

# MAINE STATE LEGISLATURE

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Date: 3/2/26

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MAJORITY

ENVIRONMENT AND NATURAL RESOURCES

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

STATE OF MAINE

SENATE

132ND LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 745, L.D. 1904, "An Act to Establish the Municipal Shoreline Protection Legal Fund"

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

'Sec. 1. 38 MRSA §450 is enacted to read:

§450. Municipal Shoreline Protection Legal Fund

1. Fund established. The Municipal Shoreline Protection Legal Fund, referred to in this section as "the fund," is established within the department to provide financial assistance to municipalities that have incurred or expect to incur legal costs in pursuing shoreland zoning violations. The fund consists of money received from any public or private source, including, but not limited to, any monetary penalties deposited in the fund in accordance with section 480-R, subsection 1. The fund must be held separate and apart from all other money, funds and accounts. Interest earned by the fund must be credited to the fund. Any unexpended balances remaining in the fund at the end of any fiscal year do not lapse and must be carried forward to the next fiscal year.

2. Administration; use of money in fund. The department shall administer the fund. In accordance with rules adopted by the department pursuant to subsection 4, the department shall use money in the fund to provide financial assistance to municipalities that have incurred or expect to incur legal costs in pursuing shoreland zoning violations. The department may use money in the fund to cover the department's actual costs incurred in administering the fund.

3. Reimbursement. In accordance with rules adopted by the department pursuant to subsection 4, a municipality that receives financial assistance from the fund under subsection 2 may be required to reimburse the fund following the settlement or final adjudication of the legal claim for which the financial assistance was received.

4. Rules. The department shall adopt rules necessary for the implementation and administration of the fund, including, but not limited to, rules establishing standards for the provision of financial assistance from the fund to a municipality pursuant to subsection 2

COMMITTEE AMENDMENT

1 and rules establishing standards for municipal reimbursement of financial assistance  
2 received from the fund pursuant to subsection 3. Rules adopted pursuant to this subsection  
3 are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

4 **Sec. 2. 38 MRSA §480-R, sub-§1**, as enacted by PL 1987, c. 809, §2, is amended  
5 by enacting at the end a new first blocked paragraph to read:

6 Notwithstanding any provision of law to the contrary, of the total penalties paid by all  
7 persons found to have violated this article in any fiscal year, the commissioner shall ensure  
8 that \$100,000 of that amount, or the total amount of penalties paid in the fiscal year if that  
9 amount is less than \$100,000, is deposited in the Municipal Shoreline Protection Legal  
10 Fund established in section 450.

11 **Sec. 3. Transfer from General Fund unappropriated surplus; Department**  
12 **of Environmental Protection, Municipal Shoreline Protection Legal Fund.** On  
13 or before September 1, 2026, the State Controller shall transfer \$100,000 from the  
14 unappropriated surplus of the General Fund to the Department of Environmental  
15 Protection, Municipal Shoreline Protection Legal Fund, Other Special Revenue Funds  
16 account to provide financial assistance to municipalities that have incurred or expect to  
17 incur legal costs in pursuing shoreland zoning violations in accordance with the provisions  
18 of the Maine Revised Statutes, Title 38, section 450.

19 **Sec. 4. Appropriations and allocations.** The following appropriations and  
20 allocations are made.

21 **ENVIRONMENTAL PROTECTION, DEPARTMENT OF**  
22 **Land Resources Z188**

23 Initiative: Provides funding for one Environmental Specialist III position and associated  
24 All Other costs.

25	<b>GENERAL FUND</b>	<b>2025-26</b>	<b>2026-27</b>
26	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
27	Personal Services	\$0	\$79,114
28	All Other	\$0	\$22,767
29			
30	<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$101,881</b>

31 **Municipal Shoreline Protection Legal Fund N528**

32 Initiative: Provides ongoing allocations to allow for the provision of financial assistance to  
33 municipalities that have incurred or expect to incur legal costs in pursuing shoreland zoning  
34 violations in accordance with the Maine Revised Statutes, Title 38, section 450.

35	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2025-26</b>	<b>2026-27</b>
36	All Other	\$0	\$100,000
37			
38	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>

40 **ENVIRONMENTAL PROTECTION,**  
41 **DEPARTMENT OF**

42	<b>DEPARTMENT TOTALS</b>	<b>2025-26</b>	<b>2026-27</b>
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<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$101,881</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$100,000</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$201,881</b>

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

**SUMMARY**

This amendment, which is the majority report of the committee, replaces the bill. It establishes the Municipal Shoreline Protection Legal Fund within the Department of Environmental Protection to provide financial assistance to municipalities that have incurred or expect to incur legal costs in pursuing shoreland zoning violations. In accordance with rules adopted by the department, a municipality that receives financial assistance from the fund may be required to reimburse the fund following the settlement or final adjudication of the legal claim for which the financial assistance was received.

The amendment also amends the Natural Resources Protection Act to direct that, of the total penalties paid by all persons found to have violated that Act in any fiscal year, the Commissioner of Environmental Protection shall ensure that \$100,000 of that amount, or the total amount of penalties paid in the fiscal year if that amount is less than \$100,000, is deposited in the Municipal Shoreline Protection Legal Fund. It also directs the State Controller, on or before September 1, 2026, to transfer \$100,000 from the unappropriated surplus of the General Fund to the Department of Environmental Protection, Municipal Shoreline Protection Legal Fund, Other Special Revenue Funds account and provides a corresponding allocation.

**FISCAL NOTE REQUIRED**

(See attached)



# 132nd MAINE LEGISLATURE

LD 1904

LR 1507(02)

## An Act to Establish the Municipal Shoreline Protection Legal Fund

Fiscal Note for Bill as Amended by Committee Amendment "A" (LS-523)  
 Committee: Environment and Natural Resources  
 Fiscal Note Required: Yes

### Fiscal Note

Potential current biennium revenue decrease - General Fund  
 Potential current biennium revenue increase - Other Special Revenue Funds

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$201,881	\$106,477	\$110,556
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$101,881	\$106,477	\$110,556
Other Special Revenue Funds	\$0	\$100,000	\$100,000	\$100,000
<b>Transfers</b>				
General Fund	\$0	(\$100,000)	\$0	\$0
Other Special Revenue Funds	\$0	\$100,000	\$0	\$0

#### Fiscal Detail and Notes

This bill establishes the Municipal Shoreline Protection Legal Fund (MSPL) within the Department of Environmental Protection (DEP). The bill also directs that, of the monetary penalties collected under the Natural Resources Protection Act each fiscal year, up to the first \$100,000 be deposited into the MSPL. Because these revenues are currently credited to the General Fund, this provision will reduce General Fund revenue by the amount redirected to the MSPL.

The DEP has indicated that administration of the MSPL will require additional staff and resources. Although the bill authorizes the use of MSPL resources for administrative costs, penalty revenue is variable and may not provide a minimum level of funding to support a position within the fund. As a result, the bill includes ongoing General Fund appropriations of \$101,881 beginning in fiscal year 2026-27 for one Environmental Specialist III position and related All Other costs.

The bill also includes a one-time transfer of \$100,000 on or before September 1, 2026 from the unappropriated surplus of the General Fund to capitalize the MSPL, along with a corresponding ongoing allocations to authorize expenditures.