# MAINE STATE LEGISLATURE

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2	Date: 5/9/24 (Filing No. S- 778)
3	Reproduced and distributed under the direction of the Secretary of the Senate.
4	STATE OF MAINE
5	SENATE
6	131ST LEGISLATURE
7	SECOND REGULAR SESSION
8 9 10	SENATE AMENDMENT "#" to COMMITTEE AMENDMENT "A" to S.P. 994, L.D. 2279, "An Act to Promote Equity in the Forest Products Industry by Allowing Commercial Wood Haulers to Be Eligible for Certain Sales Tax Exemptions and Refunds"
11	Amend the amendment by inserting after the title the following:
12	'Amend the bill by striking out the title and substituting the following:
13 14 15	'An Act to Amend Provisions Relating to Certain Sales Tax Exemptions and Refunds for Commercial Wood Haulers, Payment for Harvesting Wood and Records of the Bureau of Forestry'
16 17	Amend the amendment by inserting after the first instructional paragraph the following:
18	'PART A'
19	Amend the amendment by inserting after section 6 the following:
20 21 22 23 24 25 26 27 28	'Sec. 7. Legislative findings and intent. The Legislature finds that the State, as the holder of the 2nd largest amount of land in the State and a significant market participant in timber operations, has an active interest in ensuring that the logging industry in general and commercial haulers of forest products specifically remain commercially viable in the State. The Legislature further finds and intends that the sales tax exemption provided in this Part to purchasers or lessees engaged in commercial wood harvesting that are located in this State and that have a physical place of business in the State will create and sustain logging jobs, encourage responsible harvesting practices and provide many other direct and indirect economic benefits to the State.'
29 30	Amend the amendment in section 8 in the first line (page 2, line 37 in amendment) by striking out the following: "Act" and inserting the following: 'Part'
31	Amend the amendment by inserting after section 8 the following:
32	'PART B
33 34	Sec. B-1. 10 MRSA §1500-Q, as enacted by PL 2023, c. 357, §1, is amended to read:
35	§1500-Q. Payment for harvesting wood

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### SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 994, L.D. 2279 (S-778)

An entity that contracts with a person to harvest wood and place the wood roadside so that the entity is able to have the wood hauled away for use or processing must shall pay the person within 30 days of the person's fulfilling the contract and placing the wood roadside. The Department of Agriculture, Conservation and Forestry, referred to in this chapter as "the department," or a person licensed to scale wood pursuant to section 2365-A under contract with the department shall conduct random inspections to ensure that entities are complying with the requirements of this section chapter.

- 1. Violation. Any violation of this chapter constitutes prima facie evidence of a violation of the Maine Unfair Trade Practices Act.
- 2. Civil penalty. Each violation of this chapter constitutes a civil violation for which a penalty of not less than \$500 nor more than \$1,000 may be adjudged. Each day a violation of this chapter continues constitutes a separate offense.
- Sec. B-2. 12 MRSA §8003, sub-§3, as amended by PL 2021, c. 280, §5, is further amended to read:
- 3. Powers and duties. The director shall exercise the powers of the office and be is responsible for the execution and enforcement of the duties of the bureau as set forth in chapters 801 809 to 810.
  - A. The director shall administer the bureau in an efficient manner and, with the consent of the commissioner, shall organize the bureau as necessary to carry out the purposes of this Part.
  - C. The director may, with the consent of the commissioner, accept grants and funds from and enter into contracts with federal, state, local or other public and private organizations to carry out the purposes of this Part.
  - D. The director may, with the consent of the commissioner, employ or retain expert and professional consultants to assist in the duties of the bureau to the extent of funds available.
  - E. The director may take measures to encourage an interest in forestry and shade trees in the schools, colleges and among the general public and to encourage some degree of elementary instruction in forestry and conservation of natural resources.
  - F. The director shall on or before September 1st, annually, submit to the commissioner a report of the bureau's activities during the preceding fiscal year ending June 30th.
  - G. The director shall biennially prepare a budget for the bureau and submit it to the commissioner.
  - H. The director shall have prepared annually a forest fire plan for each administrative unit established according to the authority of section 8906, subsection 1. The plans shall <u>must</u> incorporate the annual forest fire plans of municipalities.
  - I. The director is authorized to collect and classify statistics relating to the forests and connected interests of the State and research the extent to which the forests of the State are being destroyed by fires, insects, diseases and by wasteful cutting. The director may also ascertain, to the extent possible, the effect of the diminution of the wooded surface of the land upon the watersheds of the lakes, rivers, water powers and other natural resources of the State.

