

MAINE STATE LEGISLATURE

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(Governor's Bill)
SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 2019

H. P. 1984

House of Representatives, March 18, 1980

Referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk of the House

Presented by Mr. Davies of Orono.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

AN ACT Providing Standby Authority to Regulate Essential Oil Heating Deliveries.

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

10 MRSA c. 902 is enacted to read:

CHAPTER 902

HOME HEATING SERVICES

§ 8051. Purpose and findings

An adequate supply of heating oil for residential homes is essential to the health and safety of those persons who depend on heating oil as a source of heat. Termination of heating oil deliveries during the winter would be especially dangerous to health.

The Legislature finds that it is in the best interest of the citizens of Maine to provide standby authority to the State to regulate terminations of essential heating oil deliveries.

§ 8052. Definitions

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings.

1. **Board.** “Board” means the Home Heating Services Board.
2. **Customer.** “Customer” means any person whose last heating oil purchase was made from a dealer.
3. **Dealer.** “Dealer” means all retail oil dealers who sell home heating oil for use and not for resale.
4. **Heating oil.** “Heating oil” means number 2 oil or kerosene, sold to heat the interior of a building used as a person’s principal place of residence.
5. **Service.** “Service” means heating oil sales, including requests for immediate delivery, or oil burner installation and services.

§ 8053. Home Heating Services Board

The Home Heating Services Board, in this chapter called the “board,” is established and shall administer this chapter. The board shall consist of 3 members: Including the Commissioner of Business Regulation, who shall be chairman; one person appointed by the Governor from a list of not less than 3 candidates to be supplied by the Maine Oil Dealers Association; and one person appointed by the Governor, who shall represent the public. The board may promulgate such rules and regulations as are necessary to carry out and enforce this chapter. The board shall also cause all complaints of violations of this chapter to be investigated.

§ 8054. Termination

The board may establish regulations relating to termination of services which are within the following guidelines.

1. **Application.** Any such regulation shall apply only prior to April 1st or following December 1st of any year.
2. **Notice.** Written notice of the dealer’s intent to terminate services may be required to be provided to the customer 10 days in advance of the date of termination. The notice may be required to include:
 - A. The reason for termination of service;
 - B. Information on any billing plans the dealer may make available to his customers for payment of any balance owed; and
 - C. Information on emergency relief that may be available by contacting a local community action agency or social service, or by calling the Division of Community Services or such other agency as the board may designate, following consultation with the agency.
3. **Service.** Service may be required to be continued through the 10-day notice period, including maintaining an adequate supply of heating oil for that period.
4. **Government-subsidized heating oil deliveries.** The board may promulgate

regulations requiring that no dealer of home heating oil may terminate service to a customer prior to April 1st or following December 1st of any year, if:

A. The customer is receiving, or has received within 4 months, a subsidy payment from the Federal or State Government specifically designated for heating oil or heating costs, or the dealer is receiving or has received the payment or payments for services provided to the customer; and

B. The dealer has entered into an agreement with the Federal or State Government to accept payment through the subsidy program.

5. Additional rules to protect dealers. Notwithstanding subsections 1 to 4, the board may promulgate regulations to permit a dealer to terminate service prior to April 1st or following December 1st, if:

A. The customer fails to comply with a reasonable payment plan voluntarily entered into by the customer; or

B. The customer has incurred over \$250 in unpaid debts to the dealer for service subsequent to his certification for eligibility under a federal or state program.

§ 8055. Penalty

Any dealer violating this chapter is subject to a civil penalty of not more than \$500 for each day of unlawful termination, payment to the State, to be recovered in a civil action.

STATEMENT OF FACT

The purpose of this bill is to ensure that any household receiving a subsidy from the Federal or State Government specifically designated for heating oil or heating costs will be protected from arbitrary termination of service prior to April 1st or following December 1st of any year in which they receive a subsidy.

The bill establishes a 3-member Home Heating Services Board consisting of the Commissioner of Business Regulation, and a representative of the Maine Oil Dealers Association and a public member, each appointed by the Governor. The board would have authority to promulgate regulations concerning termination of service.

President Carter and the United States Congress have encouraged all states to adopt standards that would prohibit "termination of service to a customer who is unable to pay overdue utility and fuel oil bills when such a cut-off would be especially dangerous to health." With the cost of fuel oil skyrocketing at an enormous rate, the need for this type of protection has become paramount for the citizens of this State, particularly the elderly and low income households.