

January 24, 2019

Labor committee set to hear unemployment insurance bill

At issue is adding cost to the UI system

The Joint Standing Committee on Labor and Housing will hold its first legislative public hearing next Wednesday, January 30 at 11:00 a.m., on legislation that would impact the cost of Maine's unemployment insurance system.

Sponsored by Sen. Erin Herbig (D-Waldo), **LD 75, *An Act to Protect Earned Pay***, concerns a policy issue that has been debated and amended three times since the Baldacci administration. As drafted, LD 75 proposes to expand benefit to certain high wage earners, by exempting *all* vacation pay from the waiting period for UI eligibility. The DOL estimated back in 2010 that such an expansion would cost the Unemployment Trust Fund about \$2 million. Future costs will depend on economic conditions. Ironically, this change will cost more in the worst of economic times (higher unemployment) and be lower in a stronger (lower unemployment) economy.

At one point in recent history, all vacation pay an employee might have on the books was considered offset. During the Baldacci administration, the offset was removed completely by the legislature, despite strong opposition from the employer community. A partial offset was reinstated during the 125th Legislature, giving us the current statute. That negotiated compromise allows a worker to "keep" up to four weeks of vacation from being offset against receiving UI benefits. In other words, up to four weeks of vacation pay is not counted against an eligible worker's waiting period for UI benefits.

In Maine, vacation pay has the status of wages earned. If a worker who receives vacation pay as a benefit is laid off, fired, or decides to voluntarily leave the place of employment, that worker is entitled to, and employers are required to pay, for any vacation time accrued on the books. If vacation pay is truly "wages earned," then in keeping with past positions of the Maine State Chamber of Commerce, this compensation should be treated like any other wages earned while receiving UI benefits – and therefore, offset. Failure to do so allows the system to subsidize certain employers and their employees, and will also create a two-tiered system for UI recipients in Maine. People with remaining vacation pay will be entitled to keep their "wages" without any form of offset and be eligible for UI within seven days of losing their job. Even if they have five, 10, or even 20 weeks of vacation pay due them. People without vacation pay or who have used up their vacation time, and later get a part time job while on UI, will have their benefits reduced by the amount of their earning or "wages."

LD 75 is the first bill heard in the Labor and Housing committee this session that represents a potential increase in the cost of doing business here in Maine. It also represents a cost shift onto all Maine businesses. The fact is, under our current system, an unemployed worker with eight or 10 weeks of vacation time as a financial fallback may find a job during this time period. Doing so saves the UI trust fund money and mitigates

Joint Standing Committee on Labor and Housing

Committee mail can be sent to the Legislative Information Office at 100 State House Station, Augusta, Maine 04333. The committee meets in Room 202 of the Cross Building. The committee clerk can be reached by calling (207) 287-1331. Additional information can be found online at legislature.maine.gov/committee/#Committees/LBHS.

* Ranking Republican Member

Committee Chairs:

Sen. Shenna Bellows (D-Kennebec)
Rep. Michael Sylvester (D-Portland)

Committee Members:

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Sen. Stacey K. Guerin (R-Penobscot)
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Rep. Joshua Morris (R-Turner) □

UI tax increases. Passage of LD 75 shifts the cost immediately onto the fund and allows workers with vacation pay to essentially "double dip" by keeping their vacation pay and collecting UI.

The Maine State Chamber will be present to oppose LD 75 on January 30. For questions or additional information, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. □

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About the Maine State Chamber of Commerce: Since 1889, the Maine State Chamber has been fighting to lower your cost of doing business. Through our Grassroots Action Network and OneVoice program, we work with a network of approximately 5,000 companies statewide who see the value in such a service and provide the financial support that keeps our access, advocacy, and assistance efforts going strong. As Maine's Chamber, we make sure that the business environment of the state continues to thrive. The Maine State Chamber of Commerce advocates on behalf of their interests before the legislature and regulatory agencies and through conferences, seminars, and affiliated programs.

Public Hearings

Public hearings are open to everyone. This public hearing schedule is subject to change. Questions may be directed to the Secretary of the Senate's Office at (207) 287-1540. For the most current schedule, please visit <http://legislature.maine.gov/committee/#Committees> or contact the committee clerk.

