



# 129th MAINE LEGISLATURE

LD 1074

LR 1961(02)

## An Act To Establish a Tax on Water Extracted for Bottling in Order To Secure the Economic Future of Rural Maine

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

Current biennium cost increase - General Fund  
 Contingent current biennium cost increase - General Fund  
 Contingent current biennium revenue increase - Highway Fund

#### Referendum Costs

Month/Year	Election Type	Question	Length
Nov-19	General	Referendum	Standard

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions requires production and delivery of a second ballot, an additional appropriation of \$172,000 may be required.

#### Fiscal Detail and Notes

The bill creates an excise tax of 5¢ per gallon on the extraction of groundwater or surface water for commercial bottling for resale for each bottled water operator that extracted more than 1.5 million gallons of groundwater or surface water in the previous calendar year, contingent on voter approval at a statewide election. Revenue from the tax will be credited to the Highway Fund. If approved by the voters, Highway Fund revenue is expected to increase by approximately \$53 million per year. The Department of Administrative and Financial Services will need a General Fund appropriation of \$100,000 in fiscal year 2020-21 for computer programming to create the new tax in the processing system.