



Maine Municipal Association

MEMBERSHIP ELIGIBILITY BROCHURE



MMA OVERVIEW

The Maine Municipal Association (MMA) is a voluntary membership organization offering an array of professional services to municipalities and other local governmental entities in Maine. MMA is a non-profit, non-partisan organization governed by an Executive Committee elected from its member municipalities. Founded in 1936, MMA is one of 49 similar state municipal leagues which, together with the National League of Cities, are recognized at all governmental levels for providing valuable services and advocating for collective municipal interests.

MMA is involved in a wide array of activities and enterprises with one common denominator – service. MMA’s membership consists of **Municipal Members** entitled to all services and eligible to participate in MMA voting and policy processes; and **Associate Members** entitled to limited services and not eligible to participate in MMA voting and/or policy processes.

The Maine Municipal Association also offers **Affiliate Status** and **Patron Status** to entities and/or individuals seeking limited access and benefits, contracted administrative services and opportunities to do business with MMA. For access to the MMA Affiliate Group websites, or a full description of opportunities to do business with MMA, please visit the MMA website at www.memun.org, “About Us.”

GUIDELINES FOR MEMBERSHIP ELIGIBILITY & SERVICES

MUNICIPAL MEMBERSHIP

Municipal Membership is open to any Maine city, town or plantation, including any entity that is treated as a municipality under Maine law.

Municipal Membership extends to all departments and direct subdivisions of a municipal government. In some instances a question arises as to whether a particular entity will be treated as an arm of the municipality for purposes of MMA Municipal Membership and eligibility to participate in the group insurance and self-funded programs. For a municipal entity to be considered part of a municipality, the following minimum criteria must be met:

1. The Board of Selectmen, Council, or a designated municipal administrator must appoint or confirm, or the citizens of the municipality must elect, the individuals responsible for planning, organizing, and staffing the activity.
2. The Board of Selectmen or Council must have ultimate authority and oversight over the activity. The Board or Council, or a municipal manager appointed by the Board or Council, or an elected municipal official must have jurisdiction over hiring, safety issues, and cash management policies and procedures.
3. All funds that are collected and disbursed for the activity must be accounted for in the municipality’s annual audit and overseen by the municipal treasurer.
4. The entity must **not** be a separate legal entity apart from the municipality, such as a non-profit corporation.

With regard to Fire Protection Associations, MMA treats certain volunteer fire companies and fire protection associations as the equivalent of a municipal department eligible through the municipality’s membership. To be eligible, the fire company must constitute a

“Volunteer Fire Association” within the meaning of 30-A M.R.S.A. §3151(3), in that it is “*an organized firefighting unit incorporated under ... Title 13-B, and which is officially recognized by the municipality.*” As the municipality’s designated fire-fighting unit, the fire company must provide fire protection services under the direct authority of the municipality and its fire chief. Determinations of eligibility, including eligibility to participate in the various group insurance and self-funded programs, are made on a case-by-case basis.

Services Available to Municipal Members:

Municipal Members have full access to all MMA services and programs and receive discounted rates on training, publications, etc.

Municipal Members are also eligible to participate in all of the group insurance and self-funded programs, including the MMEHT Health Trust programs, the MMA Unemployment Compensation Fund Program, the MMA Workers Compensation Fund Program and the MMA Property and Casualty Pool Program.

For a full description of MMA services, programs and benefits, please visit the MMA website at www.memun.org, “About Us - Overview.”

ASSOCIATE MEMBERSHIP

Associate Membership is open to any county, any quasi-municipal corporation including but not limited to any utility district, school administrative unit, regional planning commission, or council of governments in Maine, and to any other entity that meets the definition of “Political subdivision” as defined in Title 14 M.R.S.A. §8102(3), or the definition of “State” as defined in Title 14 M.R.S.A. §8102(4).

Title 14 M.R.S.A. §8102(3) defines “Political subdivision” to include: “any city, town, plantation, county, administrative entity or instrumentality created pursuant to Title 30-A, Chapters 115 and 119, incorporated fire-fighting unit that is organized under Title 13-B and is officially recognized by any authority created by statute, quasi-municipal corporation and special purpose district, including, but not limited to, any water district, sanitary district, hospital district, school district of any type, an airport authority established pursuant to Title 6, Chapter 10, any volunteer fire association as defined in Title 30-A, §3151, a transit district as defined in Title 30-A, §3501, sub§1, a regional transportation corporation as defined in Title 30-A, §3501, sub§2, a transit district or regional transportation corporation formed under the laws of another state that would qualify as a transit district or regional transportation corporation under Title 30-A, Chapter 163 if formed under the laws of this State and any emergency medical service.”