Tuesday, January 29, 2019

Energy Utilities and Technology
1:00 p.m.; Cross Building, Room 211
LD 41, An Act To Replace Net Energy Billing with a Market-based Mechanism (Rep. O'Connor of Berwick)
LD 91, An Act To Eliminate Gross Metering (Rep. Berry of Bowdoinham)

Wednesday, January 30, 2019

Education and Cultural Affairs
9:00 a.m.; Cross Building, Room 208
LD 14, An Act To Improve Science and Engineering Education for Maine's Students (Rep. Devin of Newcastle)
LD 103, An Act To Ensure the Integrity of For-profit Colleges (Sen. Vitelli of Sagadahoc)

1:00 p.m.; Cross Building, Room 208
LD 29, Resolve, To Implement the Recommendations of the Task Force To Address the Opioid Crisis in the State by Establishing a Work Group To Develop Educational Programming for Prevention of Substance Use and Substance Use Disorders among Youth and Adolescents (Rep. McCreight of Harpswell)

Labor and Housing

11:00 a.m.; Cross Building, Room 202
LD 75, An Act To Protect Earned Pay (Sen. Herbig of Waldo)
LD 81, An Act To Clarify Maine Law Regarding the Tips of Service Employees (Rep. Fecteau of Biddeford)

Taxation

10:00 a.m.; State House, Room 127
LD 70, An Act To Support the Trades through a Tax Credit for Apprenticeship Programs (Sen. Herbig of Waldo)

Tuesday, February 5, 2019

Energy Utilities and Technology
1:00 p.m.; Cross Building, Room 211
LD 273, An Act To Require Transmission and Distribution Utilities To Purchase Electricity from Renewable Resources at Certain Prices (Sen. Miramant of Knox)

Wednesday, February 6, 2019

Labor and Housing
10:00 a.m.; Cross Building, Room 202
LD 122, An Act To Prohibit an Employer from Asking a Prospective Hire about the Person's Compensation History until after a Job Offer Is Made (Rep. Bryant of Windham)

LD 139, An Act To Address the Unmet Workforce Needs of Employers and To Improve the Economic Future of Workers (Rep. Fecteau of Biddeford)
LD 140, An Act To Facilitate the Employment of Persons with Substance Use Disorder (Rep. Fecteau of Biddeford)

Taxation

10:00 a.m.; State House, Room 127
LD 70 (Work Session), An Act To Support the Trades through a Tax Credit for Apprenticeship Programs (Sen. Herbig of Waldo)

Thursday, February 7, 2019

Innovation, Development, Economic Advancement and Business
1:00 p.m.; Cross Building, Room 202
LD 50, An Act To Implement the Recommendations of the Government Oversight Committee To Improve the Development of a Long-range Strategic Plan for Economic Improvement in the State (Rep. Mastraccio of Sanford) □

Digest of New Legislation

Maine Chamber staff have studied each of these recently printed bills to assess potential impact on business trends. If you have concerns regarding any bill, please communicate those concerns to a member of our governmental services staff at (207) 623-4568.

BOND ISSUES

LD 295, *An Act To Authorize a General Fund Bond Issue To Increase Rural Maine's Access to Broadband Internet Service.* (Rep. Berry, D-Bowdoinham) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$100,000,000, will be used for the provision of broadband Internet service in unserved and underserved areas through ConnectME Authority grants to partnerships between private, municipal and nongovernmental service providers.

EDUCATION

LD 55, *An Act To Return the Normal Cost of Teacher Retirement to the State.* (Rep. Stearns, R-Guilford) *Joint Standing Committee on Education and Cultural Affairs.* This bill changes the method for funding teacher retirement costs. It repeals those provisions of law enacted pursuant to Public Law 2013, chapter 368 that require school administrative units and private schools to pay for teacher retirement.

LD 92, *An Act To Amend Teacher Evaluation Requirements.* (Rep. McCrea, D-Fort Fairfield) *Joint Standing Committee on Education and Cultural Affairs.* This bill clarifies that the use of student learning and growth data to inform instruction is included as part of the multiple measures of educator effectiveness. The bill also requires the Department of Education to submit a provisionally adopted rule to the Legislature by January 10, 2020.

