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Legislative Document

No. 1397

H.P. 949

House of Representatives, May 12, 2015

An Act To Establish the Affordable Heating from Maine's Forests Fund

(EMERGENCY)

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

ROBERT B. HUNT

R(+ B. Hunt

Clerk

Presented by Representative TIMBERLAKE of Turner. (GOVERNOR'S BILL)

Cosponsored by Senator EDGECOMB of Aroostook and

Representative: KINNEY of Knox.

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

Whereas, this legislation establishes the Affordable Heating from Maine's Forests Fund, which receives scheduled transfers from the Public Reserved Lands Management Fund; and

Whereas, the first of these transfers must occur before the expiration of the 90-day period in order to allow the fund to support measures to reduce rural residential heating costs before the next winter season; 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. 12 MRSA §1849, sub-§1,** as amended by PL 2013, c. 405, Pt. A, §24 and Pt. C, §10, is further amended to read:
- 1. Revenue sources. Except as provided in paragraph A and Title 35-A, section 10124, the bureau must receive all money, securities and other things of value accruing to the State: from the sale of timber and grass and other rights and things of value from the public reserved lands under the care, custody, control or management of the bureau; in payment for timber, grass and other things of value cut or taken by trespassers; from forfeiture of a bond or a deposit when a contractor does not fulfill the terms of the contract or comply with state regulations; or as a result of a compromise or settlement of any claim.
 - A. The first \$20,000 in the aggregate of any money accruing from the alienation of rights to mine upon public reserved land, or other income arising out of mining operations, that is actually received during any fiscal year, and every portion thereof accruing from these mining operations, must be paid to the Division of Geology, Natural Areas and Coastal Resources.

Sec. 2. 35-A MRSA §10124 is enacted to read:

§10124. Affordable Heating from Maine's Forests Fund

1. Fund established. The Affordable Heating from Maine's Forests Fund, referred to in this section as "the fund," is established. The fund is a nonlapsing fund administered by the trust in accordance with this section. Any interest earned on funds in the fund must be credited to the fund, and funds not spent in any fiscal year remain in the fund to be used in accordance with this section. The trust receives and deposits in the fund funds from the Public Reserved Lands Management Fund, established in Title 12, section 1849, subsection 2.

- 2. Funding source. All money deposited in the fund must be used for investments in measures that reduce residential heating costs. The measures must be consistent with the measures that lower residential heating demand in section 10109, subsection 4, paragraph A and must, to the maximum extent practicable, prioritize rural and low-income residences. The Treasurer of State shall transfer funds from the Public Reserved Lands Management Fund, established in Title 12, section 1849, subsection 2, to the fund in accordance with this subsection.
 - A. On July 1, 2015, the Treasurer of State shall transfer, at a minimum, \$1,000,000 from the Public Reserved Lands Management Fund to the fund and to the maximum extent practicable shall also transfer any revenue accrued in the Public Reserved Lands Management Fund over the 2012 revenue amounts of the Public Reserved Lands Management Fund as determined by the Commissioner of Agriculture, Conservation and Forestry as long as the transfer of those additional funds does not undermine the mandated multiple stewardship obligations under Title 12, chapter 220, subchapter 4.
 - B. On July 1, 2016, and on July 1st in each year thereafter, the Treasurer of State shall transfer from the Public Reserved Lands Management Fund to the fund to the maximum extent practicable any revenue accrued in the Public Reserved Lands Management Fund over the 2012 revenue amounts of the Public Reserved Lands Management Fund as determined by the Commissioner of Agriculture, Conservation and Forestry as long as the transfer of those funds does not undermine the mandated multiple stewardship obligations under Title 12, chapter 220, subchapter 4 and as long as the funding needs of the Public Reserved Lands Management Fund are met.
- <u>Activity undertaken pursuant to this subsection may not result in the loss of certification</u> of public reserved lands by independent forestry certification systems.
- 3. Rulemaking. The board may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- **Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

31 SUMMARY

This bill establishes the Affordable Heating from Maine's Forests Fund, administered by the Efficiency Maine Trust. The fund receives revenue from the sale of timber and other things of value from Maine's public reserved lands. In 2015 a minimum of \$1,000,000 must be transferred from the Public Reserved Lands Management Fund to the Affordable Heating from Maine's Forests Fund. Subsequent transfers are based on revenue accrued over the 2012 revenue amounts of the Public Reserved Lands Management Fund, subject to some limitations. The Efficiency Maine Trust is required to use the funding for measures that reduce residential heating costs and must prioritize rural and low-income residences.