

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

One Hundred and Second Legislature

OF THE

STATE OF MAINE

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Constitution of Maine, Article IX, Section 14-A, as it may be from time to time amended.'

Sec. 2. R. S., c. 38-B, § 9, sub-§ II, amended. Subsection II of section 9 of chapter 38-B of the Revised Statutes, as enacted by section 1 of chapter 421 of the public laws of 1957 and as amended by chapter 249 of the public laws of 1961, is further amended to read as follows:

'**II. Principal obligation; limit.** Involve a principal obligation, including initial service charges and appraisal, inspection and other fees approved by the authority, not to exceed ~~\$2,000,000~~ \$8,000,000 for any one project and not to exceed 90% of the cost of project;'

Sec. 3. R. S., c. 38-B, § 14, amended. The 3rd sentence of section 14 of chapter 38-B of the Revised Statutes, as enacted by section 1 of chapter 421 of the public laws of 1957, is amended to read as follows:

'If bonds are to be issued, the Governor and Council shall order the Treasurer of State to issue bonds in the amount requested, but not exceeding in the aggregate ~~\$20,000,000~~ at any one time outstanding the amount set forth in the Constitution of Maine, Article IX, Section 14-A, as it may be from time to time amended, to mature serially or made to run for such periods as the Governor and Council may determine, but none of them shall run for a longer period than 20 years, and at such rates of interest and on such terms and conditions as the Governor and Council shall determine.'

Emergency clause. In view of the emergency cited in the preamble, this act shall take effect when approved.

Effective January 8, 1964

Chapter 420

AN ACT to Promote Mining in the State and Reclassifying Certain Waters in Hancock County.

Emergency preamble. Whereas, acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the development and expansion of the state's economy is of vital importance and concern to the people of Maine; and

Whereas, the state's progressive program of prospecting and mining known and suspected mineral deposits has encouraged mining companies to invest in the exploration of possible sites; and

Whereas, the exploration carried on in the area of Blue Hill indicates the presence of sufficient ore for commercial purposes; and

Whereas, the realization of a mining operation in this area will provide employment and business opportunities which will benefit the people of Hancock County and Maine; and

Whereas, the following legislation is vitally necessary to the operation of the proposed mine; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., c. 39-B, § 5, amended. The last 2 paragraphs of section 5 of chapter 39-B of the Revised Statutes, as enacted by section 2 of chapter 293 of the public laws of 1957 and as amended, are further amended to read as follows:

'The holder of a license to mine shall make royalty and rental payment as follows:

I. Rental. Property within the terms of a license to mine is subject to an annual rental of \$5 per acre, payable in advance, **except as provided by section 9;**

II. Royalty. Royalty payment of 5% of the adjusted fair market value of the minerals or metals removed from the ground is charged on an annual basis, and shall be applied to defray rental charges up to the maximum rental chargeable in any one year. All royalty payments in excess of the maximum rental charges shall be paid ~~as hereinbefore stated~~ **annually.**

Each mining license or lease may contain a provision for a minimum royalty applicable to all mining operations on or under state owned lands. Minimum royalties shall be applied against actual royalties set forth herein. A minimum royalty shall be based on each ton of material removed from state owned land. The amount shall be negotiated by the Maine Mining Bureau and the lessee to provide an equitable return to the State for removal of the natural resources and shall not be an unnecessary burden to the development of mining operations in the State.

A. The adjusted fair market value ~~for~~ shall be:

1. For such products as have a posted field or market price at the mine head ~~shall be~~, the posted field or market price at the time of removal from the ground ~~without~~ **after** deductions ~~except~~ of those expenses of **mining**, hoisting, crushing and loading necessary to place the severed ~~product~~ **products** in marketable form and at a marketable place, **or**

2. ~~The adjusted fair market value for~~ For such severed products as must be processed or beneficiated before they reach a marketable form, ~~shall be~~ the fair value of such severed products in their first marketable form as ore concentrate at point of concentration, after deduction of expenses of **mining**, hoisting, crushing, loading, transportation, processing ~~and~~, beneficiation **including the capital costs of a concentrator and mining equipment, amortized or depreciated over periods of years agreed upon by the Maine Mining Bureau and the lessee, and local administrative costs** **or**

3. In case said severed products have no market value at the mine or as a concentrate, the adjusted fair market value shall be the value of such severed products when they first reach a marketable form, after deduction of expenses of mining, hoisting, crushing, loading, transportation, processing ~~and~~, beneficiation and smelting, including the capital costs of

a concentrator and mining equipment, amortized or depreciated over periods of years agreed upon by the Maine Mining Bureau and the lessee, and administrative costs and after deduction of the value of any other materials or articles which are combined with, mixed with, absorbed in, or absorbed by said severed products in the process of turning said severed products into their first marketable form. There shall ~~also~~ be deducted the expenses of such combining, mixing or absorbing processes.

