

DATE: January 10, 2022

TO: Joint Standing Committee on Agriculture, Conservation & Forestry

Megan Patterson, Director of the Board of Pesticides Control

FROM: Samantha Warren, UMS Director of Government & Community Relations

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RE: Report on Use of Funds Provided By P.L. 2020, Ch. 548

In June 2019, the Maine Legislature overwhelmingly passed LD 1518, "An Act To Establish a Fund for Portions of the Operations and Outreach Activities of the University of Maine Cooperative Extension Diagnostic and Research Laboratory." Ultimately in effect one-year later in June 2020, Public Law 2020, Chapter 548 established a 15-cent container fee on most registered pesticides purchased in the state, charged to consumers at the point-of-sale. Retailers who collected the fee were allowed to retain 3-cents per container to defray their costs and the majority of the remaining proceeds were to be directed by the Maine Revenue Service (MRS) to the University of Maine System (UMS) largely to support the activities of the University of Maine Cooperative Extension Diagnostic and Research Laboratory in Orono.

As part of a commitment to public accountability and transparency, UMS reports on the use of these funds annually to the Legislature's Joint Standing Committee on Agriculture, Conservation & Forestry and to the Board of Pesticides Control (BPC). This communication serves as that report, which is due by Jan. 15.

As BPC leaders and members of this esteemed committee are aware, implementation of the new container fee has been complicated by the ongoing COVID-19 pandemic and complexities in UPC coding, and thus not been universal. Legislation (LD 808) currently pending proposes to repeal the container fee, and instead provide a direct State appropriation to support increasingly important university research, education and outreach related to ticks and other pests of statewide significance. A separate proposal to suspend the collection of the fee on certain sanitizing products in high-demand because of the pandemic (LD 1594) was heard by the ACF Committee in the first session of the 130th Legislature, but ultimately voted Ought Not to Pass.

Given the uncertainty around the future of the container fee and outstanding questions about the appropriate allocation of funds to support related MRS and BPC administration costs, UMS has not spent any of the proceeds, and thus, has no funded activities to report at this time. According to MRS, as of December 2021, the fee has produced a total of \$327,053 in special revenue.

If LD 808 moves toward enactment, UMS expects to work with relevant stakeholders to determine how to distribute all funds collected prior to the container fee repeal. If the enabling law is not repealed this session, UMS will finally move forward to disperse funds and expand the activities they are intended to support. With climate change driving a rise in the number of ticks and other pests like browntail moth at the same time the pandemic is sending more people outdoors, the UMaine Cooperative Extension Diagnostic and Research Laboratory is seeing a surge in public demand for its services – especially tick identification and disease testing – and the university's research, education and outreach has never been more vital to protecting public, environmental and economic health.