

L.D. 1573

(Filing No. S-269)

Date: 6/13/2017 Majority

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STATE AND LOCAL GOVERNMENT

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

128TH LEGISLATURE

FIRST REGULAR SESSION

9 COMMITTEE AMENDMENT "A" to S.P. 551, L.D. 1573, Bill, "An Act To
10 Encourage Development in the Logging Industry by Requiring State and Local
11 Government Agencies To Give Preference to Lumber and Solid Wood Products
12 Harvested in the State"

Amend the bill by striking out the title and substituting the following:

'An Act To Encourage Development in the Logging Industry by Requiring State and Local Government Agencies To Give Preference to Timber Harvested in the State'

Amend the bill in section 1 in §1778 by striking out all of subsection 2 (page 2, lines 1 to 3 in L.D.) and inserting the following:

'2. Residue. "Residue" has the same meaning as in Title 12, section 8881, subsection 8.

3. Roundwood. "Roundwood" has the same meaning as in Title 12, section 8881, subsection 9.'

Amend the bill in section 1 in §1778 by adding after subsection 4 the following:

'5. Timber. "Timber" means roundwood and residue."

Amend the bill in section 1 in §1778 by renumbering the subsections to read consecutively.

Amend the bill in section 1 in §1779 by striking out of all subsections 1 and 2 (page 2, lines 13 to 28 in L.D.) and inserting the following:

'1. Acquisition by state agency. Notwithstanding any other provision of law to the contrary, and to the extent consistent with federal law, a state agency that contracts for timber harvesting or contracts for or acquires timber shall give preference to timber harvested in the State by an in-state contractor, as long as the price, fitness and quality of the timber is equal to that of timber harvested outside the State.

33 2. <u>State subsidies; penalty; enforcement.</u> Notwithstanding any other provision of
 34 law to the contrary, and to the extent consistent with federal law, if the State provides a

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subsidy to a person who purchases timber, the person shall give preference to timber harvested in the State by an in-state contractor, as long as the price, fitness and quality of the timber is equal to that of timber harvested outside the State. The Superior Court, upon an action brought by the Attorney General, may assess against a person who violates this subsection a civil penalty of \$250 for each violation. Each load of timber delivered pursuant to a purchase made in violation of this subsection constitutes a separate violation.'

8 Amend the bill in section 1 by striking out all of §1780 (page 2, lines 37 to 39 in 9 L.D.) and inserting the following:

10 '§1780. Rules

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20 21 The Department of Administrative and Financial Services shall adopt rules to implement this subchapter. Rules adopted pursuant to this section are routine technical rules as defined in chapter 375, subchapter 2-A.'

SUMMARY

This amendment is the majority report of the committee. The amendment changes certain terminology and definitions in the bill to clarify the types of wood to which the provisions of the bill apply. The amendment replaces the terms "lumber" and "solid wood products" in the bill with the term "timber," which is further defined as "roundwood," meaning logs, bolts and other round sections of wood, and "residue," meaning by-products of a processed log. The amendment also adds a reference to state contracts for timber harvesting.

FISCAL NOTE REQUIRED (See attached)

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128th MAINE LEGISLATURE

LD 1573

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An Act To Encourage Development in the Logging Industry by Requiring State and Local Government Agencies To Give Preference to Lumber and Solid Wood Products Harvested in the State

> Fiscal Note for Bill as Amended by Committee Amendment "A" (S-269) Committee: State and Local Government Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund Minor revenue increase - General Fund

Correctional and Judicial Impact Statements

Increases the number of civil penalties.

The collection of additional fines may also increase General Fund revenue by minor amounts.

Fiscal Detail and Notes

Additional costs to the Department of Administration and Financial Services, the University of Maine System, Maine Maritime Academy and the Maine Community College System associated with the provisions in this legislation can be absorbed within existing budgeted resources.