In the event the lessee also mines or concentrates ore from land owned other than by the State only that percentage of capital costs of the concentrator, mining equipment and administrative costs directly attributable to the material removed from state owned lands and processed through the concentrator shall be deducted in determining the royalties due the State.

All fee, rental and royalty moneys accruing from operations under prospectors' permits the license to mine or mining lease shall be used for schools and shall be paid into the "Unorganized Territory Capital Working Fund," described in section ~~167 of chapter 47~~ paid into the Maine Mining Bureau for administration and control of all prospecting, development or mine activity conducted in areas administered by the bureau. Such fund shall be nonlapsing. The bureau may, with the approval of the Governor and Council, assign such sums as it deems proper to other state agencies for preservation, development or replacement of natural resources.'

Sec. 2. R. S., c. 79, § 15, amended. Subsections XL and XLIV of that part of section 15 of chapter 79 of the Revised Statutes, under the caption "Penobscot River Basin", as enacted by section 2 of chapter 426 of the public laws of 1955, are amended to read as follows:

'XL. Coastal streams, segments and tributaries thereof, not otherwise defined, above tidewater, entering tidewater between Billings Cove in Sedgwick and the head of tide on the Union River at Ellsworth, except that section of Carleton Stream between First Pond and Second Pond in Blue Hill — Class B-1.'

'XLIV. Carleton Stream, Blue Hill, main stem, from the outlet of First Pond to tidewater at Salt Pond to the sawmill of C. M. Allen & Son — Class B-2 — Unclassified.'

Sec. 3. R. S., c. 79, § 16, sub-§ III, additional. Section 16 of chapter 79 of the Revised Statutes, as enacted by section 8 of chapter 426 of the public laws of 1955 and as amended, is further amended by adding a new subsection III, to read as follows:

'III. First Pond and Second Pond in the Town of Blue Hill in Hancock County — Unclassified.'

Sec. 4. Deposit of tailings. The Maine Mining Bureau is authorized to permit Denison Mines Limited, Toronto, Ontario to dump tailings from their mining and milling operations in Hancock County into Second Pond, Blue Hill Township, in accordance with standard mining and milling practices. Denison Mines Limited has agreed to control the bulk of these tailings within the present limits of Second Pond. This section shall apply to any company designated by Denison Mines Limited to operate the mining properties involved.

Emergency clause. In view of the emergency cited in the preamble, this act shall take effect when approved.

Effective January 15, 1964

Chapter 421

AN ACT Relating to the Disposition of Hundredweight Fees Payable to the Maine Milk Commission and the Maine Dairy Council Committee.

Emergency preamble. Whereas, acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the essential needs of the Maine Milk Commission require that additional revenue be raised; and

Whereas, the revenue to be raised under the Milk Commission Act will not be sufficient to provide for said needs during the current fiscal year unless the hundredweight fee assessments be immediately increased; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., c. 33, § 6, amended. The 3rd paragraph of section 6 of chapter 33 of the Revised Statutes, as amended, is further amended to read as follows:

'Each licensed dealer shall pay to said commission an annual license fee of \$1 and the sums of ~~3c~~ 3½c per hundredweight as monthly payments, based on quantity of milk purchased or produced in any market area, or purchased or produced in an uncontrolled area and sold in any market area. ~~One and one-half~~ **One and three-quarter** cents per hundredweight may be deducted by dealers from amounts paid by them to producers of such milk; except that the milk, farm-processed into cream for the manufacture of butter, shall not be subject to such sums of ~~3c~~ 3½c per hundredweight.'

Sec. 2. R. S., c. 33, § 7, sub-§ III, repealed. Subsection III of section 7 of chapter 33 of the Revised Statutes, as amended, is repealed.

Sec. 3. R. S., c. 33, § 7, amended. Section 7 of chapter 33 of the Revised Statutes, as amended, is further amended by adding before the last paragraph, a new paragraph, as follows:

'Out of the sums raised by assessments in section 6, 2c per hundredweight shall be expended for the promotional, educational, experimental plans and the research and advertising purposes as determined by the Maine Dairy Council Committee and for the compensation of and the expenses incurred by the Maine Dairy Council Committee.'