

MAINE STATE LEGISLATURE

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STATE OF MAINE
124TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON UTILITIES AND
ENERGY**

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STATE OF MAINE

124TH LEGISLATURE
SECOND REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

<i>CARRIED OVER</i>	<i>Carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed; bill died</i>
<i>ONTP (or Accepted ONTP report)</i>	<i>Ought Not To Pass report accepted; bill died</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

The effective date for non-emergency legislation enacted in the Second Regular Session of the 124th Legislature is Monday, July 12, 2010. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Utilities and Energy

This law clarifies that, as of July 1, 2010, community-based renewable energy projects continue to be eligible to apply for funding from the Regional Greenhouse Gas Initiative Trust Fund as nonelectric savings programs. Until July 1, 2010, current law provides that these projects are eligible to apply for funding from the Energy and Carbon Savings Trust Fund, which becomes the Regional Greenhouse Gas Initiative Trust Fund on that date.

This law also prohibits a state agency or instrumentality that is administering American Reinvestment and Recovery Act of 2009 funds from prohibiting a community-based renewable energy project that is eligible to receive such funds under federal guidelines from applying to the state agency or instrumentality for such funds.

Public Law 2009, chapter 565 was enacted as an emergency measure effective March 29, 2010.

LD 1697 An Act To Protect Universal Service

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FITTS	ONTP	

This bill prohibits instrumentalities, institutions or agencies of the State from providing telecommunications service or information service to any person other than itself or its tenants. The bill also prohibits instrumentalities, institutions or agencies of the State from procuring such services in a manner that constrains or limits alternative proposals to meet instrumentalities', institutions' or agencies' needs. The bill establishes a right of action for injunctive relief and damages for violation of these requirements. The bill also repeals authority for the University of Maine to install lines on existing utility facilities within or along a right of way for the purpose of transmitting data and communications.

LD 1717 An Act To Increase the Affordability of Clean Energy for Homeowners and Businesses

**PUBLIC 591
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CROCKETT P BLISS	OTP-AM	H-745

This bill allows a municipality, on its own or through agreement with other municipalities, counties, nonprofit organizations, private lenders or other entities, to establish a clean energy improvement financing program under which financing for a clean energy improvement located on a qualifying real property is secured, with the written agreement of all owners of record of the property, by a municipal lien on the property that takes precedence over all other claims on the property, excepting only claims for property taxes and liens for nonpayment of sewer or water utility services, and that is enforced by the municipality in the same manner as is a municipal property tax lien. It defines "clean energy improvement" as an energy efficiency improvement or energy generation system that relies on solar arrays and installations, geothermal installations or wind power installations as authorized by the municipality.

Committee Amendment "A" (H-745)

This amendment replaces the bill. The amendment does the following.

1. It enacts the Property Assessed Clean Energy Act, or PACE Act, which authorizes the Efficiency Maine Trust and municipalities to establish property assessed clean energy programs, referred to as PACE programs, under which

Joint Standing Committee on Utilities and Energy

property owners may voluntarily finance energy savings improvements on qualifying property through a specific mortgage, called a PACE mortgage, and repay that mortgage through an assessment on the property, called a PACE assessment. The terms of the mortgage and assessment would be spelled out in an agreement, called a PACE agreement.

2. It specifies that funding for the PACE programs may be provided from the federal Energy Efficiency and Conservation Block Grant Program or any other funds available to the trust for this purpose.
3. It permits a municipality that has adopted a PACE ordinance to administer a PACE program, including, but not limited to, entering into PACE agreements with property owners and collecting PACE assessments. It also permits a municipality that has adopted a PACE ordinance to enter into a contract with the trust to administer some or all functions of the PACE program for the municipality and authorizes the trust to enter into contracts with municipalities for that purpose.
4. It requires the trust to establish a comprehensive quality assurance system within nine months of establishing a PACE program and to develop model documents and educational materials for use by municipalities in the implementation of PACE programs. The amendment permits the trust to establish terms and conditions under which municipalities and property owners may participate in a PACE program.
5. It requires any PACE agreement entered into pursuant to a PACE program to comply with underwriting requirements established by rule by the trust and to provide consumer disclosure that is consistent with the principles of truth in lending as specified by rule. In developing these rules, the trust is required to seek advice from the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection and consumer credit industry stakeholders and specifies certain minimum underwriting requirements that must be included. It also specifies that the privacy provisions of the federal Gramm-Leach-Bliley Act apply to all consumer financial information obtained by the trust or municipalities in implementing PACE programs.
6. It specifies that a PACE assessment is not a tax but may be assessed and collected by the trust, a municipality or a designated agent.
7. It requires that notice of a PACE agreement be filed in the appropriate registry of deeds and specifies that filing of this notice creates a PACE mortgage against the property. It also specifies minimum requirements for the notice.
8. It specifies that the priority of a PACE mortgage is determined by the date of filing of the notice and that a PACE mortgage is not entitled to any special or senior priority.
9. It requires the trust to create a reserve fund to protect the trust in the event of a judicial sale or foreclosure on property subject to a PACE mortgage.
10. It requires the trust to report annually on the implementation of PACE programs and related provisions of law.
11. It specifies that until the trust has sufficient staffing resources to undertake its responsibilities under the PACE Act, the Public Utilities Commission, at the request of the trust, shall provide assistance to the trust in administering the PACE Act within the limits of the commission's resources.
12. It requires the trust to convene a stakeholder group to review and make recommendations regarding the implementation of PACE programs pursuant to the PACE Act and the development of and sources of funding for municipally funded PACE programs, including but not limited to municipal bonding and private capital markets. The review must consider program features to ensure long-term energy savings, promote quality workmanship and otherwise contribute to achieving the state policy goal of weatherizing 100% of homes and 50% of businesses by 2030. It requires the trust to submit an interim report on the findings and recommendations of the stakeholder group to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters no later March 1, 2011 and a final report no later than January 30, 2012.

