

# MAINE STATE LEGISLATURE

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Date 6/22/23

MAJORITY

(Filing No S-420)

ENERGY, UTILITIES AND TECHNOLOGY

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

STATE OF MAINE

SENATE

131ST LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S P 766, L D 1895, "An Act Regarding the Procurement of Energy from Offshore Wind Resources"

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

'Sec. 1. 5 MRSA §158 is enacted to read

**§158. Fishing Community Protection and Low-income Ratepayer Fund**

**1. Fund established** The Fishing Community Protection and Low-income Ratepayer Fund, referred to in this section as "the fund," is established within the Office of the Treasurer of State as a nonlapsing, dedicated fund to be used to incentivize the siting of floating offshore wind power projects to avoid conflict with commercial fisheries in the Gulf of Maine and related human uses of the State's submerged lands as well as to assist low-income ratepayers.

**2 Administration** The Treasurer of State shall administer the fund as provided in this section.

**3. Sources of funds** The following funds must be transferred on receipt to the Treasurer of State for deposit in the fund.

**A Submerged lands operating fee payments for offshore wind power projects as described in Title 12, section 1862, subsection 13, paragraph B, subparagraph (10).**

**B Money appropriated from the General Fund, and**

**C Money from any other federal, state or private sources**

**4. Disbursement of funds; required uses.** The Treasurer of State shall annually disburse the money in the fund in consultation with the Public Utilities Commission, the Office of the Public Advocate and the Maine State Housing Authority for use as follows.

**A Eighty percent of the fund must be used to provide grants to developers of floating offshore wind power projects, manufacturers of floating offshore wind power**

1 component parts and operators of floating offshore wind power projects that fulfill the  
 2 following criteria

3 (1) The project's generation facilities are located outside of Lobster Management  
 4 Area 1, as defined by the Department of Marine Resources by rule, and

5 (2) The developer, manufacturer or operator has a fully executed labor peace  
 6 agreement, as defined in Title 35-A, section 3401-A, subsection 6, or commits to  
 7 executing one, with bona fide labor organizations that actively represent or seek to  
 8 represent employees providing nonconstruction work on the project and the  
 9 construction work on the project is covered by a project labor agreement, as defined  
 10 in Title 35-A, section 3210-H, subsection 1, paragraph C, and

11 B Twenty percent to provide financial assistance for low-income households in  
 12 accordance with Title 35-A, section 3214, subsection 2

13 The Treasurer of State, in consultation with the Public Utilities Commission, the Office  
 14 of the Public Advocate and the Maine State Housing Authority, may adopt rules to  
 15 implement this section Rules adopted pursuant to this section are routine technical rules  
 16 pursuant to chapter 375, subchapter 2-A

17 **Sec. 2. 12 MRSA §1862, sub-§13, ¶B**, as enacted by PL 2009, c 615, Pt B, §1  
 18 and amended by PL 2011, c 657, Pt W, §7 and c 682, §38 and PL 2013, c 405, Pt A,  
 19 §24, is further amended by enacting a new subparagraph (10) to read

20 (10) If the application for a lease or easement submitted in connection with an  
 21 offshore wind power project, as defined in Title 35-A, section 3405, subsection 1,  
 22 paragraph C, is selected for a contract in accordance with Title 35-A, section 3408,  
 23 the following requirements apply

24 (a) The director shall charge an annual operating fee to a lessee, permittee or  
 25 grantee of an easement based on the electricity generated in connection with  
 26 the use of the lease, permit or easement for the use of submerged lands owned  
 27 by the State in connection with an offshore wind power project The bureau  
 28 shall adopt routine technical rules to establish the annual operating fee at an  
 29 amount equal to 20% of the amount set out in 30 Code of Federal Regulations,  
 30 Section 585 506 A fee required in accordance with this division is in addition  
 31 to any rent that may be required under this Title

32 (b) The applicant must demonstrate that it has fully executed or will execute  
 33 a labor peace agreement, as defined in Title 35-A, section 3401-A, subsection  
 34 6, with bona fide labor organizations that actively represent or seek to represent  
 35 employees working for and providing operations or maintenance services in  
 36 connection with the offshore wind power project

37 **Sec. 3. 12 MRSA §1863, sub-§2, ¶A** is enacted to read

38 A When the director expends money from the fund for the purpose of constructing  
 39 improvements in connection with an offshore wind power project, as defined in Title  
 40 35-A, section 3405, subsection 1, paragraph C, selected for a contract in accordance  
 41 with Title 35-A, section 3408, the expenditure of that money must be conditioned upon  
 42 the recipient's agreement to conform to the requirements applicable to assisted projects  
 43 under Title 26, chapter 15

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**Sec. 4. 26 MRSA §1304, sub-§1-A**, as enacted by PL 2021, c 705, §2, is amended by enacting before the first blocked paragraph a new blocked paragraph to read

"Assisted project" includes any construction project that receives funding under Title 12, section 1863, subsection 2, paragraph A

**Sec. 5. 35-A MRSA §3401-A** is enacted to read  
**§3401-A. Definitions**

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings

**1. Certified business.** "Certified business" means a business that has been certified by the federal Small Business Administration or another appropriate entity, as determined by the commission by rule, as a minority-owned, veteran-owned or women-owned business

**2. Extraterritorial wind project.** "Extraterritorial wind project" means a project to develop an offshore wind power project located seaward of the State's territorial waters

**3. Fishing community.** "Fishing community" means a municipality where marine organisms as defined in Title 12, section 6001, subsection 26 are landed or processed

**4. Floating extraterritorial wind project.** "Floating extraterritorial wind project" means a floating offshore wind power project that is located seaward of the State's territorial waters

**5. Labor organization.** "Labor organization" has the same meaning as in section 3210-H, subsection 1, paragraph B

**6. Labor peace agreement.** "Labor peace agreement" means an agreement between an employer and a labor organization in which the employer agrees to be neutral during a union organizing campaign and to not interfere with union organizing and the labor organization agrees not to engage in picketing, work stoppages, boycotts or other economic interference with the employer

**7. Lobster Management Area 1.** "Lobster Management Area 1" means the area defined by rule as Lobster Management Area 1 by the Department of Marine Resources

**8. Nameplate capacity.** "Nameplate capacity" has the same meaning as in section 3481, subsection 11

**9. Office.** "Office" means the Governor's Energy Office established in Title 2, section 9

**10. Offshore wind power project.** "Offshore wind power project" has the same meaning as in section 3405, subsection 1, paragraph C