ENVIRONMENTAL

LD 16, *An Act To Authorize a General Fund Bond Issue To Invest in Infrastructure To Address Sea Level Rise.* (Rep. Brennan, D-Brennan) *Joint Standing Committee on Appropriations and Financial Affairs.* The funds provided by this bond issue, in the amount of \$50,000,000, will be used to improve waterfront and coastal infrastructure in

municipalities to address sea level rise.

LD 36, *An Act To Change the Composition of the Board of Pesticides Control.* (Rep. Pluecker, I-Warren) *Joint Standing Committee on Agriculture, Conservation and Forestry.* This bill restores the requirement that the 2 public members of the Department of Agriculture, Conservation and Forestry, Board of Pesticides Control have a demonstrated interest in environmental protection. The change does not require the termination of the terms of current members of the board.

LD 61, *An Act To Improve the Maine Bottle Redemption Process.* (Rep. Fay, D-Raymond) *Joint Standing Committee on Environment and Natural Resources.* This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to simplify and improve the efficiency of the bottle redemption process.

LD 87, *An Act To Increase the Bottle Redemption Deposit.* (Rep. Beebe-Center, D-Rockland) *Joint Standing Committee on Environment and Natural Resources.* This bill increases to 25¢ the deposit and refund value on refillable and nonrefillable beverage containers whose deposit and refund value is currently 5¢. This increase does not apply to wine and spirits containers.

LD 93, *An Act To Amend the Laws Governing Bottle Redemption To Counterbalance for Redemption Centers the Increase in Minimum Wage.* (Rep. McCrea, D-Fort Fairfield) *Joint Standing Committee on Environment and Natural Resources.* This bill increases by 1¢ per returned container the handling costs to be reimbursed to the dealer or local redemption center for the cost of handling beverage containers beginning March 1, 2020.

LD 102, *An Act To Improve the Manufacturing of Plastic Bottles and Bottle Caps.* (Rep. Doudera, D-Camden) *Joint Standing Committee on Environment and Natural Resources.* This bill prohibits, beginning January 1, 2020, a manufactur-

er from selling, offering for sale or distributing for sale in the State a single-use plastic beverage container unless the container is composed of at least 15% post-consumer recycled plastic. Beginning January 1, 2022, this threshold for the percentage of postconsumer recycled plastic in single-use plastic beverage containers increases to 20% and, beginning January 1, 2024, the threshold increases to 25%.

The bill also prohibits, beginning January 1, 2020, a manufacturer from selling, offering for sale or distributing for sale in the State a single-use plastic beverage container with a plastic beverage cap unless the cap is composed of the same plastic as the beverage container and the cap is tethered to the container in a manner that prevents the separation of the cap from the container when the cap is removed or the cap includes an opening from which the beverage can be consumed while the cap remains screwed onto or otherwise affixed to the container.

LD 112, *An Act To Implement Changes to Maine's Solid Waste Laws Pursuant to a Review of the State Waste Management and Recycling Plan.* (Rep. Tucker, D-Brunswick) *Joint Standing Committee on Environment and Natural Resources.* This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to implement changes to the laws governing the management, reduction and recycling of solid waste determined necessary based on a review of revisions to the state waste management and recycling plan prepared by the Department of Environmental Protection pursuant to the Maine Revised Statutes, Title 38, section 2122 and submitted to the joint standing committee of the Legislature having jurisdiction over natural resources matters pursuant to Title 38, section 2124.

LD 197, *An Act To Convene a Working Group To Authorize a Public Trust for Maine's Groundwater and To Impose a 2-*

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New Legislation... **(Continued from Page 3...)**

year Moratorium on Large-scale Groundwater Extraction. (Rep. Sylvester, D-Portland) *Joint Standing Committee on Environment and Natural Resources.* This bill imposes a 2-year moratorium, beginning November 1, 2019, on new contracts or agreements by a consumer-owned water utility, municipality, state agency or other governmental entity involving the extraction of more than 75,000 gallons of groundwater during any week or more than 50,000 gallons of groundwater on any day. The bill also directs the Commissioner of Environmental Protection to convene a working group to develop the statutory and regulatory framework for the establishment of the Maine Water Trust, which must be designed to ensure a safe and plentiful drinking water supply for all residents of the State by regulating the use of groundwater for commercial purposes under laws that establish the absolute control and dominion of the State over all groundwater supplies in the State. The commissioner must, on or before January 15, 2021, report the recommendations of the working group to the joint standing committee of the Legislature having jurisdiction over environment and natural resources matters, which may report out a bill to implement those recommendations to the First Regular Session of the 130th Legislature.

