

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 295

H.P. 204

House of Representatives, February 7, 2013

**An Act To Authorize a General Fund Bond Issue To Provide
Weatherization Rebates for Veterans and Persons Eligible for Social
Security**

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative RUSSELL of Portland.
Cosponsored by Representatives: BERRY of Bowdoinham, CHAPMAN of Brooksville,
HOBBINS of Saco.

1 **Preamble.** Two thirds of both Houses of the Legislature deeming it necessary in
2 accordance with the Constitution of Maine, Article IX, Section 14 to authorize the
3 issuance of bonds on behalf of the State of Maine to provide funds as described in this
4 Act,

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

6 **PART A**

7 **Sec. A-1. Authorization of bonds.** The Treasurer of State is authorized, under
8 the direction of the Governor, to issue bonds in the name and on behalf of the State in an
9 amount not exceeding \$75,000,000 for the purposes described in section 5 of this Part.
10 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
11 a period longer than 10 years from the date of the original issue of the bonds.

12 **Sec. A-2. Records of bonds issued; Treasurer of State.** The Treasurer of
13 State shall ensure that an account of each bond is kept showing the number of the bond,
14 the name of the successful bidder to whom sold, the amount received for the bond, the
15 date of sale and the date when payable.

16 **Sec. A-3. Sale; how negotiated; proceeds appropriated.** The Treasurer of
17 State may negotiate the sale of the bonds by direction of the Governor, but no bond may
18 be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the
19 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State
20 upon warrants drawn by the State Controller, are appropriated solely for the purposes set
21 forth in this Part. Any unencumbered balances remaining at the completion of the project
22 in this Part lapse to the Office of the Treasurer of State to be used for the retirement of
23 general obligation bonds.

24 **Sec. A-4. Interest and debt retirement.** The Treasurer of State shall pay
25 interest due or accruing on any bonds issued under this Part and all sums coming due for
26 payment of bonds at maturity.

27 **Sec. A-5. Disbursement of bond proceeds from General Fund bond issue.**
28 The proceeds of the sale of the bonds authorized under this Part must be expended as
29 designated in the following schedule under the direction and supervision of the agencies
30 and entities set forth in this section.

31 **EFFICIENCY MAINE TRUST**

32 Provides funding for a weatherization rebate program for veterans and persons
33 receiving social security retirement benefits.

34 Total \$75,000,000

1 **Sec. A-6. Contingent upon ratification of bond issue.** Sections 1 to 5 do not
2 become effective unless the people of the State ratify the issuance of the bonds as set
3 forth in this Part.

4 **Sec. A-7. Appropriation balances at year-end.** At the end of each fiscal year,
5 all unencumbered appropriation balances representing state money carry forward. Bond
6 proceeds that have not been expended within 10 years after the date of the sale of the
7 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
8 obligation bonds.

9 **Sec. A-8. Bonds authorized but not issued.** Any bonds authorized but not
10 issued within 5 years of ratification of this Part are deauthorized and may not be issued,
11 except that the Legislature may, within 2 years after the expiration of that 5-year period,
12 extend the period for issuing any remaining unissued bonds for an additional amount of
13 time not to exceed 5 years.

14 **Sec. A-9. Referendum for ratification; submission at election; form of**
15 **question; effective date.** This Part must be submitted to the legal voters of the State at
16 a statewide election held in the month of November following passage of this Act. The
17 municipal officers of this State shall notify the inhabitants of their respective cities, towns
18 and plantations to meet, in the manner prescribed by law for holding a statewide election,
19 to vote on the acceptance or rejection of this Part by voting on the following question:

20 "Do you favor a \$75,000,000 bond issue for the Efficiency Maine Trust
21 to provide a weatherization rebate program for veterans and persons
22 receiving social security retirement benefits?"

23 The legal voters of each city, town and plantation shall vote by ballot on this question
24 and designate their choice by a cross or check mark placed within a corresponding square
25 below the word "Yes" or "No." The ballots must be received, sorted, counted and
26 declared in open ward, town and plantation meetings and returns made to the Secretary of
27 State in the same manner as votes for members of the Legislature. The Governor shall
28 review the returns. If a majority of the legal votes are cast in favor of this Part, the
29 Governor shall proclaim the result without delay and this Part becomes effective 30 days
30 after the date of the proclamation.

