

2023

FEDERAL ISSUES PAPER

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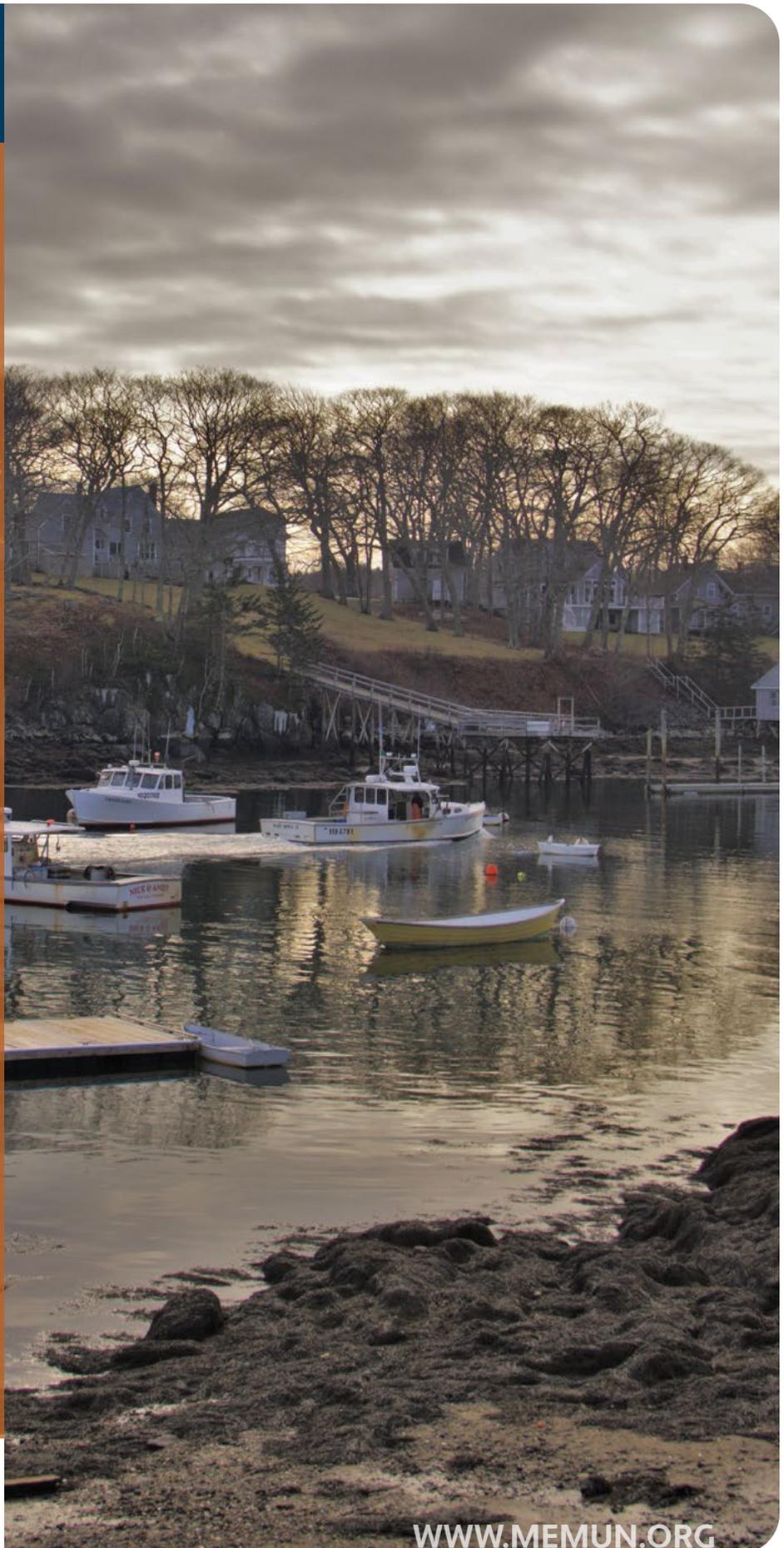
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February 28, 2023

