

# Taxation Committee to Explore Alternatives

## *How to soften Revenue Sharing/Circuit Breaker cuts? Some tightening of Tree Growth also in the offing*

The Taxation Committee was scheduled this week to finalize its “report back” recommendations to the Appropriations Committee regarding the deep cuts proposed by governor Baldacci to the municipal revenue sharing program and the Circuit Breaker property tax rebate program.

Instead, the Committee is delaying its development of those recommendations for at least a week to give itself more time to consider alternatives.

The Committee has set aside Wednesday next week as the day to consider those alternatives. Some of the different approaches the Committee may be exploring include:

- Savings that may be achieved by tightening-up some of the tax exemptions or tax incentive programs that are currently provided in the state’s tax code;
- Additional authority that could be provided to municipalities to assess service charges against certain tax exempt organizations to cover the municipal services they directly receive;
- Across-the-board cuts to the Maine Revenue Services department;
- Review of a dozen-or-so unfunded state mandates on municipalities that could most easily be reworked to relieve towns and cities of unnecessary expenditures. This particular strategy, however, requires the coordination of many other legislative committees with jurisdiction over the policy areas pertinent to the particular municipal mandate.

**Tree Growth.** The other municipal issue in the Governor’s proposed budget where the Committee took action was

with respect to the proposal to cut municipal Tree Growth reimbursement in FY 2011 by another \$531,000, adding onto the \$900,000-plus cut in that year’s reimbursement already enacted.

The Tax Committee unanimously agreed to support the Governor’s proposed cut to reimbursement, but at the same time agreed by consensus to create a Tree Growth bill this session to address longstanding problems with the Tree Growth program, including the use of the program as a tax dodge by wealthy waterfront landowners who enroll their residential property into the program.

MMA has provided the Committee some proposed language to address that issue which is strongly supported by the Association’s Legislative Policy Committee. On Thursday this week, the Small Woodlot Owners Association of Maine (SWOAM) and the Maine Forest Products Council – two groups that have never expressed any opposition whatsoever to deep cuts in municipal Tree Growth reimbursement – testified in opposition to any tightening-up of the Tree Growth tax breaks. The SWOAM spokesperson said that some of the proposed MMA changes could push a landowner from the Tree Growth program into the Open Space program, as though that would be a bad thing. Actually, the people using the Tree Growth program as a tax dodge should be enrolling their property in the Open Space program. The only reason they don’t is because Open Space doesn’t provide as rich a tax break.

It remains to be seen whether the Committee can withstand the lobbying

from those who either directly benefit from the Tree Growth tax break or, in the case of certain environmental advocates, believe the non-development benefits of the Tree Growth program are worthwhile regardless of how they are subsidized.

## Municipalities Meet LD 1 Challenge

On Wednesday this week, the State Planning Office (SPO) released its *2009 LD 1 Progress Report*, a copy of which can be found at the link provided at the end of this article. The report is written in a clear and straightforward manner and provides good information on how the state, municipalities, schools and counties are doing with respect to limits imposed by the state’s tax and spending limit system.

As detailed in the report, municipalities once again met the challenge. Lumping all the towns and cities in Maine together, the aggregate municipal property tax levy was \$419.1 million, or 6.7%, below the aggregate property tax levy limit. Fully 71% of 201 communities participating in the survey stayed below the LD 1 limits. In previous years, 57% of the municipalities were able to stay within the calculated limits. Taking into account the tremendous pressure the failing economy has placed on all levels of government, this is a monumental achievement.

Although most policymakers would find the municipal success rate outstanding, the State Planning Office (SPO) chose to downplay the municipal achievement in its efforts to spin the results to support the Administration’s

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# Proposal to End School Budget Referendums a Non-Starter

Rep. Howard McFadden of Dennysville introduced legislation this session that would end the school budget validation referendum process. The bill was LD 1739, *An Act to Remove the Requirement That the Annual Budget of a Regional School Unit Must Be Approved at a Budget Validation Referendum*.

When Rep. McFadden presented his bill to the Education Committee on Monday this week for its public hearing, however, he asked the Committee to kill his own bill, saying that he had come to the realization that it was a terrible piece of legislation. The Committee promptly complied with his request.

After it killed the bill, the Committee allowed public testimony on LD 1739, which is certainly an unusual order of events. In explanation, the Committee pointed out that it is working on a comprehensive school consolidation law “fix-up” bill, and all issues associated with the school consolidation law of 2007 are on the table for review and possible re-design, including the school budget validation process. Therefore, the Committee was still interested in the public’s reaction to Rep. McFadden’s ill-fated proposal.

