

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 2260

S. P. 723

In Senate, February 25, 1976

Reported by the Majority from the Joint Select Committee on Jobs pursuant to Joint Orders S. P. 391 and S. P. 555 and printed under Joint Rules No. 3.

HARRY N. STARBRANCH, Secretary

Filed under Joint Rule 3 pursuant to S. P. 391 and S. P. 555.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SIX

AN ACT to Establish a Maine Community Jobs Act.

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

Sec. 1. 26 MRSA c. 21 is enacted to read:

CHAPTER 21

MAINE COMMUNITY JOBS ACT

§ 1501. Purpose

It is the intent of this chapter to establish the creation of jobs as a major priority for the expenditure of certain federal and state funds within the State and to encourage the Commissioner of Manpower Affairs to coordinate certain federal programs in this State to maximize the generation of jobs within the State. In order to fulfill this intent, this chapter creates a special Community Jobs Fund to be used for hiring unemployed Maine people to work on short-term projects beneficial to local communities.

§ 1502. Commissioner to administer program

1. General duties. The commissioner shall administer this chapter, approve applications and enter into agreements for community jobs projects, order the disbursement of moneys from the Community Jobs Fund, disseminate information on this program, promote establishment of community jobs projects and apply for and accept funds available under any Federal Act or from any other sources.

2. **Personnel.** The department is authorized to employ, subject to the Personnel Law, such assistants as may be necessary to carry out this chapter, provided that the department shall use, to the greatest extent possible, existing personnel of the department or other departments or state agencies, and shall not expend from the fund, more than is allocated for administration under section 1503.

3. **Rules and regulations.** The commissioner shall make such rules and regulations as are necessary to carry out this chapter, including rules and regulations governing application for moneys, approval or disapproval of contracts or agreements to be entered into by the department and project sponsors, accounting procedures of projects, methods of determining community benefit and custody, use and preservation of records and documents.

4. **Report to Governor and Legislature.** The commissioner shall report annually, in February, to the Governor and Legislature on the prior year's actions under this chapter, including the amount and source of funds received, amount of funds dispersed and projects receiving them, evaluation of projects and number of jobs created, geographic location of projects and high unemployment rate areas and recommendations for legislation or executive actions.

5. **Federal reports.** The commissioner may make such reports in such form and containing such information as the Federal Government may from time to time require and comply with such provisions as the Federal Government may from time to time find necessary to assure the correctness and verification of such reports.

§ 1503. Community Jobs Fund

1. **Establishment.** The department shall establish a Community Jobs Fund to be used to administer this chapter and to provide moneys for local community jobs projects as provided in this chapter.

2. **Source of funds.** The following allocations shall be made annually to the fund:

A. Seventy-five percent of all funds allocated to the State under Titles II and VI of the Comprehensive Employment and Training Act of 1973, P.L. 93-203 and all Acts amendatory thereto;

B. All available funds under Titles V and X of the Public Works and Economic Development Act of 1965, P. L. 89-136 and all Acts amendatory thereto;

C. Voluntary assignments of payments to be made by individuals eligible for any benefits under Title 26, chapter 13, provided that such assignment and use of these funds are consistent with present or future federal law;

D. Funds from any other federal program or federal grants, including grants from the Departments of Labor, Commerce and Housing and Urban Development and the Law Enforcement Assistance Agency, obtained by applications by the department for use in this program;

E. Five million dollars, to be transferred into the fund from all state departments and agencies of State Government and the Legislature, funded by the General Fund; each department or agency to contribute an amount from their General Fund "All Other" account in the same proportion that the General Fund "All Other" funds of the department or agency bear to the total General Fund "All Other" funds of all state departments or agencies; provided that in-kind grants, including space, services or equipment accepted by the commissioner from any department or agency will be credited to the required amount to be transferred by that department or agency; and

F. All revenues allocated to the fund from the revenues of the corporate income tax as provided under Title 36, section 5200, subsection 4.

3. Expenditures. The commissioner shall disperse moneys in the fund to individuals and organizations for community jobs projects as provided in this chapter and for the administration of this chapter. No more than 5% of the annual budget expenditures from the fund shall be used to administer this chapter.