Title 14 M.R.S.A. §8102(4) defines “State” to include: “any office, department, agency, authority, commission, board, institution, hospital or other instrumentality of the State, including the Maine Turnpike Authority, the Maine Port Authority, the Northern New England Passenger Rail Authority, the Maine Community College System, the Maine Veterans’ Home, the Maine Public Employees Retirement System, the Maine Military Authority, and all such other state entities.”

Associate Membership is also open to any Maine non-profit corporation which is organized and operated solely to provide essential governmental

functions or services that lessen the burden of government, including organizations that:

- a. actually perform government services;
- b. provide financial assistance or services directly to governmental units to assist such governmental unit in performing its functions; or
- c. provide necessary public services that would otherwise be an expense of the government.

Such an organization shall perform or fund an activity that the governmental unit considers to be its burden, and by its activity thereby lessens the burden of the governmental unit.

Eligibility determinations are made on a case-by-case basis and involve review of the non-profit entity's articles of incorporation, bylaws, annual reports, programs and services, and audited financial information. To assist in this review, non-profit entities applying for Associate Membership should include documentation that includes full narratives of the entity's programs and services; annual reports or brochures; financial information, including audited financial statements if available, that indicates all sources of revenue and expenditures by individual programs or services; any written agreement between the non-profit entity and a municipality or other governmental unit; and other relevant information. Although no one factor alone is conclusive, historically the amount and nature of municipal or governmental funding provided to the non-profit entity has been important in determining whether the entity qualifies for Associate Membership.

As an example of eligible non-profit corporations, MMA has typically found that local non-profit public libraries qualify for Associate Membership because they provide services that lessen the burden of government in that such entities "provide necessary public services that would otherwise be an expense of government."

MMA sometimes receives requests for advice on how to form public entities in a manner that will ensure that the entity qualifies for MMA membership or participation in particular group insurance and self-funded programs. MMA does not provide legal advice in response to specific inquiries. Each application for membership must be evaluated on its own merits based on the individual circumstances and nature of the entity. However, these guidelines may be helpful in understanding the factors MMA considers in determining eligibility.

Services Available to Associate Members:

The primary reason for an entity to seek Associate Membership is to have an opportunity to participate in MMA administered group insurance and self-funded programs. Please note that qualifying for Associate Membership does not guarantee eligibility to participate in all group insurance and self-funded programs; each program has its own eligibility guidelines.

Group Insurance and Self-Funded Programs include:

Maine Municipal Employees Health Trust

- Health Plans
- Dental Plan
- Vision Plan
- Short Term & Long Term Disability Plans
- Life Insurance
- Wellness Works (health education & promotion programs)

MMA Risk Management Services

- Property & Casualty Pool
- Unemployment Compensation Fund
- Workers Compensation Fund

Added Value Benefits include:

Access to the wealth of information contained on the MMA website at www.memun.org, including access to the restricted areas, and bulk purchasing programs available only to our Members. With a registered web account, members are also able to post information to all online services.

Attendance at MMA conferences and workshops at the same registration fee available to Municipal Members.

Access to research publications at the same rate available to Municipal Members. These research publications include:

- One subscription to the *Maine Town & City*, published monthly;
- One subscription to the *Legislative Bulletin*, published each week during legislative sessions; and
- One *MMA Municipal Directory*, published annually.
- Access to the MMA Salary Survey database is available for a one-time fee of \$100.

Access to inquiry services on labor relations, personnel, human resources, state and federal programs, and other general technical assistance and information. (Please note that this does not include access to the MMA advisory legal opinions, which cannot be rendered as part of the Associate Member services due to possible conflicts of interest with the Municipal Member(s).)

Access to fee-based, professional services at the same rate available to Municipal Members. These fee-based services include: labor contract negotiations, executive search assistance, personnel audits, pay classification studies, job promotion testing, performance evaluations and general personnel rules and regulations.

GUIDELINES FOR ELIGIBILITY IN GROUP INSURANCE AND SELF-FUNDED PROGRAMS

The following provides guidelines relating to the membership eligibility and participation in the various group insurance and self-funded programs offered by the Maine Municipal Association (MMA) and the Maine Municipal Employees Health Trust (MMEHT). Each of the group insurance and self-funded programs may also apply underwriting guidelines with respect to an entity's participation.

Maine Municipal Employees Health Trust Programs

To be eligible to participate in the MMEHT programs, an entity must be a Municipal Member or Associate Member of Maine Municipal Association. In addition, the MMEHT Declaration of Trust requires that to be eligible, an entity must be one of the following types of entities: municipalities, counties, quasi-municipal corporations, utility districts, public school districts of any type, regional planning commissions, councils of government or "such other quasi-municipal entities as shall be permitted by the Board of Trustees."

MMEHT Legal Counsel has defined the term "quasi-municipal entity" to mean a non-profit corporation that is "established to and actually performs a 'municipal function,' which is defined to include

the provision of governmental or quasi-governmental services for the general public.”

