

MAINE STATE LEGISLATURE

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AGRICULTURE, CONSERVATION AND FORESTRY

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STATE OF MAINE HOUSE OF REPRESENTATIVES 127TH LEGISLATURE FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 759, L.D. 1099, Bill, "An Act To Establish a Fund for the Operations and Outreach Activities of the University of Maine Cooperative Extension Animal and Plant Disease and Insect Control Laboratory"

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

'Sec. 1. 7 MRSA c. 417 is enacted to read:

CHAPTER 417

ANIMAL AND PLANT DISEASE AND INSECT CONTROL FUND

§2431. Fund established

The Animal and Plant Disease and Insect Control Fund, referred to in this chapter as "the fund," is established. The fund is administered by the University of Maine Cooperative Extension and consists of funds received from Title 36, chapter 723, any appropriations or allocations from the Legislature and any contributions from private and public sources. The fund, to be accounted within the University of Maine Cooperative Extension, must be held separate and apart from all other money, funds and accounts. The fund may not be used to pay for any administrative costs incurred by the University of Maine or by the University of Maine Cooperative Extension. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund. Any balance remaining in the fund must be disbursed on a quarterly basis to the University of Maine Cooperative Extension.

§2432. Expenditures from fund; distribution

Funds in the fund must be distributed by the University of Maine Cooperative Extension for the following purposes:

1. Pesticide container fee reimbursement. Ongoing reimbursement to Maine Revenue Services, on the same schedule as sales tax collection, to pay for administrative

1 costs from collection of the pesticide container fee under Title 36, section 4911,
2 subsection 3;

3 2. Board of Pesticides Control reimbursement. Reimbursement annually to the
4 Board of Pesticides Control, established in Title 5, section 12004-D, subsection 3, to pay
5 for costs incurred by the Board of Pesticides Control pursuant to their responsibilities
6 under Title 36, section 4911, subsection 5;

7 3. Pest management education. To the University of Maine Cooperative Extension
8 for outreach and education initiatives on pest management and pesticide safety, including
9 community integrated pest management and medical and veterinary pest management,
10 focusing on health-related issues caused by ticks and mosquitoes, and pesticide
11 application and use, focusing on pollinator health and safety; and

12 4. Laboratory costs. To the University of Maine Cooperative Extension to pay for
13 nonadministrative costs related to its animal and plant disease and insect control
14 laboratory, including but not limited to testing ticks provided by residents of the State for
15 pathogenic organisms and general laboratory operations involving pesticide management
16 and insect control.

17 **Sec. 2. 36 MRSA c. 723 is enacted to read:**

18 **CHAPTER 723**

19 **PESTICIDE CONTAINER FEE**

20 **§4911. Fee imposed**

21 1. Imposition. A fee is imposed on the retail sale in this State of containers of
22 consumer packaged pesticides in the amount of 20¢ per container. For purposes of this
23 chapter, "consumer packaged pesticides" means pesticides packaged in suitable quantities
24 for residential application intended for general use as determined by rule by the Board of
25 Pesticides Control, established in Title 5, section 12004-D, subsection 3 and referred to in
26 this chapter as "the board." Three cents of the 20¢ per container fee imposed on each sale
27 may be retained by the retailer in order to defray the costs associated with collecting the
28 fee.

29 2. Exemptions. The following products are exempt from the fee imposed under
30 subsection 1:

31 A. A container of pesticides labeled "only for agricultural use" "only for industrial
32 use" or "only for commercial use";

33 B. A container of restricted use pesticides, as defined in Title 22, section 1471-C,
34 subsection 23;

35 C. A container of pesticides labeled, packaged and intended for use by commercial
36 or private certified pesticide applicators as determined by rule by the board;

37 D. A container of paint, stain, wood preservative or sealant bearing a federal
38 Environmental Protection Agency pesticide product registration number; and

E. All containers of pesticides sold by a retail store of less than 7,000 square feet of interior and exterior retail space as long as the owner of the retail store owns no more than one other retail store in the State.

3. Administration of fee. The fee imposed by this chapter is administered as provided in chapter 7 and Part 3, with the fee imposed pursuant to this chapter to be considered as imposed under Part 3. On a monthly basis, the Treasurer of State shall credit all revenue derived from the fee imposed by this chapter to the Animal and Plant Disease and Insect Control Fund established under Title 7, section 2431.

4. Optional participation. A retail store selling a product exempt under subsection 2, paragraph E may participate in the collection of the fee under subsection 1 by registering with the board.