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- J. The director is authorized to conduct inspections and investigations on any lands to survey and inspect shade, ornamental or forest trees pursuant to the authority and procedures set forth in chapter 803.
- K. The director may issue and enforce any license or permit authorized by this Part.
- L. The director may, with the consent of the commissioner, acquire and hold any right or interest in real or personal property on behalf of the State.
- M. Except for lands acquired under the authority of paragraph N, the director is authorized, with the consent of the commissioner, to sell, grant, lease, transfer or otherwise convey any real or personal property under the jurisdiction of the bureau. The director shall deposit the proceeds from the sale or lease of property into the forest protection unit account. At least 60 days prior to offering any surplus property for sale under this paragraph, the director shall notify the Executive Director of the Legislative Council and the joint standing committee of the Legislature having jurisdiction over forest resources matters of the director's intent to sell the property.
- M-1. The proceeds under paragraph M may be used only to upgrade existing structures owned by the forest protection unit within the bureau, to consolidate operations of the unit through the improvement, repair, replacement, purchase or construction of structures and to purchase land upon which to build structures. Ownership of any land purchased under this paragraph or structures purchased or constructed under this paragraph must be held in the name of the unit. Ownership of land or property purchased under this paragraph may also be held in the name of the <u>Department of Administrative and Financial Services</u>, Bureau of General Services when the unit participates in the consolidation of facilities with other state agencies. Any purchase of land or a structure pursuant to this paragraph must be approved by the Director of the Bureau of General Services.
- N. The director may, with the advice and consent of the Governor, purchase, when funds are available from bequests or trusts other than bequests made or inter vivos trusts created by the late Percival Proctor Baxter, or accept on the part of the State gifts of parcels or tracts of land to the State, or may purchase land in the name of the State for state forest purposes and may also designate and set aside such lands or portions thereof as natural areas. The director shall may not under this section acquire title by purchase to more than 4% of the land area within any one municipality without the written consent of the municipal officer thereof. The title to lands acquired under this section shall must be investigated and approved by the Attorney General.

The purpose of acquisition of land under this paragraph is the preservation of scenic beauty and recreation as nearly unrestricted and general as is practicable for the people of the State and those whom they admit to the privilege, the production of timber for watershed protection, as a crop, as state forest demonstration areas for research purposes and for the application of model forestry techniques under a well defined criteria of full-use management. The lands acquired by the Bureau of Forestry and designated by it as state forests or natural areas shall never may never be sold, but may be exchanged for other land to permit consolidation, better access or more efficient administration. Net revenues including, but not limited to, stumpage shall must be paid to the Treasurer of State by the director and constitute a fund to be applied to the care and improvement of these lands or for the acquisition of other lands for similar



purposes, except that 25% of such revenues shall <u>must</u> be returned by the Treasurer of State to the municipality wherein the land is located to be used for municipal purposes.

