

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## An Act To Establish the Let's Grow Maine Program

Be it enacted by the People of the State of Maine as follows:

**Sec. 1. 5 MRSA §12004-I, sub-§6-I** is enacted to read:

**6-I.**

Economic  
Development

Food Security Council Expenses Only

10 MRSA §1100-Q

**Sec. 2. 10 MRSA c. 110, sub-c. 7-A** is enacted to read:

### **SUBCHAPTER 7-A**

### **LET'S GROW MAINE PROGRAM**

#### **§ 1100-Q. Let's Grow Maine Program**

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

- A. "Committee" means the joint standing committee of the Legislature having jurisdiction over economic development matters.
- B. "Council" means the Food Security Council set out in subsection 3.
- C. "Fund" means the Food and Farm Fund established in subsection 5.
- D. "Program" means the Let's Grow Maine Program established in subsection 2.

**2. Program established; purpose.** The Let's Grow Maine Program is established to procure fruits and vegetables from farm businesses in the State for distribution to schools, senior citizens and individuals with low income, through a public and private partnership, in order to provide hunger relief. The primary function of the program is the purchase of fruits and vegetables grown in the State at a volume that meets the emergency food assistance needs in the State, subject to the need to develop effective storage and delivery capacity for this food.

**3. Food Security Council.** The Food Security Council, established in Title 5, section 12004-I, subsection 6-I, is an advisory council that is responsible for determining regional emergency food assistance needs and developing a comprehensive strategy to focus allocation of resources under the program. The council is composed of the following members:

A. Nine voting members representing each of the 9 public health districts described in Title 22, section 411, appointed by the Governor; and

B. Four nonvoting members, as follows:

(1) The director of the State's emergency food assistance program, or the Commissioner of Agriculture, Conservation and Forestry's designee;

(2) A representative of the Department of Health and Human Services, Maine Center for Disease Control and Prevention appointed by the Commissioner of Health and Human Services; and

(3) Two private sector professionals with expertise in the State's emergency food network, one appointed by the President of the Senate and one appointed by the Speaker of the House, each appointed to a 2-year term.

**4. Legislative oversight.** The committee has legislative oversight of the council. The council shall submit recommendations to the authority no later than February 1st of each year. If the council does not submit recommendations to the authority, the committee shall develop and report the committee's own recommendations to the authority by April 1st of each year. The authority shall submit a report annually, by January 15th, to the committee, providing an update on the status of the program and expenditures from the fund.

**5. Food and Farm Fund.** The Food and Farm Fund is established as a special fund in the State Treasury. The authority shall administer the fund exclusively for the purpose of administering the program established by this section, including the costs of fund administration. All money in the fund must be deposited, administered and disbursed in the same manner and under the same conditions and requirements as are provided by law for other special funds. Any unencumbered balance in the fund remaining at the end of any fiscal year does not lapse but must be carried forward for continued use in the program.

Funds may be used for the purchase of fruits and vegetables, cold storage, storage infrastructure, transportation or other purposes as recommended by the council and determined by the authority that will help to establish a more efficient and effective supply chain of emergency food assistance resources. Funds may also be used for culinary and nutrition education and home delivery of resources for homebound individuals.

Beginning July 1, 2019 and every July 1st thereafter, the State Controller shall transfer to the fund an amount, as certified by the State Tax Assessor, that is equivalent to 1/2 of the revenue received from the tax imposed on the sale of noncigarette smoking tobacco products pursuant to Title 36, section 4403, subsection 2 in the prior fiscal year.

The authority may accept and deposit in the fund additional funding from any source, public or private.

**6. Administration.** The authority shall administer the program. In administering the program, the authority shall consider the recommendations submitted by the council or the committee pursuant to subsection 4 but is not bound to take any action in response to these recommendations. The authority shall administer the program through the use of private sector partners selected by issuing and broadly publicizing competitive requests for proposals. Requests for proposals may be used for, but are not limited to, purchase of physical assets for storage, infrastructure and transportation, programmatic recommendations and contracts with farmers in the State to grow certain volumes of produce.

**Sec. 3. 36 MRSA §4403, sub-§1,** as repealed and replaced by PL 2009, c. 213, Pt. H, §1 and affected by §3, is amended to read:

**1. Smokeless tobacco.** A tax is imposed on smokeless tobacco, including chewing tobacco and snuff, at the rate of:

A. On amounts of smokeless tobacco packaged for sale to the consumer in a package that contains one ounce or more of smokeless tobacco, \$2.02 per ounce and prorated; and

B. On smokeless tobacco packaged for sale to the consumer in a package that contains less than one ounce of smokeless tobacco, \$2.02 per package.

Beginning January 1, 2018, the tax rates in this subsection are subject to adjustment pursuant to subsection 5.

**Sec. 4. 36 MRSA §4403, sub-§2,** as amended by PL 2005, c. 627, §8, is further amended to read:

**2. Other tobacco.** A tax is imposed on cigars, pipe tobacco and other tobacco intended for smoking at the rate of ~~20%~~47% of the wholesale sales price beginning ~~October 1, 2005~~January 1, 2018, subject to adjustment pursuant to subsection 5.

**Sec. 5. 36 MRSA §4403, sub-§5** is enacted to read:

**5. Equivalence with cigarette tax; adjustment.** If the tax on cigarettes under chapter 703 is increased on or after January 1, 2018, the State Tax Assessor shall calculate a rate of tax on smokeless tobacco under subsection 1 and on other tobacco products under subsection 2 that is equivalent to the same percentage increase as the change in the tax rate for one cigarette. The adjusted rate takes effect at the same time as the change in rate of the cigarette tax.

**Sec. 6. Effective date.** Those sections of this Act that amend the Maine Revised Statutes, Title 36, section 4403, subsections 1 and 2 and that enact Title 36, section 4403, subsection 5 take effect January 1, 2018.

## SUMMARY

This bill establishes the Let's Grow Maine Program, which will be administered by the Finance Authority of Maine with the purpose of purchasing fruits and vegetables from farm businesses in the State for distribution to schools, senior citizens and individuals with low income through a public and private partnership. The program is funded through a newly created Food and Farm Fund that will receive dedicated revenue, starting in July 2019, based on 1/2 of the tax revenues from noncigarette smoking tobacco products. The bill increases the tax for noncigarette smoking tobacco products from 20% of the wholesale sales price to 47%, effective January 1, 2018. If the tax on cigarettes is increased on or after January 1, 2018, this tax, as well as the taxes on smokeless tobacco, will be adjusted by a rate that is equivalent to the percentage change in the tax rate for one cigarette.