



127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 450

S.P. 179

In Senate, February 24, 2015

**An Act To Amend the Laws Regarding the Fund for the Efficient
Delivery of Local and Regional Services**

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator KATZ of Kennebec.

Cosponsored by Senators: LANGLEY of Hancock, LIBBY of Androscoggin, SAVIELLO of Franklin, WHITTEMORE of Somerset, Representatives: DEVIN of Newcastle, MAREAN of Hollis, PICCHIOTTI of Fairfield.

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

2 **Sec. 1. 30-A MRSA §5681, sub-§3**, as amended by PL 2009, c. 213, Pt. S, §3
3 and affected by §16, is further amended to read:

4 **3. Revenue-sharing funds.** To strengthen the state-municipal fiscal relationship
5 pursuant to the findings and objectives of subsection 1, there is established the Local
6 Government Fund. To provide additional support for municipalities experiencing a
7 higher-than-average property tax burden, there is established the Disproportionate Tax
8 Burden Fund. To assist those municipalities that collaborate with other municipalities,
9 counties or state agencies to obtain savings in the cost of delivering local and regional
10 governmental services, there is established the Fund for the Efficient Delivery of Local
11 and Regional Services, which is administered pursuant to chapter 231.

12 **Sec. 2. 30-A MRSA §5681, sub-§5-D** is enacted to read:

13 **5-D. Fund for the Efficient Delivery of Local and Regional Services.** For the
14 months beginning on or after October 1, 2015 and before the distributions required by
15 subsections 4-A and 4-B, 2% of all receipts transferred each month pursuant to subsection
16 5 must be deposited in the Fund for the Efficient Delivery of Local and Regional
17 Services, as established in subsection 3, and distributed to those municipalities that can
18 demonstrate significant and sustainable savings as determined by the Commissioner of
19 Administrative and Financial Services in the cost of delivering local and regional
20 governmental services through collaborative approaches to service delivery, enhanced
21 regional delivery systems, the consolidation of administrative services, the creation of
22 broad-based purchasing alliances or the execution of interlocal agreements. Any amounts
23 transferred to the Fund for the Efficient Delivery of Local and Regional Services in
24 excess of \$500,000 in any fiscal year must be transferred to General Fund undedicated
25 revenue.

26 **Sec. 3. 30-A MRSA §6201, sub-§6**, as amended by PL 2009, c. 213, Pt. S, §7
27 and affected by §16, is further amended to read:

28 **6. Fund.** "Fund" means the Fund for the Efficient Delivery of Local and Regional
29 Services established by section ~~6202~~ 5681, subsection 3.

30 **Sec. 4. 30-A MRSA §6202**, as amended by PL 2009, c. 213, Pt. S, §8 and affected
31 by §16, is further amended to read:

32 **§6202. Fund source; nonlapsing; dedicated, special revenue account**

33 ~~There is established the Fund for the Efficient Delivery of Local and Regional~~
34 ~~Services to assist those municipalities that collaborate with other municipalities, counties~~
35 ~~or state agencies to obtain savings in the cost of delivering local and regional~~
36 ~~governmental services. The fund consists of revenues transferred from the General Local~~
37 ~~Government Fund pursuant to section 5681, subsection 5-D and any funds received as~~
38 ~~contributions from private and public sources. Eligible investment earnings credited to~~
39 ~~the assets of the fund become part of the assets of the fund. Any balance remaining in the~~

1 fund at the end of any fiscal year must be carried forward to the next fiscal year. The
2 fund is a dedicated, special revenue account.

3 **Sec. 5. 30-A MRSA §6204, first ¶**, as amended by PL 2009, c. 213, Pt. S, §9 and
4 affected by §16, is further amended to read:

5 Except as otherwise provided by this section and section 5681, subsection 3, the fund
6 is available solely for grants for qualifying projects. The department may use the fund to
7 cover its costs of administration, including contracting for services to administer the
8 grants.

9 **SUMMARY**

10 This bill changes the funding for the Fund for the Efficient Delivery of Local and
11 Regional Services from General Fund appropriations to monthly transfers of 2% of all
12 receipts transferred to the Local Government Fund before the distributions to
13 municipalities.