

**STATE OF MAINE  
119TH LEGISLATURE  
FIRST REGULAR SESSION**

**Final Report  
of the**

**COMMISSION TO STUDY THE ENHANCEMENT  
OF FIRE PROTECTION SERVICES  
THROUGHOUT THE STATE**

**December 1999**

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John A. Cannon  
Darrell Fournier  
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### ***Special Dedication***

*Three days after the final meeting of the Commission, the world learned that six firefighters in Worcester, Massachusetts were missing in the ashes of an abandoned warehouse and presumed dead. For eight days, the Nation watched and mourned as firefighters sought to retrieve the bodies of their fallen comrades.*

*In a fitting display of tribute to the honor and memories of the six firefighters, a memorial service was conducted in Worcester attended by more than 30,000 firefighters from across the United States, Canada and Ireland, and the President of the United States..*

*Worcester Mayor Raymond V. Mariano spoke for many of the mourners when he said the following during the service:*

*“A hero is an average citizen who does something extraordinary to help someone in need. A hero is a firefighter.”*

*To remind us all not to take for granted the dedication and service of Maine’s firefighters, this report is dedicated to:*

*Lt. Thomas E. Spencer  
Firefighter Timothy P. Jackson  
Firefighter James F. Lyons  
Firefighter Joseph T. McGuirk  
Firefighter Paul A. Brotherton  
Firefighter Jeremiah M. Lucey*

*Worcester, Massachusetts Fire Department  
Killed in the Line of Duty, December 3, 1999*

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## EXECUTIVE SUMMARY

The Commission to Study the Enhancement of Fire Protection Services Throughout the State was established in the First Regular Session of the 119th Legislature by Resolve 1999, chapter 65. The Commission was co-chaired by Senator William O’Gara and Representative Christopher Muse and included members from the Joint Standing Committee on Criminal Justice, the Maine Fire Chief’s Association, the Professional Firefighters of Maine and the Maine State Federation of Firefighters.

The Commission was charged with examining and making recommendations in the following areas concerning fire protection services in the State:

- Strengthening the Office of State Fire Marshal;
- Providing incentives for recruiting and retaining volunteers;
- Enhancing the safety of and reducing health risks to career firefighters; and
- Strengthening fire training and education for firefighters.

The Commission was convened on September 21, 1999 and met six times. The Commission received input from the State Fire Marshal’s Office, the Maine Fire Training and Education program, the Office of Employee Health and Benefits, the Maine State Retirement System, the Bureau of Insurance, Maine Revenue Services, the Bureau of Labor Standards, Maine Municipal Association and several firefighters. In addition, the Commission members requested that Commission staff conduct a random survey of Maine’s fire chiefs to collect data to identify issues surrounding the status of career and volunteer firefighters, as well as the financial resources of fire departments, particularly for training expenses.

The Commission makes the following eight recommendations:

**1. The Commission recommends legislation to increase the Fire Investigation and Prevention Tax from the current 1.4% to 3.1% on all fire risks issued in the State effective October 1, 2000. The proposed increase represents an estimated \$3.40 annual increase on the average homeowners’ policy in the State, based on average home valuations in the \$75,000 to \$99,999 range. The Commission notes that the fire tax has not been adjusted for more than 8 years even though the operational costs of the agencies that the tax supports have continued to increase. The Commission further recommends that the Joint Standing Committee on Criminal Justice consider adding a fire tax to all life insurance risks issued in the State as a method of providing new funding to both the State Fire Marshal’s Office and the Maine Fire Training and Education program.**

**2. The Commission recommends:**

**a. Legislation to establish the Maine Community Fire Training Matching Grant Fund to be administered by the Maine Fire Training and Education (MFT&E) program. The fund will provide matching grants annually to eligible Maine communities to fund fire training for firefighters. The fund will be seeded by a \$1 million endowment from the Fund for a Healthy Maine (22 MRSA, chapter 260-A), with the total annual grants and operational expenses not to reduce the principle amount of the endowment in any fiscal year. At prevailing investment rates, it is estimated the endowment will yield approximately \$50,000 to \$60,000 annually. A minimum of 80% of the annual yield must be made available for matching grants to municipal fire departments; up to 20% of the total annual yield may be applied to administrative costs by MFT&E.**

**b. Legislation to establish a fund to provide matching grants annually to eligible Maine communities to fund the construction and maintenance of fire training facilities. The fund would be administered by the Maine Fire Training and Education (MFT&E) program. The fund will be seeded by a \$1 million endowment from the Fund for a Healthy Maine (22 MRSA, chapter 260-A), with the total annual grants and operational expenses not to reduce the principle amount of the endowment in any fiscal year. At prevailing investment rates, it is estimated the endowment will yield approximately \$50,000 to \$60,000 annually. A minimum of 80% of the annual yield must be made available for matching grants to municipal fire departments; up to 20% of the total annual yield may be applied to administrative costs by MFT&E. Criteria for the matching grants will be the responsibility of the proposed Maine Fire Protection Services Commission in cooperation with the MFT&E program with input from local departments.**

**3. The Commission recommends legislation to repeal the provisions in law that establish the fees charged by the State Fire Marshal's Office for certain inspections and to authorize the SFMO to set these fees by rule effective January 1, 2001. These rules would be routine technical rules. The commission further recommends that the legislation authorizing this change prohibit the SFMO from setting any fees that would exceed the actual cost of providing a specific inspection service.**

**4. The Commission recommends legislation to enable all active career firefighters and all retired career firefighters in the State to join the State Employees Health Plan. The Commission also recommends that the cost of insurance premiums for retired career firefighters be paid by the State in the same manner as those of retired state employees. The Commission further recommends that the Joint Standing Committee on Criminal Justice examine the New Hampshire retired firefighters health insurance model of capping the amount of premium that a**

firefighter must pay out-of-pocket for health benefits to consider whether a similar model should be proposed in Maine.

**5. The Commission:**

**a. Strongly supports the establishment of a length-of-service program for the State's call and volunteer firefighters in order to attract and retain individuals to the fire service. The Commission recommends that legislation, similar to LD 414 filed during the First Regular Session of the 114th Legislature include current fiscal information and be introduced in the Second Regular Session of the 119th Legislature. The Commission further recommends that the program be funded through an appropriation from the General Fund.**

**b. Strongly encourages the Maine Fire Training and Education Program to continue to work with the Maine Municipal Association to further develop educational campaigns for the purpose of recruiting call and volunteer firefighters. In addition to the National 1-800-Fire Line Recruitment Campaign already used by municipal fire departments, educational outreach strategies should include: expanded use of free and paid advertising in electronic and print media, the Internet, mailings, partnering with private industry and public service organizations in an effort to develop a statewide communications program to inform reach potential volunteer firefighters. The Commission recommends that these strategies should be targeted to adults aged 18 to 30. The Commission further recommends that the volunteer firefighter recruitment campaign be funded by a \$500,000 endowment from the Fund for a Healthy Maine (22 MRSA, chapter 260-A).**

**6. The Commission recommends legislation be enacted to establish the Maine Fire Protection Services Commission. This commission, to be modeled after the Maine Criminal Justice Commission, would monitor and evaluate the State's fire protection services system on a continuing basis and would provide recommendations regarding changes in that system to the appropriate state agencies and to the Legislature. As proposed, the 21-member commission would submit an annual report, along with any recommended legislation, to the legislative committee having jurisdiction over the criminal justice and fire protection matters. The report would assess and evaluate the State's fire protection services, including the service's management of its resources, existing programs, training, and fire prevention strategies.**

**7. The Commission strongly endorses the goals and objectives of the Maine Fire Training and Education program's strategic plan initiative.**

**8. The Commission recommends that the Deputy Commissioner of the Department of Defense, Veterans and Emergency Management take the following actions to improve the hazardous materials (hazmat) training fund process:**

- **Write a memo by February 1, 2000 to the fire chiefs in the state explaining the process for applying for hazmat training funds through the State Emergency Response Commission (SERC) and also clarifying for which types of hazmat equipment the State Emergency Response Commission will authorize funding;**
- **Provide focus groups to receive feedback from fire fighters on the SERC grant process;**
- **Work with the State Emergency Response Commission to streamline the SERC grant application process to reduce the amount of time it takes for communities to receive training funds; and**
- **Provide the Joint Standing Committee on Criminal Justice with information on the status of the Emergency Response Commission Fund and a copy of the program's annual report during the 2nd Regular Session of the 119th Legislature.**

## I. INTRODUCTION

### Enabling Legislation

The Commission to Study the Enhancement of Fire Protection Services Throughout the State was established in the First Regular Session of the 119th Legislature by Resolve 1999, chapter 65. The legislation creating the Commission, L.D. 1428, was introduced by Representative Michael McAlevey and was presented before the Joint Standing Committee on Criminal Justice. (A copy of the Resolve is attached as **Appendix A.**)

### Commission Membership

The Commission was composed of six members: one member of the Senate who serves on the Joint Standing Committee on Criminal Justice appointed by the President of the Senate; two members of the House of Representatives who serve on the Joint Standing Committee on Criminal Justice appointed by the Speaker of the House; the President of the Maine Fire Chief's Association; the President of the Professional Firefighters of Maine; and the President of the Maine State Federation of Firefighters.

The Commission's enabling legislation provided that the first named Senator would be the Senate chair and the first named House member would be the House chair. Senator William O'Gara served as the Senate chair and Representative Christopher Muse served as the House chair. The remaining members of the Commission were:

- Representative Julie Ann O'Brien;
- Mr. John Cannon;
- Mr. Darrell Fournier; and
- Mr. Phil Nason.

(A list of the Commission members is included as **Appendix B.**)

### Charge to the Commission

The Commission was charged with examining and making recommendations in the following areas concerning fire protection services in the State:

- Strengthening the Office of State Fire Marshal;
- Providing incentives for recruiting and retaining volunteers;
- Enhancing the safety of and reducing health risks to career firefighters; and
- Strengthening fire training and education for firefighters.

The Commission was convened on September 21, 1999. In addition to this first meeting, the Commission was authorized to hold four other meetings. These meetings occurred on October 26, 1999, November 5, 1999, November 16, 1999 and November 23, 1999. In

addition, the Commission requested authorization for two additional meetings from the Legislative Council to finalize its recommendations. However, due to a limited budget, the Commission only met one additional time on November 30. (Meeting summaries are included as **Appendix C.**)

## **II. COMMISSION PROCESS**

### **A. Scope and Focus of Commission Meetings**

1. At the first meeting of the Commission the State Fire Administrator at the Maine Fire Training and Education program (MFT&E) at Southern Maine Technical College provided an overview of fire protection services in Maine; the status of Maine's career and volunteer firefighters; and the status of fire training and education in the State. In addition, the State Fire Marshal discussed the duties and responsibilities of the State Fire Marshal's Office. The Commission identified issues to examine, including the fire insurance premium tax, insurance risk pools, health insurance coverage for retired firefighters between the age of 55 and 64, and incentives for the recruitment and retention of volunteer firefighters. The Commission members decided that a random survey of Maine fire departments should be conducted by the Commission staff to assist the Commission in identifying the status of career and volunteer firefighters in Maine and the financial situations of fire departments in the State.

2. The second meeting of the Commission focused on a discussion of the following:

- The Fire Insurance Premium Tax with a representative from Maine Revenue Services;
- The funding of Fire Marshal Offices in other states;
- Volunteer incentives for recruitment and retention in other states; and the funding of firefighter training in other states.

3. The third meeting of the Commission focused on a discussion of the following:

- Health benefits for retired firefighters between the ages of 55 and 64 with a representative from the Maine Office of Employee Health and Benefits, Department of Human Resources;
- Insurance risk pools with a representative from the Maine Bureau of Insurance; and
- Retirement incentives for volunteer firefighters with a representative from the Maine State Retirement System.

4. The fourth meeting of the Commission focused on a continued discussion of health benefits for retired firefighters. A representative from the Maine Office of Employee Health and Benefits provided the Commission with actuarial estimates of what the costs would be to the State Employee Health Program for providing health insurance benefits to retired firefighters between the ages of 55 and 64. At this meeting, the

Commission also received a presentation by the State Fire Administrator at the Maine Fire Training and Education program on the Maine Fire Training and Education Strategic Plan.

5. The last two meetings of the Commission focused on a discussion of recommendations and a review of the draft report.

## **B. Report and Legislation**

Resolve 1999, chapter 65 established December 1, 1999 as the reporting date of the Commission to the Joint Standing Committee on Criminal Justice. The Commission requested and received permission from the Legislative Council to extend the reporting date to December 17, 1999. The Joint Standing Committee on Criminal Justice is authorized pursuant to Resolve 1999, chapter 65 to report out a bill during the Second Regular Session of the 119th Legislature concerning the findings and recommendations of the Commission.

## **III. OVERVIEW OF FIRE PROTECTION SERVICES IN MAINE**

### **A. Summary of Fire Protection Services**

Maine's fire protection services extend from Fort Kent to Kittery, from Eastport to Bethel and are provided by approximately 12,000 firefighters within 494 fire departments. Of these 494 fire departments, 4 are considered to be full-time career departments, 60 are considered combination departments staffed by career firefighters and volunteers, and 430 are considered to be strictly volunteer departments. Fire departments in Maine provide their communities with a variety of services, including fire suppression, safety inspections, disaster response, fire prevention and education, emergency medical care, water rescue, terrorism preparations and wilderness searches. These services are provided around-the-clock, 365 days a year. Providing fire protection services in Maine is complicated by many factors, including large rural areas, an older population, lack of mutual aid between fire departments, federal and state mandates, limited financial resources and a limited workforce.

Fire service officials estimate that taxpayers in Maine communities would have to raise an additional \$50 million annually in local tax revenues to fund the full-time firefighters that would be needed to provide the level of fire protection now being delivered by paid call and volunteer firefighters.

### **B. Funding of Fire Protection Services**

Local fire protection services throughout the State are primarily funded by communities in the same manner as most other municipal services -- through local property tax revenues. Fire departments budgets vary widely, however, from town to town. Some departments

have significant annual budgets and additional sources of revenues that aid the community in funding a highly professional, well-equipped and well-trained department. Other departments struggle to keep their roster memberships at a level that allows them to provide minimal fire protection services and to keep their equipment in serviceable condition. These wide variations in funding levels affect the quality and level of fire services available to each Maine community.

Particularly in the area of fire training, some communities do not have, or do not provide, the resources necessary to offer their firefighters the frequency of training necessary to keep current with changing fire safety and fire protection standards. At the same time, the Maine Fire Training and Education Program does not have the resources available to assist the communities in obtaining this necessary training. The State Fire estimates that the 125 free, sixteen-hour courses offered to local fire departments each year translates to only one training program every 4 years to each Maine community. According to a 1998 administrative study of state fire training programs by the Fire Service Institute, Maine spends only \$48 per firefighter per year for training, while the average per firefighter expenditure nationally is \$88. The State Fire Administrator at the Maine Fire Training and Education program estimates that the \$550,000 Maine spends for fire training translates to 46-cents per citizen per year. If the Commission's recommendation to increase the Fire Investigation and Prevention Tax to 3.1 percent on all fire risks in the State is implemented, the amount spent on fire training will increase to \$1.00 per citizen per year.

The Maine Fire Training and Education program, along with the State Fire Marshal's Office, is funded primarily by the 1.4% tax on fire insurance policies written in the State. Pursuant to 25 MRSA, Chapter 315, MFT&E received 24.3% of the approximately \$2.4 million Fire Investigation and Prevention Tax revenues generated in Fiscal Year 1999, while the State Fire Marshal's Office received the remaining 75.7% of this dedicated revenue. The percentage of distribution between the two agencies is set by statute and does not change from fiscal year to fiscal year. As mentioned previously, the Maine Fire Training and Education program receives \$550,000 each fiscal year. If the Commission's recommendation to increase the Fire Investigation and Prevention Tax to 3.1 percent on all fire risks in the State is implemented, Maine Fire training and Education will have a total budget of \$1.2 million per fiscal year.

In addition to the Fire Investigation and Prevention Tax revenues, the State Fire Marshal's Office funding also includes fees derived from inspection services. These fees, in many cases, do not cover the expense to the office of conducting the various inspections. In some instances, the office is generating revenue as low as 13% of the actual cost of the inspection. (See Table 1.) In a "Report to the Criminal Justice Committee Regarding the Issues Identified in the 118th Legislature's LD 2272," State Fire Marshal John C. Dean noted that additional funding necessary to help his office and MFT&E to meet their future needs would likely have to come in the form of an increase in the Fire Investigation and Prevention Tax, which has not been increased since 1991.