A school board director from Windsor, a town that is part of the Sheepscot Valley Regional School Unit (Alna, Chelsea, Palermo, Somerville, Westport Island, Whitefield, Windsor and Wiscasset) testified in support of LD 1739, pointing out that the school district still doesn’t have a finally-approved school budget for the current school year, after three rejections at referendum. (That

budget has now been rejected four times.) The superintendent of RSU 5 (Durham, Freeport, Pownal) also spoke in favor of the bill, suggesting that alternative voting systems to the multi-step “school budget validation referendum” process should be authorized so that there are some governance options. Her suggestion was that a direct referendum voting process should be authorized where the proposed budget goes from the school board directly to the voters, as was commonly used in

the past by the School Administrative Districts (SADs).

The bulk of the testimony on LD 1739 was in opposition, coming from the Maine Heritage Policy Center as well as from a number of individuals who took serious offense at the very idea of taking away their opportunity to vote on the school budget by referendum.

MMA also testified in opposition to the printed bill. The main point expressed by all opponents is that the school budget validation referendum law expressly allows the voters in any school system to “opt out” of the mandated referendum

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## The “Third-Year” Opt-Out Rule

Title 20-A MRSA §1486 provides in pertinent part: *“Every 3 years, the voters in a regional school unit shall consider continued use of the budget validation referendum process. The warrant at the budget validation referendum in the 3<sup>rd</sup> year following adoption or continuation of the referendum process must include an article by which the voters of the school administrative district may indicate whether they wish to continue the process for another 3 years. A vote to continue retains the process for 3 additional years. A vote to discontinue the process ends its use beginning with the following budget year and prohibits its reconsideration for at least 3 years.”*

(Note: Even though this three-year rule appears to apply to just “Regional School Units”, it actually applies to all school systems no matter how they are organized because other sections of the school consolidation law require all school systems to follow the budget adoption procedures that RSUs must follow.)

A question that is raised by the wording of this law is what year, exactly, should the opt-out question be placed on the ballot.

Since 2010 represents the third year the budget validation voting requirement has been mandated by state law, one interpretation is that 2010 is the year when every school budget ballot should also include the opt-out question. This interpretation would have clearly been correct if the pertinent section of law was written to say: *“Every 3 years after the effective date of this Act, the voters in every regional school unit shall consider...”*

Another interpretation of the same law suggests that the “third-year” rule only reasonably applies in the third year that any individual school system was in existence, and since there are a number of newly-created “Regional School Units” or “Alternative Organizational Structures” that are only in their second year of existence in 2010, their vote on the continuation or discontinuation of the budget validation referendum process may have to wait until next year. After all, from a public-policy point of view, the law seems to be based on the theory that a school system should at least try to work with the budget validation process for at least three years before abandoning it, and under the first interpretation a newly-created school system could conceivably have to consider “opting-out” of the budget validation process when presenting its very first budget to the referendum voters.

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## **BUDGET (cont'd)**

part of the process every three years. (See sidebar for conflicting interpretations of the “3-year rule”.) Current law requires the school budget ballot in the third consecutive year to include a question as to whether the voters want to continue with referendum validation voting. If the question is actually worked like that and the voters vote ‘yes’, the budget validation referendum process continues for three years. If the voters vote ‘no’, the budget will be finally approved at the open school budget meeting (or at the vote of the council for the municipal school systems where the council is the legislative body), and “validating” referendums would no longer be conducted. Given the built-in opportunity to opt out of the referendum process in current law, the opponents of LD 1739 all suggested that the Legislature allow the local voters to make their own decisions, without making it for them or on their behalf.

MMA added to its testimony two requests for changes to the school budget validation law.

First, the town and city leaders are requesting that the Legislature repeal a requirement in the law that the budget validation vote be conducted within 14 days of the budget being approved in open meeting or by the council. There does not seem to be any reason for this “14-day rule”, and it frustrates an interest at the municipal level to reduce the number of off-schedule elections which are both unnecessarily expensive and often poorly attended.

