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State of Maine
ONE HUNDRED AND TWENTY-SIXTH LEGISLATURE
COMMITTEE ON AGRICULTURE, CONSERVATION AND FORESTRY

TO: Senator Dawn Hill, Senate Chair
Representative Margaret Rotundo, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Troy D. Jackson, Senate Chair
Representative James F. Dill, House Chair
Joint Standing Committee on Agriculture, Conservation and Forestry

DATE: May 15, 2013

RE: Agriculture, Conservation and Forestry report back on the Governor's Budget for 2014 and 2015

The Joint Standing Committee on Agriculture, Conservation and Forestry has reviewed the entire proposed biennial budget for the Department of Agriculture, Conservation and Forestry. The committee has voted to support all the biennial budget items (voting sheets attached) except for those listed below. These are:

- 1.) On April 24th, the committee voted unanimously of those present (10-0) to recommend against inclusion in the biennial budget of items listed as Reference Items #183 and #184 (pages ACF-22 and ACF-23), which propose elimination of one Inspection Process Analyst position and one Management Analyst I position assigned to the Fruit and Vegetable Federal and State Inspection program. This recommendation, if adopted, would result in a \$222,639 increase in General Fund expenditures in the proposed biennial budget. The committee did not identify an alternative funding source or equivalent reductions in expenditures that would offset this increase. The committee is not recommending these positions be funded by the General Fund, but recommending that the DACF find funding from existing resources within the department.
- 2.) The committee voted unanimously (13-0) to recommend inclusion in Part JJJ of an amendment that strikes and replaces Section JJJ-1 in the biennial budget bill. The amendment, which was submitted at the public hearing on the ACF budget, is attached. The committee is

recommending, however, that contrary to the budget proposal on EDU-92 (Ref. #2549), that the appropriation and allocation of OSR funds to integrated pest management for the Maine wild blueberry industry proposed in the amendment represent one-time only appropriations and allocations for the 2014 and 2015 fiscal years and not become part of the baseline budget.

3.) On May 16th, the ACF Committee reconsidered 4 Public Service Coordinator 1 positions that were proposed to be transferred from various divisions to the Commissioner's Office. By 12-0 votes, the committee voted to move out the following items:

- A. Ref. #s 314(ACF-2), 217 (ACF-71), 315 (ACF-2), 218 (ACF-71)
- B. Ref. #s 177(ACF 41-42), 154 (ACF-60), 214 (ACF-70)
- C. Ref. #s 302 (ACF-78), 215(ACF-70), 216 (ACF-70)
- D. Ref. #s 261 (ACF-52), 303 (ACF-78), 219 (ACF-71)

4.) Agricultural Fair Support Fund Amendment

The committee initially voted "in" this amendment proposed by the DACF on May 15, 2013. The Committee reconsidered on May 16, 2013. On a motion by Rep. Marean, seconded by Rep. Noon, the following amendment was adopted unanimously (12-0) by committee members present and voting:

§86. Stipend Fund

1. Annual distribution. The commissioner shall annually distribute all money contributed to the Stipend Fund under Title 8, sections 286 and 287 to qualified licensees in accordance with this section.

2. Distribution of funds to fair licensees that conduct pari-mutuel racing. Forty-four percent of the amounts contributed to the Stipend Fund under Title 8, sections 286 and 287 must be divided into equal amounts for reimbursement to each licensee that:

- A. Conducts pari-mutuel racing in conjunction with its annual fair;
- B. Has improved its racing facilities; and
- C. Has met the standards for facility improvements set by the commissioner for that licensee.

A licensee that has not complied with the improvement standards set by the commissioner for a given year is not eligible for a reimbursement under this subsection for that year.

3. Distribution of funds to fair licensees who do not conduct pari-mutuel racing. Eight percent of the amount contributed to the Stipend Fund under Title 8, sections 286 and 287 for a calendar year must be divided into amounts in proportion to the sums expended for premiums by the licensee in that year for reimbursement to each licensee that:

- A. Does not conduct pari-mutuel racing; and
- B. Has met the standards for facility improvements set by the commissioner for that licensee.

A licensee that has not complied with the improvement standards set by the commissioner for a given year is not eligible for a reimbursement under this subsection for that year.

4. **Expenditures for administration and inspection services.** The commissioner may expend annually up to ~~13%~~ 6.5% of the Stipend Fund for administrative and inspection services provided under this chapter.

§91. Agricultural Fair Support Fund

1. **Fund created.** The Treasurer of State shall establish an account to be known as "the Agricultural Fair Support Fund" and shall credit to it all money received under Title 8, section 1036, subsection 2, paragraph D. The fund is a dedicated, nonlapsing fund. All revenues deposited in the fund must be disbursed in accordance with this section, except that assessments and advances may be withdrawn in accordance with Title 8, section 267-A.

2. **Disbursement.** No later than January 31st of each year, all funds held as of the end of the previous calendar year in the Agricultural Fair Support Fund must be distributed by the Treasurer of State as follows:

A. Thirty-four percent of these funds must be distributed to all commercial tracks as defined in Title 8, section 275-A and to all fair licensees that during the previous year were licensed to and did accept pari-mutuel wagers on harness horse races. These funds must be distributed in the manner prescribed in Title 8, section 298; and

B. The remaining ~~S~~sixty-six percent of these funds must be divided among all fair licensees that were licensed during the previous year. These funds After any expenditure by the commissioner, up to 6-17/2% of these funds may be spent annually for administrative and inspection services provided under this chapter. Funds remaining after any such expenditure for administrative and inspection services must be distributed to licensees according to the proportions established by section 86, subsection 5 and may be used at the licensee's discretion. To receive distribution under this paragraph, a licensee holding pari-mutuel racing in the previous year must have been in compliance with section 89.

5.) The Committee also is recommending that Part AA, which is replicated in LD 837, and Part BB, a policy change that the Committee opposes, be moved out.

Encl.

cc: Members, Joint Standing Committee on Appropriations and Financial Affairs

Members, Joint Standing Committee on Agriculture, Conservation and Forestry