**11. Project labor agreement.** "Project labor agreement" has the same meaning as in section 3210-H, subsection 1, paragraph C

**12. Responsible entity.** "Responsible entity" means the person or business entity undertaking to develop an extraterritorial wind project

**Sec. 6. 35-A MRSA §3404, sub-§2**, as amended by PL 2009, c 615, Pt A, §4, is repealed and the following enacted in its place

1           **2. State wind energy generation goals.** The State's goal for wind energy development  
 2 in proximate federal waters is for at least 3,000 megawatts of installed capacity by  
 3 December 31, 2040

4 Beginning January 1, 2025 and every 2 years thereafter, the office may reevaluate and  
 5 increase the goal established by this section and report that goal to the joint standing  
 6 committee of the Legislature having jurisdiction over energy and utilities matters

7           **Sec. 7. 35-A MRSA §3406**, as enacted by PL 2021, c 407, §3, is amended to read  
 8 **§3406. Offshore Wind Research Consortium, fund established**

9           **1. Offshore Wind Research Consortium.** The Offshore Wind Research Consortium  
 10 is an initiative of the ~~Governor's Energy Office~~ office, in collaboration with the Department  
 11 of Marine Resources and the Department of Inland Fisheries and Wildlife, to coordinate,  
 12 support and arrange for the conduct of research on offshore wind power projects in the Gulf  
 13 of Maine

14           **2. Advisory board.** The ~~Governor's Energy Office~~ office, in consultation with  
 15 independent scientific experts, shall establish an advisory board of the consortium to  
 16 oversee the development and execution of a research strategy to better understand the local  
 17 and regional impacts of floating offshore wind power projects in the Gulf of Maine. The  
 18 advisory board must include, but is not limited to, the following members

19           A Two individuals from organizations that represent commercial lobster harvesting  
 20 interests in the State,

21           B At least one individual from an organization that represents the interest of  
 22 commercial fisheries other than lobster harvesting,

23           C The Commissioner of Marine Resources, or the commissioner's designee,

24           C-1 The Commissioner of Inland Fisheries and Wildlife, or the commissioner's  
 25 designee,

26           D Two individuals, not represented by an organization, that represent the interests of  
 27 the commercial lobster harvesting industry and commercial fisheries in the State, ~~and~~

28           E One individual from the recreational charter fishing industry-<sub>2</sub>

29           F At least one individual who is a member of one of the federally recognized Indian  
 30 tribes in this State,

31           G Two individuals with expertise in marine wildlife and habitats, and

32           H At least one individual with experience in commercial offshore wind development

33 The advisory board is subject to all applicable provisions of the Freedom of Access Act  
 34 The operation of the advisory board must be informed by the work of regional and national  
 35 scientific entities. The advisory board shall solicit input from stakeholders, including  
 36 representatives of the fishing industry, state and federal agencies and scientific experts

37           **3. Research strategy.** The advisory board established in subsection 2 in developing  
 38 a research strategy shall at a minimum identify

39           A Opportunities and challenges caused by the deployment of floating offshore wind  
 40 power projects to the existing uses of the Gulf of Maine,

1 B Methods to avoid and minimize the impact of floating offshore wind power projects  
2 on ecosystems and existing uses of the Gulf of Maine, and

3 C Ways to realize cost efficiencies in the commercialization of floating offshore wind  
4 power projects

5 The advisory board shall advise the ~~Governor's Energy Office~~ office on the development  
6 of the components of the research strategy

7 **4. Offshore Wind Research Consortium Fund; established.** The Offshore Wind  
8 Research Consortium Fund, referred to in this subsection as "the fund," is established as a  
9 nonlapsing fund administered by the ~~Governor's Energy Office~~ office and the Department  
10 of Marine Resources and in coordination with the Department of Inland Fisheries and  
11 Wildlife The fund consists of funds that are appropriated by the Legislature, funds  
12 received from federal and state sources, payments from extraterritorial wind projects in  
13 accordance with section 3408, subsection 1, paragraph D, subparagraph (3) and other funds  
14 from any public or private source received for use for any of the purposes under this  
15 subsection The source of any funds received from public or private sources must be  
16 publicly disclosed The fund may be used to support the consortium and the work of the  
17 advisory board established in subsection 2, including for

18 A Developing the research strategy under subsection 3,

19 B Conducting research pursuant to the strategy developed under subsection 3,

20 B-1 Supporting conservation actions and projects that support species and habitats  
21 impacted by offshore wind development,

22 C Producing reports or other materials,

23 D Compensating independent experts, if needed to assist in the development or  
24 execution of the research strategy under subsection 3, and

25 E Making any other expenditures that are necessary to achieve the purposes of this  
26 section

27 The ~~Governor's Energy Office~~ office, in consultation with the advisory board, shall provide  
28 an annual report on the use of the fund in the last quarter of each calendar year to the joint  
29 standing committee of the Legislature having jurisdiction over energy and utility matters

30 **Sec. 8. 35-A MRSA §3407** is enacted to read

31 **§3407. Maine Offshore Wind Renewable Energy and Economic Development**  
32 **Program**

33 **1. Program established.** The Maine Offshore Wind Renewable Energy and Economic  
34 Development Program, referred to in this section as "the program," is established to further  
35 the development and use of offshore wind energy resources in the Gulf of Maine, referred  
36 to in this section as "offshore wind projects " The office, in collaboration with the  
37 commission, shall administer the program in accordance with this section and shall ensure  
38 that the program is designed to advance the greenhouse gas emissions reduction obligations  
39 and climate policies of this State under Title 38, section 576-A and Title 38, section 577,  
40 subsection 1, the renewable energy goals established in section 3210, subsection 1-A and  
41 all applicable workforce development efforts of this State Under the program, the office,  
42 in collaboration with the commission, shall

