

MAINE STATE LEGISLATURE

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STATE OF MAINE
116TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
ENERGY AND NATURAL RESOURCES

MAY 1994

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**ONE HUNDRED AND SIXTEENTH LEGISLATURE
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE
BILL SUMMARIES**

MAY 1994

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries.

The committee report or reports, the prime sponsor for each bill and the lead co-sponsor in each house if one has been designated are listed below each bill title. All adopted amendments are listed, by paper number, together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various types of final action are abbreviated as follows:

PUBLIC XXX

P&S XXX

RESOLVE XXX

CON RES XXX

EMERGENCY

ONTP

INDEF PP

FAILED ENACTMENT

FAILED EMERGENCY ENACTMENT

FAILED MANDATE ENACTMENT

DIED BETWEEN BODIES

CONF CMTE UNABLE TO AGREE

VETO SUSTAINED

UNSIGNED

DIED ON ADJOURNMENT

Chapter # of enacted Public Law

Chapter # of enacted Private & Special Law

Chapter # of enacted Resolve

Chapter # of Constitutional Resolution passed by both Houses

Enacted law takes effect sooner than 90 days

Ought Not to Pass report accepted

Bill Indefinitely Postponed

Bill failed to get majority vote

Emergency bill failed to get 2/3 vote

Bill imposing local mandate failed to get 2/3 vote

House & Senate disagree; bill died

Committee of Conference unable to agree; bill died

Legislature failed to override Governor's Veto

Not signed by Governor within 10 days

Action incomplete when session ended; bill died

These summaries were prepared by the analyst or analysts assigned to the committee. If you have any suggestions or comments on the summaries, please let us know.

5581LHS

COMMITTEE AMENDMENT "A" (H-858) clarifies the bill with respect to the definition of the term "substantially altered" and with respect to what lands acquired by the State by deed of gift were intended to be designated. The amendment specifically states that lands deeded to the State by Governor Percival P. Baxter by deeds of gift and lands managed by the Baxter State Park Authority that are contiguous with Baxter State Park are not designated lands. The amendment also changes the list of lands designated in the bill by including public boat facilities held by the Bureau of Parks and Recreation and by excluding submerged lands and 6 parcels of public reserved lands currently held by the Bureau of Public Lands that were acquired with the specific intent to trade. Those parcels acquired for the purpose of trade consist of 2 parcels in Bradley that total 8,843 acres, 3 parcels in LaGrange that total 2,048 acres and one 804-acre parcel in Bradford.

LD 1993

**An Act to Demonstrate the Value the State Places on
a Strong, Competitive and Sustainable Paper Industry**

PUBLIC 671

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED	
COLES	OTP-AM	MAJ	H-1104	
DUTREMBLE D	ONTP	MIN	S-660	BALDACCI

SUMMARY

The bill proposed a 3-part approach to assisting the pulp and paper industry with financing a broad range of capital improvements, including process changes and investments to comply with new environmental regulations.

The first part enables the pulp and paper industry to access tax-exempt financing more easily. It provides for the annual evaluation of the eligible projects within the pulp and paper industry for private activity bonds administered by the Finance Authority of Maine. This portion of the original bill was enacted.

The second part is the establishment of a special pulp and paper industry tax increment financing program that will assist the pulp and paper industry in utilizing tax increment financing for improvements. Specifically, the bill exempts the pulp and paper industry from the 2% acreage limitation, 5% assessed value limitation and the \$50,000,000 per county indebtedness limitation applicable to other tax increment financing districts. Narrowed to include only environmental improvement investments as described below, this portion of the bill was enacted in somewhat modified form as part of the committee amendment (H-1104).

The third part of the original proposal would have established a special state tax increment financing program for the pulp and paper industry. This program would have enabled the establishment of special districts to allow the capture of up to 100% of the sales and use tax and individual income tax withholding generated by the construction of improvements at a mill or other premises where a project is located. This portion of the bill was not enacted.

COMMITTEE AMENDMENT "A" (H-1104), the majority committee report, replaced those portions of the bill that would have established a combined property tax and state tax increment financing program for the pulp and paper industry.

The property tax increment financing program incorporated in the committee amendment is described above. The committee amendment replaced the state tax increment financing proposal of the bill with a new \$20 million program of direct financial assistance to the pulp and paper industry to assist in financing environmental investments. The new program is administered by the Commissioner of Economic and Community Development.

As part of the conditions for participation in either the new property tax increment financing program or the investment grant program, a pulp and paper company must submit a proposed "environmental improvement project" to the Department of Environmental Protection. The Commissioner of Environmental Protection is directed to analyze the proposed project and to certify those portions that are, in fact, required by federal and related state environmental regulation.

The committee amendment also changes the investment tax credit for any tax year ending on or after March 1, 1994 but prior to March 1, 1995 by limiting the credit allowed from \$25,000 plus 75% to \$25,000 plus 60% of the tax liability for the taxable year that exceeds \$25,000. This amendment also adds a fiscal note.

SENATE AMENDMENT "C" (S-660) was adopted to ensure that only the net increase of a mill's total assessed valuation in a town is eligible to receive property tax increment financing under the new program. This net increase would be calculated by estimating the increase in assessed property value inside the development district and subtracting from that amount any decreases in assessed value of property held by the mill in the same town but outside the development district. The amendment also corrects the definition of pulp and paper industry.

LD 2009 An Act Concerning Plastic Holding Devices

PUBLIC 743

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

SUMMARY

LD 2009 is the unanimous report of the Joint Standing Committee on Energy and Natural Resources. The bill was reported by Committee pursuant to Public Law 1993, chapter 341, section 7.

This bill postpones for 2 years the effective date of the ban on the sale of products connected by plastic holding devices. The bill also requires distributors of products connected by plastic holding devices that are sold in vending machines to collect the plastic holding devices removed from those products and ensure that they are recycled. The bill also requires that distributors of plastic holding devices or products connected by plastic holding devices report to the Maine Waste Management Agency by February 1, 1996 on the number of devices distributed in the State and the number collected and recycled after removal from products sold in vending machines. The agency is required to analyze that data and report statewide totals to the Joint Standing Committee on Energy and Natural Resources by April 1, 1996.

The bill also authorizes the Joint Standing Committee on Energy and Natural Resources to report out legislation to the Second Regular Session of the 117th Legislature on any matter pertaining to plastic holding devices.