Second, the municipal officials believe that there is currently a vacuum in the law for those school systems that vote to discontinue the “budget validation referendum” process. Before the advent of the school consolidation law of 2007, Maine’s voters had a menu of options in the law with respect to how they might adopt their school budgets. The open meeting was the default process, but the voters could also petition into place a direct referendum voting process or the school budget validation referendum process. In 2007, the Legislature created the school budget validation process as the single system, and the voters no longer have an option to adopt a referendum process by petition. Therefore, if they

vote to discontinue the budget validation referendum process, they would appear to be committing themselves to nothing other than the open meeting process for the rest of time. That vacuum should be filled with a full menu of governance possibility from which the voters may choose.

## **LD 1 (cont'd)**

goals of consolidating governmental units into ever-larger administrative systems. In a press release unveiling the 2009 report, State Planning Director, Martha Freeman, took the opportunity to characterize the 2009 LD 1 results as a need for greater degrees of consolidation at the school and municipal levels. Information found in the report shows that 38% of the survey respondents with populations under 2,500 exceeded their calculated LD 1 limits, compared to 15% of the municipal respondents with populations over 2,500. Armed with that statistic and without further research, Ms. Freeman concludes that “*Larger towns and larger school districts have an easier time staying within LD 1 limits because they have the scale to operate efficiently. Particularly in a recession, it’s important that we continue to find ways to consolidate and coordinate the way governments provide services.*”

It’s the same old tune, with the same tired lyrics, but sung in the wrong key. When taking a closer look at the results, we find that growth in the value of property in smaller communities participating in the survey was less than the growth in value experienced in larger communities, which directly contributes to each municipality’s unique growth allowance. The property growth factor (one of the elements used to calculate the LD 1 growth limit) in communities with populations greater than 2,500 was 2.2%, while the property growth rate in municipalities with populations under 2,500 was 1.9%. Furthermore, the property growth rate in communities with populations less than 2,500 that exceeded the LD 1 limit was just 1.4%.

Based on these property growth rates, the average dollar value of growth allowed under the LD 1 limit in municipi-

palities with populations over 2,500 was \$207,300. The average dollar value of growth allowed in municipalities with populations less than 2,500 was \$17,600. The average dollar value of growth in the municipalities with populations less than 2,500 that exceeded the LD 1 limit was \$10,300. Therefore, the smaller communities by virtue of their size are provided smaller growth allowances to live within. A point the State Planning Office chooses to ignore.

The Planning Office also ignores the data made available through their own LD 1 report which shows per-capita taxation among municipalities that stayed within LD 1 limits was higher (\$1,723 per-capita) than those that exceeded the limits (\$1,488 per-capita). As much as they bandy it about, it is hard to know what the State Planning Office really means when it uses the term “efficiency”.

If the State Planning Office had dug into the data a little deeper, it may have concluded that it is not the lack of efficiency that is pushing smaller communities over their relatively small growth allowances. Instead, it is the propensity of smaller systems of government to have less cushions and reserves, so that an unexpected need to repair the plow truck, or a jump in General Assistance cases, or a one-time investment in a needed road construction project pushes the smaller community over its narrow limit. In every case where the limit is exceeded, the issue was necessarily explained to the voters and they gave their express approval.

Despite the State Planning Office’s attempts to denigrate the municipalities’ collective success with LD 1, it is clear that municipal officials and the residents of Maine’s small and large communities have found ways to provide local-level services more efficiently without the need for state-level mandates, lectures or finger pointing. MMA wishes to thank all of the communities that responded to the joint MMA/SPO LD 1 survey. Your time and effort is appreciated, and the new LD 1 report is testament to the good work you are accomplishing at the local level. It’s too bad the Administration is unwilling to make that acknowledgement.

A copy of SPO’s report can be found at the following link: <http://www.maine.gov/spo/economics/ld1/>

# Producer Responsibility

The Natural Resources Committee took four hours of testimony last week on LD 1631, *An Act To Provide Leadership Regarding the Responsible Recycling of Consumer Products*, sponsored by Representative Melissa Walsh Innes (Yarmouth).

**Background.** The bill deals with an issue in the world of recycling known by a variety of names including: “producer responsibility” or “manufacturer take-back” or “product stewardship”.

Whatever the right name, the policy concept is quite simple. For those products that should not be incinerated or placed in a landfill, there are circumstances where it is appropriate to ask the manufacturer of those products to participate actively in a more responsible, recycling-based disposal method.

The most well-known example of producer responsibility in Maine is the e-waste or electronic-waste law. In 2004, the Legislature enacted an “extended producer responsibility” law for computer monitors and televisions. This was the first “extended producer responsibility” law in the country which required television and computer monitor manufacturers to ensure their products are recycled at the end-of-life when generated as waste by households.