### **C. State Fire Marshal's Office**

The State Fire Marshal's Office (SFMO) is located within the Maine Department of Public Safety. The office's duties and responsibilities are established in 25 MRSA, section 2396. The office is responsible for the investigation of fires and explosions to determine origin and cause; for the enforcement of the State's arson statutes; and for inspections of certain buildings and facilities to ensure that they meet federal and state fire and safety codes. The SFMO also reviews plans for commercially owned buildings and provides training for local fire inspectors and others involved in fire safety and building construction in the public and private sector.

**TABLE 1**

**(The inspection fees in this table are those that have been identified as costing far more than the fee that is charged.)**

<b>TYPE</b>	<b>NUMBER</b>	<b>COST PER INSPECTION</b>	<b>CHARGE</b>
Fireworks Display Site	350	\$111.36	\$15.00
Fireworks Vehicle Inspection	35	\$98.00	\$30.00
Admin. Fireworks Test	24	\$179.67	\$22.50
Theater License Inspection	50	\$106.17	\$37.50
Dance License Inspection	1,200	\$117.17	\$15.00
Explosive Mag Inspection	33	\$78.40	\$30.00
Explosive Vehicle Inspection	45	\$83.30	\$30.00

The State Fire Marshal directs the SFMO. The investigation unit is comprised of 11 investigators who provide 24-hour, 7-day per week statewide coverage. The investigators are charged with investigating all serious fires, including fatal fires, fires with serious bodily injuries, and fires where there is evidence of a crime. Each of the fire investigators averages a caseload of more than 50 cases per year. This represents twice the Federal Bureau of Investigation's suggested maximum caseload. On average, the SFMO conducts 500 fire investigations a year.

The SFMO's fire prevention responsibilities are carried out by 6 fire inspectors and 4 plan reviewers. Each inspector averages 1,000 inspections annually at healthcare facilities, nursing homes, daycare centers, foster homes, assisted living facilities and places of assembly. Plan reviews are conducted for commercial occupancies for compliance with the following: the installation of sprinkler systems, the Americans with Disabilities Act, and the Maine Human Rights Act, among others.

The SFMO has identified a need for the office to become more involved in juvenile fire-setter prevention efforts. Local fire departments need help with this problem, according to State Fire Marshal, and the SFMO should initiate the intervention process in these cases.

Nationally, seven of 10 children who die in fires die in fires that are set by juveniles. Additionally, the SFMO believes it should take a more active role in fire prevention and survival training for the State's elderly. Along with children, elderly are at the greatest risk of injury or death from fire. The SFMO also is responsible jointly with the Maine Fire Chiefs Association (MFCA) for the Maine Fire Incident Reporting System (MFIRS), which is part of a nationwide effort to establish a comprehensive database of fire statistics. Approximately 130 Maine fire departments currently report to MFIRS with annual fire statistics. The State Fire Marshal informed the Commission that the SFMO office and the MFCA are working together to expand participation by local departments in the State and Federal fire reporting programs.

## **1. Fire Marshal's Offices in Other States**

Commission staff researched the structure, responsibilities and funding of fire marshal's offices in the other 49 states. In general, state fire marshal's offices are centrally responsible for the investigation of the causes, origins and circumstances of fatal fires or fires where criminal conduct is suspected. Most state offices also are charged with fire education and protection duties, as well as construction plan reviews and inspections. In short, the Maine SFMO's duties and responsibilities fall within the norm of those assigned to its counterparts in other states.

Structurally, the majority of state fire marshal's offices are housed in the Department of Insurance or the Department of Public Safety or the State Police. Some states, however, have established more unique homes for the fire marshal. In Texas, the fire marshal is located under the auspices of the Texas Commission on Fire Protection. In Vermont and Virginia, the fire marshal's office is a division of the Department of Labor and Industry. In North Dakota, the Attorney General's Office is home to the fire marshal's office. (A summary of other state's fire marshal offices is included as **Appendix D.**)

Funding for most fire marshal's offices comes from three sources: a special tax on fire insurance policies, fees for services, and the state's general fund. However, there is no uniform approach to funding these offices. In Oregon, for example, state statute allows the county court or board of county commissioners in certain fire zones to levy a special tax to fund fire fighting and fire prevention within that zone. Other fire zones, however, do not have such authority.

## **D. Maine Fire Training and Education Program**

The mission of the Maine Fire Training and Education program (MFT&E) is to "make Maine firefighters, citizens and visitors safe through proactive prevention, protection and response training and education." The MFT&E, a department of the Southern Maine Technical College (SMTC), offers firefighter training in local communities and a 2-year Fire Science Technology degree through SMTC. MFT&E also provides performance-based training in national and local fire safety standards to the State's 12,000 career and

volunteer firefighters. The program strives to offer state-of-the-art fire training, integrating basic hands-on training through college level education in the fire sciences. MFT&E provides free annual firefighter training to about a quarter of the Maine's 500 communities, employing 75 part-time fire instructors. The value of MFT&E to the State, according to the State Fire Administrator, is realized in lives and property saved. This is accomplished through training in "best practices" approaches to fire fighting, uniformity of training, increased firefighter safety and professionalism, and savings in insurance costs to citizens and their communities.

During the commission's study, the State Fire Administrator presented the MFT&E's 1999 Strategic Plan, which was developed with the assistance of 65 fire service leaders throughout the State in a process that spanned nearly two years. The plan, which is the MFT&E's "road map for the next 5 years," proposes, among other things, to:

- Add 2 fire department service supervisors and 4 resource specialists to the MFT&E to strengthen quality of training services and strict compliance with applicable safety laws, rules and best practices;
- Promote advanced training materials, equipment and facilities;
- Provide training more responsive to local needs;
- Offer voluntary state certification to recognize local efforts;
- Use mutual aid to improve service quality;
- Assist local fire personnel to bring lifesaving skills to every person in Maine;
- Target programs to Maine citizens at greatest risk;
- Make receipt of a fire science degree an attainable goal for every firefighter in Maine; and
- Support the development of fire and emergency leaders.

#### **E. Volunteer Recruitment/Retention Challenges**

Maine has approximately 12,000 firefighters, of which 11,000 are volunteers or paid on call. Maine has one of the highest percentages of volunteer firefighters in the country. But the number of individuals volunteering at fire departments in Maine has decreased in the last decade. Many Maine communities are having increasing difficulty recruiting citizens to serve as firefighters. A variety of factors are impacting citizen's willingness to become involved in fire fighting. Among these factors are: work demands, family demands, training requirements, lack of interest, health risk, and time commitment. Volunteer firefighters are expected to undergo medical exams, background checks, and attend 150 hours of rookie training, as well as annual refresher courses. Due to the general decline in volunteerism, some small fire departments in Maine have been forced to hire full-time employees to provide fire protection services to their communities. The full-time positions, however, translate into increased financial costs to these communities.

Although often necessary and in the best interests of the safety of firefighters and citizens, federal fire fighting regulations that have been adopted in Maine law may effect a community's ability to recruit volunteer firefighters. For example, a new federal

regulation, 1910.134 Respiratory Protection, commonly referred to as the “2-in-2-out Rule” requires that a minimum of two firefighters, equipped with self-contained breathing apparatus (SCBAs) enter a burning structure together and remain in continual visual or voice contact. Simultaneously, two additional firefighters must be available and equipped with SCBAs at the point of entry of the original two firefighters to effect a rescue, if necessary. In most small towns, only a few fires per year are considered structural, yet this new regulation will require all firefighters, including volunteers, to undergo medical evaluation, physical fitness testing, education and continuous monitoring. It will also require the purchase of respirators. While fire service leaders emphasize that they realize the necessity of such regulations, the new regulations do play a role in complicating their efforts to recruit volunteers and prepare and equip firefighters for fire suppression and rescue service. Furthermore, new regulations often add to the time commitment volunteer firefighters must make to their avocation. Many citizens are not able or are not willing to make such a commitment to a job that provides them little or no monetary compensation.

## **1. Volunteer Incentives**

A report published by the United States Fire Administration in 1998 examined the issue of recruitment and retention of volunteer firefighters. In the report, several methods were identified to assist communities with the recruitment of new volunteer firefighters. Among those methods were: educational programs utilizing the media, community groups, and existing fire personnel; incentives such as allowances for clothing and equipment, gym memberships, and relocation expenses; and special license plates. This same report also looked at methods to assist communities in retaining volunteers. Among those methods identified were the offering of various incentives, including: bonus or longevity pay, pension funds, death and disability insurance benefits, health insurance benefits and service recognition programs.

Many other states offer volunteer recruitment and retention incentives. Among the most common incentives are retirement pension funds, also called length of service programs; longevity pay or bonuses that are linked to a certain number of hours of training being completed; death benefits; disability benefits; and tuition credits. Some states have considered offering income tax deductions to volunteer firefighters, but no state has yet to pass legislation allowing for this type of incentive.

One incentive examined by the Commission was to offer retirement benefits to volunteer firefighters through the Maine State Retirement System (MSRS). The Commission heard from a representative of the Maine State Retirement System that volunteer firefighters currently do not fall under the definition of public employee in Maine law and therefore are not covered by the MSRS. He suggested that the Commission consider encouraging municipalities to offer their own retirement programs that would also be administered by those municipalities.

The Commission also received information from the International City Management Association’s Retirement program. A representative of the International City

Management Association's Retirement Corporation (ICMARC) advised Commission staff that developing a retirement program for volunteer and paid-call municipal firefighters has challenged the corporation for many years. ICMARC has not been able to develop an acceptable way to offer such a program. In terms of the paid call firefighters, the per call pay usually is not significant enough to realize meaningful retirement benefits. For example, if a call firefighter earns \$1,000 in a year, he or she could contribute only up to 25% or \$250 to a retirement plan. In terms of the unpaid volunteer, no IRS-sanctioned formula exists to assign a dollar value to length-of-service or other non-compensation criteria.

The ICMARC representative did suggest, however, in the case of paid call firefighters that an Individual Retirement Account (IRA) may be the best option for those who do not already make an annual IRA contribution. For example, a paid call firefighter who earns \$2,000 a year may be qualified to deposit 100% of those funds in an IRA whereas under traditional pension plans, the amount would be limited to 25%.

#### **F. Career Firefighter Health Insurance**

Maine's career firefighters are located in 60 communities across the State. These firefighters are the first responders for more than half of Maine's citizens for both fire and emergency medical services. The Commission was told that approximately 300 of Maine's 1,000 career firefighters are working beyond normal retirement age, largely because of the prohibitive cost of their health care insurance before the age when they are eligible for Medicare. These firefighters are generally between the ages of 55 and 64. National fire statistics show that older firefighters are more at risk than younger firefighters. Firefighters over the age of 50 suffer death rates 3 times that of firefighters aged 30 to 39. Further, heart attacks killed 66% of firefighters over age 40 who died on duty. Life expectancy of career firefighters is 10 years shorter than the general population.

One possible solution to the health insurance gap issue suggested by some members of the fire service would be to allow retiring municipal career firefighters to join the State Employee Health Plan until they reach social security retirement age. But the Commission heard testimony from Frank Johnson, Executive Director of the Division of Employee Health and Benefits in the Department of Administrative and Financial Services, that adding a population of males, predominately aged 50-64 would result in an estimated plan expenditures increase of \$4.5 million annually. This estimate does not include an anticipated 15 to 18% increase in plan costs effective in April 2000. Johnson further noted that any change in group participation in the current plan would require legislative action because those employees eligible to enroll in the State Employee Health Plan are established by law in 5 MRSA, section 285.

Johnson also calculated the cost of extending coverage under the State Employees Health Plan to not only the 300 potential retiring firefighters, but also the approximately 900 firefighters who would comprise the remaining active career firefighter group. The total expenditures for purchasing coverage and the additional costs resulting from premium

increases were projected at \$8.2 million. Again, this estimate does not reflect anticipated rate increases in April 2000. Johnson noted that rates provided by the Maine Municipal Health Trust, which provides health insurance coverage to career firefighters, are generally more favorable than the rates for the State employees plan. That, he suggested, would make municipal officials and labor representatives reluctant to transfer active firefighters to the State plan. (Detailed analyses of the health insurance issue prepared by the Division of Employee Health and Benefits are attached as **Appendices E and F.**)

## **G. Survey of Maine Fire Departments**

At the request of Commission members, commission staff conducted a mail survey of 41 fire departments in Maine to identify issues surrounding the status of career and volunteer firefighters, as well as the financial resources of fire departments, particularly for training expenses. Of the 41 fire departments surveyed, 4 were career/full-time departments; 12 were combination (at least one full-time paid staff and call or volunteers) departments; and 25 were volunteer departments. The survey was mailed on October 19, 1999 to the fire chiefs of the state's four career/full-time fire departments and fire chiefs of randomly selected combination and volunteer fire departments. The deadline for responding was established as November 5, 1999. Staff conducted follow-up phone calls to those fire departments that had not returned their survey by the deadline. The final survey return rate was 71%. (A copy of the survey instrument is attached as **Appendix G.**)

### **1. Career fire departments' results:**

**Return rate** - 4 out of 4 (100%)

#### **Staffing**

- 50% responded that their staffing levels have remained the same over the past five years; 25% responded that they had more staff and 25% responded that they had fewer staff
- 50% responded that their staff have been with the department for between 11-20 years
- the number of qualified firefighters on the roster ranged from 40 to 232 firefighters
- the number of retirement age firefighters who remain active after normal retirement age ranged from 8 firefighters to 73 firefighters
- none of the 4 departments offer recruitment or retention incentives
- 50% responded that they have between 11-20 firefighters available to respond to a daytime fire

#### **Funding**

- All four full-time departments receive more than \$2 million dollars in annual funding
- 75% spend over \$10,000 on training annually
- 50% receive between \$5,000 and \$10,000 in miscellaneous revenue from such sources as fire alarm box fees, fire inspections, false alarm fees, donations, grants and gifts

## 2. Combination fire departments' results:

**Return rate** - 7 out of 12 (58%)

### **Staffing**

- 57% responded that their staffing levels have remained about the same over past 5 years
- 57% responded that their staff have been in service between 11-15 years
- 57% responded that they have between 11-20 firefighters on their rosters
- 86% responded that they have between 0-5 firefighters eligible to retire, but remain active
- 86% responded that they do not have recruitment or retention programs, the departments that do offer these programs offer hourly pay for training and fire calls, non-structural fire suppression duties and small stipends as incentives
- 57% responded that they have 0-5 firefighters to respond to a daytime fire

### **Funding**

- 43% receive annual funding between \$100,001 and \$500,000
- 43% spend between \$1,001 and \$10,000 on training yearly
- 57% receive between \$1,001 and \$5,000 in miscellaneous revenue yearly from such sources as bottle drives, hunters' breakfast, car washes, calendars, donations, golf tournaments, spaghetti suppers, and a triathlon

## 3. Volunteer fire departments' results:

**Return Rate** - 18 out of 25 (72%)

### **Staffing**

- 77% responded they serve populations of 5,000 or less
- 56% responded that they have 26 or more firefighters in their departments
- 44% responded that staffing levels are about the same as five years ago: 28% responded they had fewer staff and another 28% responded they had more staff
- 50% responded that their staff have been in service for 6-10 years; 33% responded that their staff had been in service 11-15 years
- 56% responded that they have between 11-20 qualified firefighters on their rosters; 22% responded they had between 0-10 qualified firefighters on their rosters
- 44% responded they have 0 firefighters eligible to retire; another 28% responded that the question was not applicable
- 94% responded that they do not offer an incentive program for recruiting firefighters; 72% responded they do not have an incentive program for retaining firefighters; the departments that do offer these programs have hourly pay for training and fire calls, non-structural fire suppression duties and small stipends as incentives
- 44% responded they have 6-10 firefighters available to respond to a daytime fire; 39% responded they have 0-5 firefighters available to respond to a daytime fire

## **Funding**

- 67% responded they receive between \$0-\$50,000 in annual funding; the lowest amount of funding indicated was \$0 and the highest amount indicated was \$340,000
- 17% responded they spend between \$0-500 on training annually; 39% responded they spend between \$1,001 and \$5,000 on training annually; 22% responded they spend between \$501-\$1,000 on training annually and 17% responded they spend between \$5,001-\$10,000 on training annually
- 39% responded they receive between \$0-\$500 in miscellaneous revenue and; 33% responded they receive between \$1,001-\$5,000 in miscellaneous revenue from such sources as car washes, chimney cleanings, pool fillings, control burns, hayrides, rabies clinics, fishing derbys, donations, firemen's' musters, fundraising, calendars and raffles

## **H. Hazardous Materials Training Funds**

In 1986, Congress passed the Superfund Amendments and Reauthorization Act (SARA). Title III of SARA, also known as the Emergency Planning and Community Right to Know Act, establishes the public's right to know what chemicals are stored in their communities. It also requires state and local governments to establish local committees to identify hazardous materials and to plan for responding to releases of the materials. SARA funds are derived from a fee imposed on hazardous materials. Approximately 1,960 facilities in Maine are paying into the fund, which is called the Emergency Response Commission Fund. Types of facilities paying into the fund include paper mills, businesses with petroleum tanks or in-ground propane tanks and various manufacturing facilities. There are two types of payments into the fund: an annual registration fee and an annual inventory fee assessed on the amount of hazardous chemicals that are above the established threshold level. The Emergency Response Commission Fund is administered by the Maine Emergency Management Agency (MEMA) and currently has a balance of between \$300,000 - \$350,000 in accrued funds.

