

# MAINE STATE LEGISLATURE

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1 (EMERGENCY)  
2 SECOND SPECIAL SESSION  
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE  
5

6 Legislative Document

No. 2406

7  
8 H.P. 1713

House of Representatives, May 20, 1986

9 Received by the Clerk of the House on May 19, 1986. Referred to the  
10 Committee on Appropriations and Financial Affairs, and 1,600 ordered  
printed pursuant to Joint Rule 14.

11 EDWIN H. PERT, Clerk

Presented by Representative Nadeau of Lewiston.

Cosponsored by Representative McGowan of Canaan.

12  
13 STATE OF MAINE  
14

15 IN THE YEAR OF OUR LORD  
16 NINETEEN HUNDRED AND EIGHTY-SIX  
17

18 AN ACT Making Appropriations and Allocations  
19 for the Expenditure of Funds Received  
20 by the State as a Result of a Federal  
21 Court Order in the Exxon Oil  
22 Overcharge Case.  
23

24 Emergency preamble. Whereas, Acts of the Legis-  
25 lature do not become effective until 90 days after  
26 adjournment unless enacted as emergencies; and

27 Whereas, the State has received the sum of  
28 \$15,094,373.28 from the United States Department of  
29 Energy as a result of a federal court order against  
30 the Exxon Corporation in the so-called "Oil Over-  
31 charge Case;" and

32 Whereas, these funds, hereinafter called "Exxon  
33 funds," have been placed in a separate account in the  
34 State Treasury and are earning interest which shall  
35 be added to this account; and

1           Whereas, the federal court order in this case re-  
2           quired that these funds be expended by the State in  
3           accordance with the legislation, rules and regula-  
4           tions of the following 5 programs:

5           (1) Part A of the Energy Conservation in Exist-  
6           ing Buildings Act of 1976, the United States  
7           Code, Title 42, Section 6861 et seq., commonly  
8           known as "The Weatherization Assistance Program"  
9           (WAP);

10          (2) Part D of Title III of the Energy Policy and  
11          Conservation Act (relating to primary and supple-  
12          mental state energy conservation program), the  
13          United States Code, Title 42, Section 6321 et  
14          seq., commonly known as the "State Energy Conser-  
15          vation Program" (SECP);

16          (3) Part G of Title III of the Energy Policy and  
17          Conservation Act (relating to energy conservation  
18          for schools and hospitals), the United States  
19          Code, Title 42, Section 6371 et seq., commonly  
20          known as the "Schools and Hospitals Program;"

21          (4) The National Energy Extension Service Act,  
22          the United States Code, Title 42, Section 7001 et  
23          seq., commonly known as the "Energy Extension  
24          Service;" and

25          (5) The Low Income Home Energy Assistance Act of  
26          1981, the United States Code, Title 42, Section  
27          8621 et seq., commonly known as "LIHEAP;" and

28          Whereas, Exxon settlement funds were received in  
29          March 1986, and it is incumbent on the State to expe-  
30          ditiously allocate these funds pursuant to a federal  
31          court order to restitutionary programs as soon as  
32          possible; and

33          Whereas, in the judgment of the Legislature,  
34          these facts create an emergency within the meaning of  
35          the Constitution of Maine and require the following  
36          legislation as immediately necessary for the preser-  
37          vation of the public peace, health and safety; now,  
38          therefore,

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

1           Sec. 1. Allocations. There is allocated from  
2 the Exxon funds and from any interest earned thereon  
3 for the fiscal year ending June 30, 1987, to the de-  
4 partments listed, the following sum:

5 1986-87

6 AGRICULTURE, FOOD AND RURAL RE-  
7 SOURCES, DEPARTMENT OF

8           All Other \$100,000

9           Provides funds for the de-  
10 partment to run an "Agri-  
11 cultural Technology Trans-  
12 fer Grant Program" to pro-  
13 vide incentives for trans-  
14 fer of innovative energy  
15 conservation and renewable  
16 resource concepts, such  
17 grants not to exceed  
18 \$5,000.

