

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 1264

S.P. 415

In Senate, March 29, 2021

**An Act To Allow Owners and Renters To Use Future Electric Bill
Payments To Finance Heat Pumps**

Received by the Secretary of the Senate on March 25, 2021. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator LAWRENCE of York.

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

2 **Sec. 1. 35-A MRSA §3105, sub-§4** is enacted to read:

3 **4. Financing agreement.** A transmission and distribution utility may enter into a
4 written agreement with a customer for the financing of the purchase price and installation
5 costs of an efficient electric heat pump under this section. The agreement may provide that
6 the price and costs may be recovered by a finance charge on the monthly bill for the
7 customer's electricity account and must plainly state any interest charged on the amount
8 financed. A failure to pay the finance charge may be treated as a failure to pay the
9 electricity bill, and the transmission and distribution utility may disconnect that customer's
10 service or seek any other remedy for nonpayment provided by section 704. The finance
11 charge must be shown on a separate line on the monthly bill. The agreement may allow
12 the transmission and distribution utility to assess the finance charge on a subsequent
13 purchaser of the property on which the efficient electric heat pump is installed if at the time
14 the agreement is entered into the utility files a notice of the agreement and finance charge
15 in the registry of deeds of the county in which the property is located. The agreement may
16 allow the transmission and distribution utility to assess the finance charge on a subsequent
17 renter of the unit rented by a customer who is a tenant if at the time the agreement is entered
18 into the agreement is signed by the tenant's landlord or the owner of the property on which
19 the heat pump is installed and the utility files a notice of the agreement and finance charge
20 in the registry of deeds of the county in which the property is located. Notice required to
21 be filed under this subsection does not constitute a lien on the property. The rate of any
22 interest charged on financing under this subsection must be a fixed rate over the term of
23 the agreement and may not exceed 4% above the stated yield for a one-year treasury bill as
24 published by the Federal Reserve System at the time the agreement is entered into. Any
25 indebtedness created under this subsection may be paid in full at any time before it is due
26 without penalty.

27 **SUMMARY**

28 This bill allows a transmission and distribution utility to enter into a financing
29 agreement with a customer for the purchase price and installation costs of an efficient
30 electric heat pump and receive payment through subsequent charges on the customer's
31 electric bill. The agreement may provide for payment by a subsequent purchaser of the
32 property on which the heat pump is located or by a subsequent renter of the tenant's unit if
33 the tenant's landlord or the owner of the property signs the agreement.