5. Inspections. The State Tax Assessor or the assessor's duly authorized agents may inspect the books or records of a retailer, or the premises of a retailer where consumer packaged pesticides are stored, handled, transported or merchandised, for the purpose of determining what pesticide products are taxable under this chapter or for the purpose of determining the truth or falsity of any statement or return made by a retailer. The State Tax Assessor may delegate the State Tax Assessor's authority under this subsection to the Commissioner of Agriculture, Conservation and Forestry or the commissioner's deputies, agents or employees. The board shall assist the State Tax Assessor in carrying out its authority under this subsection.

6. Responsibilities of the board. By January 1, 2016 and every April 1st thereafter, the board shall provide to a retail store required to collect the fee under subsections 1 and 4 a product code for every type of pesticide container that may be sold by that store and subject to the fee imposed by this chapter.

The board shall review the fee imposed under this chapter between April 1st and May 1, 2017, and every 2 years thereafter by April 1st. Following this review, the board shall submit a report to the joint standing committee of the Legislature having jurisdiction over pest management matters that includes the quantity of registered products subject to the fee imposed under subsection 1 and the total amount of funds disbursed to the Maine Revenue Service, the board and the University of Maine Cooperative Extension, along with any recommended changes to this chapter or Title 7, chapter 417. Upon receipt of the report, the joint standing committee of the Legislature having jurisdiction over pest management matters may report out a bill to make changes to this chapter or Title 7, chapter 417.

7. Rulemaking. The board shall adopt rules necessary to implement this chapter. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Revenue Services, Bureau of 0002

Initiative: Provides one-time funding for computer programming.

A. of S.

COMMITTEE AMENDMENT "A" to H.P. 759, L.D. 1099

1	GENERAL FUND	2015-16	2016-17
2	All Other	\$12,000	\$0
3			
4	GENERAL FUND TOTAL	\$12,000	\$0
5	ADMINISTRATIVE AND FINANCIAL		
6	SERVICES, DEPARTMENT OF		
7	DEPARTMENT TOTALS	2015-16	2016-17
8			
9	GENERAL FUND	\$12,000	\$0
10			
11	DEPARTMENT TOTAL - ALL FUNDS	\$12,000	\$0
12	AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF		
13	Pesticides Control - Board of 0287		
14	Initiative: Provides an allocation to modify the system for pesticide container codes.		
15	OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
16	All Other	\$120,000	\$0
17			
18	OTHER SPECIAL REVENUE FUNDS TOTAL	\$120,000	\$0
19	Pesticides Control - Board of 0287		
20	Initiative: Provides an allocation for rule-making costs.		
21	OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
22	All Other	\$2,500	\$0
23			
24	OTHER SPECIAL REVENUE FUNDS TOTAL	\$2,500	\$0
25	Pesticides Control - Board of 0287		
26	Initiative: Provides allocations to hire a contractor to assist in setting up a program to		
27	provide stores with product codes for every type of pesticide container that may be sold		
28	by that store.		
29	OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
30	All Other	\$150,000	\$75,000
31			
32	OTHER SPECIAL REVENUE FUNDS TOTAL	\$150,000	\$75,000

R. of S.

COMMITTEE AMENDMENT "A" to H.P. 759, L.D. 1099

1 **Pesticides Control - Board of 0287**
 2 Initiative: Provides an allocation for STA-CAP costs.

3	OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
4	All Other	\$14,007	\$3,855
5			
6	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$14,007</u>	<u>\$3,855</u>

7	AGRICULTURE, CONSERVATION AND		
8	FORESTRY, DEPARTMENT OF		
9	DEPARTMENT TOTALS	2015-16	2016-17
10			
11	OTHER SPECIAL REVENUE FUNDS	\$286,507	\$78,855
12			
13	DEPARTMENT TOTAL - ALL FUNDS	<u>\$286,507</u>	<u>\$78,855</u>

14 **UNIVERSITY OF MAINE SYSTEM, BOARD OF TRUSTEES OF THE**
 15 **Animal and Plant Disease and Insect Control Fund N195**

16 Initiative: Allocates funds for pest management and pesticide safety outreach and
 17 education and for nonadministrative costs related to the University of Maine Cooperative
 18 Extension's animal and plant disease and insect control laboratory.