LD 199, An Act To Create the Water Resources Planning Committee. (Rep. Sylvester, D-Portland) *Joint Standing Committee on Agriculture, Conservation and Forestry.* This bill establishes the Water Resources Planning Committee within the Department of Agriculture, Conservation and Forestry. The bill describes requirements related to committee membership, meetings and reporting. It details 3 phases on which the committee is required to focus effort. It also requires the committee to conduct an annual review of state policy in regard to water resources, provide guidance to municipalities and develop and disseminate educational materials on water resources and the regulatory regime.

LD 274, An Act To Allow the Sale of Ethanol-free Gasoline Statewide. (Sen. Miramant, D-Knox) *Joint Standing*

Committee on Environment and Natural Resources. Since June 1, 2015, retailers who sell gasoline in York, Cumberland, Sagadahoc, Androscoggin, Kennebec, Knox or Lincoln County have been required to sell only reformulated gasoline in those counties. This bill repeals that sales requirement effective November 1, 2020.

LD 281, Resolve, Regarding Legislative Review of Portions of Chapter 692: Siting of Oil Storage Facilities, a Major Substantive Rule of the Department of Environmental Protection. Emergency (Rep. Tucker, D-Brunswick) *Joint Standing Committee on Environment and Natural Resources.* This resolve provides for legislative review of portions of Chapter 692: Siting of Oil Storage Facilities, a major substantive rule of the Department of Environmental Protection.

LD 289, An Act To Prohibit the Use of Certain Disposable Food Service Containers. (Rep. Zeigler, D-Montville) *Joint Standing Committee on Environment and Natural Resources.* Beginning January 1, 2020, this bill prohibits the sale or distribution in the State of disposable food service containers composed in whole or in part of polystyrene foam. The bill requires the Department of Environmental Protection to adopt rules to implement these statutory provisions.

INSURANCE

LD 109, An Act To Create a Public Health Insurance Option. (Rep. Berry, D-Bowdoinham) *Joint Standing Committee on Health Coverage, Insurance and Financial Services.* This bill makes any legally domiciled resident of the State eligible for coverage under the group health plan available to state employees and other eligible persons. The bill permits any resident enrolling in coverage under this provision to do so during an open enrollment period.

LD 132, An Act To Eliminate Insurance Rating Based on Age, Geographic Location or Smoking History and To Reduce Rate Variability Due to Group Size. (Rep. Brooks, D-Lewiston) *Joint Standing Committee on Health Coverage, Insurance and Financial Services.* This bill prohibits insurance carriers providing individual health plans or small group health plans from varying premium rates based on age, geographic location or tobacco use

on or after January 1, 2020. The bill also reduces the variation based on group size to 1.5 to 1 for small group plans over time.

LD 367, An Act To Amend the Definition of “Insurer” under the Maine Guaranteed Access Reinsurance Association Act. (Sen. Foley, R-York) *Joint Standing Committee on Health Coverage, Insurance and Financial Services.* This bill removes multiple-employer welfare arrangements from the definition of “insurer” under the Maine Guaranteed Access Reinsurance Association Act.

JUDICIARY

LD 250, An Act To Establish the Statute of Limitations in Product Liability Cases. (Sen. Davis, R-Piscataquis (by request)) *Joint Standing Committee on Judiciary.* This bill extends the statute of limitations for product liability actions from 6 to 15 years.