- 1           A Encourage the responsible development of offshore wind projects to stabilize energy
- 2           supply prices, reduce this State's reliance on imported fossil fuels, realize direct and
- 3           near-term economic benefits for the people of this State and ensure the achievement of
- 4           this State's wind energy generation goals established in section 3404, subsection 2,
- 5           B Support offshore wind projects that result in long-term, family-supporting careers,
- 6           including for disadvantaged populations and communities,
- 7           C Support responsibly sited and operated offshore wind projects that avoid or
- 8           minimize and compensate for impacts to wildlife, habitat, fisheries and coastal
- 9           communities in the Gulf of Maine,
- 10          D Support efforts to increase understanding of impacts of offshore wind projects on
- 11          the marine environment and to advance research to better understand how offshore
- 12          wind projects can coexist with minimal impact to existing ocean users, wildlife,
- 13          fisheries and the marine environment,
- 14          E Promote diversity, equity and inclusion in the development of offshore wind projects
- 15          with particular consideration given to the energy and economic circumstances and
- 16          opportunities in coastal and socially vulnerable communities and for the federally
- 17          recognized Indian tribes For the purposes of this paragraph, "socially vulnerable
- 18          communities" means those communities containing populations that are
- 19          disproportionately burdened by existing social inequities or lack the capacity to
- 20          withstand new or worsening burdens,
- 21          F Support the advancement of port infrastructure and the development of a supply
- 22          chain to support the development of offshore wind projects,
- 23          G Support the development and deployment of innovative technologies to achieve the
- 24          energy policy and economic development objectives of this State, including energy
- 25          storage,
- 26          H Support the use of Maine-based technical and engineering expertise and build on
- 27          this State's leadership in offshore wind, maritime industries and research and
- 28          development,
- 29          I Support the development of transmission infrastructure necessary for this State to
- 30          expeditiously meet its renewable energy and climate goals, including advancing the
- 31          development of shared or regional offshore wind transmission infrastructure,
- 32          J Collaborate with other states or entities when appropriate on regional issues,
- 33          including, but not limited to, transmission, procurement, supply chain and workforce
- 34          development and research and monitoring relating to wildlife, fisheries and the Gulf of
- 35          Maine ecosystem,
- 36          K Support responsibly sited offshore wind projects located in areas outside of the area
- 37          of the Gulf of Maine where the majority of lobster fishing or other significant
- 38          commercial fishing occurs,
- 39          L Coordinate the activities of state agencies that are affected by the development of
- 40          offshore wind projects, including, but not limited to, the Department of Economic and
- 41          Community Development, the Department of Marine Resources, the Department of
- 42          Transportation, the Department of Inland Fisheries and Wildlife and the Department
- 43          of Environmental Protection, and

1 M Support the development of deep-water offshore wind projects and transmission  
2 infrastructure in the Gulf of Maine that serve the public interest by advancing the  
3 renewable energy and climate policies and economic development goals of this State  
4 and helping to reduce energy price volatility

5 2. Federal lease stipulations. The office, in consultation with other state agencies,  
6 including, but not limited to, the Department of Marine Resources, shall advocate for the  
7 inclusion in any leases issued by a federal agency for offshore wind energy production in  
8 federal waters provisions that will

9 A Support economic development, including the development of port infrastructure,

10 B Promote public communications plans about the leased activity,

11 C Ensure appropriate engagement with federally recognized Indian tribes,

12 D Include adequate transmission planning,

13 E Result in access to research conducted in connection with the lease, and

14 F Maximize mitigation of and compensation for impacts to coastal communities,  
15 wildlife, fisheries and the marine environment

16 **Sec. 9. 35-A MRSA §3408** is enacted to read

17 **§3408. Offshore wind energy procurement**

18 1. Preparation of requests for proposals; offshore wind energy facilities. The office  
19 shall establish a schedule for competitive solicitations for the development and construction  
20 of floating extraterritorial wind projects to meet the objectives of the program as described  
21 in section 3407 The office shall prepare, in consultation with appropriate state agencies, a  
22 request for proposals to implement each competitive solicitation Upon developing a  
23 request for proposals for a competitive solicitation under this section, the office shall submit  
24 the request for proposals to the commission for approval

25 A Each solicitation must specify the date on which a subsequent solicitation must be  
26 initiated and the specified date must be within 36 months of a previous solicitation

27 B The office shall make reasonable efforts to consult with entities within this State,  
28 including, but not limited to, the commission, the Office of the Public Advocate and  
29 entities included in section 3407, subsection 1, paragraph L, and other states or entities  
30 regarding coordinated solicitations

31 C A solicitation under this section must seek proposals for floating extraterritorial  
32 wind projects with not less than approximately 600 megawatts of nameplate capacity  
33 or of sufficient size to enable cost-competitive commercial-scale development A  
34 solicitation developed in coordination with other states or entities may seek proposals  
35 for projects with a nameplate capacity of less than 600 megawatts if the coordinated  
36 solicitation is in an aggregate amount sufficient to enable cost-competitive  
37 commercial-scale development

38 D A solicitation under this section must specify bidder criteria, including

39 (1) Submission of plans that meet or exceed state and federal requirements or  
40 guidelines and are consistent with the recommendations in the Maine Offshore  
41 Wind Roadmap issued by the office in February 2023



1 (a) To ensure stakeholder engagement, capacity building and equity with  
2 particular consideration given to the energy and economic circumstances and  
3 opportunities in coastal and socially vulnerable communities, as defined in  
4 section 3407, subsection 1, paragraph E.

5 (b) To achieve economic and community benefits, including, but not limited  
6 to, investments in and development of ports, supply chains and the necessary  
7 workforce,

8 (c) To achieve diversity, equity and inclusion in employment and contracting  
9 for the project,

10 (d) To provide for fisheries research, monitoring and mitigation, and

11 (e) To provide for environmental and wildlife research, monitoring, mitigation  
12 and conservation,

13 (2) A fishing communities investment plan, as described in subsection 3,

14 (3) An agreement by the responsible entity, if it is approved for a contract under  
15 this section, to pay an amount equal to \$10,000 per megawatt of the floating  
16 extraterritorial wind project's nameplate capacity to the Offshore Wind Research  
17 Consortium Fund in accordance with section 3406, subsection 4, and

18 (4) An agreement by the responsible entity, if it is approved for a contract under  
19 this section, to provide financial and technical assistance necessary to implement  
20 the plans listed in subparagraphs (1) and (2)

21 The office may waive any of the requirements of this paragraph if the office determines  
22 that applicable federal or state criteria, including, but not limited to, federal lease  
23 provisions, adequately achieve the applicable requirement

24 E A solicitation under this section must be announced, prior to issuance, through a  
25 notice of intent and made available in draft form, including the criteria for the plans  
26 required pursuant to paragraph D, for public comment The office shall

27 (1) Conduct at least 2 public comment sessions on the solicitation, at least one of  
28 which must be in person, in advance of the publication of a draft solicitation to  
29 assist in the development of the contents of the draft solicitation,