Under 37-B MRS, section 802, the Emergency Response Commission Fund may be used for the following:

- A. To employ personnel within the MEMA to manage and coordinate data collected;
- B. To fund county training programs for local emergency planning committees;
- C. To provide hazardous materials training grants; and
- D. To provide for the resource needs of the local emergency planning committees.

Requests for SARA training funds are approved by the State Emergency Response Commission (SERC). There are three levels of hazardous materials responses training: awareness, operations and technician. The Commission was advised that fire chiefs in several areas of the State believe that the SARA training funds are not being distributed

appropriately. One Fire Chief, who is a member of SERC, pointed out that two issues underlie the fire chiefs' concerns:

1. Before a fire department can obtain funding for a technician level hazardous response team, the fire department must have an emergency plan in place. Most departments do not have a plan, and therefore are not qualifying for hazardous materials responses training funds. Some departments, in response to this, have opted for regional hazardous responses teams in order to obtain funding and to provide hazardous materials responses to their communities.
2. The application process for SARA training funds through SERC could be made less cumbersome for fire departments.

In addition, SERC has made it a policy to distribute funding for training first, before funding for equipment. Currently, the only equipment that SERC approves funding for are computers and software to run the EPA's hazardous materials (hazmat) tracking program. In the past, SERC provided funding for other hazmat equipment, but requests began to outnumber funds, so SERC limited the types of equipment departments were approved to purchase.

Maine currently has only a handful of certified technician level hazardous materials responses teams because of the amount of training involved and the amount of equipment and funding required. The Commission was told that most volunteer and combination fire departments would not be able to be trained at the certified technician level because of the time commitment the training involves. Also, many fire departments in Maine prefer to spend their training funds on structural fire training, rather than hazardous materials responses training because the number of structural fires in Maine significantly outnumbers the number of hazardous materials incidents.

According to the Commission members who are firefighters, operations level hazardous materials responses training is appropriate for the majority of firefighters in the State. However, the State Fire Administrator estimated that only 2,000 of Maine's 12,000 fire fighters have received this type of training. The course entails 16-24 hours of training and most communities do not compensate for the time firefighters spend in this training. Therefore, it has been difficult for fire departments, particularly those that are volunteer staffed, to receive the necessary training at the operations level.

The Commission discussed various incentives that could be offered to firefighters to ensure that they receive operations level hazardous materials responses training. These incentives included the following:

1. Integrating training into other programs, such as the Firefighter I training courses;
2. Streamlining the SERC grant application process by allowing local trainers, identified by SERC, to be available to local departments for hazmat training. The department would

no longer have to go through a long application process in order to receive hazardous materials responses training funds; and

3. Educating local community and fire service leaders about the need for specialized hazardous materials responses training.

## IV. COMMISSION FINDINGS AND RECOMMENDATIONS

### *1. Fire Investigation and Prevention Tax*

**Findings:** The Commission heard testimony that the Fire Investigation and Prevention Tax has not been increased since 1991, when it was increased from .9% to 1.4% on the gross direct premiums for all fire risks underwritten in the State. In Fiscal Year 1999, approximately 280 accounts generated about \$2.4 million. The funds collected on a quarterly-basis are dedicated funds that are apportioned as follows: 75.7% to the Office of the State Fire Marshal within the Department of Public Safety and 24.3% to the Maine Fire Training and Education program at the Southern Maine Technical College. The Insurance Rating Bureau determines the percent of insurance premiums that are attributable to fire risks. (A breakdown of the percent of insurance premiums applied to fire risks is attached as **Appendix H.**) These percentages are then used to calculate the funds that ultimately are dedicated to the two agencies. The Commission learned that a five-year moratorium on increases in the fire tax was established when the last increase was approved by the Legislature. That moratorium expired in 1996 and the Commission concluded that increased operational costs by both funded agencies and their subsequent need for additional revenue justifies a fire tax increase.

**Recommendation:** The Commission recommends legislation to increase the Fire Investigation and Prevention Tax from the current 1.4% to 3.1% on all fire risks issued in the State effective October 1, 2000. The proposed increase represents an estimated \$3.40 annual increase on the average homeowners policy in the State, based on average home valuations in the \$75,000 to \$99,999 range. (A calculation summary is attached as Appendix I.) The Commission notes that the fire tax has not been adjusted for more than 8 years even though the operational costs of the agencies that the tax supports have continued to increase. The Commission further recommends that the Joint Standing Committee on Criminal Justice consider adding a fire tax to all life insurance risks issued in the State as a method of providing new funding to both the State Fire Marshal's Office and the Maine Fire Training and Education program. (Proposed legislation to increase the Fire Investigation and Prevention Tax is attached as Appendix J.)

## ***2. Funding of Local Fire Department Training***

**Findings:** The Commission was presented with extensive information demonstrating the need to increase the amount of fire training being undertaken at the local level. The Maine Fire Training and Education program's limited budget to subsidize free training to municipal firefighters combined with the small training budgets available for most municipal fire departments (61% of volunteer fire departments spend only between \$500 and \$5,000 annually on training, according to the previously referenced fire chiefs' survey) presents a challenge to Maine's fire service to access additional resources to support needed training at the local level. The Commission also learned that the State has a shortage of state-of-the-art fire training facilities. Most existing municipal training facilities do not meet current National Fire Protection Association standards and some may not be upgradeable. At the same time, municipalities are finding that the maintenance of fire training facilities is often cost prohibitive.

**Recommendation:** The Commission recommends:

**A. Legislation to establish the Maine Community Fire Training Matching Grant Fund to be administered by the Maine Fire Training and Education (MFT&E) program. The fund will provide matching grants annually to eligible Maine communities to fund fire training for firefighters. The fund will be seeded by a \$1 million endowment from the Fund for a Healthy Maine (22 MRSA, chapter 260-A), with the total annual grants and operational expenses not to reduce the principal amount of the endowment in any fiscal year. At prevailing investment rates, it is estimated the endowment will yield approximately \$50,000 to \$60,000 annually. A minimum of 80% of the annual yield must be made available for matching grants to municipal fire departments; up to 20% of the total annual yield may be applied to administrative costs by MFT&E.**

**B. Legislation to establish a fund to provide matching grants annually to eligible Maine communities to fund the construction and maintenance of fire training facilities. The fund would be administered by the Maine Fire Training and Education (MFT&E) program. The fund will be seeded by a \$1 million endowment from the Fund for a Healthy Maine (22 MRSA, chapter 260-A), with the total annual grants and operational expenses not to reduce the principal amount of the endowment in any fiscal year. At prevailing investment rates, it is estimated the endowment will yield approximately \$50,000 to \$60,000 annually. A minimum of 80% of the annual yield must be made available for matching grants to municipal fire departments; up to 20% of the total annual yield may be applied to administrative costs by MFT&E. Criteria for the matching grants will be the responsibility of the proposed Maine Fire Protection Services Commission in cooperation with the MFT&E program with input from local departments.**

(Proposed legislation establishing the two grant programs is attached as Appendix K.)

### *3. Inspection Fees State Fire Marshal's Office*

**Findings:** The Commission finds that several of the fees currently charged by the State Fire Marshal's Office (SFMO) do not adequately reflect the cost to the office to provide the services rendered. The Commission is concerned that the SFMO is subsidizing the cost of these services to the public and private sectors at the expense of other parts of its mission. The Commission further finds that having these fees set in statute has compounded the difficulty of adjusting the fees to more realistic levels.

**Recommendation:** The Commission recommends legislation to repeal the provisions in law that establish the fees charged by the State Fire Marshal's Office for certain inspections and to authorize the SFMO to set these fees by rule effective January 1, 2001. These rules would be routine technical rules. The commission further recommends that the legislation authorizing this change prohibit the SFMO from setting any fees that would exceed the actual cost of providing a specific inspection service. (Proposed legislation to set the inspection fees by rule is attached as Appendix L.)

### *4. Health Insurance for Career Firefighters*

**Finding:** The Commission finds that the prohibitive cost of post-retirement health insurance premiums is preventing many firefighters from retiring at an appropriate age, normally after age 50. These firefighters, who while employed at the municipal level are covered under municipal health insurance plans, cannot afford the cost of picking up the cost of health insurance after retirement. Because of the critical importance of health insurance coverage, many retirement-eligible firefighters are continuing their full-time firefighter employment until age 65 when Medicare coverage becomes available to them.

**Recommendation:** The Commission recommends legislation to enable all active career firefighters and all retired career firefighters in the State to join the State Employees Health Plan. The Commission also recommends that the cost of insurance premiums for retired career firefighters be paid by the State in the same manner as those of retired state employees. The Commission further recommends that the Joint Standing Committee on Criminal Justice examine the New Hampshire retired firefighters health insurance model of capping the amount of premium that a firefighter must pay out-of-pocket for health benefits to consider whether a similar model should be proposed in Maine. (Proposed legislation to add retired firefighters to the State Employee Health Plan is attached as Appendix M.)

## *5. Recruitment and Retention Incentives*

### *A. Length of Service Program for Call and Volunteer Firefighters*

**Finding:** The Commission members examined the possibility of adding volunteer firefighters to the Maine State Retirement System as a potential method of retaining volunteers. Members reviewed legislation proposed in 1989 that would have established a length of service program for call and volunteer firefighters. The Commission concluded that a similar proposal should be appropriately updated and introduced for consideration by the Legislature.

**Recommendation:** The Commission strongly supports the establishment of a length-of-service program for the State's call and volunteer firefighters in order to attract and retain individuals to the fire service. The Commission recommends that legislation, similar to LD 414 filed during the First Regular Session of the 114th Legislature, include current fiscal information and be introduced in the Second Regular Session of the 119th Legislature. The Commission further recommends that the program be funded through an appropriation from the General Fund. (Proposed legislation to establish a volunteer firefighters length of service program is attached as Appendix N.)

### *B. Recruitment of Volunteer Firefighters*

**Finding:** The Commission finds that the number of individuals volunteering to provide fire services in Maine has been decreasing over the past decade. 430 of Maine's 494 communities that provide fire services rely solely on volunteers to staff their departments due to their limited financial resources and small populations. The Commission is concerned that unless the number of individuals participating in volunteer fire departments increases many communities will be unable to provide adequate fire services to their communities.

**Recommendation:** The Commission strongly encourages the Maine Fire Training and Education Program to continue to work with the Maine Municipal Association to further develop educational campaigns for the purpose of recruiting call and volunteer firefighters. In addition to the National 1-800-Fire Line Recruitment Campaign already used by municipal fire departments, educational outreach strategies should include: expanded use of free and paid advertising in electronic and print media, the Internet, mailings, partnering with private industry and public service organizations in an effort to develop a statewide communications program to inform reach potential volunteer firefighters. The Commission recommends that these strategies should be targeted to adults aged 18 to 30. The Commission further recommends that the volunteer firefighter recruitment campaign be funded by a \$500,000 endowment from the Fund for a Healthy Maine (22 MRSA, chapter 260-A).

## *6. Maine Fire Protection Services Commission*

**Finding:** The Commission finds that the number and complexity of the challenges facing Maine’s fire protection service are continuously increasing. The fire service currently does not have a state government board that is primarily responsible for assisting the fire service in developing strategies to successfully meet challenges. One example of a challenge is to provide Maine firefighters with adequate training. Firefighters are required to meet minimum safety standards as established in 26 MRSA, chapter 28. However, due to the expense of providing fire training, many communities are not offering the required amount of training each year to their firefighters. Volunteer firefighters are particularly at risk of not receiving the required training because of the time commitment involved in attending the necessary training courses. The Commission heard from the Department of Labor, Bureau of Labor Standards, that while it does inspect fire departments for minimum safety standards, it does not have enough inspectors to monitor whether fire departments are meeting the required training standards. The Commission finds that the fire service needs a governmental entity that will review existing firefighter training standards and recommend changes to the Legislature.

**Recommendation:** The Commission recommends legislation be enacted to establish the Maine Fire Protection Services Commission. This commission, to be modeled after the Maine Criminal Justice Commission, would monitor and evaluate the State’s fire protection services system on a continuing basis and would provide recommendations regarding changes in that system to the appropriate state agencies and to the Legislature. As proposed, the 21-member commission would submit an annual report, along with any recommended legislation, to the legislative committee having jurisdiction over the criminal justice and fire protection matters. The report would assess and evaluate the State’s fire protection services, including the service’s management of its resources, existing programs, training and fire prevention strategies.

## *7. The Maine Fire Training & Education Program’s Strategic Plan*

**Findings:** The Maine Fire Training and Education program spent nearly two years developing a detailed strategic plan. The plan, which is the MFT&E’s “road map for the next 5 years,” is comprehensive and ambitious. The \$1.5 million per year program proposes several specific objectives to achieve in four goals areas: Fire Training, Fire Science, Fire Safety Education, and Advocacy. (A summary of the strategic plan’s goals and objectives and proposed budget is attached as **Appendix P**.) The Commission finds that the strategic plan is a well-developed, comprehensive guide for the development of fire training and education programs in the State over the next five years.

**Recommendation:** The Commission strongly endorses the goals and objectives of the Maine Fire Training and Education program’s strategic plan initiative.

## **8. Hazardous Materials Training Funds**

**Findings:** According to the Deputy Commissioner of the Maine Department of Defense, Veterans and Emergency Management, the State is currently receiving approximately \$350,000 a year in funds from a fee on hazardous materials under the Superfund Amendments and Reauthorization Act. The funds are designated by law to provide training and equipment to departments for hazardous materials responses and terrorism incidents. These funds are distributed through the State Emergency Response Commission (SERC). The Commission is concerned that there is a perception among firefighters statewide that it is difficult to obtain funding for hazardous materials responses training under the process established by the State Emergency Response Commission and that the funds are not being used to provide departments with required hazardous materials responses equipment.

**Recommendation:** The Commission recommends that the Deputy Commissioner of the Department of Defense, Veterans and Emergency Management take the following actions to improve the hazardous materials (hazmat) training fund process:

- Write a memo by February 1, 2000 to the fire chiefs in the state explaining the process for applying for hazmat training funds through the State Emergency Response Commission (SERC) and also clarifying for which types of hazmat equipment the State Emergency Response Commission will authorize funding;
- Provide focus groups to receive feedback from fire fighters on the SERC grant process;
- Work with the State Emergency Response Commission to streamline the SERC grant application process to reduce the amount of time it takes for communities to receive training funds; and
- Provide the Joint Standing Committee on Criminal Justice with information on the status of the Emergency Response Commission Fund and a copy of the program's annual report during the 2nd Regular Session of the 119th Legislature.

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# Commission to Study the Enhancement of Fire Protection Services throughout the State

## Summary of 9/21/99 Meeting

Commission Members Present:

- Sen. Bill O’Gara
- Rep. Chris Muse
- Rep. Julie O’Brien
- John Cannon
- Phil Nason
- Darrell Fournier

Commission Staff: Chris Spruce, Darlene Shores Lynch

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**Review of legislation.** Rep. McAlevey, sponsor of the legislation that created the fire protection services study commission, explained his reasons for introducing the bill. These included: the need to create “a one-stop shop” for fire information; the need for additional support staff for fire training; promoting more participation in the fire service by providing incentives to attract volunteers; examining the possibility of increasing the tax on fire insurance policies to provide more funding for Office of the State Fire Marshal and the Maine Fire Training and Education Program; and consider establishing a Maine Fire Service Commission to assist the further development of fire services in the State.