LABOR

LD 69, An Act To Provide Economic Security to Maine Families through the Creation of a Paid Family Medical Leave System. (Sen. Herbig, D-Waldo) *Joint Standing Committee on Labor and Housing.* This bill creates a paid family medical leave program, patterned after the unpaid family medical leave program existing in current law but requiring a contribution from an eligible employee, or a self-employed person on a voluntary basis, of no more than 0.5% of the employee’s or self-employed person’s wages or earnings. The program requires employers to deduct the contributions from employee paychecks and requires the employers and self-employed persons to submit contributions to the Department of Labor, Bureau of Unemployment Compensation, which is charged with administering the program. The program pays benefits of up to 66% of an employee’s wages or self-employed person’s earnings, capped at the same maximum amount as unemployment benefits for leave taken by the employee or self-employed person for various family-related medical issues. The bill makes participation optional for employers that employ fewer than 15 employees.

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LD 81, An Act To Clarify Maine Law Regarding the Tips of Service Employees. (Rep. Fecteau, D-Biddeford) *Joint Standing Committee on Labor and Housing.* This bill clarifies that an employer may take an employee's tips as part of a valid tip pooling arrangement if the arrangement is only among service employees. It specifies that such a tip pooling arrangement may not violate federal law rather than requiring that it be consistent with federal law. The intent of this bill is to clarify the distinction between Maine law and any change to, or judicial interpretation of, the federal Fair Labor Standards Act and associated regulations that would allow an employer to take a service employee's tips for any reason other than for a valid tip pooling arrangement that is only among service employees.

LD 122, An Act To Prohibit an Employer from Asking a Prospective Hire about the Person's Compensation History until after a Job Offer Is Made. (Rep. Bryant, D-Windham) *Joint Standing Committee on Labor and Housing.* This bill prohibits an employer from inquiring about a prospective employee's compensation history until after an offer of employment that includes all terms of compensation has been negotiated and made to the prospective employee. The bill also prohibits an employer from requiring that a prospective employee's compensation history meet certain criteria. An employer that violates this provision is subject to a fine of not less than \$100 and not more than \$500 per violation and is also subject to a civil action that may be brought by or on behalf of an affected prospective employee by the Department of Labor or the affected employee.

LD 140, An Act To Facilitate the Employment of Persons with Substance Use Disorder. (Rep. Fecteau, D-Biddeford) *Joint Standing Committee on Labor and Housing.* This bill directs the Department of Labor to establish a process to certify employers as having met the criteria established by the department for working with employees with substance use disorders. The bill also directs the department to create a publicly accessible database of certified employers.

LD 220, An Act To Improve Pay for Certain Maine Workers. (Rep. Sylvester, D-Portland) *Joint Standing Committee on Labor and Housing.* This is a concept draft bill that proposes to enact measures designed to improve compensation for certain workers in the State.

LD 278, An Act Regarding Pay Equality. (Sen. Breen, D-Cumberland) *Joint Standing Committee on Labor and Housing.* This bill amends the Maine Human Rights Act to provide that evidence of discrimination with respect to compensation includes an employer seeking information about a prospective employee's prior wage history before an offer of employment, including all compensation, to the prospective employee has been made. It provides that this discrimination is also evidenced by an employer requiring that a prospective employee's prior compensation history meet certain criteria. The bill broadens a provision in the current equal pay law to prohibit an employer from preventing employees from discussing or disclosing other employees' wages and makes the practice a violation of the Maine Human Rights Act as well.

LD 305, An Act To Protect Job Applicants from Identity Theft. (Rep. Riley, D-Jay) *Joint Standing Committee on Labor and Housing.* This bill prohibits the request of a social security number from a prospective employee by an employer on an employment application or during the application process. Under this bill, an employer may still request a social security number from a prospective employee for purposes of a substance abuse test or preemployment background check, and an employer is not prohibited from asking for a social security number from an individual for any reason after the individual has been hired.

LD 317, An Act To Amend the Laws Governing Appointees to the Maine Labor Relations Board. (Rep. Handy, D-Lewiston) *Joint Standing Committee on Labor and Housing.* This bill amends the qualifications for certain members and alternates appointed to the Maine Labor Relations Board by the Governor. It requires the member and alternates representing employees to not have worked in a management capacity or represented management interests in any proceedings

at any time during the prior 10 years. It also requires the member and alternates representing the public to not have worked in a management capacity or represented management interests in any proceedings or have worked for a labor organization or served in a leadership role in a labor organization at any time during the prior 10 years. These new qualifications apply to new appointments or reappointments to the board.