19           All Other 40,000

20           Provides funds to run a  
21 "Farm Energy Audit" Demon-  
22 stration Program.

23 DEPARTMENT OF AGRICULTURE, FOOD AND  
24 RURAL RESOURCES

25           TOTAL \$140,000

26 EXECUTIVE DEPARTMENT

27           Energy and Weatherization

28           All Other \$3,750,000

29           Provides funds to continue  
30 the current Low-income  
31 Weatherization Program con-  
32 sistent with regulations of  
33 the federal "Low Income  
34 Weatherization Assistance  
35 Program." Funds will be  
36 used to weatherize low-  
37 income eligible housing  
38 units.

39           Low-income Home Energy Assistance

1	All Other	\$3,850,000
2	Provides funds to continue	
3	the "Central Heating Im-	
4	provement Program" (CHIP)	
5	for low-income residential	
6	units consistent with the	
7	federal "Low Income Heating	
8	Assistance Program" regula-	
9	tions.	
10	All Other	200,000
11	Provides funds to continue	
12	the "Emergency Crisis In-	
13	tervention Program" (ECIP)	
14	to assist low-income per-	
15	sons with emergency fuel	
16	purchases consistent with	
17	regulations of the federal	
18	"Low Income Heating Assist-	
19	ance Program."	
20	Low-income Home Energy	
21	Assistance	
22	Total	<u>\$4,050,000</u>
23	Energy Resources, Office of	
24	All Other	\$500,000

1 Provides funds to operate  
2 its "State Energy Conserva-  
3 tion Plan" program under  
4 existing federal regula-  
5 tions. Activities include,  
6 but are not limited to, en-  
7 ergy conservation, techni-  
8 cal assistance to residen-  
9 tial property owners, large  
10 and small businesses,  
11 farms, builders and con-  
12 tractors, architects and  
13 municipal officials, in-  
14 cluding assistance in con-  
15 verting to indigenous re-  
16 newable energy resources  
17 and promotion of energy  
18 conservation programs.

19 Personal Services 150,000  
20 All Other 90,000

21 Provide funds to be ex-  
22 pended over 3 years to hire  
23 2 business energy conserva-  
24 tion extension agents and  
25 consultants for 3 years to  
26 provide outreach for techni-  
27 cal assistance to busi-  
28 nesses in energy conserva-  
29 tion, energy auditing and  
30 loan applications.

31 All Other 100,000

32 Provides funds to operate a  
33 "Small Business Heating  
34 Conversion Demonstration  
35 Program" for rebate grants  
36 to businesses with fewer  
37 than 20 employees for ex-  
38 penditure on oil burner im-  
39 provement or replacement,  
40 such grants to range from  
41 \$100 to \$2,000 or 50% of  
42 the cost of the improve-  
43 ment, whichever is the  
44 lesser amount.

1	All Other	300,000
2	Provides funds to conduct a	
3	"Small business Lighting	
4	Efficiency Demonstration	
5	Program" which would in-	
6	clude rebate grants of from	
7	\$100 to \$2,000 or up to 50%	
8	of the cost, whichever is	
9	the lesser, of replacing	
10	lighting and related equip-	
11	ment with qualified "effi-	
12	cient" lighting equipment.	
13	All Other	100,000
14	Provides funds for consul-	
15	itants to provide energy au-	
16	dits and technical assist-	
17	ance to nonprofit public	
18	service organizations.	
19	All Other	175,000
20	Provides funds to provide	
21	grants to municipalities,	
22	councils of governments,	
23	regional planning commis-	
24	sions and municipal associ-	
25	ations to initiate and op-	
26	erate municipal energy con-	
27	servation technical assist-	
28	ance and audit programs.	
29	Personal Services	380,000
30	All Other	120,000
31	Provides funds to continue	
32	the Energy Extension Ser-	
33	vices Program, including,	
34	but not limited to, educa-	
35	tional and technical ser-	
36	vices to residential prop-	
37	erty owners, small busi-	
38	nesses, municipalities,	
39	nonprofit organizations and	
40	schools to further energy	
41	conservation efforts.	
42	All Other	250,000