**Presentations.** Steve Willis, director of the Maine Fire Training and Education Program, presented the commission with an overview of Maine’s fire services, including a list of issues that complicate the fire service’s charge to protect Maine lives and property. John Dean, State Fire Marshal, provided an overview of the duties and responsibilities of the Office of the State Fire Marshal. Steve Willis also detailed the status of Maine’s career and volunteer firefighters. (See enclosed copy of slide presentation.) Most notably, Steve estimated that 300 of Maine’s 1,000 career firefighters are working beyond retirement age, largely because of the prohibitive cost of picking up the cost of their health care insurance before the age when they are eligible for Medicare. Steve also noted that offering a training program once every four years for firefighters in each Maine community is not adequate to meet training needs. Noting that Maine currently spends 46-cents per citizen per year to train its firefighters, Willis said Maine communities need help from the State to support fire training and other fire prevention efforts because many departments operate on very limited budgets that often include very little money for other than the most basic functions of the department.

**Issues.** Additional discussion by commission members and individuals attending the meeting focused on the following issues and questions:

- The 1.4% fire insurance policy tax: how it is assessed, collected, etc.
- Insurance risk pools do not pay the fire tax. Why not?
- The 2% tax on all insurance policies and whether that could be a source of potential funding.
- The number of career firefighters who will need health coverage over the next 10 years.
- The potential costs of implementing a recognition service for volunteer firefighters.
- Returning the number of volunteer firefighters to previous levels and keeping them active in the fire service.
- Look at daytime fire coverage across the State.
- Consider other volunteer incentives such as property tax exemption.
- Consider rewarding/honoring businesses that support employees in their volunteer fire service activities.

**Survey.** After some discussion, the commission requested the staff to conduct a random survey of Maine fire departments to assist the commission in more precisely identifying the status of career and volunteer firefighters and the financial situation of the departments for which they work. Commission members spent considerable time providing information to the staff to help in formulating the survey instrument, which was sent to selected departments on October 19th.

**Additional research/information.** Committee members requested research or information on the following:

- Maine State Retirement System views on an incentive for volunteer firefighters in the form of retirement benefits.
- Explanation of the Fire Insurance Premium tax
- How other states fund training
- What other states offer as volunteer incentives
- How other states fund fire marshal's office

**Meeting schedule.** The committee agreed to hold meetings at 9:30 a.m. on October 26, November 9, 16 and 23. The report deadline is December 1st.

**Note: At the October 26th meeting, the Nov. 9 meeting was rescheduled to Friday, November 5th at 9:30 a.m. in Room 437.**

# Commission to Study the Enhancement of Fire Protection Services throughout the State

## Revised Summary of October 26, 1999 Meeting

Commission Members Present:

- Sen. Bill O’Gara
- Rep. Julie O’Brien
- John Cannon
- Phil Nason
- Larry Bradley for Darrell Fournier

Commission Staff: Chris Spruce, Darlene Shores Lynch

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**Convening and next meeting date:** Senator Bill O’Gara called the meeting to order and opened discussion about the Commission’s next meeting date. Although the Commission had previously agreed to meet on November 9, due to a conflict on that date for Commission staff, Senator O’Gara asked the Commission members if they would agree to change the next meeting date to Friday, November 5 at 9:30. Commission members agreed to this change.

**Survey progress:** Commission staff reviewed their progress on the fire services survey that was mailed out to 40 fire departments on Tuesday October 19. As of October 26, 13(33%) surveys had been completed. The deadline for surveys to be returned is Friday, November 5. Commission staff will be conducting phone surveys for those departments that do not return mail surveys. Commission staff will be updating the Commission at its next meeting as to how many surveys were returned. Preliminary survey analysis should be completed by Commission staff by the November 16 meeting of the Commission.

**Fire Insurance Premium Tax:** Peter Beaulieu, the Director of Sales and Excise Tax at the Maine Revenue Service spoke to the Commission about the Fire Insurance Premium Tax. The State of Maine charges a 2% premium tax on all risk policies, including life, health, fire and casualty policies. In addition to this 2% tax, there is a tax on fire insurance policies of 1.4% of gross direct premiums. This 1.4% tax is distributed as follows: 75.7% to fund the State Fire Marshal’s Office and 24.3% to fund fire training and education. The procedure for collecting the tax is for the insurance companies to file tax estimates monthly with Maine Revenue Service. A percent of premiums attributable to fire is determined by the Insurance Rating Bureau and then 1.4% of that amount goes to the State Fire Marshal’s Office. In Fiscal Year 1999, there were approximately 280 accounts that were subject to the 1.4% fire premium tax which generated \$2.4 million.

The only types of organizations exempted from the premium tax and the fire tax are self-insured businesses, risk insurance pools, Blue Cross/Blue Shield and HMOs. Commission members discussed the financial impact that the exemption for risk pools has had on the fire insurance premium tax and asked staff to: 1. find any models where private-non-profit corporations are being assessed a fee similar to the premium tax and 2. get more information on the amount of money that might be generated for fire protection services if risk pools were not exempt from the fire insurance premium tax.

**Inspection fees:** The Commission members also discussed the cost of inspections done by the State Fire Marshal's office. John Dean, the State Fire Marshal, stated that his office is losing money on inspections because the fee that is being charged to businesses for the inspections is a lot less than what it actually cost to conduct the inspection. The Commission members asked John Dean to provide them with information at the next meeting on the current costs of each type of inspection.

**Funding Of Other States Fire Marshall Offices:** Commission staff presented information on the sources of funding for state fire marshal offices (FMO) in other states. There are three general sources of funding: a state levied tax on all fire insurance policies written in the state, general appropriations from the state and fees collected for services performed by the state FMO. All state FMOs operate with one or a combination of these revenue sources. Commission staff noted that the National Association of State Fire Marshals conducted a survey of its member in 1994 inquiring about their sources of funding and that they were awaiting a copy of that survey report and would distribute it to the Commission members once they had received it. Commission staff also distributed to the Commission members the following documents State Fire Marshal Offices Mission and Responsibilities and State Fire Marshal's Offices Location within State government.

**Other States Volunteer Incentives:** Commission staff reviewed some of the issues surrounding the recruitment and retention of volunteer firefighters, including time demands, increased training requirements, new federal standards, and health risks. Commission staff then reviewed selected other states incentives for volunteer firefighters. Some of these incentives include: bonus pay upon completion of training requirements, tuition credits, disability and death benefits, tax-deferred savings accounts, and equipment and clothing allowance. Commission members discussed the existing training requirements for firefighters and the possibility of tying volunteer incentives to training requirements. Commission members also discussed the importance to have incentives to assist local communities in recruiting and retaining firefighters.

**Other States Funding of Firefighter Training:** Commission staff distributed a copy of a survey done in 1998 on state fire training programs by the Fire Service Institute at Iowa State University. Commission staff then reviewed the different sources of funding for other states fire training programs. these include: insurance taxes, general revenues, industrial training charges, fire service course fees, training charges, federal/state vocational technical funds, grants and contracts, gifts/other sources and user service fees. The majority of states fund their fire training programs through general revenues, fire service course fees, insurance taxes and grants and contracts. The 1998 study found that a new trend merging is an increase in moneys for training programs from donations, hazardous materials permit charges and fund transfers from university sources. Another new source of revenue has been fees assessed for fire emergency and fire services. These fees fall into three categories:

user fees, special assessment/impact fees and regulatory charges/license fees. Commission staff noted that the last increase in fire training in Maine occurred in 1991 when the amount of the 1.4% fire insurance premium tax dedicated to training increased from 10.5% to 24.3 %. Maine currently spends approximately \$48 per firefighter per year for training, as compared to the national average of \$88 per year per firefighter This adds up to an annual amount of \$550,000 spent on firefighter training.

Commission members discussed the existing training requirements for firefighters and whether they are adequate or not. Kathleen Gerard from the Department of Labor informed the Commission that while there have been minimum fire training and safety standards for firefighters since 1987, the Bureau of Labor Standards feels there needs to be increased training. The Bureau of Labor Standards does inspect fire departments to determine their compliance with the minimum training standards, but currently there are only two inspectors assigned to do these inspections. Penalties are assessed to those fire departments found to be in noncompliance with the law. John Dean, the State Fire Marshal noted that while there are minimum training requirements for firefighters, they are not as strict as those for other public safety positions, such as police.

Steve Willis, Fire Administrator from State Fire Training and Education discussed the impact that stricter training standards has had on call fire departments. Older firefighters who do not feel that they can meet stricter training standards are resigning, thus leaving some departments short-handed. Mr. Willis also discussed the financial impact that increased training standards have on local communities and that if stricter standards are imposed, the state has to be willing to fund these costs associated with these changes. He also discussed the possibility of tying training requirements to incentives.

The Commission members discussed the following as potential sources of revenue for fire protection services: tobacco settlement money, terrorism money from the U.S. Department of Justice, Bureau of Highway Safety money, Hazmat permit fees and other related revenue, and a premium tax on life insurance policies.

**Issues for next meeting:** Commission staff informed the members that they would try to schedule someone from the Maine Employees Health Insurance Commission to make a presentation at the next meeting on health insurance options for firefighters, including the issue of “bridging the gap” in health insurance coverage between when a firefighter retires and when Medicare insurance begins.

**Next meetings:** The Commission will meet again on **Friday, November 5 at 9:30** in Room 437 of the State House

# Commission to Study the Enhancement of Fire Protection Services throughout the State

## Revised Summary of November 5, 1999 Meeting

### Commission Members Present:

- Rep. Chris Muse, co-chair
- Rep. Julie O'Brien
- John Cannon
- Phil Nason
- Darrell Fournier

**Commission Staff:** Chris Spruce, Darlene Shores Lynch

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**Convening and summary of last meeting:** Rep. Julie O'Brien called the meeting to order and asked for comments on the meeting summary for the October 26 meeting. Kathleen Gerard from the Department of Labor asked that her comments on page three of the summary be modified to reflect that the Department of Labor's position is that firefighters undergo more training, not that they have stricter training requirements, as the summary stated. Commission staff will amend the summary to reflect its change and distribute a revised summary. In addition, the meeting summary incorrectly identified the Augusta Fire Chief, who participated in the meeting for Darrell Fournier, as Steve Braley, rather than Larry Bradley.

**Survey progress:** Commission staff reviewed their progress on the fire services survey that was mailed out to 41 fire departments on Tuesday October 19. As of November 5, 23(53%) surveys had been completed and returned. The deadline for surveys to be returned was Friday, November 5. Commission staff will be conducting phone surveys for those departments that did not return mail surveys. Commission staff will be updating the Commission at its next meeting on November 16 as to how many surveys were returned and how many surveys were completed over the phone, as well as providing the Commission with some preliminary survey analysis.

**Health benefits for firefighters:** Frank Johnson from the Office of Employee Health and Benefits spoke to the Commission about health insurance benefits for firefighters between the period of time that they retire and the period of time that they are eligible to go on Medicare. Mr. Johnson first gave the Commission an overview of the current state provided health care benefits for retirees. The State of Maine health care plan is currently a point of service plan provided by Health Source of Maine. Retirees are eligible for State contribution if the individual premium up to 100% depending upon the number of years of service the retiree put in (10 years and over, the state pays the full monthly premium for the retiree). The current monthly premium for a retiree is \$281.70. The retiree is responsible for the entire premium for spouse or dependent coverage. Additionally, there are approximately 5,300 contracts for Medicare eligible retirees under the Retirees' Premier

Plan. This plan serves as a Medigap coverage to supplement Medicare parts A and B and it also provides prescription drug benefits. The current monthly premium for the Retirees Premier Plan is \$155.28. The State will pay the full 100% portion of the retirees premium. In addition, Medicare eligible retirees must pay the Medicare Part B, which is approximately \$45 monthly, in order to enroll in the Premier Plan. Mr. Johnson pointed out that state health benefits are bound by statute in Title 5 MRSA section 285, which clearly outlines who is eligible to receive health benefits. Therefore, in order to add an additional group of people to those eligible, this section of law would have to be amended to extend eligibility to retired firefighters.

Mr. Johnson discussed the potential financial impact to the State health insurance program of adding non-Medicaid eligible firefighters to those eligible to receive health benefits. Currently, the non-Medicare eligible retirees have a significant role in driving costs for the point of service plan because the retiree population generally requires more medical care and prescription drugs than those active employees in the plan. Mr. Johnson stated that in 1998, the non-Medicare retirees comprised 12% of total plan members, but consumed 36% of total payments. Increasing the population of non-Medicare eligible retirees has the potential for producing adverse risk to the State employee health plan. This translates into the potential for higher premiums and more costs to the State. Mr. Johnson explained to the Commission members that his office would have to examine the age and gender of those potential new participants in order to do an actuarial assessment of risks. Darrell Fournier stated that he thought that about 300 firefighters would be eligible for health care benefits and the majority of those would be male and between the ages of 40-50 years old. Mr. Johnson will be working on providing those actuarial figures to the Commission.

**Insurance risk pools:** Dick Johnson from the Bureau of Insurance discussed the regulation of risk pools with the Commission. The Bureau of Insurance regulates insurance companies and agencies, but public self-funded risk pools, are not required to be regulated by the bureau. In addition, these risks pools are not subject to the 2% premium tax or the 1.4% fire premium tax. Currently, there are only three risks pools in Maine : Maine Municipal Association, Maine School Management Association, and Maine County Commissioners Association. Mr. Johnson stated that the Bureau does not have information on how much of the risk pools holdings would normally be subject to the fire premium tax. The risk pools are not required to file this information with the Bureau. Commission staff will be contacting the three risk pools to try to acquire this data. Steve Willis from Maine Fire Training and Education stated that his concern is that the members of these risk pools are benefiting from fire protection services, but do not have to pay the fire premium tax.

**Firefighter retirement incentives:** Keith Kolodgie from the Maine State Retirement system discussed the issue of offering a pension plan to volunteer firefighters. Currently, there are four retirement plans administered by the State: legislative employees, judicial employees, state employees and teachers, and municipal employees. Mr. Kolodgie stated that volunteer firefighters would not fall under the definition of public employee in statute and therefore would not be covered by the Maine State Retirement System. Mr. Kolodgie discussed the possibility of municipalities offering their own defined contribution plans for volunteer retirees which would be administered by the municipality. Darrell Fournier mentioned to the Commission that the issue of a volunteer firefighter retirement plan had been before the Legislature in 1990. Commission staff will be researching this previous legislation and providing information on it at the next meeting.

Commission staff provided members with volunteer firefighter pension plans from Delaware, Wyoming, Washington, and Baltimore County, Maryland for their review. John Cannon mentioned that New Hampshire's retirement system might be a model that Commission should consider. Commission staff will provide the commission members information on this issue at its next meeting.

**Other sources of funding:**

**a. Superfund Amendments and Reauthorization Act(SARA funds):** Commission members discussed funds that are being distributed to the Maine Emergency Management Administration office through CERA that are required by Federal law to be given to local fire departments to fund training. These funds derive from a tax on businesses using hazardous chemicals. Although these funds would be a one time allocation to the local departments, the total amount of funds would be in the range of \$50,000 - \$70,000. According to Darrell Fournier, the funds have not been given to the local fire departments and that it is an issue that should be followed up on by the Legislature.

**b. Potential sources of funding:** Commission members offered the following as potential funding sources for fire protection services: a premium tax on life insurance policies, tobacco settlement money, discontinuing the exemption on risk pools from premium taxes, increase in the cigarette tax, tax on car registration fees, and current federal legislation being considered (Firefighter Investment and Response Enhancement Act), which would provide increase funding through grants for fire protection services.