31 The Secretary of State shall prepare and furnish to each city, town and plantation all
32 ballots, returns and copies of this Part necessary to carry out the purposes of this
33 referendum.

34 **PART B**

35 **Sec. B-1. 35-A MRS §10119, sub-§2,** as enacted by PL 2009, c. 372, Pt. B, §3,
36 is amended to read:

37 **2. Program.** ~~All~~ Except as provided in subsection 2-A, all funds deposited in the
38 fund must be administered by the trust in accordance with the following.

1 A. All funds deposited in the fund must be administered by the trust to reduce
2 heating fuel consumption consistent with the purpose and targets of the trust and the
3 triennial plan to achieve the following goal:

4 (1) By 2030, to provide cost-effective energy efficiency and weatherization
5 measures to substantially all homes and businesses whose owners wish to
6 participate in programs established by the trust under this section.

7 B. Funds from the fund may be used only for programs that provide cost-effective
8 energy efficiency and weatherization measures for the benefit of heating fuel
9 customers or to efficiency service providers serving those customers and in
10 accordance with the following.

11 (1) Program categories must include low-income, single-family and 2-family
12 residential units, multifamily residential units, small business, commercial and
13 institutional and such other categories as the trust determines appropriate;

14 (2) Within program categories, the trust may differentiate between programs for
15 new construction and existing buildings; and

16 (3) Cost-effective energy efficiency measures must include measures that
17 improve the energy efficiency of energy-using systems, such as heating and
18 cooling systems, through system upgrades or conversions, including conversions
19 to energy-efficient systems that rely on renewable energy sources or systems that
20 rely on effective energy efficiency technologies.

21 C. Program designs approved by the trust must contain:

22 (1) Incentives to consumers to purchase and install cost-effective efficiency and
23 weatherization products and services identified by a certified energy auditor,
24 except in the case of programs to deliver education, training or certifications;

25 (2) A schedule of customer copayments and loan options for prescribed products
26 and services. Programs for low-income consumers may provide exemptions from
27 the copayment and schedule;

28 (3) A plan for integrating delivery of heating fuel efficiency and weatherization
29 measures with electric efficiency measures; and

30 (4) A system for the equitable allocation of costs among the contributing funds or
31 subaccounts administered by the trust when more than one efficiency opportunity
32 is identified.

33 D. Other eligible program measures may include, but are not limited to, training or
34 certification of energy auditors, insulation installers, mechanical heating system
35 installers and maintenance technicians and building energy inspectors.

36 **Sec. B-2. 35-A MRSA §10119, sub-§2-A** is enacted to read:

37 **2-A. Weatherization rebate program for certain persons.** The trust by rule shall
38 establish a program that provides rebates to persons eligible under this subsection for
39 costs incurred when installing cost-effective weatherization measures. To be eligible for
40 a rebate under this subsection, a person must:

1 A. Be receiving social security retirement benefits under the United States Social
2 Security Act of 1935, as amended;

3 B. Have served in the United States Armed Forces and received an honorable
4 discharge or a general discharge under honorable conditions if the discharge was not
5 upgraded through a program of general amnesty;

6 C. Have served in the Maine National Guard;

7 D. Have served in the Reserve Components of the United States Armed Forces and
8 be entitled to retired pay under 10 United States Code, Chapter 1223 or be entitled to
9 retired pay under Chapter 1223 when the person reaches 60 years of age;

10 E. Have served in the Active Guard Reserve; or

11 F. Be the spouse, surviving spouse, unmarried minor child, unmarried dependent
12 child enrolled in secondary school or unmarried adult child who became incapable of
13 self-support before reaching 18 years of age on account of mental or physical
14 disabilities of a person eligible under paragraphs B to E.

15 The trust by rule may establish the amount of the rebate and additional eligibility criteria.

16 The trust shall provide a separate accounting of the total deposits into and expenditures
17 from the fund for this program in its report pursuant to section 10104, subsection 5,
18 paragraph B, subparagraph (3).

19 **Sec. B-3. Contingent on bond issue.** This Part takes effect only if the bond
20 issue authorized under Part A is approved by the voters of this State.

21 **SUMMARY**

22 This bill directs the Efficiency Maine Trust to establish a weatherization rebate
23 program for persons who receive social security retirement benefits or are veterans or
24 dependents of veterans if a \$75,000,000 general obligation bond to fund the program is
25 approved by referendum.