§ 1504. Eligible projects

Any individual, group or organization, public or private, including corporations, except a federal or state department or agency, may apply to the commissioner for moneys to operate a Community Jobs Project. To be eligible for such moneys the project shall:

1. Jobs. Create new jobs for unemployed or underemployed Maine residents;
2. Community service. Provide a worthwhile and specific community improvement, either a facility or service;
3. Duplication. Not duplicate presently existing private or public services or facilities;
4. Planning. Demonstrate adequate planning of the project;
5. Financing. Identify adequate sources of financing for any costs not covered by the State contribution;
6. Sponsor. Identify the sponsor and his address;
7. Size. Employ at least 60-man-weeks of labor and not require funding under this chapter for more than 30 consecutive weeks;
8. Wages. Pay wages to employees of the project that do not exceed the locally prevailing wages for similar types of work; and
9. Nonprofit. Shall be nonprofit, with any revenues to be used to meet project expenses.

§ 1505. Applications

The commissioner shall seek, accept and act on applications for funding under this chapter for eligible projects that benefit local communities and

that hire unemployed Maine residents. When acting on any application the commissioner shall, among other factors, consider:

1. Eligibility of project. The eligibility of the project for state contributions, as set forth in section 1504;
2. Labor intensive. The amount of labor in relation to capital, favoring those projects that are labor intensive;
3. Overhead and administration costs. The amount of overhead and administration costs, favoring those projects that have low administration and overhead costs;
4. Community response. The response of local community leaders, including municipal officers, to the project, including its compatibility to existing community development efforts and its effect on the community;
5. Financial commitment. The financial commitment of the sponsor or of municipalities or agencies in matching funds to the project; and
6. Prevailing economic conditions. The prevailing economic conditions, including the unemployment rate, in the community.

§ 1506. Approval of applications

The commissioner may approve an application, specify the amount of funding under this chapter, not to exceed \$100,000 for each project and enter into an agreement with the sponsor, subject to this section.

1. Categorical priorities. The commissioner shall consider projects for approval in the following order of categories:

- A. First, projects which employ individuals who are assigning payments to the fund as provided in section 1503, subsection 2, paragraph C;
- B. Second, projects which employ individuals who have completely exhausted benefits within 2 years of the commencement of the project employment eligibility for which is determined under Title 26, chapter 13;
- C. Third, projects which employ individuals who are unemployed or underemployed and are receiving state or federal general assistance or welfare benefits as provided under Title 22; and
- D. Fourth, projects which employ individuals who are unemployed or underemployed and are not included under paragraphs A, B or C.

2. Priorities within categories. Within each of the categories of subsection 1, the commissioner shall consider for approval those projects in the following order:

- A. First, projects which will receive matching funds from counties, municipalities or state agencies which use federal revenue sharing funds authorized under the State and Local Financial Assistance Act of 1972, P.L. 92-512 and all Acts amendatory thereto, for such matching grants;
- B. Second, projects which will receive matching funds from counties, municipalities or state agencies which use funds received under the Com-

munity Services Act of 1974, P.L. 93-644 or the Housing and Community Development Act of 1974, P.L. 93-383 and all Acts amendatory thereto, for such matching grants;

C. Third, projects which will receive matching grants from any other source; and

D. Fourth, projects which will receive no matching grants.

3. Community response. Prior to approving any application the commissioner shall seek and consider the opinions of municipal officers and community leaders, including any local manpower planning council, in the area of the project and shall transmit to them a copy of the project application for their opinion.

4. Agreement. After approving an application but prior to, and as a precondition to, disbursing any funds, the commissioner and project sponsor shall negotiate and sign a written agreement. This agreement shall specify the project details that ensure compliance with this chapter, and, also:

A. A specific statement of the project goals and reporting methods to evaluate progress toward those goals;

B. Methods of financial accounting and control for the project;

C. An agreement to comply with all federal, state and local laws, ordinances or regulations governing the project activity, including tax, licensing and minimum wage laws;

D. An agreement to utilize only the Department of Manpower Affairs and its local offices to hire the project employees;

E. The method and time of disbursing funds to the project during its existence; and

F. Any other details of the project that the commissioner believes should be contained in the agreement to insure compliance with this chapter.