**c. Inspection fees:** The Commission members continued their discussion from the last meeting concerning the cost of inspections done by the State Fire Marshal's Office. John Dean, the State Fire Marshal, provided a chart of current inspection fees charged by his office. Currently, the State Fire Marshal's Office is losing money on mandated inspections because the fee that is being charged to businesses for inspections is a lot less than what it actually costs to conduct the inspection. These inspections include the following: fireworks display sites, fireworks vehicles, fireworks test, theater licenses, dance licenses, explosive magazines, and explosive vehicles. These fees are currently set in statute. Nelson Collins from the State Fire Marshal's Office suggested that the inspection fees be set by agency rulemaking, rather than by legislation to allow the fees to be modified as costs to the Office increase or decrease. Inspections fees charged to Human Service organizations are not an issue because these fees have already been adjusted to more accurately reflect the actual inspection costs.

**Issues for next meeting:** Commission staff informed the members at the next Commission meeting that Steve Willis from Maine Fire Training and Education will make a presentation on the Maine Fire Training and Education Strategic Plan and that the remainder of the meeting would be devoted to developing Commission recommendations. Commission staff pointed out a working issues list they had put together for the Commission members that summarizes the issues discussed to date by the Commission.

**Next meetings:** The Commission will meet again on **Tuesday, November 16 at 9:30** in Room 437 of the State House.

# Commission to Study the Enhancement of Fire Protection Services throughout the State

## Summary of November 16, 1999 Meeting

Commission Members Present:

- Sen. Bill O'Gara
- Rep. Julie O'Brien
- John Cannon
- Phil Nason
- Darrell Fournier

Commission Staff: Chris Spruce, Darlene Shores Lynch

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**Convening and Summary of last meeting:** Senator Bill O'Gara called the meeting to order and commission staff reviewed the summary of the last meeting. It was noted by John Dean, that on page 2 of the summary, SARA (Superfund Amendments and Reauthorization Act) was incorrectly spelled CERA. Staff will revise the summary to reflect that change.

**Survey progress:** Commission staff reviewed progress on the fire services survey. As of November 16th, 24 surveys had been returned; approximately 58.5%. Commission staff has made follow-up phone calls to most of those fire chiefs who had not returned the survey and expect to receive at least several more completed surveys. In addition, Chief Darrell Fournier volunteered to contact some of the fire chiefs to remind them of the importance of their returning the survey.

Commission staff also prepared a preliminary analysis of the survey results and noted the results were not broken down by the type of fire department, but that this information will be prepared for the final survey analysis.

### **Some highlights of the preliminary analysis were as follows:**

- 62% of the respondents serve a population of 5,000 or fewer
- 100% of the career staff departments returned the survey; 50% of the surveyed combo departments returned their surveys; and 56% of the volunteer staffed departments returned their surveys
- 88% of the respondents have fewer staff then they did five years ago
- 67% of the respondents do not have a maximum hiring age
- 100% of the respondents do not have a volunteer incentive program while 17% of the respondents do offer retention programs
- 54% of the respondents receive \$0 - \$50,000 of annual funding

- 29% of the respondents spend between \$1,001 - \$5,000 per budget on training while 21% spend between \$501 - \$1,000
- 33% of the respondents receive between \$0 - 500 in miscellaneous revenue while 29% of the respondents receive between \$1,001 - 5,000 in miscellaneous revenue
- Other issues raised by the survey respondents were the impact of federal mandates on local fire departments' ability to recruit and retain firefighters, as well as the financial impact of mandates on local fire departments.

**Follow-up discussion of health benefits for firefighters:** Frank Johnson, from the Office of Employee Health and Benefits, spoke to the Commission about actuarial estimates of providing health care benefits for approximately 300 retired firefighters between ages of 55-64 in a point-of-service plan. Because only one individual rate is established for the point-of-service plan, any increase in that rate will affect the entire managed care membership. The Office of Employee Health and Benefits calculates that the effect of adding the retired firefighter population to the health care program would result in an estimated 2.3% increase in premium rates for all participants to \$292. The total cost of adding this group of retirees to the health care would be \$1,902,348, including premiums, medical and prescription drug expenditures. The direct cost of premium payments for this population would be an estimated \$1.1 million annually, but the cost to the plan would be more since the individual premium rate for all managed care subscribers would increase 3.5% to \$292 per month, bringing total plan expenditures increase to \$3.4 million. Thus, the anticipated total cost of expanding coverage to retired firefighters between ages 55-64 would be \$4.5 million (\$3.4 and \$1.1 in direct costs of purchasing coverage). Commission members asked Mr. Johnson to provide them with actuarial estimates of adding the entire firefighter population to the health plan. Mr. Johnson will prepare those estimates for the Commission based upon the current law enforcement population.

**Risk pool information:** Commission staff informed the Commission members that they had contacted both the Maine Municipal Association and Maine School Management Association to find out how much of their properties insured through their risk pools would be subject to the fire premium tax. Both MMA and MSMA told Commission staff that they did not have this information available because they are not required to file information in this format. Kate Dufour, from MMA, spoke to the Commission about MMA's position that if the fire premium tax is assessed to risk pools it would result in cost shifting to municipalities or property tax payers. Commission members asked Kate to attempt again to get information on how much risk is being covered by the MMA risk pool for the next Commission meeting.

**Presentation of Maine Training and Education Strategic Plan:** Steve Willis, administrator of the Maine Training and Education Program at SMTC, presented the program's 1999 strategic plan to commission members. Mr. Willis stated that the current staffing of the program includes 2 deputies and one administrator.

Currently, there are 75 State Fire Instructors.

Under the strategic plan, the program has four goals:

1. Fire training - including strengthening MFTE organization, promoting advanced training materials, equipment and facilities, offering voluntary state certification to recognize local efforts and using "mutual aid" to improve service quality, achieve common goals and reduce cost.
2. Fire science - including making the Fire Science Degree an attainable goal for every firefighter in Maine (currently only 300 per semester) and fully preparing students for fire and emergency service.
3. Fire safety and education - including targeting programs to Maine citizens at greatest risk (children and elderly) and helping local fire personnel and school officials bring life-saving skills to every person in Maine.
4. Advocacy - including ensuring MFTE offers the best customer service, supporting the development of fire and emergency leaders, encouraging a more diverse fire fighting force, and providing a one-step resource center for the fire service and citizens.

Steve Willis emphasized to the Commission members the importance of fire training and education and how unfunded federal mandates are impacting communities financial ability to provide training. Currently, Maine spends approximately \$48 per firefighter per year on training, while the national average is around \$88 per firefighter. Mr. Willis also discussed the dangers of firefighting and the important service that firefighters provide, including saving lives. John Dean, the State Fire Marshal, was asked to provide the Commission members with a comparison between fire related deaths and homicides in Maine over the past several years.

Steve Willis also discussed the need for better educating the public about fire risks. Many fire related deaths are related to tobacco or cigarette products. The Fire Marshal will provide the Commission with a 10-year trend of cigarette-tobacco related deaths in Maine in comparison with the national average.

Chief William Hussey, from the Peru Fire Department, presented testimony to the Commission members on the importance of fire training and education to firefighters and to the safety of citizens (please see attached testimony).

**Discussion of draft recommendations:** Commission staff discussed preliminary recommendations they had drafted based on issues talked about by Commission members at the three prior meetings. Commission staff noted that the draft recommendations were for discussion purposes only and were not final. The draft recommendations included:

1. Increasing the fire insurance premium tax from 1.4% to 1.9% on all fire risk insurance policies in the state.
2. Establishing the Maine Community Fire Training Matching Fund to fund fire training and volunteer firefighters.
3. Removing from statute fees charged for inspections by the State Fire Marshal's Office and recommending that these fees be set by rulemaking.
4. Establishing a legislative task force to study the feasibility of establishing a fund to assist communities in subsidizing health insurance premiums for retiring career firefighters.
5. Encouraging communities to establish 457 plans or other contributory retirement programs for firefighters.
6. Developing an educational program to recruit volunteer firefighters.

7. Recommending a task force to review existing firefighter training standards and recommend any charges.
8. Encouraging communities to establish a "Length of Service Program" for the purpose of retaining volunteer firefighters where once a certain number of points were accumulated, the firefighter would receive bonus pay

Commission members asked that a recommendation concerning the formation of a State Fire Commission be added to the list of potential recommendations. Commission members will be reviewing these draft recommendations and will discuss them at the Commission's next meeting.

**The Commission will meet next on Tuesday, November 23rd  
at 9:30 am in Room 437 of the State House.**

# Commission to Study the Enhancement of Fire Protection Services throughout the State

## Summary of November 23, 1999 Meeting

### Commission Members Present:

- Sen. Bill O’Gara
- Rep. Julie O’Brien
- John Cannon
- Phil Nason
- Larry Bradley for Darrell Fournier

**Commission Staff:** Chris Spruce, Darlene Shores Lynch

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**Survey Progress:** Staff updated the commission on the status of the fire chiefs’ survey. Staff noted that 29 of 41 surveys had been received and one or two more were expected before final analyses of the survey data was undertaken. Staff anticipates a more thorough update on survey findings at the next meeting.

**Health Insurance Benefits Update:** Staff presented information from Frank Johnson, executive director of the Office of Employee Health and Benefits, in response to commission requests at the November 16<sup>th</sup> meeting. Members had requested that Johnson develop a projected impact on the State Employee Health Plan of adding both active and retired municipal firefighters to the plan. At the November 16<sup>th</sup> meeting, Johnson had estimated that adding the 300 retired municipal firefighters to the State Employee Health Plan would result in an additional \$4.5 million cost to the plan. Calculating the cost of adding both the active and retired firefighter cohorts to the plan would result in a total premium increase to the plan of \$8.2 million. Johnson estimated that while the active firefighters per member per month (pmpm) rate is favorable, the composite of adding both active and retirees to the plan would be 20% higher or \$41 per month than the \$205.36 combined managed care rate for the State employee plan. Further, he noted, rates provided by the Maine Municipal Health Trust are generally more favorable than the State employee plan. It is unlikely, he wrote, that local officials and labor officials would transition active firefighters to the State plan if the premiums are more expensive than their existing coverage. Commission Member John Cannon suggested that the potentially lower premiums available to active firefighters through the municipal health plan may require the setting of some sort of cap to prevent any plan member from losing benefits if he or she were to switch to the State employee plan. Sherm Leighton of the Maine Fire Training and Education program observed that, under current health plans, firefighters, as a group, are expected to bear the health costs of the hazards and risks they are exposed to during their careers.

**Risk Pool Update:** Staff also presented follow-up information on insurance risks pools. Staff received information from the Maine Municipal Association on its Property and Casualty Pool. MMA Risk Management Services Director Joan Conner wrote that the 1999 property premium collected by the MMA pool totaled \$546,579. She estimated 40% of those premiums, or \$218,632, may represent the fire risks covered in the pool. A 1% tax, she noted, would generate only about \$2,186. Further, any such additional

charge on the pool premiums would be passed on to each risk pool member in the form of a surcharge. Conner suggested Maine School Management Association's Property and Casualty program may have more dollars in its program since school property values are generally higher than those for municipal buildings. Maine County Commissioners Association's Property and Casualty program, which covers county buildings, also may be a source of additional premium dollars, she noted.

**ICMA Retirement Program:** Staff provided information from the International City Management Association Retirement Corporation about volunteer firefighter incentive programs that propose to provide retirement benefits to volunteer and paid call firefighters. Kathy Harm of ICMARC noted that the corporation has not discovered an IRS-approved method of assigning cash values to years of service for volunteer firefighters, the most common factor upon which retirement benefits are based. For paid call firefighters, the call pay usually is not significant enough to realize meaningful retirement benefits in traditional retirement programs that are based on a 25% contribution rate. She did suggest, however, that paid call firefighters may already have an excellent option available to them by contribution \$2,000 of their annual call pay to an Individual Retirement Account (IRA). Assuming the firefighter is eligible to contribute the \$2,000 tax-free, all of those funds are deductible and set aside for retirement, she observed.

**Fire Deaths Statistics:** State Fire Marshal John Dean provided the commission follow-up information on the relationship of cigarette smoking to fire deaths in Maine. Dean said about one-third of fire deaths this year in Maine were caused by smoking, but perhaps even more may be attributed to smoking-related causes because the SFMO does not assign the cause of any fire unless it is certain of the cause. Several of the fires that caused deaths are classified by the SFMO as unresolved causes and may, in fact, be caused by smoking, said Dean. Dean also looked at a possible relationship between homicides and fire deaths in Maine for 1998 and 1999, but cautioned that the statistics could only be used to compare the relative risk of dying in a fire versus dying by other crime.

**Review of Draft Report and Recommendations:** The commission began review of a draft report provided by staff, and will continue discussion of the proposed findings and recommendations at its next meeting. Because of the number of findings and recommendations that the commission will consider, the commission agreed to request permission from the Legislative Council to hold additional meetings and to extend the report deadline from December 1<sup>st</sup> to December 17<sup>th</sup>. The commission agreed to meet again on Tuesday, November 30<sup>th</sup> to finish its work on the draft report. The commission also agreed to meet on Tuesday, December 14<sup>th</sup> to review the final draft report.

**The next meeting is scheduled for 9:30 a.m. Tuesday, November 30<sup>th</sup> in Room 437 of the State House.**

# Commission to Study the Enhancement of Fire Protection Services throughout the State

## Summary of November 30, 1999 Meeting

Commission Members Present:

- Sen. Bill O’Gara
- Rep. Chris Muse
- Rep. Julie O’Brien
- John Cannon
- Phil Nason
- Darrell Fournier

Commission Staff: Chris Spruce, Darlene Shores Lynch

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**Convening and survey discussion:** The Commission was convened by Senator O’Gara. Commission staff reviewed the fire chief’s survey progress. 29 surveys out of the 41 mailed out were returned. Staff provided the Commission with a summary of the survey results broken down by the type of department responding (full-time/career, combination and volunteer).

**Discussion of SARA funds:** John Libby, deputy commissioner of the Department of Defense, Veterans and Emergency Management, led a discussion about SARA funds and how they are being distributed to local fire departments in Maine. In 1986, Congress passed the Superfund Amendments and Reauthorization Act (SARA). Title III of SARA, also known as the Emergency Planning and Community Right to Know Act, establishes the public’s right to know what chemicals are stored in their communities. It also requires state and local governments to establish local committees to identify hazardous materials and to plan for responding to releases of the materials. SARA funds are derived from a tax imposed on hazardous materials. Approximately ~~19,600~~ 1,960 facilities in Maine are paying into the fund, which is called the Emergency Response Commission Fund. Types of facilities paying into the fund include paper mills, businesses with gas tanks or in-ground propane tanks and various manufacturing facilities. There are two levels of payments into the fund. ~~The first is~~ : a registration fee and ~~the second is~~ an inventory fee assessed on those hazardous chemicals above the threshold level (paid in March of each year). The Emergency Response Commission Fund is administered by the Maine Emergency Management Agency (MEMA) and currently has a balance of between approximately \$300,000 - \$350,000 in accrued funds.

According to the fFederal SARA law, on which the Maine law is based, SARA funds can be used for three purposes:

1. Staffing of local emergency preparedness commissions on a county level;

2. Equipment; and
3. Training of hazardous response teams. There are three levels of training: awareness, operations and technician.

Requests for SARA funds are approved by the State Emergency Response Commission (SERC). It was reported to the Commission from fire chiefs in several areas of the State, that the SARA funds are not being distributed appropriately. Fire Chief Darrell Fournier, who is a member of SERC, pointed out that there are two main issues:

1. Before a fire department can obtain funding for a technician level hazardous response team, they must have an emergency plan in place. Most counties do not have plan, and therefore are not qualifying for these types of training funds. Some counties, in response to this, have opted for regional hazmat teams.
2. The application process for SARA funds through SERC could be streamlined to make it less cumbersome for fire departments and that the Legislature might be able to help SERC in this streamlining process.

Chief Fournier also pointed out that SERC has made it a policy to distribute funding for training first, before funding for equipment. Currently, the only equipment that SERC approves funding for is a computer and software to run the EPA's hazardous materials tracking program. In the past, SERC ~~did provide~~ funding for other hazmat equipment, but requests began to outnumber funds, so SERC was required to limit the types of equipment ~~permissible to~~ departments could purchase.

Maine currently has only a handful of certified technician level teams because of the amount of training involved, the amount of equipment required and the amount of funding it requires. ~~It was pointed out to t~~ The Commission was told that most volunteer and combination fire departments would not be able to be trained at the certified technician level because of the time commitment the training involves. Also many fire departments in Maine prefer to spend their training funds on structural fire training, rather than hazmat training because the number of structural fires in Maine ~~greatly~~ significantly outnumbers the number of hazardous material responses.