LD 369, An Act To Support Healthy Workplaces and Healthy Families by Providing Earned Paid Sick Leave to Certain Employees. (Sen. Millett, D-Cumberland) *Joint Standing Committee on Labor and Housing.* This bill creates a right to earned paid sick leave for employees who are employed by an employer that employs more than 5 employees. The bill also creates a right to earned unpaid sick leave for employees of an employer that employs 5 or fewer employees. This bill takes effect January 1, 2021.

REGULATORY REFORM

LD 255, Resolution, Proposing an Amendment to the Constitution of Maine To Require That Signatures on a Direct Initiative of Legislation Come from Each Congressional District. (Sen. Farrin, R-Somerset) *Joint Standing Committee on Veterans and Legal Affairs.* This resolution proposes to amend the Constitution of Maine to require that the signatures on a petition to directly initiate legislation be of voters from each of the State's 2 congressional districts and that the number of signatures from each congressional district be not less than 10% of the total vote for Governor cast in that congressional district in the previous gubernatorial election. This resolution provides that, if the required votes are cast in favor of the proposed amendment to the Constitution, the proposed amendment becomes part of the Constitution on March 1, 2020 instead of on the date of the Governor's proclamation.

TAXATION

LD 65, An Act to Allow Municipalities to Impose a Seasonal or Year Round Local Option Sales Tax. (Rep. Beebe-Center, D-Rockland) *Joint Standing Committee on Taxation.* The bill would allow a

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municipality to impose a local option sales tax either on a year round basis or seasonally if approved by local referendum.

LD 70, An Act to Support the Trades Through a Tax Credit for Apprenticeship. (Sen. Herbig, D-Waldo) *Joint Standing Committee on Taxation.* The bill would provide an employer, who employs an apprentice, with a or a partial tax credit depending on how long the apprentice is employed.

LD 71, An Act to Reinstate the Income Tax Deduction for Contributions to College Savings Accounts. (Sen. Guerin, R-Penobscot) *Joint Standing Committee on Taxation.* The bill would reinstate the income tax deduction for certain contributions to qualified tuition programs under Section 529 of the Internal Revenue Code up to \$250 per beneficiary.

LD 73, An Act to Provide an Income Tax Credit for Certain Student Loan Repayments. (Sen. Pouliot, R-Kennebec) *Joint Standing Committee on Taxation.* The bill would provide an income tax credit for certain student loans made by the Finance Authority of Maine or administered by the Finance Authority of Maine.

LD 107, An Act to Lower the Maine Individual Income Tax Incrementally to Zero. (Rep. Hanley, R-Pittson) *Joint Standing Committee on Taxation.* The bill provides for the phaseout of the income tax.

LD 146, An Act to Make the Assessment and Collection of Personal Property Taxes Optional for Municipalities. (Rep. Cebra, R-Naples) *Joint Standing Committee on Taxation.* The bill would allow municipalities by referendum to exempt all personal property located in that municipality from taxation.

LD 156, An Act to Allow Regional Service Center Municipalities to Assess an Additional One Percent Sales Tax for Infrastructure Costs. (Sen. Miramant, Knox) *Joint Standing Committee on Taxation.* The bill would allow a service center municipality to impose a local option sales tax up to 1% by local referendum to fund local infrastructure costs.

LD 335, An Act to Require the State to Distribute 25% of Adult Use Marijuana Retail Sales and Excise Tax Revenue to Generating Municipalities. (Rep. Warren, D-Hallowell) *Joint Standing Committee on Taxation.* The bill does what the title suggests. It would distribute 25% of adult use marijuana retail sales to municipalities where the revenue was generated.

UNEMPLOYMENT INSURANCE

LD 75, An Act To Protect Earned Pay. (Sen. Herbig, D-Waldo) *Joint Standing Committee on Labor and Housing.* Under current law, a person who receives or is scheduled to receive remuneration in the form of vacation pay in excess of 4 weeks' wages or holiday pay is disqualified from receiving unemployment benefits for the week that remuneration is due. This bill removes those disqualifications.