Senator Susan Collins
413 Dirksen State Office Building
Washington, DC 20510

Senator Angus King
133 Hart Senate Office Building
Washington, DC 20510

Congresswoman Chellie Pingree
2354 Rayburn House Office Building
Washington, DC 20515

Congressman Jared Golden
1710 Longworth House Office Building
Washington, DC 20515

Dear Senator Collins, Senator King, Congresswoman Pingree, and Congressman Golden,

On behalf of the Maine Municipal Association's Executive Committee, I thank you for your commitment to the people of Maine. Due to your efforts, our municipalities have received the unprecedented support that has enabled municipalities to keep residents sheltered, warm and safe, and provided access to the financial and technical resources necessary to invest in our downtowns and make needed improvements to aging water and wastewater systems.

Municipal leaders appreciate your support for the American Rescue Plan Act, the Bipartisan Infrastructure Law, and the many other federal funding programs, which not only make needed investments in our state, but also direct funds to rural communities. As a result of these efforts, revenues expanding broadband service, protecting our communities from cyber-attacks, and preserving Maine's natural resources, have or will soon be distributed to communities of varying populations across the state.

Your support for crucial tried-and-true programs has not gone unnoticed. Ongoing investments in LI-HEAP will help stretch household budgets being ravaged by higher heating fuel prices. Continued investment in Maine's transportation network will ensure that our heritage industries and businesses will continue to thrive and be able to deliver the state's unique products across the nation. In 2021, Maine communities, generally, and the entitlement communities of Auburn, Bangor, Biddeford, Lewiston, and Portland, received a total of \$14.5 million for economic development, housing, and investment in public facilities and services.

It is for these reasons that municipal leaders look forward to the opportunity to thank you in person, celebrate our successes, and to discuss emerging issues when we meet in March.

To help guide those discussions, MMA staff has prepared the following 2023 Federal Issues Paper, in which we briefly touch on an eclectic blend of issues facing our communities. The selected topics, which range from the much-needed financial support for emergency medical services to changes in federal grant and program requirements, were identified by local officials participating in the federal issues survey. Additionally, we are interested in learning about your policy priorities and discussing how the Association and its members can help you advance and implement your goals.

Again, thank you for your willingness to meet and for all you do for Maine.

Sincerely,

Elaine Aloes
Chair, Solon Select Board
President, MMA Executive Committee



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ASYLUM SEEKER WORK PERMITS

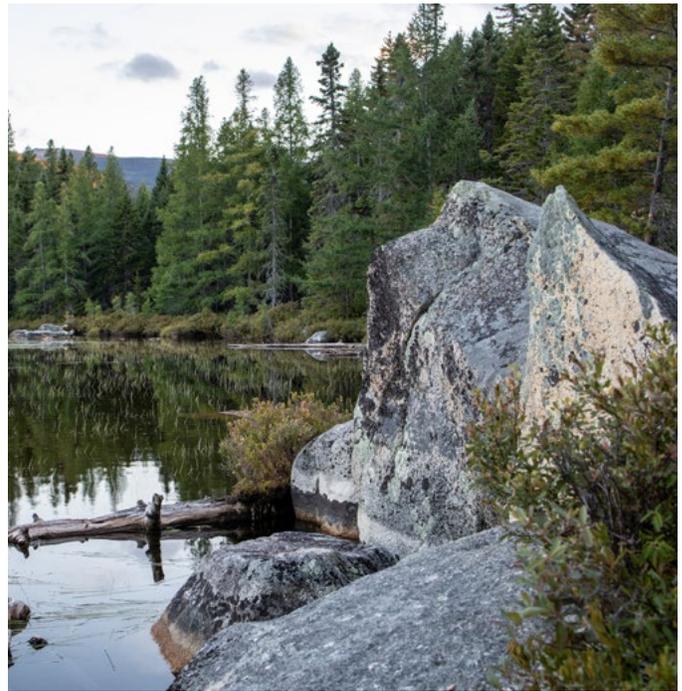
Over the last year, Maine's largest communities have experienced significant increases in the number of asylees seeking assistance, primarily through the General Assistance (GA) program. Increasing food, fuel, and housing costs, coupled with delays in the processing of federal work permit paperwork, have shifted burdens onto property taxpayers without recourse or additional reimbursement.

