

**OFFICE OF POLICY AND LEGAL ANALYSIS**

**Date:** March 24, 2021

**To:** Veterans and Legal Affairs Committee

**From:** Sam Praver, Legislative Analyst

**LD 542      An Act To Provide Support Services for Military Members Transitioning to Civilian Life in Maine**

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**SUMMARY:**

This bill provides ongoing (*i.e.*, no end date) funding of \$250,000 per year for the Department of Defense, Veterans and Emergency Management to provide personalized and proactive support for active duty military members who are transitioning to civilian life in Maine and their families.

As drafted this bill contains the exact language as LD 1952 from the 129<sup>th</sup> 2R.

**SPONSOR'S AMENDMENT & ISSUES RAISED AT PUBLIC HEARING:**

The sponsor's proposed amendment (see attached) strikes the bill and replaces it with a resolve. The resolve directs the Commissioner of Economic and Community Development, in consultation with the Director of the Maine Bureau of Veterans' Services within the Department of Defense, Veterans and Emergency Management, to establish a 2-year pilot project to conduct outreach and to provide support services for active duty military members who are transitioning to civilian life in the State and their families. And provides funding in fiscal year 2020-21 for the first year of the 2-year pilot project.

- This amendment is the product of collaboration with DVEM and DECD during the 129<sup>th</sup> 2R. The amendment represents the exact language of the majority committee OTP-AM report from the 129<sup>th</sup> 2R.
- DVEM testified it is still supportive, but if the department is responsible for administering the proposed program and funds (as the bill is currently drafted), it could not absorb the workload without impacting other higher priority programs.

**Dates Need Updating:** The proposed amendment directs the pilot project to begin September 1, 2020 (which has passed) and the submission of a report by January 1, 2023 (not enough time for a 2-year pilot) for presentation during the First Regular Session of the 131<sup>st</sup> Legislature. Not being an emergency, this bill would take effect 90 days after adjournment of the first regular session.

**TECHNICAL ISSUES: (bill as drafted)**

1. **Who provides the service?** As drafted, the bill appears to provide funding for DVEM to provide the support services for transitioning military members. If the Committee wants to clarify that DVEM will contract with an organization to provide those services, it could amend the "Initiative" to state: "Provides ongoing funding to an organization that provides personalized support for active duty military members . . . ."

2. **How would grants be awarded?** If the funding in this bill will be directed to an organization that is awarded a contract or a grant to provide the services, [5 MRSA §1825-B\(1\)](#) requires, as a general rule, that the services be purchased through a competitive bidding process.
- Several statutory criteria for waiving the competitive bidding process are set forth in [§1825-B\(2\)](#), but given the \$250,000 per-year level of funding proposed in the bill, the only potential cause for waiving the competitive bidding process would involve the Governor declaring that “an emergency exists that requires the immediate procurement of . . . [the] services.”
  - Under the statutory competitive bidding process, the contract or grant “must be awarded to the best-value bidder, taking into consideration the qualities of the . . . services to be supplied, their conformity with the specifications, the purposes for which they are required, the date of delivery and the best interest of the State.” [§1825-B\(7\)](#). Other considerations are set forth in [§1825-B\(8 to 10\)](#) (state preference); [§1825-B\(11\)](#) (requiring the cost comparison between bidders on services contracts to take into account whether each bidder provides health and retirement benefits to its employees).

**Renewal process for competitively bid contracts:** According to the Department of Administrative and Financial Services’ Memo entitled “Policy on Contract/Grant Renewals and Amendments”, the State has a standard “two year initial period of performance, which may be renewed for as many as three additional years” provided that the scope of the contract renewals is anticipated in the original RFP.

**FISCAL IMPACT:**

Fiscal note not yet prepared. But, as drafted this bill will cost \$250,000 per year and this ongoing amount will become part of the baseline budget. In addition, testimony suggests funding for additional staff will be required if the program is administered by DVEM.