30 (2) Respond in writing to the comments received regarding the draft solicitation,

31 (3) Coordinate with the Department of Economic and Community Development,  
32 the Department of Marine Resources, the Department of Transportation, the  
33 Department of Inland Fisheries and Wildlife and the Department of Environmental  
34 Protection on the development of the criteria for the plans required pursuant to  
35 paragraph D,

36 (4) Request comments on the draft solicitation from each federally recognized  
37 Indian tribe and the Maine Indian Tribal-State Commission, and

38 (5) In developing the plan criteria for the plans required pursuant to paragraph D,  
39 consider all comments received under subparagraph (4)

40 **2. Requests for proposals; floating extraterritorial wind projects.** The commission  
41 shall review a solicitation developed by the office under subsection 1 and, upon finding  
42 that the solicitation is reasonably likely to attract competitive bids and further the objectives

# COMMITTEE AMENDMENT

1 of the program as described in section 3407, shall issue a request for proposals in  
 2 accordance with this subsection.

3 A The office shall file with the commission the first solicitation by July 1, 2025 unless  
 4 another date is established by mutual agreement between the office and the  
 5 commission.

6 B The commission shall issue the first request for proposals by January 15, 2026.

7 C If, within any 3-year period beginning January 1, 2026 and ending January 1, 2039,  
 8 the commission has not found a solicitation submitted by the office to be reasonably  
 9 likely to further the objectives of the program, the commission shall expeditiously  
 10 develop and issue a request for proposals consistent with the requirements of this  
 11 section.

12 D The commission shall review and make a determination regarding a solicitation  
 13 submitted by the office within 6 months of the date of submission.

14 E If the commission determines that a contract for an amount greater than those  
 15 specified in subsection 1, paragraph C is in the public interest, it may select resources  
 16 and approve contracts accordingly.

17 F In conducting a solicitation and selecting floating extraterritorial wind projects under  
 18 this section, the commission shall ensure that selected projects result in contracts that  
 19 are cost-effective for electric ratepayers over the term of the contract, taking into  
 20 consideration potential quantitative and qualitative economic, environmental and other  
 21 benefits to ratepayers. The commission shall give greater priority to projects that are  
 22 eligible for and intend to apply for funding under Title 5, section 158. The commission  
 23 shall give secondary priority to projects that

24 (1) Provide employment and contracting opportunities for members of federally  
 25 recognized Indian tribes, workers from disadvantaged communities as defined by  
 26 the United States Council on Environmental Quality's climate and economic justice  
 27 screening tool or by an agency of this State using standards similar to those in the  
 28 screening tool as determined by the commission, the United States Department of  
 29 Commerce, Economic Development Administration's economic distress criteria or  
 30 the United States Department of Energy's energy disadvantaged community  
 31 criteria, and certified businesses.

32 (2) Provide community benefits, as determined preconstruction through  
 33 consultation with federally recognized Indian tribes, a stakeholder engagement  
 34 process that includes disadvantaged communities, as described in subparagraph  
 35 (1), and investments in fishing communities.

36 (3) Provide financial contributions or technical assistance to support research,  
 37 monitoring and mitigation of impacts to wildlife, fisheries and habitats and the  
 38 minimization of environmental impacts from the floating extraterritorial wind  
 39 project and related transmission and interconnection infrastructure.

40 (4) Include negotiated workforce agreements including project labor agreements  
 41 and labor peace agreements with labor organizations for manufacturing,  
 42 construction, renovation, reconstruction, alteration, installation, demolition,  
 43 expansion, maintenance and repair and surface transportation.

- 1                   (5) Have generation facilities located outside of Lobster Management Area 1,
- 2                   (6) Effectively use ports and other infrastructure in this State,
- 3                   (7) Maximize the hiring of residents of this State, and
- 4                   (8) Provide ratepayer benefits, including, but not limited to, enhanced electric
- 5                   reliability, resource adequacy including contributing to reducing winter electricity
- 6                   price spikes and overall price impacts, avoidance of line loss and mitigation of
- 7                   transmission costs to the extent possible

8                   The commission shall allow the office to review the bids submitted pursuant to this  
 9                   subsection. The office may provide input to the commission upon review of the bids,  
 10                   which may include an assessment as to whether any bids submitted are consistent with  
 11                   the goals of the program as described in section 3407, subsection 1.

12                   G The commission may direct one or more transmission and distribution utilities to  
 13                   enter into long-term contracts for energy, capacity or renewable energy credits from  
 14                   floating extraterritorial wind projects selected by the commission in accordance with  
 15                   this subsection.

16                   H If, at the close of a competitive bidding process conducted under this section, the  
 17                   commission determines that the proposals submitted do not satisfy the requirements of  
 18                   paragraph F, the commission shall reject all proposals and shall open a new competitive  
 19                   bidding process under this subsection.

20                   I Notwithstanding Title 5, section 8071, subsection 3, the commission, after  
 21                   consultation with the office, may establish by rule reasonable fees that bidders must  
 22                   submit with proposals for floating extraterritorial wind projects. Fees collected  
 23                   pursuant to this paragraph must be used for the administration of this section. Upon  
 24                   request of the office, the commission may transfer fees collected in accordance with  
 25                   this paragraph to the office for the administration of this section.

26                   **3. Fishing communities investment plan requirements.** A fishing communities  
 27                   investment plan must include a plan for ongoing investment in commercial fishing  
 28                   communities with a stated annual target rate of investment.

29                   A The plan must be designed to

- 30                   (1) Support innovation and adaptation in response to environmental change,
- 31                   shifting resource economics and changes in fishing practices associated with
- 32                   offshore wind development,
- 33                   (2) Protect seafood-related working waterfront infrastructure,
- 34                   (3) Assist persons fishing commercially at an entry level, and
- 35                   (4) Assist persons fishing commercially seeking to provide the responsible entity
- 36                   with offshore services.

37                   B Investment strategies within the plan may include, but are not limited to, subsidizing  
 38                   commercial lending interest rates, loan guarantees and funding state programs or grant  
 39                   programs to support persons fishing commercially and fishing-related businesses and  
 40                   entities established to provide support services to the fishing industry.

41                   C The plan must identify administration costs separately from the annual target rate of  
 42                   investment.