Between 2013 and 2022, the state's share for GA expenditures was roughly \$11.2 million, annually. However, as of late, the lingering effects of a global pandemic and the resulting flight to Maine, the rapid conversion of year-round housing to short-term rentals, a booming housing market, and the increasing costs of necessities are all impacting the GA program. In 2023, state reimbursement under the GA program jumped to \$23 million, increasing the combined state and municipal expenditure to an all-time high of \$32 million.

Additionally, municipalities struggle to find housing for new families, English as a Second Language programs are at capacity, social services programs are overwhelmed, and municipal staff are facing burnout, which is fueling workforce retention challenges.

These unintended consequences could be avoided if asylum seekers were allowed to work shortly after relocating to the U.S. The solution would not only help these new Mainers to settle into their communities quickly and permanently, but also help in addressing the state's workforce challenges. In Canada, for example, work permits are issued within three weeks of relocation to the country. Municipal leaders have heard repeatedly that asylum seekers are eager to contribute to their communities by sharing their skills, expertise, and talents.

It is for this reason that municipal officials encourage ongoing support for initiatives that fast-track the work permit process, such as the Asylum Seeker Work Authorization Act being sponsored by Senators Collins and King and similar legislation introduced by Representative Pingree. Additionally, any federal assistance to help Maine communities recover the unreimbursed portion of the assistance provided to date would help to relieve the pressure placed on property taxpayers.



REFINE PARK EXCHANGE PROGRAM RULES

In the early 1970s, the National Park Service (NPS) awarded Land and Water Conservation Fund grants to municipalities for investment in recreational opportunities. In the fine print...the projects were to be provided in perpetuity. As growth patterns changed and the priorities of residents morphed, some areas originally sited for park or recreational purposes are no longer suited to support the intended activities. In some cases, the structures built to support the use of outdoor spaces are deteriorating due to the lack of use or deferred maintenance.

Roughly five years ago, the NPS conducted program related audits and found that several communities had violated the perpetuity requirement. While there is a process in place to allow for corrective action, some municipal leaders find the process burdensome and unnecessarily expensive. The cure is to participate in a conversion process that requires communities to find replacement locations that provide the same recreational opportunities at the same property market value. The most onerous step in the process is the requirement for two Uniform Appraisal Standards for Federal Land Acquisition "Yellow Book" property appraisals, one for the former site and another for the replacement site. According to the municipal officials who have experience with the process,

the assessment protocol costs twice as much as a standard market appraisal and the lack of appraisers with the expertise necessary to conduct such an assessment adds additional time and expenses to the process.

Because parks, greenspaces and recreational programs are important features of our communities, municipal officials are simply seeking flexibility in and modernization of the program rules, created 50-years ago, to balance the preservation of public spaces and parks with the need to respond to changes in local development patterns. **Specifically, municipal leaders who are involved with the conversion process offer three solutions: (1) replace the required “yellow book” appraisal with a standard land appraisal; (2) replace the perpetuity requirement with an obsolescence provision that sets a determined time frame for the grant restrictions to be in place on the encumbered property; and (3) allow transfer of grant encumbrances to an existing recreation property within the municipality.**



COMMERCIAL DRIVER'S LICENSES & CANNABIS

The dearth of individuals with commercial driver's licenses and the legalization of recreational cannabis in Maine, is creating a perfect storm for municipalities trying to hire and retain public works employees. Because adult use cannabis is still illegal at the federal level, any trace of the substance in a drug related test results in the loss of a commercial driver's license, regardless of impairment or whether a product was used for recreational or medical purposes or ingested or topically applied. The result is the creation of a system that treats employees using legal substances differently. For example, the employee who consumes cannabis on a Friday evening will lose their credentials, while another enjoying a few beers will not.

