

L.D. 1575 (Filing No. H- **6**%)

#### NATURAL RESOURCES

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Date: 2/18/10

#### STATE OF MAINE

#### **HOUSE OF REPRESENTATIVES**

#### **124TH LEGISLATURE**

#### SECOND REGULAR SESSION

COMMITTEE AMENDMENT " $\mathcal{H}$ " to H.P. 1113, L.D. 1575, Bill, "An Act To Establish a Residential Wood Stove Replacement Fund"

Amend the bill in section 1 in §610-D in subsection 2 by striking out all of paragraph A (page 1, line 10 in L.D.)

Amend the bill in section 1 in §610-D in subsection 2 in paragraph B in the first line (page 1, line 11 in L.D.) by striking out the following: "other"

Amend the bill in section 1 in §610-D in subsection 2 by relettering the lettered paragraphs to read consecutively.

Amend the bill in §610-D by striking out all of subsection 3 (page 1, lines 20 to 26 in L.D.) and inserting the following:

'3. Disbursements from the fund. The department shall apply the money in the fund toward the award of financial incentives to residents of the State to replace residential wood stoves manufactured prior to 1988 and used as a primary source of heat in an owner's primary residence with residential heating appliances with lower emissions of pollution, such as wood stoves, pellet stoves or vented gas stoves, that have been certified by the United States Environmental Protection Agency. Costs incurred by the department to administer the residential wood stove replacement program under subsection 4 may be paid by the fund.'

Amend the bill in §610-D in subsection 4 in the first line (page 1, line 27 in L.D.) by inserting after the following: "<u>establish</u>" the following: '<u>through rulemaking</u>'

Amend the bill in §610-D by inserting after subsection 4 the following:

30 '5. Rulemaking. Rules adopted pursuant to this section are routine technical rules as
31 defined in Title 5, chapter 375, subchapter 2-A.'

Amend the bill by striking out all of section 2 and inserting the following:

33 'Sec. 2. Appropriations and allocations. The following appropriations and
34 allocations are made.

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# COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "/? " to H.P. 1113, L.D. 1575

### **ENVIRONMENTAL PROTECTION, DEPARTMENT OF**

#### Air Quality 0250

Initiative: Provides an allocation to establish the Residential Wood Stove Replacement Fund.

	OTHER SPECIAL REVENUE FUNDS	<b>2009-10</b>	<b>2010-11</b>
	All Other	\$0	\$2,500,000
1	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$2,500,000

#### SUMMARY

This amendment removes appropriations from the State as a funding source for the Residential Wood Stove Replacement Fund. It specifies that financial incentives to replace wood stoves are intended only for residents of the State. It clarifies that only wood stoves manufactured prior to 1988 and used as a primary source of heat in a primary residence are eligible for financial incentives. It requires the Department of Environmental Protection to establish the wood stove replacement program through rulemaking. It increases the allocation of funds in fiscal year 2010-11 to \$2,500,000.

#### FISCAL NOTE REQUIRED

#### (See attached)

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# COMMITTEE AMENDMENT



# **124th MAINE LEGISLATURE**

## LD 1575

LR 2261(02)

#### An Act To Establish a Residential Wood Stove Replacement Fund

# Fiscal Note for Bill as Amended by Committee Amendment "A" Committee: Natural Resources Fiscal Note Required: Yes

### **Fiscal Note**

Potential current biennium revenue decrease - General Fund

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
ppropriations/Allocations				
Other Special Revenue Funds	\$0	\$2,500,000	\$2,500,000	\$2,500,000

#### **Fiscal Detail and Notes**

This bill establishes the Residential Wood Stove Replacement Fund and includes an annual allocation of \$2,500,000 to the Department of Environmental Protection beginning in fiscal year 2010-11. Money from the Fund will be used to provide financial incentives to replace certain wood stoves with models with lower emissions of pollution. Revenue is anticipated from civil penalties for violations of air quality laws or rules administered by the Department of Environmental Protection. Currently, violators in civil enforcement actions resolved by the department pay penalties into the General Fund or may agree to apply up to 80% of their penalty toward a supplemental environmental project (SEP) pursuant to 38 MRSA, section 349, subsection 2-A. This bill allows the new fund to receive revenue in a similar manner but without the 80% restriction. No estimate is made of the amount violators will agree to assign to this new purpose. A similar funding mechanism was established for the Outdoor Wood Boiler Fund in 2008. To date there have been no deposits to that fund.

As there is nothing to prevent a violator whose penalty would have gone to the General Fund absent this bill from agreeing to contribute to the Residential Wood Stove Replacement Fund, the possibility exists for reduced revenue to the General Fund from penalties.