UTILITIES AND ENERGY

LD 13, An Act To Allow Microgrids That Are in the Public Interest. (Rep. Devin, D-Newcastle) *Joint Standing Committee on Energy, Utilities and Technology.* This bill directs the Public Utilities Commission to approve a petition to construct and operate a new microgrid if the commission finds the proposal to be in the public interest and the new microgrid meets other specified requirements. It provides the commission with the ability to impose such terms, conditions or requirements as, in its judgment, it considers necessary in approving a new microgrid and also gives the commission oversight to ensure reliability and security of the electrical system and consumer protections for new microgrid consumers. It specifies that a new microgrid does not become a public utility as a result of its furnishing electrical service to participating consumers. It provides that a new microgrid that has been approved by the commission may construct, maintain or operate its lines in, upon, along, over, across or under the roads and streets. The bill directs the Public Utilities Commission to submit a report to the joint standing committee of the Legislature having jurisdiction over energy and utility matters by January 15, 2021.

LD 31, An Act Regarding Rules Adopted by the ConnectME Authority. (Rep. Berry, D-Bowdoinham) *Joint Standing Committee on Energy, Utilities and Technology.* This bill changes the designation of rules adopted by the ConnectME Authority from major substantive to routine technical.

LD 41, An Act To Replace Net Energy Billing with a Market-based Mechanism. (Rep. O'Connor, R-Berwick) *Joint Standing Committee on Energy, Utilities and Technology.* This bill does the following regarding net energy billing:

- 1 It allows an eligible customer to elect net energy billing until December 31, 2019, after which time no new net energy billing arrangements may be allowed;
- 2 It allows net energy billing arrangements entered into prior to December 31, 2019 to remain in effect until December 31, 2034;
- 3 It prohibits a transmission and distribution utility from requiring a customer to meter the gross output of an eligible facility in order to participate in net energy billing; and
- 4 It limits to 50 the number of eligible customers that may participate in a single shared interest in an eligible facility or the number of meters associated with a single shared interest, except in the service territory of a transmission and distribution utility located in an area administered by the independent system administrator for northern Maine.

The bill establishes a market-based crediting system for energy generated by eligible facilities. It requires the Public Utilities Commission to adopt rules to allow an eligible customer to receive a monetary credit for energy generated by an eligible facility in excess of the customer's usage and exported to the grid at the real-time wholesale market price of that energy. As in the provisions relating to net energy billing, a transmission and distribution utility is prohibited from requiring a customer to meter the gross output of an eligible facility in order to participate in the crediting system, and the number of eligible customers that may participate in a single shared interest in an

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eligible facility, or the number of meters associated with a single shared interest, is limited to 50. The bill exempts a transmission and distribution utility located in an area administered by the independent system administrator for northern Maine, or any successor of the independent system administrator for northern Maine, from using this crediting system until the Public Utilities Commission determines the utility's billing system can perform the necessary functions to implement the system. It requires the commission to consider whether an alternative system to the crediting system for northern Maine could be developed and utilized in the interim period before the utility's billing system is modified to allow a market-based crediting system.

It requires the Public Utilities Commission to procure, to the maximum extent possible, 20 megawatts of large-scale community solar distributed generation resources. It requires that the contract rate be calculated annually and that no contract may be for more than 6¢ per kilowatt-hour or the average wholesale electricity rate over the preceding 12 months, whichever is less.

Lastly, it requires the Public Utilities Commission to conduct an analysis of the costs and benefits to ratepayers for both net energy billing and the market-based crediting system in an adjudicatory proceeding and to report those findings to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters no later than January 1, 2021.

LD 68, An Act To Improve the Record Keeping of the Public Utilities Commission. (Sen. Carson, D-Cumberland) *Joint Standing Committee on Energy, Utilities and Technology*. This bill amends the law governing the record-keeping requirements of the Public Utilities Commission. Current law requires that the commission maintain a complete record of proceedings, investigations and formal public hearings. The bill adds the requirement to maintain a record of complaints. It also specifies that the required records be permanently maintained and include results and con-

clusions, including orders, findings, decisions and settlement agreements. Finally, the bill requires the commission, upon request of a public utility customer, to reconstruct, to the extent possible, the record of a proceeding, investigation, formal public hearing or complaint that was disposed of prior to the requirement that a permanent record be maintained.

