

OFFICE OF FISCAL AND PROGRAM REVIEW

Date: May 3, 2013

To: Members, Joint Standing Committee on Taxation

From: Elizabeth Cooper, Legislative Analyst

LD 901, An Act To Modify the Mining Excise Tax

Summary: This bill establishes an annual water quality surtax on water contamination resulting from mining. The tax is equal to \$1 per gallon of groundwater and surface water that is contaminated adjusted to reflect the degree of contamination resulting from mining activities.

Public Hearing:

Proponents

- The sponsor presented the bill and explained the purpose of the bill is not to raise revenue; it is intended to incentivize a preferred outcome.

Opposed

- Testimony in opposition to the bill was provided by a legislator, a representative of Aroostook Timberlands and the Maine Department of Environmental Protection. (See testimony sign in sheet on back.)
- *Major points:* the tax is on activities that are violations of a DEP permit; violations should be addressed through enforcement action.

NFNA- none.

Amendment: The sponsor suggested an amendment to define “acceptable limits.”

Fiscal Information: The preliminary fiscal impact statement was not available at the time this analysis was finalized. The most current fiscal information on bills can be found online at: www.mainelegislature.org/LawMakerWeb/search.asp.