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Legislative Update

To: MMA's Legislative Policy Committee Key Appointed & Elected Municipal Officials Legislative Bulletin Subscribers

From: Kate Dufour, Director of MMA's State and Federal Relations Department

Date: Wednesday, March 18, 2020

RE: Legislative Update – Enactment of COVID-19 (Coronavirus) Legislation

Yesterday, the Maine State Legislature met to enact several pieces of legislation providing the state and local governments with the authority necessary to address COVID-19 (coronavirus) related issues and then adjourned sine die (without another day).

What follows are descriptions of the more municipally significant legislation enacted by the Legislature and signed into law by Governor Mills. With the exception of the Highway Fund bond (LD 2134), these bills were enacted with emergency preambles, making the proposals effective upon the signature of the Governor. The bond bill, along with all other non-emergency legislation, becomes effective in 90 days from March 17 (Tuesday, June 16, 2020).

LD 2167, An Act To Implement Provisions Necessary to the Health, Welfare and Safety of the Citizens of Maine in Response to the COVID-19 Public Health Emergency, in part:

• **Municipal Budgets & Elections (Part D).** In the event that town meetings are postponed, allows municipalities to continue to fund government operations at the same budget levels approved for the previous year and authorizes the municipal treasurer to disburse funds on the authority of the warrant signed by the municipal officers outside of a public meeting. If the budget is not adopted and the assessor(s) need to commit taxes in a timely manner, the law allows the assessor(s) to commit taxes based on the previous year's budget levels. Allows municipal officers to postpone the date of a scheduled municipal secret ballot election by posting notice in a public location at least two days prior to the election and to use previously printed ballots. These provisions apply retroactively to March 1, 2020 and are repealed on Jan. 1, 2021.

- Freedom of Access Act (Part G). Up until 30 days after the termination of the emergency, allows entities subject to FOAA, including municipalities, to conduct public proceedings through telephonic, video, electronic or other similar means of communication as long as certain conditions are met, including: (1) providing notice of the means (e.g., telephone, video, electronic, etc.) by which the meeting will be held; (2) ensuring that members of the body can speak and be heard by other members of the body and members of the public can hear all participants in the meeting; and (3) taking all votes via roll call.
- Licenses & Registrations (Part F). (1) Extends until 30 days after the end of the public health emergency, registrations for motor vehicles, all-terrain vehicles (ATV), watercraft and dogs issued by the municipality. (2) Allows a municipality, without conducting a hearing, to grant a request for a renewal of a liquor license. (3) Requires the Secretary of State and the Department of Inland Fisheries and Wildlife to expand online access to licensing and registration systems (e.g., motor vehicle, trailer, ATV or watercraft registration, etc.), regardless of whether the municipality currently participates in the online service.
- School Budget Meeting (Part E). In the event that school board meetings are delayed, allows school administrative units to continue operations at the same budget levels approved for the previous year.
- Emergency Management Act (Part H). Provides the Governor additional powers under the Maine Emergency Management Act, including the ability to adjust timeframes and deadlines imposed by law for state, county or municipal governments when an adjustment is reasonably necessary to mitigate a substantial impact of the emergency.
- Unemployment Insurance (Part B). Revises certain unemployment insurance eligibility and benefit charging provisions under the Employment Security Law to protect public health during a declared public health emergency.

LD 2126, An Act Making Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and other Funds and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2020 and June 30, 2021, provides funding for the following programs of direct municipal significance:

Highway Fund Revenue. Transfers from the General Fund to the Highway Fund \$10 million to support highways, bridges and multimodal transportation (e.g., transit, rails, aviation, ports, etc.) and to support initiatives that reduce greenhouse gas emissions.

State Aid for K-12 Education. Establishes at \$2.37 billion the total FY 2021 cost of K through 12 education, as calculated by the Essential Programs and Services model and including the normal cost of teacher retirement. The state's contribution to those costs is \$1.23 billion,

accounting for 52% of total expenditures. The budget allocates an additional \$229 million as the state's share of the total unfunded actuarial liabilities (UAL) of the Maine Public Employees Retirement System that are attributable to teacher and retired teacher health and life insurance benefits. The UAL appropriation brings the total costs of K-12 education to \$2.60 billion, with the state's \$1.46 billion appropriation accounting for 56% of total expenditures. For FY 2021, the minimum local share of K-12 education expenditures is \$1.14 billion and the mil rate expectation is 8.18.

LD 2134, An Act to Authorize a General Fund Bond Issue for Infrastructure To Improve Transportation and Internet Connections, provides a bond issue of \$90 million for highway and bridge improvements, including the Madawaska International Bridge replacement project and for the Department of Transportation's municipal partnership initiative and \$15 million for multimodal facilities or equipment related to transit, rails, aviation, ports and marine transportation to be matched by an estimated \$275 million in federal and other funding. Part B of the bond issue provides \$15 million to invest in high-speed internet infrastructure to be matched by up to \$30 million in federal, private, local or other funds.

LD 2163, An Act To Address Funding Needs Related to COVID-19, authorizes transfers of up to \$11 million from the Reserve for General Fund Operating Capital to a COVID-19 response fund in order to address funding needs associated with the public health emergency through January 15, 2021.

According to two memos to the members of the Legislature, one authored by Governor Mills and the other co-authored by Senate President Troy Jackson and Speaker Sara Gideon, the Legislature will be called back into a special session this year when it is safe and responsible to do so. When reconvened, the Legislature will address many of the bills that upon adjournment were left in committees, tabled in the House and Senate, or placed on the Appropriations and Financial Affairs Committee's table awaiting funding.

As result, until the Legislature is reconvened, the publication of the Legislative Bulletin and legislative updates will be suspended. If you have any questions about the legislative session, please do not hesitate to contact me at <u>kdufour@memun.org</u>.

Also, MMA's Legal Services Department is working on a detailed description of the municipally related authorizations adopted in LD 2167, the Governor's COVID-19 omnibus bill. That notice will be posted on the Association's website later today (March 18, 2020). If you have questions about how the provisions adopted in LD 2167 will impact your community, please contact our Legal Services Department at <u>legal@memun.org.</u>

If you wish to be included on the email distribution list for these updates, please contact Laura Ellis at <u>lellis@memun.org</u>.

Thank you.