1           D The plan must include a requirement that the responsible entity convene an advisory  
 2           body made up of representatives, which may include, but are not limited to,  
 3           representatives from the fishing industry and fishing community, the Department of  
 4           Marine Resources, relevant commercial lending institutions, a person appointed by the  
 5           responsible entity to serve as the liaison to the fishing community and other relevant  
 6           persons or entities. The advisory body must monitor investment plan performance  
 7           against the annual target, monitor effectiveness of investment strategies and identify  
 8           opportunities for improving fisheries and fishing communities through plan  
 9           investment.

10           4. Funding. Notwithstanding section 116, subsection 4, upon receiving a written  
 11           request from the office, the commission may provide reasonable funding to the office for  
 12           the purposes of implementing the requirements of this section.

13           5. Rulemaking; protective orders. The commission shall adopt rules to implement  
 14           this section. Rules adopted under this subsection are routine technical rules pursuant to  
 15           Title 5, chapter 375, subchapter 2-A. The rules must include procedures for monitoring,  
 16           measuring and enforcing ongoing compliance by responsible entities with the requirements  
 17           of this section.

18           A The rules must require the responsible entity to provide biannual reports to the  
 19           commission regarding its compliance with the plans submitted as part of its bid under  
 20           subsection 2. The rules must require a report submitted by the responsible entity to  
 21           exclude personally identifying information to the greatest extent practicable. If the  
 22           report includes confidential or proprietary information, trade secrets or similar matters  
 23           as provided by the Maine Rules of Civil Procedure, Rule 26(c), the commission may  
 24           issue appropriate protective orders in accordance with section 1311-A with respect to  
 25           those portions of the report and shall make available to the public an appropriately  
 26           redacted copy of the report. The commission shall provide the office the redacted copy,  
 27           which the office shall post on the office's publicly accessible website.

28           B The commission shall establish by rule a process for the review, in coordination  
 29           with the office, of the biannual reports provided by the responsible entity and a  
 30           mechanism for public participation regarding the contents of the report.

31           **Sec. 10. 35-A MRSA §3409** is enacted to read

32           **§3409 Offshore wind transmission**

33           The commission, in coordination with the office, shall seek to advance regional  
 34           transmission solutions to interconnect offshore wind with transmission and distribution  
 35           utilities, other New England states or entities and the independent system operator of the  
 36           New England bulk power system or a successor organization.

37           1. Transmission solicitation and procurement. The commission may conduct one or  
 38           more competitive solicitations for proposals for the development and construction of  
 39           offshore wind energy transmission projects or other electric infrastructure projects to  
 40           facilitate offshore wind energy development and approve contracts for such projects in  
 41           accordance with this section.

42           A In developing a solicitation and approving a contract under this section, the  
 43           commission shall

- 1                   (1) Consider the amount of transmission capacity needed to maintain or improve
- 2                   electric system reliability,
- 3                   (2) Avoid unnecessary costs to upgrade the existing transmission grid,
- 4                   (3) Seek to achieve the greenhouse gas emissions reduction obligations and climate
- 5                   policies under Title 38, section 576-A and Title 38, section 577, subsection 1 and
- 6                   renewable energy goals under section 3210, subsection 1-A,
- 7                   (4) Pursue demonstrable benefits for electric ratepayers, and
- 8                   (5) Encourage projects that avoid, minimize or mitigate impacts to wildlife, the
- 9                   environment, fisheries, fishing activities or tribal burial and archeological sites,
- 10                  whether submerged or on land

11                  B The commission shall coordinate with the office and may coordinate with other  
 12                  entities, including, but not limited to, transmission and distribution utilities, other New  
 13                  England states and the independent system operator of the New England bulk power  
 14                  system or a successor organization in the solicitation and selection of proposals under  
 15                  this section

16                  C The commission may host conferences with prospective bidders in advance of  
 17                  issuing solicitations under this section

18                  D A responsible entity may submit a proposal in response to a solicitation conducted  
 19                  under this section as long as the transmission service proposal provides for  
 20                  transmission service for more than one offshore wind power project

21                  E The commission may consider proposals that include, but are not limited to,  
 22                  upgrading the existing grid, extending the grid closer to offshore wind power projects,  
 23                  determining or upgrading optimal landfall approaches or interconnecting between  
 24                  offshore substations

25                  F The commission may select one proposal, multiple proposals or no proposals

26                  G The commission may select proposals that include federal funding in the form of a  
 27                  match, grant or loan or through ownership and operation by the Federal Government,  
 28                  cost sharing among states or recovery of transmission costs through federal  
 29                  transmission rates

30                  H The commission may modify a solicitation under this section, prior to selecting any  
 31                  proposal, in order to satisfy federal eligibility criteria

32                  2. Rules. The commission may adopt rules to implement this section Rules adopted  
 33                  under this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter  
 34                  2-A

35                  **Sec. 11. 35-A MRSA §3453-A, sub-§3, ¶A, as enacted by PL 2015, c 265, §8**  
 36                  **and affected by §10, is amended to read**

37                  A Will not have an unreasonable adverse effect on the State’s ability to meet the state  
 38                  goals for wind energy development in proximate federal waters in section 3404,  
 39                  subsection 2, paragraph C, and

40                  **Sec. 12. 36 MRSA §191, sub-§2, ¶SSS is enacted to read**



1           been made A qualified investment does not include an investment made prior to the  
 2           issuance of a certificate of approval or after December 31, 2035

3           **2. Public policy objectives.** The public policy objectives of the credit provided under  
 4           this section are

5           A To incentivize siting offshore wind power projects in areas outside of those that  
 6           represent the majority of effort by the lobster industry in the northeast region and this  
 7           State's other significant commercial fisheries in a manner that avoids, minimizes and  
 8           compensates for impacts to wildlife, habitat, fisheries and coastal communities in the  
 9           Gulf of Maine,

10           B To protect ratepayers from any additional costs associated with the siting objectives  
 11           in paragraph A, and

12           C To increase this State's competitiveness in securing offshore wind power projects  
 13           and receiving the associated climate and economic benefits

14           **3. Procedures for application; certificate of approval.** The provisions of this  
 15           subsection govern the procedures for providing for and obtaining a certificate of approval

16           A A qualified applicant may apply to the commissioner for a certificate of approval  
 17           An applicant shall submit to the commissioner information demonstrating that the  
 18           applicant is a qualified applicant If a certified applicant undertakes to make an  
 19           additional qualified investment, the certified applicant may apply to the commissioner  
 20           for an additional certificate of approval