The use of oral testing processes versus urinalysis, for example, could address this growing concern as the timetable for detecting THC is significantly shorter for an oral test. The results of the oral tests normally show no trace of THC one or two days after use.

To be clear, municipal officials condemn the operation of vehicles while under the influence and the use of such substances while performing job duties. **However, municipal leaders are urging members of Maine's delegation to support initiatives that offer alternative cannabis testing practices.**

BUS DRIVER LICENSING

Maine benefits from a robust driver testing and licensing program that was recently complicated by federal Entry Level Driver Training (ELDT) requirements. Previously, municipalities conducted their own driver training program preparing their employees for taking the practical and theoretical tests to acquire licensing through the Maine Bureau of Motor Vehicles. With the introduction of ELDT, municipalities are now required to register their Commercial Driver License (CDL) trainer as an instructor through the portal or send their employees to a certified trainer – at great cost – before they are able to schedule their skills tests and prove ability to operate vehicles with air braking systems.

The EDLT-CDL standards are focused on commercial vehicles, vehicles that transport heavy cargo, and long vehicles that bend in the middle and should not apply to school buses. School bus drivers are intermittent in their need often making them part-time employees, they travel similar routes daily and their focus is on the precious cargo of children. The need to be literate in CDL standards is a federal requirement that goes beyond the skill assessments required of a school bus operator. Because a bus operator must pass four separate tests to receive their license under federal rules, municipalities struggle to fill these roles that could otherwise be filled by recent retirees, or parents desiring to have a flexible role in tune with parenting pressures. In addition, some municipalities are having to eliminate bus services at random and unpredictable times, which has a downstream effect on working parents and their employers.

The current application of federal standards for bus licensing is a barrier and the time commitment to pursue a license for a part-time position is not proportional to the true needs for serving in a rural state with robust drivers licensing processes. **Maine’s municipalities need flexibility in the federal standards and the flexibility to work with our state partners on adopting a less onerous path to licensing that sharpens the skills necessary to operate a school bus, not one that requires theoretical knowledge of vehicles not used in student transport.**

SOLID WASTE MANAGEMENT

Waste management is quickly becoming one of the costliest services municipalities provide to residents and businesses. Based on a snapshot of the economic circumstances of municipal waste management, as projected by MMA’s Fiscal Survey, in FY 2020 municipalities spent \$70.5 million to collect, dispose of and recycle solid waste and generated only \$23 million in revenue collected by the assessment of related fees.

Maine’s waste management hierarchy establishes waste reduction as the preferred approach and highest priority, followed by reuse, recycling, composting, volume reduction through waste-to-energy incineration, and landfilling as the management option of last resort. However, despite these approaches, the lack of affordable alternative options has resulted in landfilling becoming the default process.

According to the Maine Department of Environmental Protection’s 2021 Solid Waste and Disposal Capacity report, in 2018 of the total non-recyclable (exclusive of construction or demolition debris) waste generated, 45% was landfilled, as opposed to 48% in 2019. Although the amount of recycled waste increased between 2018 to 2019 from 35% to 38%, landfilling remained the least costly, yet most unsustainable disposal approach.

The circumstances are grim. Revenue from municipal waste management services cannot keep pace with expenses, yet the service must be provided. As a result, a growing amount of property taxpayer dollars are going towards waste management every year. Between FY 2019 and FY 2020 the taxpayer portion of collection, disposal, and recycling grew by 18%.



No single event led to this predicament. A combination of market forces outside of Maine, recent world health events, smarter management practices, rising costs like labor, fuel and fees, and a consolidation of the waste management landscape have left communities with limited options. Assuming a community can afford alternatives to landfilling, there are few facilities in Maine that have capacity, provide a worthwhile service, or are within 100 miles. Many recyclable products are ending up in landfills because of the state’s insufficient infrastructure for recyclable materials and a lack of a robust recycled products market.