§ 1507. Determination of underemployment eligibility

On application by an individual, the commissioner shall determine whether that individual is qualified as underemployed under this chapter and may keep appropriate records or lists of eligible individuals for the purpose of aiding in project employment. In making this determination, the commissioner shall require minimum eligibility qualifications for underemployment of:

1. Involuntary part-time. Employed involuntarily on a part-time basis of less than 30 hours per week; or

2. Earnings. Earning at a rate of less than 60% of the State minimum wage.

The commissioner may, by rule or regulation, establish further eligibility criteria, not inconsistent with this section, that identify those individuals that are working substantially fewer hours for substantially less income than

they should expect in a normal economy or identify those that are earning substantially less than a living wage.

§ 1508. Projects

In promoting, seeking, considering and acting on applications for projects, the commissioner shall seek to provide worthwhile and specific community improvements. Illustrative of projects that the Legislature recognizes to be of potential benefit to communities are:

1. **Homemaker services.** Homemaker services to older citizens who might otherwise be forced into state institutions;

2. **Industrial development.** Land preparation and construction of industrial buildings in community industrial development parks in conjunction with state and federal guarantee programs and grants, such as those available through the Economic Development Administration;

3. **Clean-up.** Community clean-up campaigns and removal of rusted vehicles in rural areas, demolition of dilapidated and hazardous buildings;

4. **Utilities.** Construction and repair of sewer, water and other utility lines in towns and cities;

5. **Food production.** Food production projects for communities to set up community gardens, community canning centers and marketing assistance;

6. **Health care.** Providing paramedical health care centers and outreach programs in urban and rural areas centering on the needs of children and the elderly;

7. **Housing rehabilitation.** Housing repair and rehabilitation for elderly and low income families;

8. **Housing construction.** Housing construction through the Federal Housing Administration, the Farmers Home Administration and the Maine State Housing Authority to spur the lagging home construction market;

9. **Recreation facilities.** Construction of community recreation facilities including parks, trails and roadside areas;

10. **Winterization.** Home winterization projects and winterization of municipal and state buildings;

11. **Highways.** Highway construction and maintenance at the State and local level;

12. **Transportation.** Rural and small community bus and other transportation services;

13. **Rail.** Repair, reconstruction and other associated activities necessary for AMTRAK resumption of rail service in Maine;

14. **Parks.** Repair, upgrading and development of small state parks and recreation areas;

15. Arts. Projects related to the arts; both instructional and supportive, for in-school and the public through the Maine State Commission on the Arts and Humanities;

16. Job placement. Job placement programs for those segments of the work force with particularly high unemployment rates, teenagers, those on parole and other groups;

17. Resource coordination. Establishment of rural resource coordinating centers that would include agricultural apprenticeship programs, regional workshops and training programs;

18. Prevention of juvenile delinquency. Support services for young people to aid in prevention of juvenile delinquency, such as community youth centers, public recreation programs, camping programs and additional personnel support for existing youth service programs;

19. Public works. Accelerated public works construction projects, e. g., repair of dams maintenance of beaches;

20. Recycling or resource recovery. Setting up, recycling or resource recovery systems that reduce pollution;

21. Day care. Establishing and operating day care for children and elderly of working families; and

22. Barrier-free projects. Projects aimed at the elimination of architectural barriers which bar the handicapped and elderly from maximum participation in civic, educational, social and employment activities.

Sec. 2. 36 MRSA § 5200, sub-§ 4 is enacted to read:

4. 5% of Maine net income not in excess of \$25,000, plus 11% of any Maine net income in excess of \$25,000, attributable on or after July 1, 1976, and before or on June 30, 1977. 4/11's of the revenue received from taxes on Maine net income in excess of \$25,000 shall be allocated to the Community Jobs Fund as established under Title 26, section 1503.

STATEMENT OF FACT

The purpose of this bill is to establish a Community Jobs Fund using federal and state moneys and the voluntary assignments by individuals of their unemployment compensation benefits under Title 26, chapter 13, provided that such assignment and use of these funds are consistent with present or future federal law and to establish a program to use the fund for publicly and privately sponsored projects that employ the unemployed and underemployed on projects that provide community improvements.