~~The Commission members discussed what level of hazmat training is appropriate for Maine firefighters.~~ Most of the firefighters present agreed that operations level training is appropriate for the majority of firefighters in the state. However, Steve Willis, from Maine Fire Training and Education, estimated that only 2,000 of Maine's 12,000 fire fighters are receiving this training. The course entails 16-24 hours of training and most communities do not compensate for the time firefighters spend in this training. Therefore, it has been difficult for fire departments, particularly those that are volunteer staffed, to receive the necessary training at the operations level.

The Commission members agreed that fire departments should be receiving hazmat training at the operations level and that various incentives should be offered in order to ensure that this kind of training occurs. The Commission briefly discussed what incentives

could be offered to firefighters to attend operations level hazmat training. These incentives included the following:

1. Reducing the number of training hours to a minimum for operations training so that the time a firefighter has to commit to training is reduced;
2. Integrating training into other programs, such as the Firefighter I training courses; and
3. Streamlining the SERC grant application process by allowing local trainers, identified by SERC, to be available to local departments for hazmat training. A department would still apply for training through SERC, but SERC would be able to give a list of certified trainers to the applying department. The department would no longer have to go through a long application process in order to receive operations training.

The Commission discussed a process for helping communities to understand how to go about getting hazmat training because the perception exists among fire chiefs statewide that it is difficult to get money from SERC. State Fire Marshal, John Dean, suggested that those fire chiefs who are members of SERC could explain the SERC funding process to other fire chiefs. In addition, Deputy Commissioner Libby agreed to do the following:

- Draft a memo to the state fire chiefs regarding the process for applying for hazmat funding through SERC and to clarify which types of equipment SERC will authorize funding;
- Provide focus groups to receive feedback from fire fighters on the SERC grant process;
- Work with SERC to streamline the grant application process; and
- Provide the Joint Standing Committee on Criminal Justice information on the status of the hazmat fund and a copy of the programs annual report.

**Discussion of Draft Recommendations:** The Commission discussed the draft report and the draft recommendations. Staff will integrate the comments received and issue a final draft report to the members for their review prior to the next meeting.

**Issues for next meeting:** The focus of the next Commission meeting will be the to review the Commission's final draft report..

**Next meetings:** The Commission will meet again on **Tuesday, December 14 at 9:30 a.m.** in Room 437 of the State House

# Commission to Study the Enhancement of Fire Protection Services in Maine

## Survey of Fire Protection Services

**1. What is the approximate population of the community that your department serves?**

(Circle your response)

- (1) 5,000 or fewer    (2) 5,001 to 10,000    (3) 10,001 to 17,000    (4) 17,001 or more

**2. Which of the following most accurately describes the type of department you lead?**

(Circle your response)

- (1). Full-time Career Staffed    (2). Full-time Career/Volunteer Staffed    (3). Volunteer Staffed

**3a. What is the size of your department, including full, call and volunteer members?** (Circle your response)

- (1) 1-5    (2) 6-12    (3) 13-25    (4) 26+

**3b. How does the number of your current staff compare with your department's staffing level in 1994 (five years ago)?** (Circle your response)

- (1) More    (2) About the same    (3) Fewer

**3c. Please explain:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**4a. Which of the following best describes the average length of service of your staff?** (Circle your response)

- (1). Under 5 years    (2). 6-10 years    (3). 11-15 years    (4). 16-20 years    (5). Over 20 years

**4b. Please indicate the number of qualified firefighters currently on your roster?**

("qualified" = trained commensurate with their duties) \_\_\_\_\_

**4c. Does your department have a maximum hiring age? (Circle your response)**

(1) Yes      (2) No      (3) Not Applicable

**4d. If “yes,” please list here \_\_\_\_\_**

**5. Please indicate the number of qualified firefighters on your staff who are eligible to retire (i.e., completed their service years), but remain active? \_\_\_\_\_**

**6a. Does your department currently have an incentive program for recruiting volunteers? (check appropriate response)**

\_\_\_ Yes    \_\_\_ No

**6b. For retaining volunteers? (check appropriate response)**

\_\_\_ Yes    \_\_\_ No

**6c. If “yes,” please describe the(se) program(s):** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**7. Please indicate the total amount of annual funding your department receives from your local government: \$\_\_\_\_\_.**

**8. Please indicate the amount of money in your annual budget that is dedicated to fire training programs: \$\_\_\_\_\_.**

**9a. Please indicate the total dollar amount of miscellaneous revenue received by your department in an average budget year (e.g., from fundraising events, grants, etc.):**  
\$\_\_\_\_\_.

**9b. If possible, please indicate the source or sources of these funds:**  
\_\_\_\_\_  
\_\_\_\_\_



### Calculation of Estimated Increase in Average Homeowner's Policy

The estimated increase in average homeowner's policy represented by the proposed increase in the Fire Investigation and Prevention Tax was calculated as follows:

1. Average homeowner's policy annual premium: \$359.00\*
2. Portion of premium that represents fire risk coverage: 55.7%\*\*
3. #1 multiplied by #2 ( $\$359 \times .557$ ) = \$199.96
4. #3 multiplied by difference between current tax and proposed tax (3.1 – 1.4) or 1.7% = \$3.40
5. Estimated increase in average homeowner's annual premium = \$3.40

*\*Source of #1: National Association of Insurance Commissioners, Average homeowners premiums, 1996, HO-3 policy type, \$75,000 to \$99,999 average value of house*

*\*\*Source of #2: Sales/Excise Tax Section, State Tax Division, percentages used for various perils itemized on the State Fire Investigation & Prevention Tax Return for business written on risks located in the State of Maine for calendar year 1996.*

Title:

**An Act to Increase the Fire Investigation and Prevention Tax**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 25 MRSA §2399, ¶2** is amended to read:

Every fire insurance company or association that does business or collects premiums or assessments in the State shall pay to the State Tax Assessor, in addition to the taxes now imposed by law to be paid by those companies or associations, ~~1.4%~~ 3.1% of the gross direct premiums for fire risks written in the State, less the amount of all direct return premiums thereon and all dividends paid to policyholders on direct fire premiums. That tax must be paid as provided for insurance premium taxes as specified in Title 36, section 2521-A, except that the tax prescribed by this section must be paid on an estimated basis at the end of each month starting July 31, 1998, with each installment equal to at least 1/12 of the estimated total tax to be paid for the current calendar year. The State Tax Assessor shall pay over all receipts from that tax to the Treasurer of State daily. Of these funds 75.7% must be used to defray the expenses incurred by the Commissioner of Public Safety in administering all fire preventive and investigative laws and rules and in educating the public in fire safety and is appropriated for those purposes and to carry out the administration and duties of the Office of the State Fire Marshal. Of these funds 24.3% must be used to defray the expenses of the fire training and education program as established in Title 20-A, chapter 319.

**Sec. 2. Effective Date.** This Act is effective October 1, 2000.

### **Summary**

This bill increases from 1.4% to 2.5% the Fire Investigation and Prevention tax and makes the increase effective on October 1, 2000. The revenues derived from the tax increase will be used to support additional staffing in the State Fire Marshal's Office and to fund the goals and objectives of Maine Fire Training and Education's 1999 strategic plan.

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Title:

**An Act to Establish the Maine Community Fire Training Matching Grant Fund and the Regional Fire Training Facilities Fund**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 30-A MRSA, chapter 154, §3160** is enacted to read:

**Chapter 154**

**Municipal Fire Training Grants and Regional Fire Training Facilities**

**§3160. Maine Community Fire Training Grant Fund**

**1. Fund established.** The Maine Community Fire Grant Fund (“fund”) is established to provide matching grant funds to eligible municipalities for the purposes of training municipal firefighters.

**2. Administration.** The fund is administered by the Maine Fire Training and Education Program.

**3. Fund criteria.** Rules and eligibility criteria for the fund must be developed by the Maine Fire Training and Education program in consultation with representatives from at least three state-wide fire service organizations that represent municipal fire chiefs, municipal career firefighters, volunteer and call firefighters, as well as a statewide association of municipalities and the State Fire Marshal’s Office.

**4. Authorization.** In administering this fund, the Maine Fire Training and Education Program is authorized to:

- A. Establish fund rules and eligibility criteria pursuant to subsection 3 of this section;**
- B. Develop fund application materials;**
- C. Accept public and private funds to support the fund;**
- D. Provide fund information to municipal fire departments on a regular basis; and**
- E. Provide matching grants to eligible communities based upon available funding.**

**5. Funding.** Funds to establish this fund must be allocated from the Fund for a Healthy Maine pursuant to Title 22, chapter 260-A. Allocation of these funds is authorized pursuant to section 1511, subsection 6, paragraph A of chapter 260-A.

**6. Fund restrictions.** Funds received under this Act must be invested in accordance with current State law. The principal of these funds may not be expended without the authorization of the Legislature. Expenditures made by the fund must derive from earnings on investment of the fund principal. A minimum of 80% of accrued annual earnings must be used to fund direct matching grants to eligible municipalities. A maximum of 20% of accrued annual earnings may be used to administer the fund. Eligible municipalities must provide matching fire training funds in an amount equal to the grant authorized.

**7. Report.** The administrator of the Maine Fire Training and Education program shall report on the fund on a quarterly basis to the president of the Maine Technical College System. The administrator also shall report on a quarterly basis to a state commission concerned with fire protection services matters. The president of the Maine Technical College System shall report by March 1st of each year on the status of the fund to the joint standing committee of the Legislature having jurisdiction over fire protection services matters.

**Sec. 2. 30-A MRSA, §3161** is enacted to read:

**§3161. Maine Fire Training Facilities Fund**

**1. Program established.** The Maine Fire Training Facilities Fund (“fund”) is established to support the design, construction and renovation of local fire training facilities throughout the State.

**2. Administration.** The fund is administered by the Maine Fire Training and Education program within the Maine Technical College System.

**3. Fund criteria.** Rules and eligibility criteria for the fund must be developed by the Maine Fire Training and Education program in consultation with representatives from at least three state-wide fire service organizations that represent municipal fire chiefs, municipal career firefighters, volunteer and call firefighters, as well as a statewide association of municipalities and the State Fire Marshal’s Office.

**4. Authorization.** In administering this fund, the Maine Fire Training and Education Program is authorized to:

- A. Establish fund rules and eligibility criteria pursuant to subsection 3 of this section;
- B. Develop fund application materials;
- C. Accept public and private funds to support the fund;
- D. Provide fund information to municipal fire departments on a regular basis; and
- E. Provide matching grants to eligible communities based upon available funding.

**5. Funding.** Initial funding to support the fund is allocated from the Fund for a Healthy Maine pursuant to Title 22, chapter 260-A. Allocation of these funds is authorized pursuant to section 1511, subsection 6, paragraph A of chapter 260-A.

**6. Fund restrictions.** This fund may only be used to provide matching grants to municipalities to assist in the construction or renovation of local fire training facilities. Funds received under this Act must be invested in accordance with current State law. The principal of these funds may not be expended without the authorization of the Legislature. Expenditures made by the fund must derive from earnings on investment of the fund principal. A minimum of 80% of accrued annual earnings must be used to fund direct matching grants to eligible municipalities. A maximum of 20% of accrued annual earnings may be used to administer the fund. Eligible municipalities must provide matching construction or renovation funds in an amount equal to, or greater than, the grant authorized.

**7. Report.** The administrator of the Maine Fire Training and Education program shall report on the fund on a quarterly basis to the president of the Maine Technical College System. The administrator also shall report on a quarterly basis to a state commission concerned with fire protection services matters. The president of the Maine Technical College System shall report by March 1st of each year on the status of the fund to the joint standing committee of the Legislature having jurisdiction over fire protection services matters.

**Sec. 3. 30-A MRSA, §3162** is enacted to read:

**§3162. Maine Volunteer Firefighter Recruitment Fund**

**1. Fund established.** The Maine Volunteer Firefighter Recruitment Fund (“fund”) is established to provide funds to assist communities in the recruitment of volunteer and call firefighters.

**2. Administration.** The fund is administered by the Maine Fire Training and Education Program.

**3. Fund criteria.** Rules for the fund must be developed by the Maine Fire Training and Education program in consultation with representatives from at least three state-wide fire service organizations that represent municipal fire chiefs, municipal career firefighters, volunteer and call firefighters, as well as a statewide association of municipalities and the State Fire Marshal’s Office.

**4. Authorization.** In administering this fund, the Maine Fire Training and Education Program is authorized to:

A. Establish fund rules and eligibility criteria pursuant to subsection 3 of this section;

B. Develop fund application materials;

C. Accept public and private funds to support the fund;

D. Provide fund information to municipal fire departments on a regular basis; and

E. Provide matching grants to eligible communities based upon available funding.

**5. Funding.** Funds to establish this fund must be allocated from the Fund for a Healthy Maine pursuant to Title 22, chapter 260-A. Allocation of these funds is authorized pursuant to section 1511, subsection 6, paragraph A of chapter 260-A.

**6. Fund restrictions.** Funds received under this Act must be invested in accordance with current State law. The principal of these funds may not be expended without the authorization of the Legislature. Expenditures made by the fund must derive from earnings on investment of the fund principal. A minimum of 80% of accrued annual earnings must be used to fund direct matching grants to eligible municipalities. A maximum of 20% of accrued annual earnings may be used to administer the fund. Eligible municipalities must provide matching fire training funds in an amount equal to the grant authorized.

**7. Report.** The administrator of the Maine Fire Training and Education program shall report on the fund on a quarterly basis to the president of the Maine Technical College System. The administrator also shall report on a quarterly basis to a state commission concerned with fire protection services matters. The president of the Maine Technical College System shall report by March 1st of each year on the status of the fund to the joint standing committee of the Legislature having jurisdiction over fire protection services matters.

**Sec. 4. Allocation.** The following funds are allocated from the Fund for a Healthy Maine to carry out the purposes of this Act.

**2000-01**

**MAINE TECHNICAL COLLEGE SYSTEM**

**Maine Fire Training and Education Program**

All Other \$1,000,000

Establishes The Maine Community Fire Grant Program within the Maine Fire Training and Education Program at the Southern Maine Technical College.

All Other \$1,000,000

Provides funds to establish the Maine Fire Training Facilities Fund within the Maine Fire Training and Education Program at the Southern Maine Technical College.

All Other

\$500,000

Provides funds to establish the Maine Volunteer Firefighter Recruitment Fund within the Maine Fire Training and Education Program at the Southern Maine Technical College.

### **Summary**

This bill establishes three fire training or volunteer firefighter recruitment funds within the Maine Fire Training and Education Program: The Maine Community Fire Grant Program provides matching grants to eligible municipalities to support fire training; the Maine Fire Training Facilities Fund provides funding for the design, construction and renovation of local fire training facilities throughout the State; and the Maine Volunteer Firefighter Recruitment Fund to assist communities in recruiting volunteer and call firefighters. The bill allocates a total of \$2,500,000 from the Fund for a Healthy Maine to support the funds.

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Title:

**An Act to Repeal Certain Fire Inspection Fees and to Direct the Commissioner of Public Safety to Set Certain Fire Inspection Fees by Rule**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 8 MRSA, §161, sub-§5** is amended to read:

**5. Fee.** The commissioner of Public Safety shall establish by rule the fee for a dancing license, is \$15. The rules established under this section are routine technical rules. The fees established under this section by rulemaking may not exceed the actual cost to the department to conduct this inspection. The fee must accompany the application for the license and is not refunded in those cases in which the premises are inspected. Fees collected under this section must be deposited into a special revenue account to carry out the purposes of this section. A fee is not required for the licensing of dances conducted by and for students in public, private or state-owned school buildings or municipally owned buildings.