Despite the pleas from municipalities for assistance in managing waste, the Maine State Legislature has responded by implementing more costly solutions, including initiatives to disincentivize landfilling, which for many communities in Maine’s vast state is currently one of the more affordable options. While municipalities would prefer to dispose of waste in a more environmentally sound manner, those options are currently cost prohibitive. More financial incentives from federal and state resources, including behavior changing fee schedules, like that of the bottle redemption fee, to deter landfilling are needed to reduce the burdens placed on Maine’s property taxpayers.

Municipal officials are calling on state and federal leaders to use broad based tax revenues to relieve the burdens that are unfairly shifted to the property taxpayers, as well as to explore alternatives for managing waste in Maine and around the country. As an example, the adoption of legislation to require packaging manufacturers to encode their products with identifiers to help more technically advanced Materials Recovery Facilities

separate valuable commodities from solid waste, reduce diversion to landfills and increase revenue streams.

Regardless of the approach, the current system and funding models are unsustainable.

STALLING PUBLIC WORKS VEHICLES & FIRE TRUCKS

Although many factors can cause diesel powered vehicles to stall mid-operation, including a lack of fuel or insufficient air flow, municipal officials are concerned that the emission control systems installed in these vehicles may also play a role. Although these systems are used to limit the release of harmful gases into the atmosphere, a stalled plow truck during a winter storm or a fire truck responding to a public safety emergency is of concern to municipal officials. In one Maine community, three of the five available plow trucks stopped abruptly, causing the vehicles to remain idle during a significant snow event.

Municipal officials are asking the delegation to explore solutions that seek to reduce carbon emissions, while simultaneously allowing local governments to provide vital public services.



INCREASE EMS REIMBURSEMENT UNDER MEDICARE/MEDICAID

The reimbursement rates under the Medicare and Medicaid programs continuously fall short of the actual costs of providing emergency medical services (EMS). The Medicare reimbursement rate for ambulance services, particularly in vulnerable rural areas of the state, is so low that most municipal ambulance services lose revenue the moment trucks leave the station. As a result, additional

burdens are shifted to property taxpayers in municipalities with EMS programs.

In response, in 2022 the Maine State Legislature created the Blue-Ribbon Commission to Study Emergency Medical Services in the State, which was directed to “examine and make recommendations on the structure, support and delivery of emergency medical services,” as well as to explore all aspects of EMS, including “workforce development, training, compensation, retention, costs, reimbursement rates and local and state support.” The culmination of the commission’s work is memorialized in its final report, which outlines several financial and workforce recommendations. Of note, is a recommendation calling on the Maine State Legislature to fund the delivery of EMS by appropriating \$350 million over five years to support existing ambulance services, of which \$25 million would be initially targeted to transportation service providers at risk of either failing or leaving the service area.

While the report recognizes that the property taxpayers alone should not solely bear the burdens associated with funding this vital public safety program, there is room for federal level involvement as well. **At the very least, the federal government should establish reimbursement formulas under the Medicare and Medicaid programs that better reflect the cost of providing emergency medical services.**

REDUCE FEDERAL GRANT RED TAPE

While municipal officials were tremendously appreciative that the American Rescue Plan Act (ARPA) was designed to distribute federal revenues to each Maine community, the process was for many onerous, especially for those with little experience with federal programs or with limited staff and resources. Applying for a Data Universal Number System number, accessing the ARPA portal, and meeting reporting deadlines resulted in a few communities electing not to accept the federal resources. Applying for other federal grants with their competitive nature and limited resources present the same challenges for municipalities.

While municipal officials understand that rules, regulations, and procedures are necessary to ensure transparency and appropriate use of tax dollars, **municipal officials urge your continuing support for initiatives, such as the Simplifying**

Grant Act, to streamline applicant and reporting requirements. Local leaders believe changes to simplify the process will enable municipalities to apply for funding more readily and easily, particularly those programs targeted at rural communities.