Joint Standing Committee on Utilities and Energy

Enacted Law Summary

Public Law 2009, chapter 591 does the following.

1. It enacts the Property Assessed Clean Energy Act, or PACE Act, which authorizes the Efficiency Maine Trust and municipalities to establish property assessed clean energy programs, referred to as PACE programs, under which property owners may voluntarily finance energy savings improvements on qualifying property through a specific mortgage, called a PACE mortgage, and repay that mortgage through an assessment on the property, called a PACE assessment. The terms of the mortgage and assessment would be spelled out in an agreement, called a PACE agreement.
2. It specifies that funding for the PACE programs may be provided from the federal Energy Efficiency and Conservation Block Grant Program or any other funds available to the trust for this purpose.
3. It permits a municipality that has adopted a PACE ordinance to administer a PACE program, including, but not limited to, entering into PACE agreements with property owners and collecting PACE assessments. It also permits a municipality that has adopted a PACE ordinance to enter into a contract with the trust to administer some or all functions of the PACE program for the municipality and authorizes the trust to enter into contracts with municipalities for that purpose.
4. It requires the trust to establish a comprehensive quality assurance system within nine months of establishing a PACE program and to develop model documents and educational materials for use by municipalities in the implementation of PACE programs. The amendment permits the trust to establish terms and conditions under which municipalities and property owners may participate in a PACE program.
5. It requires any PACE agreement entered into pursuant to a PACE program to comply with underwriting requirements established by rule by the trust and to provide consumer disclosure that is consistent with the principles of truth in lending as specified by rule. In developing these rules, the trust is required to seek advice from the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection and consumer credit industry stakeholders and specifies certain minimum underwriting requirements that must be included. It also specifies that the privacy provisions of the federal Gramm-Leach-Bliley Act apply to all consumer financial information obtained by the trust or municipalities in implementing PACE programs.
6. It specifies that a PACE assessment is not a tax but may be assessed and collected by the trust, a municipality or a designated agent.
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Joint Standing Committee on Utilities and Energy

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Public Law 2009, chapter 591 was enacted as an emergency measure effective April 1, 2010.

LD 1720 Resolve, Regarding Waste-to-energy Power

RESOLVE 163

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SOCTOMAH	OTP-AM	H-650

This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to amend current law to adapt the State's energy policy and laws as they relate to the Passamaquoddy Tribe to accommodate federal waste-to-energy developments currently before the United States Congress in the American Clean Energy and Security Act of 2009.

Committee Amendment "A" (H-650)

This amendment replaces the bill, which was a concept draft, with a resolve. The amendment directs the Executive Department, Governor's Office of Energy Independence and Security to examine the issue of qualifying certain waste-to-energy power for renewable energy credits and renewable resource portfolio requirements, with consideration of relevant policy developments, technologies, potential implications and current laws. In conducting the examination, the office is required to consult with the Passamaquoddy Tribe, the Department of Environmental Protection, the Public Utilities Commission and the Efficiency Maine Trust. This amendment requires the office to submit a report of its findings and recommendations by February 15, 2011 to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters and authorizes the committee to submit a bill relating to the report to the First Regular Session of the 125th Legislature.

Enacted Law Summary

Resolve 2009, chapter 163 directs the Executive Department, Governor's Office of Energy Independence and Security to examine the issue of qualifying certain waste-to-energy power for renewable energy credits and renewable resource portfolio requirements, with consideration of relevant policy developments, technologies, potential implications and current laws. In conducting the examination, the office is required to consult with the Passamaquoddy Tribe, the Department of Environmental Protection, the Public Utilities Commission and the Efficiency Maine Trust. This resolve requires the office to submit a report of its findings and recommendations by February 15, 2011 to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters and authorizes the committee to submit a bill relating to the report to the First Regular Session of the 125th Legislature.