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Legislative Document

No. 314

S.P. 94

In Senate, February 8, 2011

An Act To Improve Employment Opportunities for Workers in the Forest Industry

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

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator JACKSON of Aroostook.
Cosponsored by Representative MARTIN of Eagle Lake and
Senators: DIAMOND of Cumberland, GERZOFKY of Cumberland, PATRICK of Oxford,
Representatives: AYOTTE of Caswell, TUTTLE of Sanford.

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

2 **Sec. 1. 12 MRSA §8883-B, sub-§2, ¶A**, as enacted by PL 2003, c. 452, Pt. F,
3 §44 and affected by Pt. X, §2, is amended to read:

4 A. The name, address and phone number of the landowner, any designated agent
5 and, ~~if known, any harvester or harvesters.~~ The notification must indicate if the
6 landowner or a harvester employed by or under contract to the landowner uses
7 bonded labor under the federal H2 bonded labor program under 20 Code of Federal
8 Regulations, Section 655.200 et seq. If at any time during the 2-year notification
9 cycle a landowner or a harvester employed by or under contract to the landowner
10 uses bonded labor under the federal H2 bonded labor program or the landowner fails
11 to provide the information required under this paragraph and the land being harvested
12 is taxed under the Maine Tree Growth Tax Law, the director of the bureau shall
13 notify the State Tax Assessor and the assessor of the jurisdiction in which the parcel
14 is located that the land or a portion of the land no longer meets the requirements of
15 Title 36, chapter 105, subchapter 2-A and must be suspended in accordance with Title
16 36, section 574-B, subsection 4;

17 **Sec. 2. 36 MRSA §574-B, sub-§2**, as enacted by PL 1989, c. 555, §16, is
18 amended to read:

19 **2. Evidence of compliance with plan.** The landowner must comply with the plan
20 developed under subsection 1, and must submit, every 10 years to the municipal assessor
21 in a municipality or the State Tax Assessor for parcels in the unorganized territory, a
22 statement from a licensed professional forester that the landowner is managing the parcel
23 according to schedules in the plan required under subsection 1; ~~and~~

24 **Sec. 3. 36 MRSA §574-B, sub-§3**, as repealed and replaced by PL 2001, c. 603,
25 §4, is amended to read:

26 **3. Transfer of ownership.** When land taxed under this subchapter is transferred to a
27 new owner, within one year of the date of transfer, the new landowner must file with the
28 municipal assessor or the State Tax Assessor for land in the unorganized territory one of
29 the following:

30 A. A sworn statement indicating that a new forest management and harvest plan has
31 been prepared; or

32 B. A statement from a licensed professional forester that the land is being managed
33 in accordance with the plan prepared for the previous landowner.

34 The new landowner may not harvest or authorize the harvest of forest products for
35 commercial use until a statement described in paragraph A or B is filed with the assessor.
36 A person owning timber rights on land taxed under this subchapter may not harvest or
37 authorize the harvest of forest products for commercial use until a statement described in
38 paragraph A or B is filed with the assessor.

39 Parcels of land subject to section 573, subsection 3, paragraph B or C are exempt from
40 the requirements under this section.

1 For the purposes of this subsection, "transferred to a new owner" means the transfer of
2 the controlling interest in the fee ownership of the land or the controlling interest in the
3 timber rights on the land-; and

4 **Sec. 4. 36 MRSA §574-B, sub-§4** is enacted to read:

5 **4. Use of bonded labor.** A parcel of land is not eligible for classification under this
6 subchapter if any part of the parcel of land is harvested using bonded labor under the
7 federal H2 bonded labor program under 20 Code of Federal Regulations, Section 655.200
8 et seq. or the landowner has failed to file the notification required under Title 12, section
9 8883-B, subsection 1. An assessor that receives notification from the Department of
10 Conservation, Bureau of Forestry that a landowner reports the use of bonded labor or has
11 failed to file the notification required under Title 12, section 8883-B, subsection 1 shall,
12 after notification to the landowner by Maine Revenue Services, suspend the parcel from
13 classification. Land suspended under this subsection must be taxed at just value for the
14 property tax year for which the classification is suspended.

15 **Sec. 5. 36 MRSA §2729** is enacted to read:

16 **§2729. Use of bonded labor**

17 A parcel of land subject to tax under this chapter may not benefit from the General
18 Fund contribution to the support of forest fire protection activities if the land is harvested
19 during the property tax year using bonded labor under the federal H2 bonded labor
20 program under 20 Code of Federal Regulations, Section 655.200 et seq. or the landowner
21 has failed to file the notification required under Title 12, section 8883-B, subsection 1.
22 Upon the receipt of notification from the Department of Conservation, Bureau of Forestry
23 that a landowner reports the use of bonded labor or has failed to file the notification
24 required under Title 12, section 8883-B, subsection 1, the assessor shall assess an
25 additional tax equal to 150% of the amount per acre computed under section 2723-A.

26 SUMMARY

27 This bill requires a landowner to notify the Department of Conservation, Bureau of
28 Forestry if forest land is harvested using bonded labor under the federal H2 bonded labor
29 program under 20 Code of Federal Regulations, Section 655.200 et seq. If a landowner
30 or a harvester employed by or under contract to the landowner uses bonded labor under
31 the federal H2 bonded labor program or the landowner fails to provide the required
32 notification, the land must be suspended from the Maine Tree Growth Tax Law for the
33 year in which bonded labor is used and a penalty must be assessed under the commercial
34 forestry excise tax to compensate the State for the General Fund contribution to the cost
35 of forest fire protection activities.