A year earlier, the Legislature had enacted a disposal ban for these products which prohibited their disposal in landfills or incinerators. According to the Department of Environmental Protection (DEP), electronic wastes contain toxic substances, including lead, mercury, cadmium, lithium, brominated flame retardants, phosphorous coatings, and PVC plastics that create dioxins when burned. These toxic materials can be released upon disposal, posing a threat to human health and the environment.

Following the adoption of this e-waste law, the Legislature has considered other disposal bans and producer responsibility laws. Some have been enacted, such as the one last session dealing with compact fluorescent light bulbs; others have not.

**The Legislation.** The bill as drafted seeks to change the current process by which these disposal bans and producer

responsibility programs are created. The current process is the legislative process. That is, a law must be enacted.

LD 1631 would delegate this authority to the Department of Environmental Protection (DEP). The DEP could enact a disposal ban and/or mandate a producer responsibility program without further legislative approval.

The bill requires a great deal of process before DEP could take such action (stakeholder groups, public meetings etc.). The bill also contains some required elements of any producer responsibility program. For example, fees at the point of disposal would be prohibited.

**The Hearing.** Proponents of this legislation included the DEP, the Natural Resources Council of Maine, several Nova Scotia luminaries (where a somewhat similar law was enacted), a University of Maine professor, the Mayor of Hallowell, the solid waste managers for Bowdoinham and Portland, the Learning Disabilities Association, a few Colby students, and a handful of citizens.

The proponents expressed four arguments. First, takeback programs keep hazardous products out of the normal waste-stream. Second, the bill places the responsibility for all recycling/disposal costs on the producers of the hazardous products. Third, this system reduces municipal/taxpayer costs associated with waste management. Fourth, Maine’s e-waste law proves that this kind of system works in real life, not just in theory.

Opponents of the legislation included the Maine State Chamber of Commerce, the Maine Merchants Association, the Toy Manufacturers Association, the Grocery Manufacturers Association, the Carpet & Rug trade group, the Auto Dealers Association, the Toy Industry Association, the convenience store trade group, the Infotech Industries Council, Home Appliance Manufacturers, and Jim Mitchell, a well-known Augusta-based lobbyist, speaking for himself.

The arguments of opponents focused on particular provisions in the bill. In particular, they decried the bill’s prohibition on listing a “visible” fee associated with the costs of these programs as anti-transparent

and deceptive to the consumer. They felt that the requirement for an independent audit of their take-back program for compliance with “local, state, national and international” law was overbroad and burdensome. It was argued that the bill was unconstitutional in that it would effectuate a “taking.” And finally, that now was not the time to add more costs onto businesses.

**Municipal Perspective.** The municipal officials who reviewed this legislation as members of MMA’s Legislative Policy Committee believe producer-responsibility programs are a legitimate public policy tool, and, establishing a framework to review and craft these programs outside of the tight legislative calendar is a good idea.

Maine has experience with producer responsibility, and while no program is perfect, Maine’s e-waste law is widely seen as a success at the municipal level. We should not be afraid of enacting more.

However, municipalities cannot support the proposal as drafted for two reasons. The primary and significant municipal concern is that the bill removes the Legislature from the process to such a degree, the bureaucracy would be unchecked.

While stakeholder groups and other agency-led processes are a very good element of public policy development, there is no adequate method to include the “public” in a stakeholder group. In fact, the stakeholder development process outlined in the bill includes interested parties such as “*manufacturers, retailers, solid waste management companies and municipalities...*” but not the public.

Maine’s e-waste program, lauded by so many proponents of this bill, was developed with a stakeholder group led by DEP. But, the program was ultimately adopted by the Legislature.

MMA strongly urged the Committee to amend the bill and require that any disposal ban or take-back program crafted by the DEP through a stakeholder process be subject to final legislative approval.

The second municipal concern is that the bill appears to be self-conflicting in some respects. That is, the appeal of the bill is that it establishes a framework to review issues, many of which are controversial, at a pace that will allow thoughtful

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## **PRODUCER (cont'd)**

and careful consideration. Yet, for some of the most difficult issues the bill provides pre-determined answers.

For example, the bill mandates that product stewardship programs may not charge a fee “*at the time an unwanted product is delivered or collected for recycling or disposal.*” The issue of charging drop-off fees or “end of life” fees is quite difficult.

