

# MAINE STATE LEGISLATURE

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Date: 5/3/19 Majority

ENERGY, UTILITIES AND TECHNOLOGY

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
129TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 273, L.D. 347, Bill, "An Act To Provide Sustainable Funding for Drinking Water and Wastewater Infrastructure"

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

Sec. 1. 30-A MRSA §6006-H, sub-§1, ¶A, as enacted by PL 2009, c. 377, §2, is amended to read:

A. The fund is established in the custody of the bank as a special fund to provide financial assistance for capital investment in public water and wastewater infrastructure. For the purposes of this section, "public water and wastewater infrastructure" includes, but is not limited to public water systems, drinking water supplies and treatment facilities, public wastewater systems and treatment facilities and water pollution abatement systems. The fund may also be used to provide financial assistance for capital investment in private and commercial wastewater systems as allowed under Title 38, sections 411 and 411-A.

Sec. 2. 30-A MRSA §6054, sub-§5, ¶A, as enacted by PL 2013, c. 269, Pt. B, §2, is repealed and the following enacted in its place:

A. Thirty percent to the State Water and Wastewater Infrastructure Fund established pursuant to section 6006-H and divided as follows:

(1) Forty-five percent to an account within the State Water and Wastewater Infrastructure Fund for drinking water purposes divided as follows:

(a) Up to the maximum amount allowed for the state match for federal funds provided to the safe drinking water revolving loan fund established under section 6006-B to an account within the Department of Health and Human Services for revolving loan funds for drinking water systems; and

(b) The remainder to the Maine Drinking Water Fund established pursuant to Title 22, section 2610; and

COMMITTEE AMENDMENT

1 (2) Fifty-five percent to an account within the State Water and Wastewater  
2 Infrastructure Fund for wastewater purposes divided as follows:

3 (a) Up to the maximum amount allowed for the state match for federal funds  
4 provided to the revolving loan fund established under section 6006-A to an  
5 account within the Department of Environmental Protection for revolving  
6 loans for wastewater treatment; and

7 (b) The remainder to the Maine Clean Water Fund established pursuant to  
8 Title 38, section 411-C;

9 **Sec. 3. 38 MRSA §411-C, sub-§1, ¶A,** as enacted by PL 2009, c. 377, §3, is  
10 amended to read:

11 A. The fund is established as a nonlapsing fund to provide financial assistance, in  
12 accordance with subsection 2, for the acquisition, planning, design, construction,  
13 reconstruction, enlargement, repair, protection and improvement of public wastewater  
14 systems and treatment facilities and water pollution abatement systems.

15 **Sec. 4. 38 MRSA §411-C, sub-§2, ¶A,** as enacted by PL 2009, c. 377, §3, is  
16 amended to read:

17 A. To make grants to public wastewater systems under sections 411, 411-A and 412;'

18 **SUMMARY**

19 This amendment replaces the bill, which is a concept draft. The amendment does the  
20 following:

21 1. It amends the law governing the use of the Liquor Operation Revenue Fund after  
22 all liquor operation revenue bonds and any ancillary obligations secured by the fund have  
23 been retired to provide additional funding for water and wastewater infrastructure.  
24 Specifically, while current law provides a maximum of 15% of funds available after  
25 retirement of the bonds be used for matching funds for federal programs for drinking  
26 water and wastewater systems, the amendment provides 30% of funds after bond  
27 retirement be designated for drinking water and wastewater purposes. The amendment  
28 divides the 30% between drinking water and wastewater at 45% and 55% respectively.  
29 For both drinking water and wastewater the amendment provides the funds first be used  
30 for the state match for federal funds for revolving loans.

31 2. It amends the law governing the State Water and Wastewater Infrastructure Fund  
32 and the Maine Clean Water Fund to allow the funds to be used to provide assistance for  
33 capital investment in private and commercial wastewater systems.

34 **FISCAL NOTE REQUIRED**

35 (See attached)



# 129th MAINE LEGISLATURE

LD 347

LR 1484(02)

## An Act To Provide Sustainable Funding for Drinking Water and Wastewater Infrastructure

Fiscal Note for Bill as Amended by Committee Amendment *A(H-206)*

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

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### Fiscal Note

Future biennium revenue decrease - Maine Budget Stabilization Fund

Future biennium revenue increase - Other Special Revenue Funds

#### Fiscal Detail and Notes

This bill would change how the revenues from the Liquor Operation Revenue Fund (LORF) are used after all liquor operation revenue bonds and ancillary obligations have been paid off in fiscal year 2023-24. Current law requires that after the bonds are paid off 15% of the revenue is to be divided equally between the Department of Health and Human Services and the Department of Environmental Protection for revolving loan funds for drinking water systems and wastewater treatment, 35% will go to the Department of Transportation for construction of highways and bridges and 50% will go to the Maine Budget Stabilization Fund.

The new distribution of the LORF revenue after fiscal year 2023-24 would be as follows: 30% instead of 15% is to be divided 45/55 instead of equally between the DHHS and the DEP with 45% to DHHS for revolving loans for drinking water systems and 55% to the DEP for revolving loans for wastewater treatment; 35% will still go to the Department of Transportation for construction of highways and bridges and 35% instead of 50% will go to the Maine Budget Stabilization Fund. These changes would all occur after June of 2024.

The bill also contains provisions to maximize the amount of federal matching funds that may be received for the drinking water and wastewater programs.