



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1568

H.P. 1153

House of Representatives, May 11, 2011

An Act To Ensure Fair Business Competition in Agriculture

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative CURTIS of Madison.
Cosponsored by Senator THIBODEAU of Waldo and
Representatives: CRAY of Palmyra, CUSHING of Hampden, FITTS of Pittsfield.

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

2 **Sec. 1. 10 MRSA §1203, sub-§6** is amended to read:

3 **6. Charitable purposes.** ~~Where~~ When merchandise is advertised or offered for sale
4 or sold for charitable purposes, except as provided in section 1204-B, or to relief
5 agencies;

6 **Sec. 2. 10 MRSA §1204-B** is enacted to read:

7 **§1204-B. Sales by publicly funded nonprofit agricultural organization**

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

10 A. "Directly competes" means providing the same or substantially the same product
11 or service, or both, within a 10-mile radius of another organization.

12 B. "Publicly funded nonprofit organization" means an institution or organization
13 having a place of business in this State that:

14 (1) Is exempt from federal income taxation under the United States Internal
15 Revenue Code, Section 501(a) because the institution or organization is described
16 in the United States Internal Revenue Code, Section 501(c)(3); and

17 (2) Receives at least 20% of its budget from state or federal funding.

18 **2. Prohibition.** A publicly funded nonprofit organization may not engage in an
19 agricultural business that directly competes with another business that is not a nonprofit
20 organization.

21 **3. Exemption.** This section does not apply to isolated transactions made by a
22 publicly funded nonprofit organization that are not in the usual course of business for that
23 organization or to an educational institution that provides instruction in agricultural
24 activities as part of its curriculum.

25 **SUMMARY**

26 This bill prohibits a publicly funded nonprofit organization that receives at least 20%
27 of its budget from federal or state funding, not including an educational institution, from
28 engaging in an agricultural business, on a regular basis, that directly competes with a
29 business that is not a publicly funded nonprofit organization.