19	OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
20	All Other	\$192,000	\$340,000
21			
22	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$192,000</u>	<u>\$340,000</u>

23	UNIVERSITY OF MAINE SYSTEM, BOARD OF		
24	TRUSTEES OF THE		
25	DEPARTMENT TOTALS	2015-16	2016-17
26			
27	OTHER SPECIAL REVENUE FUNDS	\$192,000	\$340,000
28			
29	DEPARTMENT TOTAL - ALL FUNDS	<u>\$192,000</u>	<u>\$340,000</u>

30	SECTION TOTALS	2015-16	2016-17
31			
32	GENERAL FUND	\$12,000	\$0
33	OTHER SPECIAL REVENUE FUNDS	\$478,507	\$418,855

H. of S.

COMMITTEE AMENDMENT "A" to H.P. 759, L.D. 1099

SECTION TOTAL - ALL FUNDS

\$490,507

\$418,855

SUMMARY

This amendment, which replaces the bill, includes the provisions in the bill creating the Animal and Plant Disease and Insect Control Fund to pay for pest management and pesticide safety outreach and education and for operating costs relating to pesticide management and insect control of the University of Maine Cooperative Extension's animal and plant disease and insect control laboratory. The Animal and Plant Disease and Insect Control Fund is funded by a 20¢ fee on every container of consumer packaged pesticides, with some exceptions.

In addition, it establishes that the fund may not be used to pay for any administrative costs incurred by the University of Maine or by the University of Maine Cooperative Extension. It also provides that retailers may retain 3¢ of the 20¢ fee in order to help offset the costs of collection. It establishes that the Board of Pesticides Control must, by rule, establish the universe of products upon which a fee will be imposed and the types of products that are exempted from the fee. Additionally, it expands the Board of Pesticides Control's responsibilities and provides that a report be submitted biennially to the joint standing committee of the Legislature having jurisdiction over pest management matters, which has authority to report out a bill implementing changes to this program upon receipt of the report. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

Revised: 06/15/15 *mac***127th MAINE LEGISLATURE****LD 1099****LR 1303(02)****An Act To Establish a Fund for the Operations and Outreach Activities of the University of Maine
Cooperative Extension Animal and Plant Disease and Insect Control Laboratory****Fiscal Note for Bill as Amended by Committee Amendment****Committee: Agriculture, Conservation and Forestry****Fiscal Note Required: Yes***A (H-458)***Fiscal Note**

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$0	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$12,000	\$0	\$0	\$0
Other Special Revenue Funds	\$478,507	\$418,855	\$379,428	\$379,428
Revenue				
General Fund	\$204,000	\$340,000	\$340,000	\$340,000
Transfers				
General Fund	(\$192,000)	(\$340,000)	(\$340,000)	(\$340,000)
Other Special Revenue Funds	\$227,390	\$340,000	\$340,000	\$340,000

Fiscal Detail and Notes

This legislation establishes a 20¢ fee on each container of consumer packaged pesticides. It would result in revenue of \$204,000 in fiscal year 2015-16 and \$340,000 in fiscal year 2016-17. The bill includes a one-time General Fund appropriation of \$12,000 in fiscal year 2015-16 to the Department of Administrative and Financial Services for computer programming to add a line to the sales tax form to capture the fee information. \$12,000 would be retained in the General Fund in fiscal year 2015-16 for administrative costs related to the Department of Administrative and Financial Services and the remainder would be transferred monthly from the General Fund to the Animal and Plant Disease and Insect Control Fund within the University of Maine Cooperative Extension.

This bill also includes Other Special Revenue Funds allocations of 192,000 in fiscal year 2015-16 and \$340,000 in fiscal year 2016-17 to the Animal and Plant Disease and Insect Control Fund at the University of Maine Cooperative Extension for outreach and education initiatives on pest management and pest safety and for non-administrative costs related to its animal and plant disease and insect control laboratory.

CA(H-458)

The bill requires the Board of Pesticides Control within the Department of Agriculture, Conservation and Forestry (ACF) to provide certain retail stores with product codes for every type of pesticide container that may be sold by that store. The Animal and Plant Disease and Insect Control Fund must reimburse ACF for costs incurred to provide these product codes. The bill includes Other Special Revenue Funds allocations of \$150,000 and \$75,000 in fiscal years 2015-16 and 2016-17, respectively, for costs to hire a contractor to assist ACF in providing product codes, \$120,000 in fiscal year 2015-16 for certain computer system costs and \$16,507 and \$3,855 in fiscal years 2015-16 and 2016-17, respectively, for other related costs. There would also be a transfer of \$100,000 and \$88,605 in fiscal years 2015-16 and 2016-17, respectively, from the Animal and Plant Disease and Insect Control Fund to reimburse ACF for providing product codes.