# MAINE STATE LEGISLATURE

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(Filing No. H-660)

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STATE OF MAINE HOUSE OF REPRESENTATIVES 115TH LEGISLATURE FIRST REGULAR SESSION

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 1333, L.D. 1924, Bill, "An Act Concerning the Low-income Home Energy Assistance Program"

Amend the amendment by striking out everything after the title and before the statement of fact and inserting in its place the following:

'Amend the bill by striking out everything after the emergency preamble and before the emergency clause and inserting in its place the following:

## 'Sec. 1. 5 MRSA §3518-C is enacted to read:

### \$3518-C. Allocation of Low-Income Home Energy Assistance Program Block Grant Funds

- 1. Allocation. For each federal fiscal year beginning with 1991-92, the division shall transfer 10.6% of the federal funds awarded to the division under the federal Low-Income Home Energy Assistance Program to the Maine State Housing Authority to be used, subject to federal requirements, in conjunction with energy conservation assistance programs administered by the Maine State Housing Authority. The Maine State Housing Authority may use a portion of those funds, in compliance with federal requirements, for administrative costs of the programs.
- 2. Transfer of funds. The division shall transfer to the Maine State Housing Authority 10.6% of federal funds under this section as soon as reasonably possible but not later than 60 days following receipt by the division. Subject to federal requirements, the division shall annually request the funds to be transferred to the Maine State Housing Authority under this section as part of the first quarterly requisition of funds under the Low-Income Home Energy Assistance Program.
- 3. Reporting. Prior to October 1st of each year, the division shall provide the following information in writing to the Maine State Housing Authority for the federal fiscal year beginning on that October 1st:

- 2 A. The total amount of Low-Income Home Energy Assistance
  Program funds the division expects to receive during the
  federal fiscal year;
  - B. The total amount of those federal funds to be paid to the Maine State Housing Authority pursuant to this section for that federal fiscal year; and
- 10 C. The anticipated schedule of payments.

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- 4. Audit. The Maine State Housing Authority shall keep proper records and accounts on the expenditure and use of all funds received under this section and shall submit to the division annually upon completion its independent auditor's report on federal financial assistance in compliance with and satisfaction of the audit requirements of the Low-Income Home Energy Assistance Program.
  - Sec. 2. 5 MRSA §3519, sub-§§1 and 2, as enacted by PL 1983, c. 176, Pt. A, §3, are amended to read:
- 1. Designation. Community action agencies shall must be
  designated by the Divisien-of-Community-Services division to
  carry out the purposes of this chapter. In making these
  designations, the division shall solicit and consider comments
  from other state agencies or authorities that operate programs in
  which community action agencies participate. These designations
  shall-be are for 7 years.
  - 2. Designation withdrawn. The division may withdraw its designation of a community action agency after an evaluation in which the agency has demonstrated substantial incompetency and a clear inability to carry out the purposes of this Act, unless there is or has been financial malfeasance, which may be cause for immediate withdrawal of designation. In performing such evaluations, the division shall solicit and consider comments from other state agencies or authorities that operate programs in which that community action agency participates.
  - The division shall notify an agency of a pending withdrawal of designation. Upon notification, the agency shall-have has up to 6 months to take corrective action, at which time a designation withdrawal evaluation shall must be performed by the division. Failure to pass this evaluation shall-mean means immediate loss of designation.
- Upon the final order from the division which that rescinds a community action agency's designation, the community action agency may file a petition for review of this final decision in

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the appropriate Superior Court within 30 days, under the Maine Rules of Civil Procedure, Rule 80B.

- Sec. 3. 30-A MRSA §4722, sub-§1, ¶T, as amended by PL 1989, c. 581, §7, is further amended to read:
- T. Approve or disapprove, in accordance with rules adopted under the Maine Administrative Procedure Act, Title 5, chapter 375, a project which that is multi-family or single-family residential property, when authorized or required by Title 10, chapter 110, subchapter IV; and
- Sec. 4. 30-A MRSA §4722, sub-§1, ¶U, as enacted by PL 1989, c. 14 581, §8, is amended to read:
  - U. Consult with the Maine Affordable Housing Alliance, established in Title 5, chapter 383, subchapter VII, and the Interagency Task Force on Homelessness and Housing Opportunities, as defined in chapter 202, section 5002, subsection 9, with respect to the implementation of housing programs to make the best use of resources and make the greatest impact on the affordable housing crisis.
  - Sec. 5. 30-A MRSA §4722, sub-§1, ¶W, as enacted by PL 1991, c. 9, Pt. I, §7, is amended to read:
    - W. Obtain, Pursuant to the purpose of the Act, provide housing to people with low income in accordance with rules adopted under the Maine Administrative Procedure Act, operate programs to provide energy conservation assistance on behalf of people with low income in connection with single-family or multiunit residential housing and accept, obtain, distribute and administer federal and state funds, including block grants for energy conservation for the purpose of operating such programs; and
    - Sec. 6. 30-A MRSA §4741, sub-§§13 and 14, as amended by PL 1989, c. 104, Pt. C, §§8 and 10, are further amended to read:
- 13. Allocation of federal ceilings. By rulemaking under Title 5, chapter 375, subchapter II, the Maine State Housing Authority shall-have has the power to establish a process that is different from the federal formula for allocating that portion of the ceiling on the issuance of certain tax-exempt bonds established by the United States Code, Title 26, which that has been allocated to the Maine State Housing Authority under Title 10, section 363, and may also limit the types of projects which are eligible to receive allocations or carryforward designations from the Maine State Housing Authority; and

