

# MAINE STATE LEGISLATURE

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Business & Education  
at Work for Maine

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**Report**  
Susan Johannesman

February 11, 2011

*Hand delivered to:*  
*Cross State Office Building, Room 214-A*

Hon. Thomas B. Saviello, Senate Chair  
Hon. James M. Hamper, House Chair  
Joint Standing Committee on Environment and Natural Resources  
Maine Legislature  
100 State House Station  
Augusta, Maine 04333-0100

*Re: Waste Motor Oil Disposal Site Remediation Program*

Dear Sen. Saviello, Rep. Hamper, and Distinguished Members of the Joint Standing Committee on Environment and Natural Resources:

On behalf of the Finance Authority of Maine (FAME) and Maine Revenue Services (MRS), enclosed please find twenty (20) copies of the annual report of FAME and MRS regarding the **Waste Motor Oil Disposal Site Remediation Program** revenues.

Please do not hesitate to contact me or the agency representatives identified in the report should you require any further information.

Very truly yours,

William S. Norbert  
Governmental Affairs Manager

cc w/ encl: Peter B. Beaulieu, MRS

Report to the Joint Standing Committee  
on  
Environment and Natural Resources

**Waste Motor Oil Disposal Site Remediation Program  
Waste Motor Oil Revenue Fund**

February 15, 2011

Submitted by:  
Finance Authority of Maine  
Maine Revenue Services

In accordance with Title 10 Maine Revised Statutes Annotated, Section 1020-B<sup>1</sup>, this constitutes the annual joint report of the Finance Authority of Maine (“FAME”) and the State Tax Assessor, by and through Maine Revenue Services (“MRS”). The report consists of FAME and MRS’s unaudited report of revenues collected per month through calendar year 2010 and deposited to the Waste Motor Oil Revenue Fund (“Fund”). The month and the amounts reflected represent the amounts generated by those responsible for payment of the waste motor oil premium in that month<sup>2</sup>. Revenues generated in a given month are due to MRS by the 15<sup>th</sup> day of the following month and are deposited into the Fund in the next following month. (For example, January 2010 revenues were due to MRS in February 2010 and deposited into the Fund in March 2010. They are reflected as January 2010 revenues, the month they were generated.) Due to the difference between the month in which premiums are generated, the month in which they are collected by MRS, and the month in which they are transferred to the Fund, revenues from the last two months of calendar year 2009 are also included for clarity.

2010

|           |              |
|-----------|--------------|
| December  | \$280,918.15 |
| November  | \$233,829.13 |
| October   | \$321,765.42 |
| September | \$262,251.80 |

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<sup>1</sup> **10 M.R.S.A. §1020-B. Status reports**

The following reports related to the waste motor oil disposal site remediation program under section 1020-A must be submitted to the joint standing committee of the Legislature having jurisdiction over natural resources matters.

**1. Program report.** By January 15, 2010 and every 2 years thereafter, the authority and the Department of Environmental Protection shall report on the status of the waste motor oil disposal site remediation program under section 1020-A.

**2. Funding report.** By February 15, 2010 and every year thereafter, the authority and the State Tax Assessor shall report the revenue collected pursuant to section 1020, subsection 6-A for the preceding calendar year. The report may be incorporated into the biennial report required under subsection 1. The joint standing committee of the Legislature having jurisdiction over natural resources matters may submit legislation related to the report required under this subsection.

<sup>2</sup> **10 M.R.S.A. §1020(6-A). Premium.** In addition to any other tax or charge imposed under state or federal law, a premium is imposed on bulk motor vehicle oil and prepackaged motor vehicle oil sold or distributed in the State as provided in this subsection. A motor vehicle oil dealer that makes the first sale or distribution of bulk motor vehicle oil or prepackaged motor vehicle oil in the State shall pay the premium. Gasoline engine bulk motor vehicle oils are subject to a premium of \$1.10 per gallon. Diesel engine bulk motor vehicle oils are subject to a premium of 35¢ per gallon. Prepackaged motor vehicle oils are subject to a premium of 35¢ per gallon. All premiums must be paid to the State Tax Assessor and are subject to the administrative provisions of Title 36, Parts 1 (36 M.R.S.A. §1 et seq.) and 3 (36 M.R.S.A. § 1751 et seq.), as though they were a sales tax liability. By the 20<sup>th</sup> day of each month, the State Tax Assessor shall notify the State Controller and the Treasurer of State of the amount of revenue attributable to the premium collected under this subsection in the previous month. When notified by the State Tax Assessor, the State Controller shall transfer that amount to the fund. The premium imposed on prepackaged motor vehicle oil takes effect October 1, 2009.

|          |              |
|----------|--------------|
| August   | \$265,861.52 |
| July     | \$290,980.33 |
| June     | \$311,352.54 |
| May      | \$256,238.00 |
| April    | \$315,739.53 |
| March    | \$214,874.76 |
| February | \$184,587.19 |
| January  | \$179,070.79 |

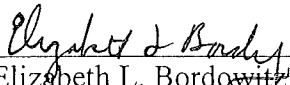
2009


|          |              |
|----------|--------------|
| December | \$241,847.67 |
| November | \$289,788.44 |

Once deposited to the Fund, the premiums are used by FAME to pay debt service on the \$14,495,000 Finance Authority of Maine Waste Motor Oil Revenue Bonds 2009 Series A (Federally Taxable) issued by FAME in September 2009. In addition, FAME is authorized to pay from the Fund its reasonable costs incurred in administering the Fund.

It should be noted that a separate report dated December 1, 2010 on the Waste Motor Oil Disposal Site Remediation Program ("Program") and the Fund and submitted by the Maine Department of Environmental Protection ("DEP") is currently before this Committee as a result of a Resolve passed by the 124<sup>th</sup> Legislature. The Resolve mandated that the DEP convene meetings of persons with interests in the Program to address several issues raised but not decided by the 124<sup>th</sup> Legislature. Please refer to the DEP Report for more detailed information. In addition, please contact Katryn Gabrielson, Deputy General Counsel, FAME at 620-3515 or [kgabrielson@famemaine.com](mailto:kgabrielson@famemaine.com) or Sara Lewis, Deputy Director, Sales, Fuel and Special Taxes, Maine Revenue Services at 624-9608 or [sara.j.lewis@maine.gov](mailto:sara.j.lewis@maine.gov) for further information.

Respectfully submitted,

  
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Elizabeth L. Bordowitz  
Chief Executive Officer  
Finance Authority of Maine

  
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Peter B. Beaulieu  
Director, Sales, Fuel & Special Tax Division  
Maine Revenue Service