"Natural areas" means limited areas of land which that have retained their wilderness character, although not necessarily completely natural and undisturbed, or have rare or vanishing species of plant or animal life or similar features of interest which that are worthy of preservation for the use of present and future residents of the State. Natural areas held by the State shall must include and be designated as one or more of the following 3 types and the location of each shall must be described in the designation:

- Type 1. Semiwilderness areas which that by their size or location offer the experience of solitude and self-reliance. Whereas, lands at the higher elevations are important for protection of watersheds, are ecologically vulnerable if unwisely altered by human interference and often may be uneconomic for logging or construction, it is hereby found that such lands generally may be suitable for this classification;
- Type 2. Units of importance for all the natural sciences, especially ecology, and with outstanding value for education and research and for the appreciation of natural processes. Preservation in the desired condition shall <u>must</u> be the prevailing purpose of such holdings. Visitation shall <u>must</u> be regulated so as to ensure this preservation on a permanent basis; and
- Type 3. Areas which that are not of ecological or semiwilderness stature but which that have the appearance of being in an untouched natural state or which that are capable of attaining that appearance if held and managed for this purpose.

Relating to natural areas of Type 1, 2 or 3, all land uses and practices shall be are subject to regulations rules of the bureau, promulgated adopted pursuant to Title 5, chapter 375, subchapter II subchapters 2 and 2-A, in carrying out the purposes of this paragraph to manage or maintain the areas for the preservation of their natural condition. Areas designated under these classifications ean may be removed from such designation only by approval of the director, with the advice and consent of the Governor, following public notice and hearing. All lands acquired and administered under this paragraph and all other state forests shall must be managed under the same principles which that govern the management of the public reserve lands, to the extent not inconsistent with this section and management of such state forests shall must, in any event, be coordinated with the management of the public reserved lands in order to facilitate the accomplishment of applicable management objectives.

- O. The director may delegate the powers and duties of this Part to the director's agents and representatives, including municipal forest fire wardens appointed by the director.
- P. The director shall act as a liaison with the Department of Environmental Protection, the Maine Land Use Planning Commission, the Department of Inland Fisheries and Wildlife and the Cooperative Extension Service on forestry issues.
- Q. The director, in cooperation with public and private landowners, shall actively pursue creating areas on public and private land where the principles and applicability of outcome-based forest policy, as defined in section 8868, subsection 2-B, can be applied and tested. No more than 6 such areas may be designated. The director shall seek to designate areas of various sizes owned by different landowners. The designated areas must represent differing forest types and conditions and different geographic

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- R. The director shall enforce section 8006 for those violations discovered as part of the inspection process pursuant to Title 10, section 2364-B, subsection 6 and within the existing resources of the bureau.
- Sec. B-3. 12 MRSA §8005, as enacted by PL 2005, c. 358, §1 and amended by PL 2011, c. 657, Pt. W, §7 and PL 2013, c. 405, Pt. A, §23, is further amended to read:

### §8005. Certain information confidential

- 1. Contact information. Social security numbers, addresses, telephone numbers and electronic mail addresses of landowners owning less than 1,000 acres of forest land statewide and collected by the bureau for the purposes of contacting landowners under section 8611, or received by the bureau in notifications filed under section 8883-B, or in reports received under Title 36, section 581-G are confidential and may be disclosed only in accordance with this section.
- 2. Forest management plan and information. Social security numbers, forest management plans and supporting documentation of forest management activities on private forest land and held by the bureau for the purposes of administering landowner assistance programs authorized under this chapter and chapter 805 are confidential and may be disclosed only in accordance with this section.
- 3. Disclosure. Except as provided in subsection 4, the director may disclose confidential information in accordance with this subsection. Confidential information disclosed pursuant to this subsection remains the property of the bureau. Recipients of the confidential information may not disclose this information or use this information except as authorized by the director.
  - A. The director may disclose information designated as confidential under this section to a governmental entity that, in the opinion of the director, requires this information, including, but not limited to, when necessary to facilitate an investigation into a complaint or suspected violation of this Part and to avoid imminent and serious harm.
  - B. The director shall provide names, addresses and electronic mail addresses upon request to a nonprofit corporation that provides educational services to forest landowners regarding sound forest management as long as the information disclosed is used to provide information about forest management.
- 4. Information designated as confidential by state or federal agency. The director may not disclose information furnished to the director that has been designated as confidential by a state or federal agency furnishing the information unless disclosure is authorized by the furnishing agency or with the written consent of a landowner under this section.
- 5. Penalty. A person who receives confidential information pursuant to subsection 3, paragraph B this section and uses that information for a purpose other than that authorized by the director commits a civil violation punishable by a fine of not more than \$1,000.

