

STATE OF MAINE

.

ONE HUNDRED AND TWELFTH LEGISLATURE SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON

STATE GOVERNMENT

BILL SUMMARY



MAY 1986

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> JOINT STANDING COMMITTEE BILL SUMMARIES MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

| OTP | Ought to Pass | | |
|-----------|---------------------------------------|--|--|
| OTP-ND | Ought to Pass in New Draft | | |
| OTP-ND-NT | Ought to Pass in New Draft, New Title | | |
| OTP-AM | Ought to Pass as Amended | | |
| ONTP | Ought Not to Pass | | |
| LVWD | Leave to Withdraw | | |
| INDEF PP | Indefinitely Postponed | | |
| | | | |

The purpose of the bill is to develop a coordinated basic data and information network by which economic conditions in various geographical locations and industrial sectors of Maine can be continuously monitored. By continuous monitoring of the economy, industrial or geographical sectors that begin to experience economic difficulties will be quickly detected, and remedies may be more expeditiously applied.

The Committee on State government amended the bill to require the agencies to report the information to the State Planning Office by April 20, 1986. The Select Committee on Economic Development will include this information in the Select Committee's report to the First Regular Session of the 113th Legislature.

| LD | AN ACT TO PERMIT ADMINISTRATION OF HOME | ND LD 2163 |
|-------------|---|------------|
| 1862 | WINTERIZATION PROGRAMS ON AN OPTIONAL BASIS | PL 1985, |
| | THROUGH LOCAL MUNICIPALITIES | c. 613 |

Sponsor: DAVIS, Murphy, T., Tardy, Pearson Committee Report: OTP-ND-NT

SUMMARY: LD 1862 was passed out of committee as a new draft, LD 2163. In its original form, LD 1862 proposed to allow municipalities to administer the Weatherization and Fuel Assistance programs currently administered by the Community Services Division.

In previous years, 15 municipalities administered the home energy assistance programs (HEAP) for those municipalities. The 12 community action program (CAP) agencies administered the program for the remaining municipalities.

The municipalities receive 7% of their allocation for administrative costs to operate the HEAP program or fuel assistance program. The State Division of Community Services is still required to monitor the municipalities administering the program. The cost to the Division, according to their records, to monitor the 15 municipalities is roughly \$135,000.

Only 1 municipality has ever elected to administer the weatherization program. The Federal Government allows 5% of the allocation to a municipality for administrative costs.

Office of Policy and Legal Analysis State Government The "Weatherization Program" has evolved into a sophisticated program that includes furnace repair, furnace efficiency, insulation, etc.

The Division of Community Services revoked municipal program operator authorization to off-set federal budget reductions. By cutting administrative costs, the Division hoped that funding to clients could be kept intact or only moderately reduced.

Testimony presented at the hearing in favor of the bill described the ability of the municipalities to better serve the clients of the fuel assistance program within the municipalities as compared to the regional Community Action agencies. The municipalities, it was argued, know the people in need, particularly those people who will not ask for assistance. In addition, the municipalities argued that the local program operators could respond more quickly to clients than the CAP agencies.

The opponents argued that there are vast differences among the municipalities, and some local program operators are much better than others. The Division of Community Services and others described abuses and problems resulting from municipal administration of the fuel assistance program.

The opponents also argued that if a sufficient number of municipalities sought to be local program operators, the CAP agencies would be unable to serve the remaining municipalities. The distribution of personnel and administrative funds would seriously impair the CAPs abilities to operate.

The State Government Committee provided in the redrafted bill, LD 2163, that only the 15 municipalities that served as local program operators in 1984 could continue to serve in this capacity with respect to the Fuel Assistance program. The "weatherization" program is excluded from the new law. In addition, the municipalities are required to meet basic standards established by the Division of Community Services in the form of rules. The standards are designed to assure accountability, and fairness in the administration of the program.

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