During the development of Maine’s e-waste shared responsibility program, a great deal of time was spent on this very issue. Ultimately, municipalities retained the authority to charge a fee to cover the municipalities’ costs. While this bill contemplates that the manufacturers will cover all costs – including municipal costs – there may be situations where all parties support the ability of municipalities to charge an end-of-life fee for a particular product. The legislation shouldn’t pre-empt this issue.

As another example the bill requires annual 3<sup>rd</sup>-party audits of “*each handling, processing and disposal facility used by the product stewardship program.*” It would appear that municipal facilities would be covered by this language if it were applied to the existing e-waste program. Municipalities are not having 3<sup>rd</sup>-party audits conducted now for their management of e-waste and would oppose such a proposal as unnecessary based upon information available today.

There may be products or facilities or situations where 3<sup>rd</sup>-party audits are appropriate. However, establishing a single rule for all products and for all facilities undermines the spirit of this bill which is to review issues with stakeholders and make case-by-case decisions.

However, it is entirely appropriate for the Legislature to turn these decisions into expressions of policy preference. For example, LD 1631 could indicate that it is the Legislature’s goal to not have end-of-life fees in new producer responsibility programs. This would raise the hurdle for stakeholder groups to impose these fees without taking the issue completely out of their hands.

### **Cost Savings To Municipalities.**

Much was made of the prospect for reduced municipal expenses through the enactment of producer responsibility

programs. The experience in Maine with the e-waste law is that some municipalities have seen lower costs as a result of greater producer responsibility. However, to our knowledge, this has never been the principal goal of a disposal ban and it shouldn’t become one.

The DEP and the Legislature should adopt disposal bans and producer responsibility programs when there is a clear environmental harm from utilizing the normal waste management system (landfills and incinerators).

Generally, taking products out of the normal waste management system increases expenses. Municipalities should not be forced to shoulder those increased expenses alone. If the producer responsibility program happens to result in a cost savings for municipalities, that is a good result – but it should be a byproduct of the program, not the principal goal.

At the end of the day, the public pays for the disposal costs one way or another. The common way is that individuals as taxpayers fund the municipal solid waste

disposal system. However, producer take-back programs and other shared responsibility systems basically require individuals to pay as consumers. So, shifting the costs from the “tax pocket” to the “consumption pocket” of the citizenry may reduce municipal costs but don’t ultimately reduce public costs.

Municipalities are not asking that these programs be adopted to save municipalities money; but rather, as these programs are developed, municipalities should not be asked to shoulder an increased burden.

Maine is currently a leader in producer responsibility. That leadership occurred with the Legislature retaining final authority in the decisionmaking process. There is room for improvement in the procedure we use to review and craft producer responsibility programs. A pre-legislative approach such as the one contemplated by LD 1631 to explore the myriad issues in depth is supportable. Abolishing the Legislature’s oversight and accountability, however, is not. With amendments, MMA can support this legislation.

## **GA Cuts and Programmatic Change**

Included in Governor Baldacci’s supplemental state budget is a proposal to repeal a provision in General Assistance (GA) law providing qualifying municipalities state reimbursement for 90% of the assistance provided under the state mandated program. Under existing law, municipalities are reimbursed 50% of the GA costs until the value of the assistance provided equals 0.0003% of assessed value of the community. Once that threshold is reached, municipalities are then reimbursed 90% of the value of assistance provided over the threshold level.

The purpose of the threshold is to more adequately reimburse communities that host the social service agencies that provide services to Maine’s most needy residents, thereby increasing the number of GA eligible residents in their communities. In FY 09, 92% (\$3.9 million) of the funds provided to the twelve communities triggering the 90% reimbursement rate went to the cities of Bangor and Portland, which are two of the state’s largest social services centers.

As proposed by the Governor, reducing the state’s 90% reimbursement obligation to a 50% obligation will save

the state \$1.8 million by shifting that financial burden to a handful of communities. If that initiative had been in effect in FY 2009, \$1.7 million of those state “savings” would have been pushed onto Bangor and Portland.

In addition to the Governor’s proposed cut, LD 1668, the recently-enacted state “streamlining” initiative, indirectly reduces state reimbursement for the GA program by an additional \$500,000. In order to help pay for the state’s share of the program, the Department of Health and Human Services has been using surpluses from its required \$10-per-participant supplement to the federal Supplemental Social Insurance (SSI) program to fund GA reimbursement revenue shortfalls. In the past, the Department has used nearly \$2 million in SSI-based surpluses to keep the GA program appropriately funded. Through its enactment of LD 1668, the Legislature put an end to that practice by sweeping those funds and ultimately the Department’s discretion over the use of those funds. As a result, the shortfall in the GA program now stands at \$2.3 million.