PFAS MITIGATION MANDATES

The increasing presence of PFAS in groundwater and soil across the state has led to the abrupt adoption of policies shifting additional costs onto the property tax and other related fees. Municipalities are at a very expensive crossroads as two competing state level policies, one limiting the amount of waste that can be disposed of via landfilling and another policy prohibiting municipalities from disposing of sludge via land application, are quickly coming to a head. To that end, one landfill operator is currently informing municipalities that storage capacity limits will soon be hit and the lack of access to the materials added to sludge to allow for landfilling is limiting operations. As a result, municipalities have been advised to dispose of sludge in other facilities, including those located out-of-state. Not only is this option a very costly proposition, but it is also a solution that will no longer be available as other states look to ban acceptance of out-of-state waste.

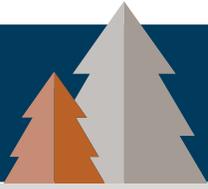
As a result of the changes, communities are forced to absorb the astronomical costs associated with disposing of waste and wastewater without state or federal reimbursement. As seems to be the case with most emerging issues and crises, the property taxpayers are left to carry the burdens of resolving an issue of statewide significance.

Municipal officials, however, are heartened by the steps Maine's congressional delegation has taken on the PFAS front, including the \$120 million investment to support the University of Maine System's research efforts. The legislature's proclivity to implement costly alternatives without the data, is of grave concern. With this investment in research, limited tax dollars can be more wisely invested in programs that will yield intended results. **For this reason, municipal officials ask that you continue to support PFAS mitigation related solutions and partner with state and federal environmental agencies to find avenues for mitigating the adverse impacts of PFAS without resorting to the implementation of unfunded federal and state mandates.**

BROADBAND ACCESS

The pandemic has taught us that access to reliable internet is vital, but unfortunately unavailable in many Maine communities. The need to provide remote access to educational programs resulted in several students falling behind due to limited internet access and low speeds. Limits on access also had disparate impacts on Maine residents' abilities to receive medical and behavioral health care services via telehealth appointments. Pole attachment fees and insurance requirements and the aggressive advocacy efforts discouraging local investment in this infrastructure, to name a few, are frustrating municipal efforts to expand quality broadband to the state's most remote areas. Repeated attempts to get existing cable providers to upgrade to fiber optic cable and to improve and extend services have been fruitless, often resulting in negotiations that lack affordable options, place caps on the use of data, and limit bandwidth. What is needed is statewide access to fiber optic internet that provides equal download and upload speeds. Tying grant funding to installations of symmetrical service should be a key element in all broadband grant awards.

For this reason, municipal officials urge the Maine Congressional Delegation to review grants and program requirements that provide municipalities, and their residents, the flexibility necessary to fund these much-needed improvements. Putting additional measures in place to heavily encourage private sector providers to offer adequate service in communities across the state, are also warranted.



OUR MISSION

The mission of the Maine Municipal Association is to support excellence in Maine's municipalities by providing important services and advocating for their common interests.

OUR CORE BELIEFS

LOCAL GOVERNANCE

We believe that local government is the foundation of a strong democracy and is fundamental to the provision of essential services that promote the safety, health and well-being of residents and communities.

LEADERSHIP

We believe in the accessibility and accountability of municipal officials, with a commitment to honesty, civility, integrity, and the highest ethical standards. Municipal Officials are entrusted to develop cohesiveness and build strong future-driven communities.

COLLABORATION

We value and support opportunities for collaboration and partnerships among municipalities, public organizations, and private entities.

DIVERSITY, EQUITY, AND INCLUSION

We respect the uniqueness of each municipality and the diversity within the community. We are dedicated to ensuring that all individuals are treated equally, respectfully, and fairly.

FISCAL INTEGRITY

We believe in financial accountability, transparency, and responsible management of resources are essential for MMA and its member municipalities.

EXCELLENCE IN SERVICE

We believe in listening to and supporting member municipalities to ensure that their priorities, needs, and educational requirements are met through services and programs.