21           B The commissioner, within 60 days of receipt of an application submitted pursuant  
 22           to paragraph A, shall determine whether the applicant is a qualified applicant and shall  
 23           issue either a certificate of approval or a written denial indicating why the applicant is  
 24           not qualified The certificate issued by the commissioner must describe the qualified  
 25           investment and specify the total amount of the qualified investment approved under the  
 26           certificate The commissioner may not issue more than 3 certificates of approval to one  
 27           qualified applicant

28           C Upon issuance of a certificate of completion in accordance with this subsection, the  
 29           commissioner shall issue, on behalf of the State, a memorandum to the qualified  
 30           applicant describing the benefits provided by this section at the time the certificate of  
 31           completion is issued The memorandum must provide that the certificate of completion  
 32           does not prohibit the commissioner from revoking a certificate in accordance with  
 33           paragraph E and does not prohibit the assessor from assessing and collecting an  
 34           overpaid benefit in accordance with the provisions of this Title

35           D A certified applicant shall obtain approval from the commissioner to transfer the  
 36           certificate of approval or, if the certified applicant has obtained a certificate of  
 37           completion, that certificate of completion to another person A certificate of approval  
 38           or certificate of completion may be transferred only if all or substantially all of the  
 39           assets of the certified applicant are, or will be, transferred to that person or if 50% or  
 40           more of the certified applicant's voting stock is, or will be, acquired by that person The  
 41           commissioner shall approve the transfer of the certificate of approval or the certificate  
 42           of completion only if at least one of the following conditions is satisfied

43           (1) The transferee is a member of the applicant's unitary affiliated group at the time  
 44           of the transfer, or

1           (2) The commissioner finds that the transferee will, and has the capacity to,  
 2           maintain operations of the offshore wind power project in a manner that meets the  
 3           minimum qualifications for continued eligibility of benefits under this section after  
 4           the transfer occurs

5           If the commissioner approves the transfer of the certificate, the transferee, from the  
 6           date of the transfer, must be treated as the certified applicant and as eligible to claim  
 7           any remaining benefit under the certificate of approval or the certificate of completion  
 8           that has not been previously claimed by the transferor as long as the transferee meets  
 9           the same eligibility requirements and conditions for the credit as applied to the original  
 10          certified applicant

11          E The commissioner shall revoke a certificate of approval if the certified applicant or  
 12          a person to whom a certificate of approval has been transferred pursuant to paragraph  
 13          D fails to make a qualified investment within 10 years of the date of the certificate of  
 14          approval The commissioner shall revoke a certificate of approval if the applicant failed  
 15          to employ at least 500 full-time employees based in this State for a 12-month period  
 16          within 5 years after the date issued The commissioner shall revoke a certificate of  
 17          approval or a certificate of completion if the applicant ceases operations of the offshore  
 18          wind power project or the certificate of approval or certificate of completion is  
 19          transferred to another person without approval from the commissioner pursuant to  
 20          paragraph D A certified applicant whose certificate of completion is revoked within 5  
 21          years after the date issued shall, within 60 days following revocation of the certificate,  
 22          return to the State an amount equal to the total credits claimed under this section A  
 23          certified applicant whose certificate of completion is revoked during the period from 6  
 24          years after through 10 years after the date the certificate was issued shall, within 60  
 25          days following revocation of the certificate, return to the State an amount equal to the  
 26          total credits claimed under this section for the period from 6 years after through 10  
 27          years after the date the certificate was issued

28          F Upon making the qualified investment and completing the offshore wind power  
 29          project, a certified applicant shall submit an application to the commissioner for a  
 30          certificate of completion If the commissioner determines that a qualified investment  
 31          has been made and the applicant's offshore wind generation facility is located outside  
 32          Lobster Management Area 1, the commissioner shall issue a certificate of completion  
 33          to the certified applicant as soon as is practical

34          4. Tax credit allowed. A qualified applicant is allowed a nonrefundable credit as  
 35          provided in this subsection Beginning with the tax year during which the certificate of  
 36          approval is issued or the tax year beginning in 2026, whichever is later, and for each of the  
 37          following 19 tax years, a certified applicant who has been issued a certificate of completion  
 38          is allowed a credit against the sales, income, use or other state tax due under this Title for  
 39          the taxable year in an amount equal to 2% of the certified applicant's qualified investment  
 40          The credit may not exceed \$15,000,000 annually

41          5. Reporting required. A certified applicant and the commissioner are required to  
 42          make reports pursuant to this subsection

43          A By April 1st of each year, the commissioner shall report to the joint standing  
 44          committee of the Legislature having jurisdiction over taxation matters aggregate data  
 45          on qualified investment amounts of certified applicants for each year and the State Tax



1 Assessor shall report to the committee the revenue loss during the previous calendar  
 2 year as a result of this section for each taxpayer claiming the credit Notwithstanding  
 3 any provision of law to the contrary, the reports provided under this subsection are  
 4 public records as defined in Title 1, section 402, subsection 3.

5 B By April 1st of each year, a certified applicant shall report to the commissioner the  
 6 number of full-time employees based in this State, the amount of state and local taxes  
 7 paid and the total investment in the State The commissioner shall make these reports  
 8 available for public inspection on a publicly accessible website.

9 6. Evaluation. The credit provided under this section is subject to ongoing legislative  
 10 review in accordance with Title 3, chapter 37 The Office of Program Evaluation and  
 11 Government Accountability shall submit an evaluation of the credit provided under this  
 12 section to the joint legislative committee established to oversee program evaluation and  
 13 government accountability matters and the joint standing committee of the Legislature  
 14 having jurisdiction over taxation matters In developing evaluation parameters to perform  
 15 the review, the office shall consider the public policy objectives in subsection 2.