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# Securing Interoperability

As a result of a Federal Communications Commission (FCC) mandate, by January 1, 2013 all public safety agencies must be using radio communication systems that operate on a narrowband rather than a broadband frequency. Because of the federal directive, municipalities, counties and the state are in the process of determining how they will meet this federal mandate and pay for its costs.

The state's Office of Information Technology (OIT) has entered into a \$50 million contract to simultaneously upgrade its antiquated radio communications system and meet the FCC narrowbanding mandate. That process has raised many questions and concerns about state-local interoperability among county and municipal public safety providers. County and municipal public safety officials are concerned that changes in the state's system will make communications among all levels of government more difficult, if not impossible.

The concern over interoperability was the subject of a bill heard by the Criminal Justice Committee on Monday this week.

Sponsored by Representative Patsy Crockett of Augusta, LD 1700, *An Act Concerning Statewide Communications Interoperability*, seeks to maintain interoperability among all levels of government by directing the state to ensure that the implementation of the statewide radio network will enable municipalities and counties to communicate with the state without needing to make investments in existing local communications infrastructure. To ensure that the directive is met, the bill also requires a portion of the revenues used to fund the statewide radio network be set aside and used to reimburse municipalities and counties for expenditures necessary to keep the state and local level law enforcement communities connected.

Representative Crockett, Senator Bill Diamond (Cumberland Cty.), the Maine County Commissioners Association, fire chiefs from Bath and Andover and the Maine Municipal Association provided testimony in support of the bill. Since its inception, there have been different expectations of the statewide system.

Some municipal and county officials believed that that the state's system would be large enough to accommodate local-level communication needs. The state however, is in the process of building a system to

address state level communication issues.

In his testimony in opposition to LD 1700, OIT Chief Information Officer, Dick Thompson, made it clear that the \$50 million investment was being used to develop a system that is large enough to meet the state's communications needs.

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## GA CUTS (cont'd)

Although the Department had expressed an interest in convening a group of municipal officials and advocates to discuss this shortfall and possible solutions, that meeting has been deemed no longer necessary. The Department has found a way to obtain the necessary financial resources to avoid the proposed General Assistance cut by "drawing" down American Recovery and Reinvestment Act funds to somehow remedy the \$2.3 million shortfall.

While municipal officials certainly appreciate this short-term solution, they are also interested in amending existing GA program laws to implement changes that will have long-term savings impacts. After all, between the enacted and proposed state budget, the reductions in state support for local government programs falls in the \$250 million range. If there are ways to responsibly save property taxpayers' money, municipal officials want them put on the table.

A short list of the programmatic changes the municipal welfare directors believe should be explored include:

### **Adopt Accountability Standards.**

Over the past few years, the Maine Welfare Directors Association has developed legislation that would limit assistance to applicants who have broken programmatic rules in other jurisdictions, such as HUD rent assistance regulations. Under existing GA law, municipalities are required to provide the assistance under those circumstances because the applicants had not misused a resource which they were expressly required to use by the municipality to which they are applying for assistance. Therefore, if a person misuses a public assistance resource in Massachusetts and then relocates to Maine, the misuse of the public assistance resource in the Bay State cannot

be considered a factor in that person's GA eligibility.

**Lifetime Limit for Non-categorical Applicants.** Create a lifetime limit for General Assistance for "non-categorical" applicants, perhaps in the three to five year range. Non-categorical applicants for this purpose would be persons who are between the ages of 21 and 60 who are not disabled and who do not have custodial responsibility for dependent children. If lifetime limits are for some reason deemed unacceptable, perhaps a certain minimum wage income could be imputed for these applicants who claim zero income, just as income is imputed for this category of individuals for child support purposes.

**Recognize the Existence of LI-HEAP Assistance.** Allow municipalities to recognize a household's receipt of federal heating assistance (LI-HEAP) in the calculation of the household's "unmet need" during any 30-day period. Similarly, require "Circuit Breaker" benefits issued as rent rebates to be actually applied to the recipients' rental obligations.