In 2011, Maine enacted a law that allows school units to self-insure employee health and dental plans, thus removing a long-standing ambiguity in state law Title 20-A M.R.S.A. §1001(5) relating to a school unit’s ability to self-insure these employee benefits. While the MMEHT Declaration of Trust permits school administrative units to participate in MMEHT programs, the Board of Trustees has not allowed participation in the health plan because of the statutory ambiguity. With the passage of this clarifying law, Public Law 395, the MMEHT Board of Trustees analyzed the potential impacts of allowing school unit employees and retirees to participate in the Health Trust health plans. Given numerous financial, operational and fiduciary concerns, the MMEHT Board of Trustees voted on July 26, 2013 that the Trust will not permit the participation of school administrative units as defined by Title 20-A M.R.S.A. §1(26) in the MMEHT’s health plans.

Eligibility determinations for participation in the MMEHT programs often turns on whether the entity meets the test for a “quasi-municipal entity,” specifically whether it “actually provides governmental or quasi-governmental services for the general public.” This definition is somewhat subjective. If the entity can be created as a district or as a quasi-municipal corporation (through action of the Legislature or of the municipal legislative body), its eligibility is more certain.

MMA Unemployment Compensation Fund Program

The Unemployment Compensation Fund Program Participation Agreement provides that participation in the Program is available to MMA Municipal Members and Associate Members with no further eligibility requirements.

MMA Workers Compensation Fund Program

The Workers Compensation Fund Declaration of Trust restricts eligible member participants in the Fund to “political subdivisions” as defined in Title 14 M.R.S.A. §8102(3), and to “such other quasi-municipal entities as the Board of Trustees may permit.”

Title 14 M.R.S.A. §8102(3) defines “Political subdivision” to include “any city, town, plantation, county, administrative entity or instrumentality created pursuant to Title 30-A, Chapters 115 and 119, incorporated fire-fighting unit that is organized under Title 13-B and is officially recognized by any authority created by statute, quasi-municipal corporation and special purpose district, including, but not limited to, any water district, sanitary district, hospital district, school district of any type, an airport authority established pursuant to Title 6, Chapter 10, any volunteer fire association as defined in Title 30-A, §3151, a transit district as defined in Title 30-A, §3501, sub§1, a regional transportation corporation as defined in Title 30-A, §3501, sub§2, a transit district or regional transportation corporation formed under the laws of another state that would qualify as a transit district or regional transportation corporation under Title 30-A, Chapter 163 if formed under the laws of this State and any emergency medical service.”

Eligibility determinations for participation in the MMA Workers Compensation Program are based on how the entity was created. The entity

must be created by public action, such as a Quasi-municipal corporation, a district, or through an Interlocal Agreement or Regional Council. Privately created non-profit entities will not qualify for participation.

MMA Property and Casualty Pool Program

The Property & Casualty Pool Contract Agreement limits eligible membership in the Pool to any city, town or plantation that is a Municipal Member and to any Associate Member that meets the definition of “political subdivision” as defined in Title 30 M.R.S.A. §1972 (now Title 30-A M.R.S.A. §2252).

Title 30-A M.R.S.A. §2252 defines “Political subdivision” to include: “any municipality, plantation, county, quasi-municipal corporation and special purpose district, including, but not limited to, any water district, sanitary district, hospital district, municipal transmission and distribution utility and school administrative unit.”

Title 30-A M.R.S.A. §2351(4) defines “Quasi-municipal corporation or district” to include any governmental unit that includes a portion of a municipality, a single municipality or several municipalities and which is created by law to deliver public services but which is not a general purpose governmental unit. Quasi-municipal corporation or district does not include School Administrative Districts or hospital districts.”

Eligibility determinations for participation in the MMA Property & Casualty Pool Program are governed by the applicable statute (Title 30-A M.R.S.A. §2252) and are the most narrow eligibility test. An entity other than a town, city or county must qualify as a quasi-municipal corporation or special purpose district, and it must be created by public action. Privately created non-profit corporations do not qualify.

APPLICATION PROCESS

The above information provides general guidelines to assist in determining if an entity may qualify for membership status with the Maine Municipal Association, and participate in the various group insurance and self-insured programs. Please forward your MMA Associate Member Application, all appropriate supporting documentation (see application form) and the non-refundable application fee to the address shown below. The application will then be processed and legal determination made by MMA Corporate Counsel.

Applications for membership should be submitted to the Maine Municipal Association as noted below. Please allow 3-4 weeks for the membership eligibility legal review. If your organization does qualify for membership, the application fee will be applied toward the current year’s pro-rated annual membership dues.

If you have any general questions relating to the application process or whether your organization qualifies for membership with the Maine Municipal Association, please contact:

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