**Sec. 2. 8 MRSA §227, sub-§1** is amended to read:

**1. Permit to discharge fireworks.** The commissioner of Public Safety shall establish by rule the fees for a permit to discharge, fire off or explode fireworks; twenty-two dollars and fifty cents per calendar year. The rules established under this section are routine technical rules. The fees established under this section may not exceed the actual cost to the department to qualify an applicant for this permit;

**Sec. 3. 8 MRSA § 227, sub-§2** is amended to read:

**2. Site inspection.** The commissioner of Public Safety shall establish by rule the fees for inspection of fireworks display sites; fifteen dollars. The rules established under this section are routine technical rules. The fees established under this section may not exceed the actual cost to the department to conduct this inspection; and

**Sec. 4. 8 MRSA, §652** is amended to read:

**8 § 652. Applications for license; inspections**

The owner, lessee, tenant or occupant of any building or place of assembly required to be licensed under section 651 shall apply to the ~~C~~ commissioner of Public Safety for that license. Upon receipt of the application, the ~~C~~ commissioner of Public Safety or the commissioner's designee shall inspect the building or place of assembly to be used for theatrical or motion picture purposes. If the building

complies with all laws and rules, the commissioner shall issue a license to the person desiring to operate the theatrical or motion picture production in that building. The commissioner shall establish by rule the fee for a theatrical or motion picture license is \$37.50. The rules established under this section are routine technical rules. The fees established under this section may not exceed the actual cost to the department to conduct this inspection. All theatrical or motion picture licenses issued expire one year after date of issue unless sooner revoked. The fees are credited to a special revenue account to defray the expenses of the inspections. Any balance of those fees does not lapse but must be carried forward as a continuing account to be expended for the same purposes in the following fiscal years.

**Sec. 5. 25 MRSA §2441, sub-§2** is amended to read:

**2. Inspection of explosive storage magazines and vehicles used to transport explosives.** All explosive storage magazines and vehicles transporting explosives in intrastate commerce must be inspected prior to issuance of a permit to use. The commissioner of Public Safety shall establish by rule the cost of each inspection, is \$30. The rules established under this section are routine technical rules. The fees established under this section may not exceed the actual cost to the department to conduct these inspections. Reinspection of storage magazines and vehicles transporting explosives are conducted upon renewal of the permit to use.

**Sec. 6. Effective date.** The effective date of the provisions of this Act is January 1, 2001.

### **Summary**

This bill repeals provisions that establish in law the fees for certain inspections conducted by the State Fire Marshal's Office within the Department of Public Safety. The bill directs the commissioner of Public Safety to set these fees by rulemaking and designates the rules as routine technical rules. The bill prohibits the department from setting the fees higher than the actual cost of conducting the inspections. The bill proposes an effective date of January 1, 2001.

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Title:

**An Act to Increase Health Insurance Options for Municipal Firefighters**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 5 MRSA, §285, ¶1** is amended to read:

**§285. Group health plan**

A group health plan is available to state employees; and career municipal firefighters, subject to the following provisions.

**Sec. 2. 5 MRSA, §285, sub-§1, ¶E-1** is enacted to read:

E-1. Any career municipal firefighter. A “career municipal firefighter” is a member of the fire service employed full-time by a municipal government of this State, including fire chiefs and other administrative officers.

**Sec. 3. 5 MRSA, §285, sub-§1-B** is amended to read:

**1-B. Ineligibility.** Eligibility under this section shall not be extended to include members of the Maine Municipal Association or the Maine Education Association or employees of counties and municipalities and instrumentalities thereof, including quasi-municipal corporations; except that pursuant to paragraph E-1 of subsection 1, active and retired career municipal firefighters are eligible to participate.

**Summary**

This bill makes all active and retired career municipal firefighters in the State eligible to participate in the State Employee Health Plan.

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**Title:**

**An Act to Establish a Volunteer Firefighters' Length of Service Program**

**Be it enacted by the People of the State of Maine as follows:**

5 MRSA Part 20-A, c. 429 is enacted to read:

**Chapter 429**

**PART 20-A FIREFIGHTERS RETIREMENT BENEFITS PLAN**

**§18611. Definitions**

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

**1. Actuarially sound pension system.** "Actuarially sound pension system" means a system in which the amount of contributions is sufficient to cover the normal cost and 20-year amortization of the unfunded prior-service cost. The normal cost and prior-service cost are to be determined by a qualified actuary and based on assumptions adopted by the state board of trustees and approved by the actuary in regard to future contribution levels, mortality, retirement age, turnover and morbidity. In this system:

A. The normal cost is the annual cost of the members' benefits assigned for the years after date of entry;

B. The unfunded prior-service cost is equal to the prior-service cost reduced by the assets; and

C. The prior-service cost determined as of the date of the actuarial valuation is equal to :

(1) The present value of future benefits on behalf of all individuals receiving benefits;

(2) The present value of future benefits on behalf of all individuals who have terminated their service with vested benefits to commence at a future date; and

(3) The present value of future benefits accrued to the date of valuation on behalf of all individuals in active service.

**2. Commission.** "Commission" means the Maine Fire Services Protection Services Commission.

**3. Current pension plan.** "Current pension plan" means a pension plan in which a fire department is participating when it elects to join the pension system created by this article.

**4. Dependent.** "Dependent" means dependent as defined by the United States Internal Revenue Code, Subtitle A, Chapter 1B, Part V, Section 152 and any subsequent amendments.

**5. Firefighter.** "Firefighter" means a volunteer firefighter as defined in Title 30-A, section 3151, subsection 4.

**6. Fund.** "Fund" means the Volunteer Firefighters' Relief and Retirement Fund created by this article.

**7. Governing body.** "Governing body" means the governing body of any city or municipality within which a municipal fire department subject to the provisions of this article is situated.

**8. Member fire department.** "Member fire department" means a municipal fire department that participates in the pension system under this article.

**9. Member firefighter.** "Member firefighter" means a firefighter who participates in the pension system under this article.

**10. Municipal fire department.** "Municipal fire department" has the same meaning as defined in Title 30-A, section 3151, subsection 1.

**11. Pension system.** "Pension system" means the system of contributions and benefits created by this article.

**12. Qualified actuary.** "Qualified actuary" means a fellow of the Society of Actuaries or a member of the American Academy of Actuaries, or both, who has at least 5 years of experience with public retirement systems.

**13. Qualified service.** "Qualified service" will be defined by the State Board of Trustees and the requirements of qualified service will be document by participating local fire departments.

**14. Retirement age.** "Retirement age" means age 55.

**15. Solvent.** "Solvent" means sufficient assets on hand to meet all current benefits due."

**16. State board of trustees.** "State board of trustees" means the state board of trustees established in section 18630.

## **§18612. Volunteer Firefighters' Relief and Retirement Fund**

**1. Establishment.** The Voluntary Firefighters' Relief and Retirement fund is established.

**2. Participation.** Participation in the fund is optional. Any governing body may, not later than 60 days after the effective date of this article and in accordance with the usual procedures prescribed for other official actions of the governing body, elect to exempt itself from the requirements of this article. Any action to provide for an exemption from the requirements of this article may be rescinded by the governing body at any time.

**3. Contributions of governing body.** Every governing body shall contribute for each firefighter an amount established by the State Board of Trustees for each month of service beginning on the date the firefighter enters the pension system. Contributions must be paid at least every 6 months. If the member fire department is situated in more than one political subdivision, the governing bodies of the political subdivisions shall contribute equally towards the total contribution for each firefighter for each month of service.

**4. Contributions of State.** The State shall contribute the sum necessary to make the fund actuarially sound each year. The State's contribution may not exceed the amount of 1/3 of the total of all contributions by governing bodies in one year. If the State contributes 1/3 of the total contributions of the governing bodies in one year, the fund is presumed actuarially sound.

**5. Contributions from other sources.** The commission may receive contributions to the fund from any source.

**6. Contributions not compensation.** Any contribution made and any benefits provided pursuant to this article shall not be considered compensation and member firefighters shall not be deemed to be in the paid service of any governing body.

### **§18613. Retirement benefits**

**1. Retirement annuity.** A member firefighter shall receive a retirement annuity payable in monthly installments on reaching retirement age, subject to the vesting provisions in section 18616.

**2. Calculation.** The monthly retirement annuity is equal to 6 times the governing body's average monthly contribution over the member firefighter's term of qualified service under this article.

**3. Additional qualified service.** For each year of additional qualified service in excess of 15 years, a member firefighter is entitled to receive an additional 7% of the firefighter's monthly pension compounded annually. A firefighter may receive a proportional credit for days or months of qualified service that make up less than one year.

### **§18614. Disability benefits**

**1. Election of benefits.** A member firefighter must elect between retirement or disability benefits if eligible for both.

**2. Disability during performance of duty.** A member firefighter who is disabled during the performance of duties as a member of the fire department is automatically vested 100% as of the date of disability, if the disability occurs before the member has completed 15 years of qualified service. Benefits under this subsection are payable until the member is able to return to the member's regular employment.

**3. Disability while not performing duties.** A member firefighter who is disabled while not performing duties as a member of the fire department is entitled to be paid a vested monthly income, based on 3 times the amount of the monthly contribution, until the member is able to return to regular employment. Prior service is considered vested service for purposes of computing benefits under this subsection.

**4. Guaranteed benefits.** A member firefighter whose disability results from performing duties as a firefighter is guaranteed a disability benefit of \$300 a month.

#### **§18615. Death benefits**

**1. Death not resulting from performance of duties.** The beneficiary of a deceased member firefighter whose death did not result from the performance of duties as a member of the fire department shall receive a lump-sum benefit that is the greater of:

A. The sum contributed to the fund on the decedent's behalf; or

B. The sum that would have been contributed on the decedent's behalf from any source at the end of 15 years of qualified service.

**2. Death resulting from performing duties.** The beneficiary of a member whose death results from performing duties as a firefighter is guaranteed a lump-sum benefit of at least \$5,000.

**3. Spouse and dependent's share.** The deceased member's spouse and dependents are entitled to receive the following:

A. If the death of a member firefighter results from the performance of duties as a member of the fire department, in addition to the lump-sum death benefit, the deceased member's spouse and dependents are entitled to receive in equal shares a survivor's benefit equal to 2/3 of the monthly retirement annuity the decedent would have been entitled to receive if the decedent had been able to retire, vested at 100% under section 18613, on the date of the decedent's death. As long as both spouse and one or more dependents survive, an additional 1/3 of that monthly retirement annuity shall be paid to the dependents in equal shares.

B. If the death of a member firefighter does not result from the performance of duties as a member of the fire department, in addition to the lump-sum death benefit, the deceased member's spouse and dependents are entitled to receive in equal shares a survivor's benefit equal to 2/3 of the member's vested benefit as of the date of death, based on 3 times the amount of the monthly contribution. Prior service is considered vested service for the purposes of computing benefits under this subsection. As long as both spouse and one or more dependents survive, an additional 1/3 of the vested benefit is payable to the dependents in equal shares.

**4. Death after retirement.** If a member firefighter dies after retirement, the surviving spouse shall receive 2/3 of the monthly pension the decedent was receiving at the time of death.

**5. Spouse eligibility.** The spouse is eligible to receive benefits as long as the spouse is unmarried.

**6. Intestacy.** Lump-sum death benefits are subject to the laws of descent and distribution if the decedent has not provided for testamentary disposition.

**7. More than one beneficiary.** When a firefighter names more than one beneficiary for the lump-sum death benefit, the benefit shall be divided equally among the named beneficiaries unless the firefighter designates a proportional division. If the firefighter designates a proportional division, each beneficiary shall receive the proportion of the lump-sum benefit designated by the firefighter.

### **§18616. Vesting of benefits**

**1. Vesting.** No right to retirement benefits vests until 5 years of qualified service are completed.

**2. Nonforfeiture.** Vested retirement benefits are nonforfeitable.

**3. Rates.** Full retirement benefits vest at the following rates:

A. 25% after the first 5 years of qualified service;

B. 5% a year for the next 5 years of qualified service; and

C. 10% a year for the 11th through the 15th years of qualified service.

### **§18617. Member claim and appeal procedure**

**1. Procedure.** Claims for benefits are filed with the local board of trustees. On receiving a claim for benefits, the local board of trustees shall hold a hearing to decide the claim. A written copy of the decision shall be sent to the claimant and the commissioner. A claimant may appeal the decision of the local board by filing notice of the appeal with the local board and the commissioner within 20 days after receiving notice of the local board's decision. The local board shall file a transcript of the local board hearing with the commissioner within 30 days after receiving notice of appeal. The commission shall, within 30 days after receiving notice of appeal, set a date for a hearing and notify the claimant and the local board. A written copy of the commissioner's decision must be sent to the claimant and the local board. A claimant may appeal the commissioner's decision to the state board of trustees. The appeal must be filed within 20 days after receiving notice of the commissioner's decision. The state board of trustees shall, within 30 days after receiving notice of appeal, set a date for a hearing and notify the claimant, the local board and the commissioner. The claimant, the local board and the commissioner may present any written or oral evidence necessary for deciding a claim. The local board, the state board and the commissioner may administer oaths, receive evidence, issue subpoenas to compel the attendance of witnesses and the production of papers and documents related to the hearing and make findings of fact and decisions in administering this article.

**2. Representation.** The attorney general shall represent the commissioner in all proceedings under this article that require representation. The city attorney may represent the local board or, when appropriate, the county attorney or counsel it may choose to employ.

**3. Judicial review.** Any person who is aggrieved by final agency action under this section shall be entitled to judicial review in the Superior Court in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, subchapter VII.

#### **§18618. Certification of physical fitness**

A firefighter entering service in a member fire department after the effective date of this article must be certified as physically fit by the local board of trustees prior to admission to the pension system.

#### **§18619. Transfer of accrued benefits**

A member firefighter who terminates service and later resumes service with the same fire department or transfers to another member department may transfer all accrued benefits to the new or resumed service.

#### **§18620. Entering the pension system; required election**

**1. Election.** An election shall be held within the local fire department to merge its current pension plan with the pension system. The election shall be held within 14 days after a petition calling for an election and signed by 50% of the active firefighters in the department is filed at the local department and the disclosure required by section 18627 is made to the firefighters in the local department.

**2. Insolvent pension plan.** If the current pension plan of the fire department is solvent, the election to enter the pension system in this article shall be decided by at least 60% of all votes cast.

**3. Solvent pension plan.** If the current pension plan of the fire department is solvent, the election to enter the pension system in this article shall be decided by at least 60% of all votes cast.

**4. Vote.** In the election required in this section, a firefighter's vote shall be multiplied by the number of years of participation in the current pension plan.

#### **§18621. Merger of current pension plan with pension system**

**1. Merger.** When a fire department under a current pension plan elects to participate in the pension system in this article, the current pension plan is merged with the pension system.

**2. Costs.** The costs of the current pension plan shall be determined on an actuarially sound basis using the attained-age normal method and actuarial assumptions described in section 18611, subsection 1. The costs shall be certified by a qualified actuary as of the effective date of merger or within 3 years preceding the date of merger.

**3. Assets and liabilities.** On the date of merger, all assets and liabilities of the current pension plan are transferred to the pension system and become an allocated part of the system. The assets may be merged with the pension system assets for investment purposes, but a separate account shall be maintained for the funds allocated to each plan that has merged with the system.

**4. Retirement benefits.** Following merger, a member's retirement benefits in the pension system are determined by either the future-service method or the buy-back method.

**5. Future-service and buy-back methods.** Retirement benefits shall be determined as follows:

**A.** In the future-service method, the qualified service required to earn retirement benefits in the pension system begins as of the date of merger. For determining a person's retirement benefits in the pension system, a firefighter may choose the formula for benefits used in the current pension plan or the formula for benefits as outlined in this article. Any retirement benefits accrued prior to the date of merger shall also be paid on retirement according to the formula for benefits under the current pension plan.

B. In the buy-back method of determining the firefighter's retirement benefits in the pension system, the firefighter may choose the formula for benefits used in the current pension plan or the formula for benefits as outlined in this article. The firefighter who has less than 15 years of service remaining before retirement as of the date of merger may count time served under the current pension plan before the date of merger as qualified service. The time period necessary to make 15 years of service before retirement may be used.

**6. Termination of service.** A firefighter who terminates service prior to the date of merger of the firefighter's fire department's current pension plan with the pension system is entitled to receive at retirement age the retirement benefits vested under the pension plan in effect during the firefighter's service. The pension system pays the firefighter's benefits.

**7. Payment of benefits.** Any benefits being paid by the current pension plan at the date of merger will be paid by the pension system following merger.

**8. Contributions.** On merger of a current pension plan with the pension system, the sponsors of the current pension plan are obligated to make contributions to the pension system in this article to fund the unfunded prior-service cost. The unfunded prior-service cost is determined as of the date of merger using the attained-age normal method and the actuarial assumptions in the definition of actuarially sound pension system. The period of funding these contributions shall not exceed 20 years measured from the date of merger.