LD 91, An Act To Eliminate Gross Metering. Emergency (Rep. Berry, D-Bowdoinham) *Joint Standing Committee on Energy, Utilities and Technology*. This bill clarifies the definition of "net energy billing." It requires the Public Utilities Commission, within 60 days of this legislation becoming effective, to amend its net energy billing rules adopted pursuant to the Maine Revised Statutes, Title 35-A, section 3209-A to be substantively equivalent to the rules in effect on January 1, 2017. It provides that all customers that entered into a net energy billing arrangement on or after March 29, 2017 are governed by the rules that are to be adopted pursuant to this legislation.

LD 173, An Act To Promote Economic Development and Critical Communications for Family Farms, Businesses and Residences by Strategic Public Investment in High-speed Internet. (Rep. McCrea, D-Fort Fairfield) *Joint Standing Committee on Energy, Utilities and Technology*. This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to increase funding to the ConnectME Authority from \$1,000,000 to \$5,000,000 to expand universal broadband and high-speed Internet into rural areas identified as the 6% of the State unserved by high-speed Internet. This bill proposes to make expanding high-speed Internet into unserved rural areas a key emphasis in the economic development of and to multiply the return to the State by directing the ConnectME Authority to use the increased funding to increase the rate of strategic broadband investment and leverage additional federal funding to provide middle-mile and last-mile infrastructure in the unserved areas and to correct broadband deficiencies identified in the ConnectME Authority's baseline update of 2013.

LD 196, Resolve, Regarding Legislative Review of Portions of Chapter 320: Electric Transmission and Distribution Utility Service Standards, a Major

Substantive Rule of the Public Utilities Commission. Emergency (Rep. Berry, D-Bowdoinham) *Joint Standing Committee on Energy, Utilities and Technology*. This resolve provides for legislative review of portions of Chapter 320: Electric Transmission and Distribution Utility Service Standards, a major substantive rule of the Public Utilities Commission.

LD 224, An Act To Fund the Municipal Gigabit Broadband Network Access Fund. (Rep. Higgins, I-Dover-Foxcroft) *Joint Standing Committee on Education and Cultural Affairs*. This bill provides funds to the ConnectME Authority to be used to provide grants to municipalities for high-speed broadband infrastructure development and improvement.

LD 271, An Act Regarding a Transmission and Distribution Utility's Use of the Right of Eminent Domain To Locate Its Transmission Lines. (Sen. Miramant, D-Knox) *Joint Standing Committee on Energy, Utilities and Technology*. This bill withholds the right of eminent domain from a transmission and distribution utility for lands or easements to be acquired for an elective transmission upgrade that is not required for reliability of service to customers in the State or the ISO-New England region.

LD 273, An Act To Require Transmission and Distribution Utilities To Purchase Electricity from Renewable Resources at Certain Prices. (Sen. Miramant, D-Knox) *Joint Standing Committee on Energy, Utilities and Technology*. This bill requires a transmission and distribution utility, at the request of the owner of a renewable resource, to purchase the electricity generated by that renewable resource at a price per kilowatt-hour that is 50% of the average cost per kilowatt-hour to generate electricity using a fossil fuel in this State.

WORKERS' COMPENSATION

LD 312, An Act To Reduce the Cost of Workers' Compensation Insurance for Small Employers. (Rep. Handy, D-Lewiston) *Joint Standing Committee on Labor and Housing*. This bill prohibits a workers' compensation insurer from charging a minimum premium in connection with its issuance of a workers' compensation policy. □

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The Maine State Chamber of Commerce is hosting its annual Business Day at the Statehouse on **Thursday, March 14, 2019**, from **8:00 a.m. to 12:00 p.m.** in the **Hall of Flags** (Statehouse, Second Floor). *The snow date for this event is Thursday, May 2.*

For more information or to RSVP, please contact Linda Caprara, director of grassroots advocacy, by calling (207) 623-4568, ext. 106, or by emailing lcaprara@mainechamber.org. With your participation, the "Voice of Maine Business" will resonate throughout Augusta!