Municipal GA administrators take their jobs seriously and want to ensure that the program is available for those that are truly in need. As result they hope that the Legislature will seriously consider these long-term changes not only for their cost savings benefits, but also to create a program that is more accountable to the property taxpayers who support it. Municipal officials are ready to engage in discussions with all interested parties to advance these and other program changes, but it is becoming apparent that the other "stakeholders" (i.e., the low income advocates, legislators and the Department of Health and Human Services) are not interested in exploring programmatic changes as long as the proposed cut to GA can be bought-off with stimulus money.

*(The bill summaries are written by MMA staff and are not necessarily the bill's summary statement or an excerpt from that summary statement. During the course of the legislative session, many more bills of municipal interest will be printed than there is space in the Legislative Bulletin to describe. Our attempt is to provide a description of what would appear to be the bills of most significance to local government, but we would advise municipal officials to also review the comprehensive list of LDs of municipal interest that can be found on MMA's website, [www.memun.org](http://www.memun.org).)*

### **Agriculture, Conservation & Forestry**

LD 1587 – An Act To Amend the Animal Welfare Laws. (Sponsored by Rep. Pieh of Bremen; additional cosponsors.)

Under current law, the owner of a domestic animal can be cited for animal trespass if the animal is allowed to enter and remain on another person's property. This bill expands the potential area of trespass to include any local, county or state road or highway.

LD 1684 – An Act To Amend the Laws That Provide an Exemption for Agricultural Guard Dogs from Municipal Ordinances Governing Barking Dogs. (Emergency) (Sponsored by Rep. Strang Burgess of Cumberland; additional cosponsors.)

Current law preempts municipalities from adopting "barking dog" ordinances that apply to dogs engaged in herding livestock, as the term "livestock" is defined in statute. This bill limits that preemption so that it only applies with respect to dogs herding livestock on land enrolled in the Farmland tax program or on land that otherwise meets certain farmland standards.

### **Criminal Justice & Public Safety**

LD 1745 – An Act To Amend the Laws Governing County Jail Budgeting for York County. (Sponsored by Sen. Nass of York County; additional cosponsors.)

Under current law, revenue received by a county jail for boarding prisoners must be used to support the jail system. This bill would

authorize the York County commissioners to use revenue generated from boarding prisoners for any county expense.

### **Judiciary**

LD 1714 – An Act To Protect Information Maintained by Registers of Deeds. (Sponsored by Rep. Treat of Hallowell; additional cosponsors.)

This bill provides that records maintained by registers of deeds are not considered public records for the purposes of the freedom of access laws, and establishes the provisions in the laws applicable to the registers of deeds to be the laws governing access to those records.

### **Labor**

LD 1552 – An Act To Improve Employment Opportunities for Maine Workers in the Forest Industry. (Sponsored by Rep. Martin of Eagle Lake; additional cosponsor.)

This bill establishes certain notification requirements to the Department of Conservation when a landowner directly or through the use of a contractor uses bonded labor to harvest forest products off the property. If a municipal assessor is notified by the Department of Conservation that the property is being harvested with bonded labor or there has been a failure to properly notify the Department regarding the use of bonded labor, the property must be withdrawn from the Tree Growth program and the withdrawal penalty applied.

### **Legal & Veterans Affairs**

LD 1692 – Resolution, Proposing an Amendment to the Constitution of Maine To Amend the Requirements Governing Direct Initiatives. (Sponsored by Rep. Cain of Orono; additional cosponsors.)

This resolution would send out to the voters a proposed constitutional amendment that requires the text of any citizen initiative to include, as appropriate, the fiscal impact of the initiated measure, the amount and source of revenue required to implement the measure, or the existing programs whose funding must be reduced or eliminated to implement the proposed measure.

## **INTEROPERABILITY (cont'd)**

OIT estimates that it would cost the state \$200 million to develop a system large enough to accommodate the communications needs of all local-level providers, as well as to purchase the equipment necessary to meet the FCC mandate. It is estimated that \$28 million would be needed to equip every community and county with radio systems similar to those being purchased by the state. That being said, Mr. Thompson made it clear that any community or county that meets the FCC mandate would be able to communicate with the state's system. He did admit however, that the procedures currently used might need to change. For example, a local police officer might have to change channels in order to communicate with the state.

Maine Emergency Management Agency (MEMA) director, Rob McAleer, also provided testimony in opposition to the bill. MEMA is concerned that if any of the funds currently dedicated to the state's efforts are diverted, Maine will not be able to comply with the federal mandate by January 1, 2013. Director McAleer noted that he is working with county based Emergency Management Agency directors to gather information on local-level efforts to meet the FCC mandate. He expects to have a report in 60 days.