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Sec. B-4. 12 MRSA c. 810 is enacted to read:

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### **CHAPTER 810**

## 3 RECORDS OBTAINED DURING INVESTIGATION CONFIDENTIAL

§9801. Records obtained during investigation confidential

- 1. Records obtained during investigation or through provision of services to public. Records of the bureau obtained during an investigation into a complaint or suspected violation of this Part or through the provision of services to the public are confidential. Records obtained during an investigation of a complaint or suspected violation of this Part become public upon conclusion of an investigation unless the records are otherwise classified as confidential by any other provision of law. For purposes of this subsection, "conclusion of an investigation" means:
  - A. A notice of adjudicatory hearing under Title 5, chapter 375, subchapter 4 has been given to the public;
  - B. A consent agreement has been executed;
  - C. An enforcement proceeding has been filed in a court of competent jurisdiction; or
  - D. The investigation has been closed by the bureau.
- 2. Penalty. A person that receives confidential information pursuant to this section and uses that information for a purpose other than that authorized by the director commits a civil violation punishable by a fine of not more than \$1,000.'

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

#### **SUMMARY**

This amendment adds a legislative findings and intent section to Committee Amendment "A" and changes the title.

Current law requires an entity that contracts with a person to harvest wood and place the wood roadside so the entity is able to have the wood hauled away for use or processing to pay the person within 30 days of the person's fulfilling the contract and placing the wood roadside. In Part B, the amendment provides that an entity that violates this requirement commits a civil violation for which a fine of not more than \$1,000 may be adjudged and that any violation constitutes prima facie evidence of a violation of the Maine Unfair Trade Practices Act.

The amendment removes the provision in current law that requires the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry to provide names, addresses and electronic mail addresses of the landowners owning less than 1,000 acres of forest land statewide upon request to a nonprofit corporation that provides educational services to forest landowners regarding sound forest management as long as the information disclosed is used to provide information about forest management.

The amendment provides that records of the Department of Agriculture, Conservation and Forestry, Bureau of Forestry obtained during an investigation into a complaint or

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## SENATE AMENDMENT



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9 10 SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 994, L.D. 2279 (S-778)

suspected violation of the Maine Revised Statutes, Title 12, Part 11 or through provision of services to the public are confidential and that these records become public upon conclusion of an investigation. The amendment provides that records of the bureau obtained during an investigation or through provision of services to the public may be disclosed under certain circumstances.

The amendment also updates a cross-reference and makes technical and grammatical changes in the law governing the powers and duties of the Director of the Bureau of Forestry.

SPONSORED BY:

(Senator HICKMAN, C.)

11 COUNTY: Kennebec

FISCAL NOTE REQUIRED (See attached)

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### 131st MAINE LEGISLATURE

LD 2279

LR 3077(05)

An Act to Promote Equity in the Forest Products Industry by Allowing Commercial Wood Haulers to Be Eligible for Certain Sales Tax Exemptions and Refunds

Fiscal Note for Senate Amendment ""> to Committee Amendment "A" (5-778)

Sponsor: Sen. Hickman of Kennebec

Fiscal Note Required: Yes

### **Fiscal Note**

Minor cost increase - General Fund Minor revenue increase - General Fund Minor revenue increase - Other Special Revenue Funds

### Correctional and Judicial Impact Statements

This amendment may increase the number of civil suits filed in the court system. The additional workload associated with the minimal number of new cases does not require additional funding at this time. The collection of additional fines and filing fees will increase General Fund or other dedicated revenue by minor amounts.

#### Fiscal Detail and Notes

Any additional costs to the Office of the Attorney General or the Department of Agriculture, Conservation and Forestry associated with this amendment are anticipated to be minor and can be absorbed within existing budgeted resources.