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14. State housing credit agency. The Maine State Housing Authority is designated the housing credit agency for the State and shall-have has the power to receive and allocate, according to a process established by rulemaking pursuant to Title 5, chapter 375, subchapter II, the annual state housing credit ceiling for the low-income housing credit established by the United States Code, Title 26; and

#### Sec. 7. 30-A MRSA §4741, sub-§15 is enacted to read:

15. State weatherization agency. The Maine State Housing Authority is designated the weatherization agency for the State and may apply for, receive, distribute and administer federal funds on behalf of the State for weatherization and energy conservation assistance pursuant to the Weatherization Assistance for Low-Income Persons Program administered through the United State Department of Energy and the portion of the funds transferred from the Low-Income Home Energy Assistance Program administered through the United States Department of Health and Human Services to the state authority pursuant to Title 5, section 3518-C, all in accordance with rules adopted under the Maine Administrative Procedure Act.

Sec. 8. Application. In accordance with the Maine Revised Statutes, Title 5, section 3518, subsection 1-A, the Division of Community Services shall transfer to the Maine State Housing Authority the balance of all funds allocated to energy conservation programs by the state plan for low-income energy assistance programs for the program year 1990-91.

#### Sec. 9. Transition provisions.

- 1. All existing rules and procedures in effect, in operation or adopted by the Division of Community Services as of April 1, 1991 in the areas of food assistance and energy conservation assistance programs are declared in effect and continue in effect until rescinded, revised or amended by the proper authority.
- 2. All records, property and equipment belonging to or allocated for the use of the Division of Community Services in connection with the United States Department of Energy's Weatherization Assistance for Low-Income Persons Program is hereby declared the property of the Maine State Housing Authority.
  - Sec. 10. Additional reservation of funds. In addition to any amount of funds regularly set aside to fund the Energy Crisis Intervention Program, for federal fiscal year 1991-92, the Division of Community Service shall reserve an additional 4.4% of the federal funds awarded to the division under the Low-Income

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Home Energy Assistance Program to supplement the Energy Crisis Intervention Program.

Any funds remaining in the Energy Crisis Intervention Program at the end of the 1991-92 program year must be transferred to the Maine State Housing Authority for use in the weatherization program.

Further amend the bill by inserting before the statement of fact the following:

#### 'FISCAL NOTE

This bill requires that for program year 1990-91 the Division of Community Services transfer any balances relating to energy conservation remaining in the Low-Income Home Energy Assistance Program (LIHEAP) to the Maine State Housing Authority.

The bill also requires that, beginning in federal fiscal year 1991-92, 10.6% of the funds received by the Division of Community Services under the Low-Income Home Energy Assistance Program be transferred to the Maine State Housing Authority for use in energy conservation programs. In federal fiscal year 1991-92 4.4% of the funds received under LIHEAP must be used for the Energy Crisis Intervention Program in addition to the funds historically set aside by the Division of Community Services to fund the program.'

#### STATEMENT OF FACT

This amendment deletes the provision of the original bill that transfers Low-Income Home Energy Assistance Program funds from the Division of Community Services to the Maine State Housing Authority and replaces it with more comprehensive details concerning the transfer. The amendment clarifies that 10.6% of the Low-Income Home Energy Assistance Program Funds must be transferred to the authority for energy conservation assistance programs. It also adds a provision requiring that 4.4% of Low-Income Home Energy Assistance Program funds be added to the Energy Crisis Intervention Program for federal fiscal year 1991-92, in addition to funds historically set aside by the division to fund the program. The amendment also clarifies that the division must transfer to the authority the balance of all remaining funds allocated to energy conservation programs for the fiscal year 1990-91.

Filed by Rep. Kilkelly of Wiscasset
Reproduced and distributed under the direction of the Clerk of the
House
(6/12/91) (Filing No. H-660)