16 **Sec. 15. Appropriations and allocations.** The following appropriations and  
 17 allocations are made

18 **AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF**  
 19 **DACF Administration 0401**

20 Initiative Provides allocations for expenditures related to the centralized technology  
 21 management costs related to one part-time Senior Planner position

22	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2023-24</b>	<b>2024-25</b>
23	All Other	\$585	\$585
24			
25	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<u>\$585</u>	<u>\$585</u>

26 **DACF Administration 0401**

27 Initiative Provides funding for centralized technology management costs associated with  
 28 one part-time Senior Planner position

29	<b>GENERAL FUND</b>	<b>2023-24</b>	<b>2024-25</b>
30	All Other	\$3,292	\$3,292
31			
32	<b>GENERAL FUND TOTAL</b>	<u>\$3,292</u>	<u>\$3,292</u>

33 **Submerged Lands and Island Registry Z241**

34 Initiative Provides funding for one part-time Senior Planner position and associated All  
 35 Other costs

36	<b>GENERAL FUND</b>	<b>2023-24</b>	<b>2024-25</b>
37	POSITIONS - LEGISLATIVE COUNT	0 500	0 500
38	Personal Services	\$48,217	\$50,870
39	All Other	\$3,647	\$3,647
40			
41	<b>GENERAL FUND TOTAL</b>	<u>\$51,864</u>	<u>\$54,517</u>

42

1	<b>AGRICULTURE, CONSERVATION AND</b>		
2	<b>FORESTRY, DEPARTMENT OF</b>		
3	<b>DEPARTMENT TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
4			
5	<b>GENERAL FUND</b>	<b>\$55,156</b>	<b>\$57,809</b>
6	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$585</b>	<b>\$585</b>
7			
8	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$55,741</b>	<b>\$58,394</b>
9	<b>ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF</b>		
10	<b>Business Development 0585</b>		
11	Initiative Provides one-time funds to update the Salesforce platform to include a new tax		
12	incentive program		
13	<b>GENERAL FUND</b>	<b>2023-24</b>	<b>2024-25</b>
14	All Other	\$35,640	\$0
15			
16	<b>GENERAL FUND TOTAL</b>	<b>\$35,640</b>	<b>\$0</b>
17			
18	<b>ECONOMIC AND COMMUNITY</b>		
19	<b>DEVELOPMENT, DEPARTMENT OF</b>		
20	<b>DEPARTMENT TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
21			
22	<b>GENERAL FUND</b>	<b>\$35,640</b>	<b>\$0</b>
23			
24	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$35,640</b>	<b>\$0</b>
25	<b>EXECUTIVE DEPARTMENT</b>		
26	<b>Maine Offshore Wind Renewable Energy and Economic Development Program</b>		
27	<b>N471</b>		
28	Initiative Provides allocation to establish the program		
29	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2023-24</b>	<b>2024-25</b>
30	All Other	\$500	\$500
31			
32	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$500</b>	<b>\$500</b>
33			
34	<b>EXECUTIVE DEPARTMENT</b>		
35	<b>DEPARTMENT TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
36			
37	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$500</b>	<b>\$500</b>
38			
39	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$500</b>	<b>\$500</b>
40	<b>INLAND FISHERIES AND WILDLIFE, DEPARTMENT OF</b>		
41	<b>Resource Management Services - Inland Fisheries and Wildlife 0534</b>		

COMMITTEE AMENDMENT "A" to S P 766, L D 1895

1	Initiative Provides funding for one Senior Resource Biologist position and associated All		
2	Other costs		
3	<b>GENERAL FUND</b>	<b>2023-24</b>	<b>2024-25</b>
4	POSITIONS - LEGISLATIVE COUNT	1 000	1 000
5	Personal Services	\$70,902	\$99,263
6	All Other	\$4,500	\$4,500
7			
8	GENERAL FUND TOTAL	<u>\$75,402</u>	<u>\$103,763</u>
9			
10	<b>INLAND FISHERIES AND WILDLIFE,</b>		
11	<b>DEPARTMENT OF</b>		
12	<b>DEPARTMENT TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
13			
14	GENERAL FUND	\$75,402	\$103,763
15			
16	DEPARTMENT TOTAL - ALL FUNDS	<u>\$75,402</u>	<u>\$103,763</u>
17	<b>PUBLIC UTILITIES COMMISSION</b>		
18	<b>Public Utilities - Administrative Division 0184</b>		
19	Initiative Provides allocations for expenditures related to one Staff Attorney position and		
20	associated All Other costs		
21	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2023-24</b>	<b>2024-25</b>
22	POSITIONS - LEGISLATIVE COUNT	0 000	1 000
23	Personal Services	\$0	\$165,705
24	All Other	\$0	\$15,874
25			
26	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$181,579</u>
27			
28	<b>PUBLIC UTILITIES COMMISSION</b>		
29	<b>DEPARTMENT TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
30			
31	OTHER SPECIAL REVENUE FUNDS	\$0	\$181,579
32			
33	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$181,579</u>
34	<b>TREASURER OF STATE, OFFICE OF</b>		
35	<b>Fishing Community Protection and Low-income Ratepayer Fund N469</b>		
36	Initiative Establishes the Fishing Community Protection and Low-income Ratepayer Fund		
37	with a base allocation		
38	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2023-24</b>	<b>2024-25</b>
39	All Other	\$500	\$500
40			
41	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$500</u>	<u>\$500</u>
42			

1	<b>TREASURER OF STATE, OFFICE OF</b>		
2	<b>DEPARTMENT TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
3			
4	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$500</b>	<b>\$500</b>
5			
6	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$500</b>	<b>\$500</b>
7			
8	<b>SECTION TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
9			
10	<b>GENERAL FUND</b>	<b>\$166,198</b>	<b>\$161,572</b>
11	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$1,585</b>	<b>\$183,164</b>
12			
13	<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$167,783</b>	<b>\$344,736</b>

15 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
 16 number to read consecutively

17 **SUMMARY**

18 This amendment replaces the bill It does the following

19 1 It establishes the Maine Offshore Wind Renewable Energy and Economic  
 20 Development Program to be administered by the Governor's Energy Office in collaboration  
 21 with the Public Utilities Commission

22 2 It updates the State's wind energy generation goals

23 3 It directs the Governor's Energy Office to establish a schedule for competitive  
 24 solicitations and prepare requests for proposals for the development and construction of  
 25 floating extraterritorial wind projects to meet the goals of the Maine Offshore Wind  
 26 Renewable Energy and Economic Development Program The Public Utilities Commission  
 27 must review the request for proposals and, upon finding that the request for proposals is  
 28 reasonably likely to attract competitive bids, issue the request for proposals The  
 29 commission must issue the first request for proposals no later than January 15, 2026, and  
 30 each solicitation must seek proposals for not less than approximately 600 megawatts of  
 31 nameplate capacity or projects of sufficient size to enable cost-competitive commercial  
 32 scale development of floating extraterritorial wind projects A solicitation developed in  
 33 coordination with other states or entities may seek proposals for projects with a nameplate  
 34 capacity of less than 600 megawatts if the coordinated solicitation is in an aggregate amount  
 35 sufficient to enable cost-competitive commercial-scale development