Municipal officials support LD 1700 because it provides a level of protection to local law enforcement agencies. The state's is that once municipalities and counties become FCC compliant, there will be no communication lapses between locals and the state that require additional local level investments. If that is the case, the funds dedicated in LD 1700 will not be necessary.

That being said, regardless of whether it is the federal mandate or the state's implementation of the statewide radio network that will create communication barriers between local and state public safety agencies, municipal officials believe that interoperability is a significant concern that needs to be addressed. At minimum, a partnership among state, county and municipal leaders needs to be created to ensure that public safety is preserved throughout this transition to narrowband and that funding alternatives are fully explored to ensure that all levels of government are able to cost-effectively meet the requirements of the FCC mandate.

Although the work session on LD 1700 was scheduled for 10:00 a.m. this Friday, January 29<sup>th</sup>, it has been postponed to enable all the interested parties to meet and further discuss the issue. It is expected that a meeting will take place sometime next week.

## LEGISLATIVE HEARINGS

*NOTE: You should check your newspapers for Legal Notices as there may be changes in the hearing schedule. Weekly schedules and supplements are available at the Senate Office at the State House and the Legislature's web site at <http://www.state.me.us/legis/senate/Documents/hearing/ANPHFrame.htm>. If you wish to have updates to the Hearing Schedules e-mailed directly to you, sign up on the ANPH homepage listed above. Work Session schedules and hearing updates are available at the Legislative Information page at <http://www.state.me.us/legis/>.*

### ***Monday, February 1***

#### **Labor**

**Room 220, Cross State Office Building, 1:00 p.m.**

**Tel: 287-1333**

LD 1558 – An Act Regarding Accidental Death Benefits for Beneficiaries of Deceased Firefighters.

### ***Tuesday, February 2***

#### **Taxation**

**Room 127, State House, 1:00 p.m.**

**Tel: 287-1552**

LD 1694 – Resolve, To Increase Transparency and Accountability and Assess the Impact of Tax Expenditure Programs.

#### **Transportation**

**Room 126, State House, 1:00 p.m.**

**Tel: 287-4148**

LD 1675 – An Act To Reduce Noise Caused by Motorcycles and Improve Public Health.

#### **Utilities & Energy**

**Room 211, Cross State Office Building, 1:00 p.m.**

**Tel: 287-4143**

LD 1525 – An Act To Amend the Charter of the Buckfield Village Corporation.

LD 1720 – An Act Related to Qualified Waste-to-energy Power.

### ***Wednesday, February 3***

#### **Health & Human Services**

**Room 209, Cross State Office Building, 1:00 p.m.**

**Tel: 287-1317**

LD 1592 – An Act To Update the Laws Affecting the Maine Center

for Disease Control and Prevention.

LD 1648 – Resolve, To Repeal the Fee Increase for Copies of Vital Records.

### ***Thursday, February 4***

#### **Judiciary**

**Room 438, State House, 1:00 p.m.**

**Tel: 287-1327**

LD 1551 – An Act To Further Regulate the Communications of Members of Public Bodies.

LD 1714 – An Act To Protect Information Maintained by Registers of Deeds.

LD 445 – An Act To Improve Tribal-State Relations.

#### **Transportation**

**Room 126, State House, 1:00 p.m.**

**Tel: 287-4148**

LD 1562 – An Act To Amend the Motor Vehicle Laws.

LD 1736 – An Act To Improve Safety on Maine's Primary and Secondary Roads, Reduce Road Maintenance Costs and Improve the Environment and the Economy by Allowing Certain Heavy Commercial Vehicles on the Interstate Highway System in Maine.

### ***Friday, February 5***

#### **Agriculture, Conservation & Forestry**

**Room 206, Cross State Office Building, 9:30 a.m.**

**Tel: 287-1312**

LD 1684 – An Act To Amend the Laws That Provide an Exemption for Agricultural Guard Dogs from Municipal Ordinances Governing Barking Dogs.

LD 1698 – An Act To Prevent the Spread of Eastern Equine Encephalitis.

LD 1587 – An Act To Amend the Animal Welfare Laws.

#### **Transportation**

**Room 126, State House, 1:00 p.m.**

**Tel: 287-4148**

LD 1561 – An Act To Regulate the Use of Traffic Surveillance Cameras.