

# MAINE STATE LEGISLATURE

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L.D. 1791

Date: 3-7-18

(Filing No. H- 64/)

MINORITY  
MARINE RESOURCES

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
128TH LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "B" to H.P. 1236, L.D. 1791, Bill, "An Act To Continue the Maine Lobster Marketing Collaborative"

Amend the bill by inserting after the enacting clause and before section 1 the following:

'Sec. 1. 5 MRSA §12004-H, sub-§14, as amended by PL 2013, c. 309, §1, is further amended to read:

14.

|                                       |                             |               |
|---------------------------------------|-----------------------------|---------------|
| Maine Lobster Marketing Collaborative | \$55 Per Diem Plus Expenses | 12 MRSA §6455 |
|---------------------------------------|-----------------------------|---------------|

This subsection is repealed October 1, 2021.

Sec. 2. 12 MRSA §6455, sub-§2-B is enacted to read:

2-B. Executive committee. The collaborative shall establish an executive committee of no fewer than 5 members, who are appointed by a majority vote of the collaborative. The collaborative shall specify in its bylaws when the executive committee may act on behalf of the collaborative with regard to oversight of collaborative staff, daily operations of the collaborative and addressing unexpected expenditures to be made by the collaborative. The bylaws must specify what constitutes a quorum of the executive committee and how many votes are necessary for the executive committee to take a valid action. In addition to any other restrictions adopted by the collaborative, the executive committee may not act on behalf of the collaborative to:

- A. Adopt or amend an annual budget;
- B. Adopt or amend an annual marketing plan;
- C. Hire or terminate the employment of the executive director of the collaborative; or
- D. Amend the bylaws of the collaborative.'

COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "B" to H.P. 1236, L.D. 1791

1 Amend the bill in section 1 in paragraph D in the first line (page 1, line 4 in L.D.) by  
2 striking out the following: "2020" and inserting the following: '2021'

3 Amend the bill in section 1 in paragraph D by adding after subparagraph (7) a new  
4 paragraph blocked to paragraph D to read:

5 'Beginning January 1, 2019, the surcharges assessed under this paragraph are  
6 voluntary and the commissioner may not refuse to issue a license based upon the  
7 applicant's nonpayment of the surcharge.'

8 Amend the bill by inserting after section 2 the following:

9 **'Sec. 3. 12 MRSA §6455, sub-§9** is enacted to read:

10 **9. Repeal. This section is repealed October 1, 2021.'**

11 Amend the bill by inserting after section 3 the following:

12 **'Sec. 4. Report.** The Commissioner of Marine Resources shall investigate whether  
13 the surcharges assessed under the Maine Revised Statutes, Title 12, section 6455,  
14 subsection 5-A on a wholesale seafood license with lobster permits or a supplemental  
15 lobster transportation license may be amended to reflect the amount of lobster bought,  
16 sold, shipped or transported by the license holder or a class of license holders. The  
17 commissioner shall provide a report of recommendations to amend the surcharges to the  
18 joint standing committee of the Legislature having jurisdiction over marine resources  
19 matters by January 15, 2019. The joint standing committee may report out legislation to  
20 the First Regular Session of the 129th Legislature based upon the report.'

21 Amend the bill by relettering or renumbering any nonconsecutive Part letter or  
22 section number to read consecutively.

23 **SUMMARY**

24 This amendment, which is the minority report of the committee, establishes an  
25 executive committee of the Maine Lobster Marketing Collaborative to take certain  
26 actions on behalf of the collaborative and specifies which actions are prohibited. The  
27 amendment retains the provision in the bill that removes the October 1, 2018 repeal of the  
28 section of law that establishes the collaborative and instead changes the repeal date to  
29 October 1, 2021. The amendment continues through 2021 the surcharge amounts on  
30 various types of licenses to fund the collaborative that have been in place since 2016,  
31 except that this amendment makes those surcharges voluntary for years 2019 to 2021.  
32 The amendment directs the Commissioner of Marine Resources to investigate whether  
33 the surcharges assessed on a wholesale seafood license with lobster permits or a  
34 supplemental lobster transportation license may be amended to reflect the amount of  
35 lobster bought, sold, shipped or transported by the license holder or a class of license  
36 holders and to provide a report of recommendations to the joint standing committee of the  
37 Legislature having jurisdiction over marine resources matters by January 15, 2019.

FISCAL NOTE REQUIRED  
(See attached)

**COMMITTEE AMENDMENT**



# 128th MAINE LEGISLATURE

LD 1791

LR 2843(03)

## An Act To Continue the Maine Lobster Marketing Collaborative

Fiscal Note for Bill as Amended by Committee Amendment *BCH 641*

Committee: Marine Resources

Fiscal Note Required: Yes

### Fiscal Note

|                             | FY 2017-18 | FY 2018-19    | Projections<br>FY 2019-20 | Projections<br>FY 2020-21 |
|-----------------------------|------------|---------------|---------------------------|---------------------------|
| Revenue                     |            |               |                           |                           |
| Other Special Revenue Funds | \$0        | (\$1,059,611) | (\$1,589,417)             | (\$1,589,417)             |

#### Fiscal Detail and Notes

This bill would make the license surcharges used to fund the Maine Lobster Marketing Collaborative (MLMC) voluntary for fiscal year 2018-19 through fiscal year 2020-21 and would prevent the Department of Marine Resources (DMR) from refusing to issue any license based upon an applicant's nonpayment of the surcharge. This would reduce the annual revenue to the MLMC for the number of applicants who opt-out of paying the surcharges. Using fiscal year 2017 as a baseline and assuming a 50% opt-out rate the first year and a 75% rate subsequently, this revenue reduction would be \$1,059,611 in fiscal year 2018-19 and \$1,589,417 in each of the next two fiscal years. Such a reduction would greatly limit the ability of the MLMC to continue marketing activities past the current fiscal year.

Any additional costs to the DMR and the MLMC as a result of changes to the organizational structure of the MLMC, the timeline for operations of the MLMC and the requirements that DMR investigate and report on possible changes to certain license surcharges used to fund the MLMC are anticipated to be minor and can be absorbed within existing budgeted resources.