36 4 It provides that, in conducting a solicitation and selecting floating extraterritorial  
 37 wind projects for contracts, the commission is required to select projects that result in  
 38 contracts that are cost-effective to electric ratepayers over the term of the contract and must  
 39 give greater priority to projects that are eligible and intend to apply for grants from the  
 40 Fishing Community Protection and Low-income Ratepayer Fund, established in the  
 41 amendment The commission must give secondary priority to projects that provide certain  
 42 identified benefits The solicitation must specify bidder criteria, including the submission  
 43 of plans addressing stakeholder engagement, economic and community benefits, diversity,

1 equity and inclusion in employment and contracting for the project, fisheries research,  
2 monitoring and mitigation, and environmental and wildlife research The criteria must also  
3 require the submission of a fishing communities investment plan, payment of an amount  
4 equal to \$10,000 per megawatt of capacity to the Offshore Wind Research Consortium  
5 Fund and financial and technical assistance necessary to implement the required plans A  
6 solicitation must be made available for public comment prior to issuance

7 5 It provides that an application for a submerged lands lease or easement in connection  
8 with an offshore wind power project selected for a contract must be charged an annual  
9 operating fee based on the electricity generated using a certain federal formula It also  
10 requires the applicant to demonstrate that it has fully executed or will execute a labor peace  
11 agreement with a bona fide labor organization that actively represents or seeks to represent  
12 employees working for and providing services in connection with the offshore wind power  
13 project

14 6 It provides that when the Shore and Harbor Management Fund expends money for  
15 the purpose of constructing improvements in connection with an offshore wind power  
16 project selected for a contract, the grant of any such funds must be conditioned upon the  
17 recipient's agreement to conform to the requirements applicable to assisted projects under  
18 the Maine Revised Statutes, Title 26, chapter 15 It also amends Title 26, chapter 15 to  
19 clarify that such projects are considered assisted projects for purposes of that chapter

20 7 It authorizes the commission to conduct one or more competitive solicitations for  
21 proposals for the development and construction of offshore wind energy transmission  
22 projects or other electric infrastructure projects to facilitate offshore wind energy  
23 development

24 8 It establishes the Fishing Communities Protection and Low-income Ratepayer Fund  
25 within the Office of the Treasurer of State to be funded by submerged lands operating fee  
26 payments, any funds appropriated from the General Fund and funds from other sources

27 9 It adds members to the Offshore Wind Research Consortium advisory board and  
28 updates the funding source for the Offshore Wind Research Consortium Fund to include  
29 payments from extraterritorial wind projects

30 10 It creates the fishing community protection tax incentive, which allows an applicant  
31 that has been issued a certificate of completion to receive a credit against sales, income,  
32 use or other state tax due an amount equal to 2% of the certified applicant's qualified  
33 investment in offshore wind power projects, not to exceed \$15 million annually

**FISCAL NOTE REQUIRED**

**(See attached)**

34  
35



# 131st MAINE LEGISLATURE

LD 1895

LR 741(02)

## An Act Regarding the Procurement of Energy from Offshore Wind Resources

Fiscal Note for Bill as Amended by Committee Amendment *A(S-420)*  
 Committee: Energy, Utilities and Technology  
 Fiscal Note Required: Yes

### Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
<b>Net Cost (Savings)</b>				
General Fund	\$166,198	\$161,572	\$289,662	\$305,116
<b>Appropriations/Allocations</b>				
General Fund	\$166,198	\$161,572	\$289,662	\$305,116
Other Special Revenue Funds	\$1,585	\$183,164	\$191,449	\$200,149
<b>Revenue</b>				
Other Special Revenue Funds	\$0	\$181,579	\$189,864	\$198,564

### Fiscal Detail and Notes

This bill establishes the Maine Offshore Wind Renewable Energy and Economic Development (OWRE) Program within the Governor's Energy Office (GEO) to be administered in collaboration with the Public Utilities Commission (PUC) The Department of Marine Resources (DMR) and the Department of Inland Fisheries and Wildlife (IFW) are added to the already established Offshore Wind Research Consortium within the GEO

The GEO will coordinate with the PUC to establish fees that bidders must submit to the PUC with proposals for floating wind projects Upon the request of the GEO, these fees may be transferred from the PUC to fund the GEO's costs of administering the OWRE program The bill includes ongoing General Fund appropriations to the Department of Inland Fisheries and Wildlife of \$75,402 in fiscal year 2023-24 and \$103,763 in fiscal year 2024-25 for one Senior Resource Biologist position and associated All Other costs The bill includes Other Special Revenue Funds allocations to the PUC of \$181,579 beginning in fiscal year 2024-25 for one Staff Attorney position and associated All Other costs The Department of Marine Resources will require ongoing General Fund appropriations of \$120,583 beginning in fiscal year 2025-26 for one Resource Management Coordinator position and associated All Other costs

CA(5420)

The bill includes ongoing General Fund appropriations of \$55,156 and allocations of \$585 to the Department of Agriculture, Conservation and Forestry(ACF) beginning in fiscal year 2023-24 for one part-time Senior Planner position and associated costs

The bill establishes the Fishing Community Protection and Low-Income Ratepayer Fund within the Office of the Treasurer with a base Other Special Revenue Funds allocation of \$500 beginning in fiscal year 2023-24

The bill establishes the Fishing Community Protection Tax Incentive program and requires the Department of Economic and Community Development to administer program application procedures and certificates of approval The bill includes a one-time General Fund appropriation of \$35,640 in fiscal year 2023-24 to the Business Development program within the department to update the salesforce platform to include a new tax incentive program

The Fishing Community Protection Tax Incentive program will provide nonrefundable tax credits for qualified investment in offshore wind power projects The language in the bill does not provide sufficient clarity to develop exact estimates of the impact of the program on tax revenues or the costs to the Department of Administrative and Financial Services, Bureau of Revenue Services to administer the tax credits Administrative costs to both the income tax and sales tax divisions of the Bureau of Revenue Services are expected to be substantial The first revenue decrease would occur in fiscal year 2026-27, reflecting a portion of tax year 2026 credits, and is anticipated to be in the range of \$5 million to \$10 million There would also be a corresponding decrease in Local Government Fund revenue of 5% of the decrease in sales and income tax revenue

Additional costs to the Department of Transportation associated with coordinating and collaborating with the GEO on the new program can be absorbed within existing budgeted resources