1	Provides funds to conduct a	
2	"Community Based	
3	Weatherization Demonstration	
4	Program," to be implemented	
5	by local and regional	
6	service agencies, to educate	
7	members of the public	
8	on energy conservation	
9	techniques and to assist	
10	them in applying for assistance	
11	programs. Cost will	
12	include "weatherization kits"	
13	to be distributed, not to exceed	
14	\$35 in value.	
15		
16	All Other	1,250,000
17	Provides funds for grants	
18	to schools and hospitals	
19	qualified under the federal	
20	"Institutional Conservation	
21	Program" of which a portion	
22	is to be allocated exclusively	
23	to qualified state-owned	
24	schools and hospitals.	
25		
26	Office of Energy Resources	
27	Total	<u>\$3,415,000</u>
28	EXECUTIVE DEPARTMENT	
29	TOTAL	<u>\$11,215,000</u>
30	<u>FINANCE AND ADMINISTRATION, DEPARTMENT OF</u>	
31		
32	Bureau of Public Improvements	
33	All Other	\$200,000
34	Provides funds to update	
35	energy audits in state	
36	buildings.	
37	<u>FINANCE AUTHORITY OF MAINE (FAME)</u>	
38	All Other	\$2,500,000



1	Provides funds to operate	
2	an energy conservation pro-	
3	gram, including loan subsi-	
4	dies or grants for busi-	
5	nesses, subject to approval	
6	by the Board of Directors	
7	of the Finance Authority of	
8	Maine.	
9	All Other	120,000
10	Provides funds to be ex-	
11	pende over 3 years to hire	
12	one loan services assistant	
13	and consultants to work on	
14	packaging loans for pro-	
15	cessing under the energy	
16	conservation program for	
17	business, industry and non-	
18	profit institutions.	
19	All Other	400,000
20	Provides funds to provide	
21	subsidized loans or grants	
22	to nonprofit community ser-	
23	vice organizations to im-	
24	plement energy conservation	
25	and heating conversion mea-	
26	sures.	
27	FINANCE AUTHORITY OF MAINE	
28	TOTAL	<u>\$3,020,000</u>
29	<u>MAINE STATE HOUSING AUTHORITY</u>	
30	All Other	\$1,250,000

1 Provides funds to operate a  
2 residential conservation  
3 energy program for  
4 single-family (1-4 units)  
5 owner-occupied housing  
6 units to include subsidized  
7 low-interest loans or  
8 grants for energy conserva-  
9 tion and heating system  
10 conversion activities, sub-  
11 ject to the approval of the  
12 Commissioners of the Maine  
13 State Housing Authority.

14 All Other 750,000  
15 Provides funds to operate  
16 an energy conservation pro-  
17 gram for nonowner occupied  
18 housing units to include  
19 low interest loans or  
20 grants for energy conserva-  
21 tion and heating system  
22 conversion activities, sub-  
23 ject to the approval of the  
24 Commissioners of the Maine  
25 State Housing Authority.

26 MAINE STATE HOUSING AUTHORITY  
27 TOTAL \$2,000,000

28 Sec. 2. Allowance for state administrative pur-  
29 poses. In the event a federal court order or a  
30 change in federal regulations allows the expenditure  
31 of funds allotted in section 1 of this Act for state  
32 administrative purposes, an allowance for the use of  
33 all funds so allotted, not to exceed 5% of the funds,  
34 shall be available to each of the agencies funded un-  
35 der this Act.

36 These funds are intended to be expended over 3  
37 fiscal years ending with the 1989 fiscal year. The  
38 Governor, through the Office of Energy Resources,  
39 shall report annually to the Legislature, beginning  
40 on December 1, 1987, as to progress on the expendi-  
41 ture of funds and as to recommendations for the real-  
42 location of funds.



1     sistance to consumers, businesses and other institu-  
2     tions.

3             The intent is that these funds be expended over a  
4     3-year period with annual reports to the Legislature  
5     made by the Governor through the Office of Energy Re-  
6     sources.

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