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STATE OF MAINE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE

COMMITTEE ON MARINE RESOURCES

TO: Senator, Bill Diamond, Senate Chair
Representative, Emily Ann Cain, House Chair
Members, Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Dennis Damon, Senate Chair
Representative Leila Percy, House Chair
Joint Standing Committee on Marine Resources

DATE: January 26, 2010

SUBJ: Committee report on LD 1671 Supplemental Budget for FY 2010 and 2011

The Joint Standing Committee on Marine Resources (DMR) voted 9-0 to support those provisions of the Governor's supplemental budget (LD 1671) within the jurisdiction of the committee except the committee voted 8-2 in opposition Part DDD. Two members voted in favor of Part DDD as written.

The committee also voted (9-0) to recommend amending the supplemental budget with "Amendment A" attached to this letter. That amendment strikes statutory language enacted in the 2005 budget (PL 2005, c.12, Pt III, § 2) and in the 2009 budget (PL 2009, c. 213, Pt. OO, §1) that together raised watercraft registration fees by \$8 and allowed the Department of Inland Fisheries and Wildlife to retain that amount instead of splitting it with DMR. Prior to 2005, all revenues from watercraft registration fees (minus administrative costs) were apportioned between DMR and IFW based on a negotiated percentage (75% to IFW and 25% to DMR).

Finally, the committee voted (9-0) to amend the budget as provided in the attached "Amendment B" to require DMR and IFW to renegotiate the apportionment of watercraft registration fees to provide DMR by 2015 with the revenues DMR lost over the past 5 years because of the \$8 exemption mentioned above, approximately \$454,937.

Thank you for your consideration of our recommendations.

cc: Patrick Norton, Director, Office of Policy and Legal Analysis

Amendment A

PART ?

Sec. _____. 12 MRSA § 10206, subsection 3, is amended to read:

3. Watercraft revenues. Except as provided in subsection 6, all revenues collected under the provisions of this Part relating to watercraft, including chapter 935, are disposed of as follows.

A. All fees collected for certificates, licenses and permits by the commissioner are paid daily to the Treasurer of State and accrue as undedicated revenue to the General Fund and as dedicated revenue to the Department of Marine Resources in accordance with paragraph C.

B. Each court shall pay all fines, forfeitures and penalties collected for violations of the provisions of this Part relating to watercraft, including chapter 935, and all officers' costs collected for either coastal wardens or game wardens to the Treasurer of State, monthly, and that money accrues as undedicated revenue to the General Fund, except that all fines, forfeitures and penalties collected as a result of the efforts of municipal law enforcement officers or harbor masters enforcing the provisions of this Part relating to watercraft, including chapter 935, in their respective jurisdictions are paid to that municipality for the local enforcement efforts. The department shall record as dedicated revenue to the Department of Marine Resources that portion of fines, forfeitures and penalties allocable to the Department of Marine Resources in accordance with paragraph C.

~~C. (CONFLICT: Text as amended by PL 2009, c. 340, §8) All revenues collected under the provisions of this Part relating to watercraft, including chapter 935, including fines, fees and other available money deposited with the Treasurer of State, must be distributed as undedicated revenue to the General Fund and the Department of Marine Resources according to an allocation rate that directly relates to the administrative costs of the Division of Licensing, Registration and Engineering. Three dollars of each motorized watercraft registration is dedicated to the Department of Inland Fisheries and Wildlife and is not subject to the split with another agency as required under this paragraph. The Legislature shall appropriate to the department in each fiscal year an amount equal to the administrative costs incurred by the department in collecting revenue under this subsection. Those costs must be verified by the Department of Marine Resources and the Department of Administrative and Financial Services. The allocation rate must also allow for any necessary year-end reconciliation and accounting distribution. The allocation rate must be jointly agreed to by the department and the Department of Marine Resources and approved by the Department of Administrative and Financial Services, Bureau of the Budget.~~

The fees outlined in section 13056, subsection 8, paragraphs A and B for watercraft operating on inland waters of the State each include a \$10 fee for invasive species prevention and control. This fee is disposed of as follows:

~~(1) Sixty percent of the fee must be credited to the Invasive Aquatic Plant and Nuisance Species Fund established within the Department of Environmental Protection under Title 38, section 1863; and~~

~~(2) Forty percent of the fee must be credited to the Lake and River Protection Fund established within the department under section 10257.~~

C. (CONFLICT: Text as amended by PL 2009, c. 213, Pt. OO, §1) All revenues collected under the provisions of this Part relating to watercraft, including chapter 935, including fines, fees and other available money deposited with the Treasurer of State, must be distributed as undedicated revenue to the General Fund and the Department of Marine Resources according to an allocation rate that directly relates to the administrative costs of the Division of Licensing, and Registration, and Engineering. ~~Eight dollars of each motorized watercraft registration is dedicated to the Department of Inland Fisheries and Wildlife and is not subject to the split with another agency as required under this paragraph.~~ The Legislature shall appropriate to the department in each fiscal year an amount equal to the administrative costs incurred by the department in collecting revenue under this subsection. Those costs must be verified by the Department of Marine Resources and the Department of Administrative and Financial Services. The allocation rate must also allow for any necessary year-end reconciliation and accounting distribution. The allocation rate must be jointly agreed to by the department and the Department of Marine Resources and approved by the Department of Administrative and Financial Services, Bureau of the Budget.

The fees outlined in section 13056, subsection 8, paragraphs A and B for watercraft operating on inland waters of the State each include a \$10 fee for invasive species prevention and control. This fee is disposed of as follows:

(1) Sixty percent of the fee must be credited to the Invasive Aquatic Plant and Nuisance Species Fund established within the Department of Environmental Protection under Title 38, section 1863; and

(2) Forty percent of the fee must be credited to the Lake and River Protection Fund established within the department under section 10257.

SUMMARY

This amendment removes the provision of law that directs eight dollars of each motorized watercraft registration be dedicated to the Department of Inland Fisheries and Wildlife that is not subject to the split with the Department of Marine Resources. It also corrects a non-substantive conflict from the statutes.

Amendment B

PART ?

Sec. ____ . Distribution of the revenue from watercraft registration fees between the Department of Inland Fisheries and Wildlife and the Department of Marine Resources. By March 1, 2010, the Commissioner of the Department of Inland Fisheries and Wildlife and the Commissioner of the Department of Marine Resources shall negotiate and put into affect an agreement of understanding that adjusts the current percentages used to allocate the revenues from watercraft registration fees between the departments. The agreement must increase the percentage currently used to apportion watercraft registration revenues to DMR to a percentage that ensures DMR receives no less than \$454,937 in additional watercraft registration revenue by 2015. The Commissioner of Marine Resources shall report to the joint standing committee on marine resource on the negotiations and agreement reached pursuant to this section by March 15, 2010.

SUMMARY

This part requires the Commissioner of the Department of Inland Fisheries and Wildlife and the Commissioner of the Department of Marine Resources to enter into an agreement that increases the amount of watercraft registration revenue the Department of Marine Resources receives by March 1, 2010. The agreement must increase the current percentage of watercraft registration revenue the Department of Marine Resources receives to a level that ensures the department will receive an additional amount of \$454,937 by 2015. The Commissioner of Marine Resources shall report to the joint standing committee on marine resource on the negotiations and agreement reached pursuant to this section by March 15, 2010.