**9. Election.** An election for the local board of trustees shall be held within 30 days of entering the pension system. The names of the elected trustees are filed with the commissioner.

#### **§18622. Prior service of members without pension plan before participation**

A governing body that is participating in the fund and whose fire department did not have a pension plan in effect immediately before the date of participation may purchase, on terms acceptable to the commissioner, credit for prior service by its member firefighters. The commissioner, after consultation with a qualified actuary, shall determine the amount required to purchase prior-service credit under this section. The requirements of section 18621 apply to the purchase of prior-service credit under this section to the extent that they are applicable. The value of prior service purchased under this section is the same as if it had been performed as a member of the fund.

#### **§18623. Withdrawing from pension system**

**1. Withdrawal from pension system.** A current pension plan that merges with the pension system may withdraw from the pension system within 5 years after the date of merger on a majority vote of the firefighters in the department voting in the same manner as provided in section 18620.

**2. Transferal of allocated assets and liabilities.** On withdrawal from the pension system, the allocated assets and liabilities as apportioned by an actuary retained by the pension system shall be transferred to the plan chosen to replace the pension system.

**3. Termination of service.** If a firefighter terminates service before retirement, vested retirement benefits shall be paid to the firefighter at retirement age. There is no penalty for nonconsecutive years of service.

#### **§18624. Benefits received from other plans or insurance**

The rights to benefits under this pension system are not defeated by benefits or payments received by other plans or insurance.

#### **§18625. Investment and management of fund**

**1. Investment of surplus.** If the commissioner's annual report shows a surplus in the fund over the amount necessary to pay benefits due for a reasonable period of time not to exceed 5 years, the commissioner and trustees shall invest the surplus. The surplus may be invested in:

A. Bonds or other interest-bearing obligations and securities issued by governmental entities;

B. Shares or share accounts of savings and loan associations insured by the Federal Savings and Loan Insurance Corporation;

C. Shares and share accounts of banks insured by the Federal Deposit Insurance Corporation;

D. First lien real estate mortgage securities insured by the Federal Housing Administration under the National Housing Act, as amended;

E. Investments made by a life insurance company in order to effect a group annuity contract; or

F. Corporation bonds, preferred stocks and common stocks.

**2. Investment counseling.** The state board of trustees shall employ a professional investment counselor, a legal reserve life insurance company licensed to do business in the State

or a bank with trust powers under the laws of the State. The investment counselor or bank employed by the board shall be a nationally known organization whose business includes investment counseling for public pension and retirement funds. A life insurance company employed by the board shall provide a group annuity contract that guarantees expenses and provides a formula for determining the amount of funds available for transfer at the end of a contract period. The contract may not include requirements that guaranteed life annuities be purchased. The cost of the investment counseling service may be paid from income earned by investments.

**3. Use of corpus or income.** No portion of the corpus or income of the fund may be used for purposes other than the benefit of member firefighters and their beneficiaries.

### **§18626. Pension plans required to be solvent**

Every firefighter in the State who serves without monetary remuneration must be a member of a solvent pension plan. After the effective date of this article, an insolvent pension plan for firefighters who serve without monetary remuneration must become actuarially sound within 3 years. An insolvent pension plan must demonstrate to the commissioner within 6 months after becoming insolvent that steps are being taken to become actuarially sound.

### **§18627. Disclosure of pension plan information**

**1. Disclosure by governing body.** The governing body shall disclose to each firefighter who serves without monetary remuneration and who is eligible for participation in the pension system the information required by this section.

**Commissioner to distribute information.** The commissioner shall distribute to each fire department and each governing body the following information:

- A. All benefits that are available in the pension system in this article
- B. The contributions required by the pension system;
- C. The expected return on the investment of a member firefighter;
- D. When benefits vest;
- E. the transferability of benefits;
- F. Rights of withdrawing members;
- G. Procedures for filing claims and appeals;

H. Tax consequences; and

I. Changes in the law.

**3. Municipal fire department disclosure.** The municipal fire department shall disclose to each firefighter in the department and to each new firefighter on the firefighter's commissioning the information in subsection 2.

**4. Disclosure by directors before election.** After a petition for an election as required in section 18620 has been filed and before the election occurs, the directors of a current pension plan must disclose to its members the information required in subsection 2 about the current pension plan.

### **§18628. Penalties**

A governing body that does not disclose the information required in section 18627 or that does not meet the requirements of a solvent pension fund as required in section 18626 is subject to a civil penalty of not less than \$100 nor more than \$1,000 for each violation, plus reasonable attorney fees. The attorney general shall bring suit in a court of appropriate jurisdiction to collect the civil penalties authorized by this article.

### **§18629. Commission**

**1. Commission.** The Maine Fire Protection Services Commission or the commission's designee shall perform the duties of the commission under this article.

**2. Powers and duties.** The commission shall have the following powers and duties.

**A.** The commission may not administer any firefighters' pension plan other than the pension system created by this article.

**B.** The commission may hear appeals from decisions of local boards in other pension plans.

**C.** The commission and the state board of trustees shall assemble and disseminate the information necessary for the disclosure requirements concerning the pension system as outlined in section 18627.

**D.** The commission is responsible for recovering any fraudulently acquired benefits. If it appears that fraud has occurred, the commissioner shall notify the local board and the claimant and hold a hearing. If after the hearing the commissioner decides that benefits have been or are being fraudulently acquired, the commission shall seek action in a court of appropriate jurisdiction.

E. The commission shall collect the revenues from the local boards of trustees for the fund.

F. The commission may request and administer additional state funds in an emergency.

G. The commission shall require annual reports from the local boards of trustees.

H. The commission may at any reasonable time examine the records and accounts of local boards of trustees.

I. The commission may recommend to the state board of trustees rules to implement this article.

J. The commission shall keep a copy of all rules promulgated under this article on file in the commission's office. A copy of the rules shall be placed with each local board of trustees and shall be made available for public inspection at any reasonable time.

K. The commission shall prepare the necessary forms for use by local boards of trustees.

L. The commission shall prepare an annual report on the activity and status of the fund. The report shall be sent to the Governor and the Speaker of the House.

M. The commission shall oversee the distribution of all benefits. The commission shall make benefit payments to claimants after receiving a copy of a local board of trustees' decision in favor of a claim and reviewing that decision.

N. If the commission overrules a local board's decision, the commission shall immediately notify the local board and the claimant.

O. The commission shall hear all appeals from local boards of trustees' decisions and issue written opinions in compliance with the procedures required by this article.

P. The commission shall keep a written transcript of all proceedings and hearings required by this article.

### **§18630. State board of trustees**

**1. Establishment.** There is established a state board of trustees composed of 6 members of the fund.

**2. Appointment.** The Governor, with the advice and consent of 2/3 majority membership of the Senate, shall appoint the trustees from a list of 3 to 5 nominees submitted by the Maine Fire Chiefs Association for each vacancy.

**3. Terms.** The trustees shall serve 6-year terms. The trustees appointed to serve on the first board of trustees shall draw by lot at the first board meeting to determine the length of term to be served. Two trustees shall serve a 2-year term; 2 trustees shall serve a 4-year term and 2 trustees shall serve a 6-year term. Thereafter, each term shall be for 6 years.

**4. Quorum.** Four trustees constitute a quorum.

**5. Majority vote.** A board decision or recommendation is made by a majority vote of trustees present. The vote must be recorded in the minutes of board meetings.

**6. Compensation.** The trustees shall serve without compensation. Trustees may be reimbursed for travel expenses to attend board meetings.

**7. Powers and duties.** The state board of trustees shall have the following powers and duties.

**A.** The board shall employ the certified public accountant, the actuary and the investment advisors for the fund.

**B.** The board shall establish rules, including qualification criteria, necessary for the administration of the fund.

**C.** The board shall hear appeals from the commissioner's decisions.

**D.** The board may authorize a cost-of-living increase for any benefit provided in the pension system. If benefits are increased, the board may require an increase in the governing body's contributions to maintain the actuarial soundness of the fund.

**E.** The board shall give notice and hold a hearing before authorizing a cost-of-living increase in benefits.

**F.** Any cost-of-living increase in benefits is effective after approval by the Legislature by concurrent resolution.

### **§18631. Local board of trustees**

**1. Composition.** The local board of trustees is composed of the following:

**A.** One representative selected by the governing body;

**B.** Five members of the local fire department chosen by a majority of firefighters in qualified service; and

C. Two tax-paying voters who are chosen by the other members of the board.

**2. Chair.** The local board shall elect a chair from the members at the first meeting.

**3. Terms.** Trustees serve 2-year terms. On the first local board, the fire department representatives shall serve staggered terms. The fire department representatives shall draw by lot at the first board meeting to determine the length of term to be served. Three representatives shall serve 2-year terms, and 2 representatives shall serve one-year terms. On the first local board, one tax-paying representative shall be appointed for a 2-year term and one appointed a one-year term. The representative selected by the governing body shall serve on the first local board for a 2-year term. Thereafter, all appointments are for 2-year terms.

**4. Vacancies.** If a vacancy occurs on the board, it is filled for the remainder of the unexpired term by the procedure by which the position was originally filled.

**5. Quorum.** A majority of board members constitutes a quorum.

**6. Majority vote.** A board decision is made by majority vote of all members present. the vote shall be recorded in the minutes of board meetings.

**7. Compensation.** No member of the local board may receive compensation for service as a trustee.

**8. Powers and duties.** The local board of trustees shall have the following powers and duties.

A. The local board of trustees shall collect all governing body contributions at least semiannually and send the contributions to the commissioner.

B. The local board shall hear and decide all claims for benefits according to the procedures in section 18617.

C. The board shall mail a copy of a decision on a claim to the parties involved and to the commissioner.

D. The board shall keep complete records of all claims and proceedings.

E. The local board shall require a firefighter who is receiving temporary disability benefits to file a disability rating report from a physician every 3 months. The board may choose the physician. When the reports indicate a significant change of condition, the local board, after notice and a hearing, shall enter an order to modify or terminate benefit payments. The order is sent to the commissioner. If the board terminates benefits, the firefighter is presumed able to resume regular employment duties.

**§18632. Certification of fund**

The commissioner and the state board of trustees shall certify the actuarial and financial soundness of the fund every 2 years. The state board shall employ a qualified actuary and a certified public accountant to assist in the required certification.

**§18633. No repeal of statutory authority**

This article does not repeal the statutory authority for any existing or current pension plan. The provisions of this article are not to be interpreted to affect fully paid firefighters or their pension systems in any way.

**Summary**

This bill establishes a volunteer firefighters' length of service program. The bill establishes a pension system and death and disability benefits for volunteer firefighters. The bill provides that participation by municipalities is optional. It establishes both state and local boards of trustees to oversee the program. The bill assigns administrative oversight of the pension system created by the Act to the proposed Maine Fire Protection Services Commission.

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Title:

**An Act to Establish the Maine Fire Protection Services Commission**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 5 MRSA, Part 9-A, Chapter 316-B, §3370 is enacted to read:**

**Chapter 316-B**  
**Maine Fire Protection Services Commission**

**§3370. Maine Fire Protection Services Commission**

**1. Commission established.** The Maine Fire Protection Services Commission (the “commission”) is established to monitor and evaluate the State’s fire protection services system on a continuing basis and to provide recommendations to the appropriate state agencies and to the Legislature regarding necessary changes in the fire protection services system. The commission is established pursuant to section 12004-J, subsection 12.

**2. Membership:** The commission consists of 21 members appointed as follows:

- A. Two members from the Senate, appointed by the President of the Senate;
- B. Three members from the House of Representatives, appointed by the Speaker of the House of Representatives;
- C. The Commissioner of Public Safety or the commissioner’s designee;
- D. The State Fire Marshal or the fire marshal’s designee;
- E. The Commissioner of Conservation or the commissioner’s designee;
- F. The Director of the Fire Control Division of the Maine Forest Service or the director’s designee;
- G. The Commissioner of the Department of Labor or the commissioner’s designee;
- H. The Director of the Bureau of Labor Standards or the director’s designee;
- I. One municipal fire chief who is a full-time fire chief, appointed by the Maine Fire Chiefs Association;
- J. One municipal fire chief who is a volunteer fire chief, appointed by the Maine Fire Chiefs Association;
- K. Three firefighters appointed as follows: One career firefighter, appointed by the Professional Fire Fighters of Maine; one call firefighter and one volunteer firefighter, appointed by the Maine State Federation of Fire Fighters;
- L. The President of the Maine Technical College System or the president’s designee;

- M. The administrator of Maine Fire Training and Education;
- N. Three other persons appointed by the Governor, consisting of:
  - (1) One member representing the Governor's office;
  - (2) One member who has a demonstrated interest in the State's fire protection services system; and
  - (3) One member representing the insurance industry.

**3. Chair.** The Governor shall designate the first chair from among the appointees. The first chair shall call the first meeting of the commission as soon as funding permits. At the first meeting, the commission shall select a chair, vice-chair, secretary and treasurer from among its members. The commission may select new officers annually.

**4. Terms of appointment.** The terms of appointment are as follows:

- A. Of the initial gubernatorial appointments, 2 must be for terms of 3 years, 2 must be for terms of 2 years, and 2 must be for terms of one year;
- B. Subsequent gubernatorial appointments must be for terms of 3 years. Members may serve beyond their designated terms until their successors are appointed;
- C. Terms of appointment for Legislators must coincide with their respective legislative terms of office; and
- D. Other appointed members who are neither Legislators nor gubernatorial appointees shall serve for terms of 3 years.

**5. Meetings.** The commission may meet as often as necessary, but, if funding permits, must meet at least quarterly. If funding permits, a meeting may be called by the chair or by any 4 members. Minutes of all meetings must be taken and maintained by the commission.

**6. Staffing.** If funding permits, the commission may employ a full-time or part-time executive director and set the executive director's salary. The executive director serves at the pleasure of the commission. The executive director shall perform duties as assigned by the commission. If funding permits, the commission may employ other staff as needed. The staffs of the departments represented on the commission may assist the commission in carrying out its functions and duties within their existing resources. The executive director may make recommendations to the commission. The commission may contract for administrative, professional and clerical services, if funding permits.

**7. Funding.** The commission authorized to seek, accept and expend outside sources of funding to carry out its duties.

**8. Duties.** The commission shall:

- A. Regularly advise the Governor and executive officers, the Legislature, the Maine Forest Service, municipal fire departments and any other parties affected by its recommendations regarding fire protection services;
- B. Submit a report containing the results of its studies, findings and recommendations to the Governor and to the joint standing committee of the Legislature having jurisdiction over fire protection services matters by December 31<sup>st</sup> of each year. As resources permit, the report must include:
  - (1) A detailed assessment of existing and needed resources within the State's fire protection services system;
  - (2) An evaluation of existing fire prevention, fire suppression, fire safety and fire training strategies and programs, including recommendations for improvements or new programs or strategies;
  - (3) Recommendations for effective management of resources within the State's fire protection services system;
  - (4) Recommendations for enhancing the collection and distribution of fire data, particularly as these data relate to increasing the fire protection services' capacity to fight fires and to save lives;
  - (5) Recommendations regarding evaluation methodology for the State's fire protection services system;
- C. Develop rules of procedure necessary to carry out its duties;
- D. Conduct public hearings, conferences, workshops and other such meetings to obtain information about, discuss and publicize the needs of and solutions to, problems concerning the State's fire protection services;
- E. Assist all governmental agencies with firefighter training and education responsibilities to enhance their delivery of services to fire prevention, protection and life safety professionals, including paid, call and volunteer fire service members.
- F. Prepare legislation for submission to the Legislature to implement any recommendations of the commission.
- G. Oversight and administrative responsibility of the length-of-service program for volunteer firefighters, established under Title 5, chapter 429.

**Sec. 2. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Act.

**2000-01**

**MAINE FIRE PROTECTION SERVICES  
COMMISSION**

All Other	\$20,000
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Provides operating funds for the Maine Fire Protection Services Commission.

### **Summary**

This bill establishes the Maine Fire Protection Services Commission and charges it with monitoring and evaluating the State's fire protection services system on a continuing basis and to provide recommendations to the appropriate state agencies and to the Legislature regarding necessary changes in the fire protection services system. The bill requires the 20-member commission to make annual reports on its findings and recommendations to the executive branch and to the Legislature. The bill proposes an appropriation of \$20,000 for commission operating funds in Fiscal Year 2000-01.

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