

MAINE STATE LEGISLATURE

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L.D. 1041

Date: 6/16/25 MAJORITY

(Filing No. H- 740)

HOUSING AND ECONOMIC DEVELOPMENT

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STATE OF MAINE HOUSE OF REPRESENTATIVES 132ND LEGISLATURE FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 670, L.D. 1041, "An Act to Preserve Affordability in Publicly Assisted Housing Developments"

Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 30-A MRSA §4972, as repealed and replaced by PL 2023, c. 218, §3, is repealed.'

Sec. 2. 30-A MRSA §4972-A is enacted to read:

§4972-A. Definitions

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

1. Affordability restriction. "Affordability restriction" means, for rental housing:

A. A limitation on the rent amount that is based on the income of the person or family renting the unit compared to the area median income or to market rates for rental units in that geographic area; or

B. A limitation on the income of the person or family renting the dwelling unit.

2. Financial assistance. "Financial assistance" means funding in the form of grants, loans, rental assistance, subsidies, tax credits or other tax incentives provided by a federal, state or local government entity for which receipt is contingent upon constructing or maintaining dwelling units subject to an affordability restriction.

3. Holder. "Holder" means the Maine State Housing Authority or a municipal housing authority that holds the option to purchase a low-income rental housing project.

4. Low-income rental housing. "Low-income rental housing" means rental housing with 5 or more dwelling units in which any of the dwelling units are:

A. Subject to affordability restrictions;

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B. Subject to rents that are controlled, regulated or assisted by a federal or state agency pursuant to a regulatory agreement, rental assistance agreement, restrictive covenant, mortgage or other documentation; or

C. Subject to requirements as a condition of receiving financial assistance.'

Amend the bill by striking out all of section 3 and inserting the following:

'Sec. 3. 30-A MRSA §4973, sub-§1, as amended by PL 2023, c. 218, §4, is further amended to read:

1. Notice. The notice required by section 4973-A must be made to the tenants, a tenants' organization for the property, if any, the Maine State Housing Authority and the municipal housing authority, if any, at least 90 days prior to the owner entering into a contract for the sale or transfer or taking any action in regard to the property described in this section. Failure to provide notice as required by this subsection does not reduce the 90-day period within which the Maine State Housing Authority or the municipal housing authority, if any, may submit, in writing, the intention to pursue the option described in subsection 2.'

Amend the bill in section 4 in subsection 2 in paragraph A in the first line (page 2, line 43 in L.D.) by striking out the following: "may not prevent" and inserting the following: 'is not intended to prevent'

Amend the bill by striking out all of section 6 and inserting the following:

'Sec. 6. 30-A MRSA §4973-A is enacted to read:

§4973-A. Notification of expiration

Any person, firm or organization that owns or has a controlling interest in any low-income rental housing shall provide notice of the expiration of any affordability restrictions or financial assistance to the tenants of that property, a tenants' organization for that property, if any, the Maine State Housing Authority and, if the property is located in the area of operation of a municipal housing authority, the municipal housing authority.

1. Notice contents. The notice required by this section must include:

A. The address of the low-income rental housing;

B. The name and address of the owner of the low-income rental housing;

C. Notification of the date on which the affordability restriction or financial assistance will terminate; and

D. Any other information as required by the Maine State Housing Authority by rule.

2. Notice timing. If the affordability restriction or financial assistance is scheduled to terminate in 2 or more years after the effective date of this section, the notice must be mailed at least 2 years before the scheduled termination. If the affordability restriction or financial assistance is scheduled to terminate less than 2 years after the effective date of this section, the notice must be mailed by November 30, 2025.

3. Notice delivery. Notice provided to the Maine State Housing Authority, a municipal housing authority, a tenant and a tenants' organization must be sent by first-class mail, return receipt requested. Notice to a tenant must also be left in or under the door of the tenant's dwelling unit.'

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COMMITTEE AMENDMENT "A" to H.P. 670, L.D. 1041

1 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
2 number to read consecutively.

3 **SUMMARY**

4 This amendment, which is the majority report of the committee, amends the definitions
5 and the notice requirement in the bill.

6 **FISCAL NOTE REQUIRED**

7 (See attached)



Approved: 06/01/25 **LRL**

132nd MAINE LEGISLATURE

LD 1041

LR 798(02)

An Act to Preserve Affordability in Publicly Assisted Housing Developments

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-740)
Committee: Housing and Economic Development
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Maine State Housing Authority

Fiscal Detail and Notes

Additional costs to the Maine State Housing Authority to adopt the changes in this legislation can be absorbed within existing budgeted resources.