

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1874

S.P. 703

In Senate, May 20, 1991

Submitted by the Executive Department, Division of Community Services pursuant to Joint Rule 24.

Reference to the Committee on Housing and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

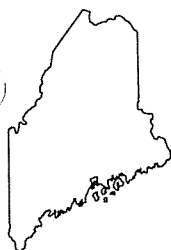
JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator LUDWIG of Aroostook
Cosponsored by Senator FOSTER of Hancock.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Amend and Extend the Fuel Assistance Reserve Fund.



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

2 Sec. 1. 5 MRSA §3518-B, as enacted by PL 1989, c. 884, §1, is
4 amended to read:

6 §3518-B. Energy Assistance Reserve Fund

8 1. Energy Assistance Reserve Fund. The division shall use
10 funds appropriated pursuant to this section to establish and
12 capitalize the Fuel Energy Assistance Reserve Fund. The division
14 shall keep the ~~Fuel Assistance Reserve Fund~~ fund separate from
16 all other funds managed by the division and use the fund only,
18 without exception, under the conditions set forth in this
20 section. ~~The Division of Community Services~~ division shall use
the ~~Fuel Assistance Reserve Fund~~ fund to ensure that fuel
assistance benefits under the home energy assistance program and
the energy crisis intervention program for the State's eligible
elderly and low-income residents are available prior to the
beginning of the heating season. The fund may not be used for
the weatherization assistance program and the central heating
improvement program.

22 2. Timely distribution of benefits. ~~The Division of
24 Community Services~~ For at least the months of October, November
and December, the division shall make available to local program
26 operators and municipal administrators of the fuel assistance
program, no later than ~~October 1st of each year~~ the first of each
28 of those months, funds sufficient to cover anticipated fuel
assistance payments under the home energy assistance program and
30 the energy crisis intervention program and program administrative
costs for ~~at least the each of those months of October, November
32 and December~~ respectively.

34 3. Conditional use of the fund. The division's use of the
fund is subject to the following conditions and limitations.

36 A. If the director reasonably anticipates that federal fuel
38 assistance block grant funds are not available for
40 distribution to the local program operators and municipal
administrators by October 1st of each year, the division
42 shall withdraw and distribute sufficient money from the fund
as is necessary for the purposes set forth in this section.
44 The division may withdraw funds prior to October 1st,
provided that those funds are used only for costs incurred
on or after October 1st.

46 Money may not be withdrawn from the fund if sufficient block
48 grant funds are available to pay reasonably anticipated fuel
assistance program and administrative costs as set forth in
50 this section for the months of October, November and
52 December.

2 B. Money withdrawn from the fund must be sufficient to
cover anticipated ~~fuel assistance~~ payments under the home
4 energy assistance program and the energy crisis intervention
6 program and ~~fuel assistance~~ program administrative costs for
all local program operators and municipal administrators for
the months of October, November and December.

8 C. The division may not withdraw money from the fund
between ~~October 1st and June 30th~~ after receipt of the
10 federal block grant funds.

12 D. The fund may not be used if the ~~Director of Community~~
Services director knows, or is reasonably certain, that no
14 federal fuel assistance money will be received.

16 4. **Recapitalization.** If money is withdrawn from the fund
for the purposes of this section, the ~~Division of Community~~
18 Services division shall ensure that the fund is fully
recapitalized by June 30, 1991 1992.

20 5. **Expiration of fund.** Authorization for the fund expires
22 on June 30, 1991 1992. The division shall ensure that the fund
is fully recapitalized and that all money in the fund is
24 transferred to the General Fund no later than June 30, 1991 1992.

26 **Sec. 2. PL 1989, c. 884, §2 is amended to read:**

28 **Sec. 2. Working capital advance.** The State Controller is
authorized to advance to the Executive Department, Division of
30 Community Services, \$8,000,000 from the General Fund to the Fuel
Energy Assistance Reserve Fund. These funds will be used to
32 provide the working capital advance necessary to make timely ~~fuel~~
~~assistance~~ payments under the home energy assistance program and
34 the energy crisis intervention program to elderly and low-income
residents until receipt of Low-income Home Energy Assistance
36 Block Grant funds. Funds advanced for this purpose must be
returned to the General Fund no later than June 30, 1991 1992,
38 pursuant to the Maine Revised Statutes, Title 5, section 3518-B,
subsection 5.

40 **Sec. 3. Allocation.** The following funds are allocated from
42 Other Special Revenue for the fiscal year ending June 30, 1992 to
carry out the purposes of this Act.

44
46 **EXECUTIVE DEPARTMENT** 1991-92
48 **Division of Community Services**
50 **Energy Assistance Reserve Fund**
52 **All Other** \$8,000,000

2 Provides funds for the expenditures from the
3 Energy Assistance Reserve Fund, pursuant to
4 the Maine Revised Statutes, Title 5, section
5 3518-B, to provide a working capital advance
6 in anticipation of federal fuel assistance
7 block grant funds.

8
9
10 **STATEMENT OF FACT**

11 This bill extends the Fuel Assistance Reserve Fund,
12 established in 1990, for one year and renames it the Energy
13 Assistance Reserve Fund to more appropriately describe the uses
14 of the fund. This bill allows the fund to be used for the energy
15 crisis intervention program, which assists families in emergency
16 situations, as well as for the payment of regular fuel assistance
17 benefits.

18
19 This bill requires the Division of Community Services to
20 distribute, no later than the first of each month, sufficient
21 funds to local program operators and municipal administrators of
22 the fuel assistance program to cover anticipated program and
23 administrative costs for at least the months of October, November
24 and December. The bill allocates \$8,000,000 to the Division of
25 Community Services for recapitalizing the Energy Assistance
26 Reserve Fund. The fund may be used as start-up funding for the
27 fuel assistance program only if federal block grant funding is
28 not received by October 1st. If the fund is used, the division
29 is required to recapitalize the fund by June 30, 1992.

30
31 The fund expires on June 30, 1992, at which time the
32 division is required to transfer the fully recapitalized fund to
33 the General Fund.
34