31 the State Controller shall transfer that amount to the fund. This subsection is repealed
32 August 1, 2008.

33 **Sec. 11. 10 MRSA §1020, sub-§6-A** is enacted to read:

34 6-A. Premium. In addition to any other tax or charge imposed under state or federal
35 law, effective August 1, 2008 a premium is imposed on bulk motor vehicle oil sold or
36 distributed in the State as provided in this subsection. A motor vehicle oil dealer that
37 makes the first sale or distribution of bulk motor vehicle oil in the State shall pay the
38 premium. Gasoline engine bulk motor vehicle oils are subject to a premium of \$1.10 per
39 gallon. Diesel engine bulk motor vehicle oils are subject to a premium of 35¢ per gallon.
40 All premiums must be paid to the State Tax Assessor and are subject to the administrative
41 provisions of Title 36, Parts 1 and 3, as though they were a sales tax liability. By the 20th
42 day of each month, the State Tax Assessor shall notify the State Controller and the

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1 Treasurer of State of the amount of revenue attributable to the premium collected under
2 this subsection in the previous month. When notified by the State Tax Assessor, the State
3 Controller shall transfer that amount to the fund.

4 **Sec. 12. 10 MRSA §1020, sub-§7**, as enacted by PL 2007, c. 464, §6, is amended
5 to read:

6 **7. Effective date.** This section takes effect on October 1, 2007 and remains in effect
7 until the later of June 30, 2018 and any date thereafter but no later than December 31,
8 ~~2028~~ 2030 on which the authority notifies the State Tax Assessor that there are no
9 outstanding revenue obligation securities that were issued pursuant to section 1020-A.

10 **Sec. 13. 10 MRSA §1020, sub-§8** is enacted to read:

11 **8. Successor standards.** If either the Department of Environmental Protection or
12 the Department of Agriculture, Food and Rural Resources learns of a successor standard
13 to American Petroleum Institute SM or CJ-4 or International Lubricant Standardization
14 and Approval Committee GF-4, that department shall notify the Finance Authority of
15 Maine.

16 **Sec. 14. Effective date.** Those sections of this Act that repeal the Maine Revised
17 Statutes, Title 10, section 1020, subsection 1, paragraphs B and E take effect August 1,
18 2008.'

19 **SUMMARY**

20 This amendment replaces the bill. The amendment clarifies enforcement authority of
21 the State Tax Assessor and clarifies the definition of "response costs." It repeals the
22 premium on oil changes and enacts a premium on the first sale or distribution of bulk
23 motor vehicle oil in the State. The premium is set at \$1.10 per gallon on bulk oil used in
24 gasoline engines and 35¢ per gallon for bulk oil used in diesel combustion engines.

25 The amendment changes the end date for the premium from no later than December
26 31, 2028 to no later than December 31, 2030.

27 The amendment also requires the Department of Environmental Protection and the
28 Department of Agriculture, Food and Rural Resources to notify the Finance Authority of
29 Maine of successor gasoline or diesel oil standards.

30 **FISCAL NOTE REQUIRED**
31 (See attached)

COMMITTEE AMENDMENT



123rd MAINE LEGISLATURE

LD 1947

LR 3369(02)

An Act To Clarify the Waste Motor Oil Disposal Site Remediation Program

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Natural Resources

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium revenue increase - Other Special Revenue Funds

Fiscal Detail and Notes

Repealing the premium on oil changes and replacing it with a premium on the first sale or distribution of bulk motor vehicle oil effective August 1, 2008 may result in additional dedicated revenue to the Waste Motor Oil Fund within the Finance Authority of Maine's Waste Motor Oil Disposable Site Remediation Program. The amount can not be determined at this time. However, estimates provided by the Maine Auto Dealers Association project the annual revenue in fiscal year 2008-09 to be \$2,957,596.

The Governor's Proposed Supplemental Budget for fiscal year 2007-08 and fiscal year 2008-09 includes Other Special Revenue Funds allocations of \$2,193,750 in fiscal year 2007-08 and \$2,925,000 in fiscal year 2008-09 to the Waste Motor Oil Disposal Site Remediation Program within the Finance Authority of Maine to recognize revenues anticipated to be collected from the premium on motor vehicle oil changes. According to the State's accounting system, approximately \$355,422 has been collected to-date.