

# MAINE STATE LEGISLATURE

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SA  
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L.D. 1500

Date:

6/3/25

(Filing No. H-446)

## 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. 984, L.D. 1500, "An Act to Establish the Maine Community Development Financial Institution Fund to Support Small Businesses, Rural Economic Development and Affordable Housing"

Amend the bill by inserting before section 1 the following:

**'Sec. 1. 5 MRSA §135**, as amended by PL 2021, c. 231, §1, is further amended by enacting after the 7th paragraph a new paragraph to read:

The Treasurer of State may deposit, if funds are available, an amount not to exceed \$10,000,000 in each calendar year with community development financial institutions authorized to do business in the State at a rate of return not more than 2% per year below the rate of return otherwise obtainable had the funds been invested with other financial institutions for a similar term, as determined by the Treasurer of State, for periods not to exceed 2 years. For the purposes of this paragraph, "community development financial institution" has the same meaning as in section 13056-K, subsection 1, paragraph A.'

Amend the bill in section 1 in §13056-K in subsection 2 by striking out all of the first blocked paragraph (page 1, lines 28 to 32 in L.D.).

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

### SUMMARY

This amendment reallocates a provision in the bill pertaining to the deposit of funds by the Treasurer of State from within the section of law establishing the Maine Community Development Financial Institution Program to the section of law that governs the limitations on the deposit of funds by the Treasurer of State.

### FISCAL NOTE REQUIRED

(See attached)

# COMMITTEE AMENDMENT

**132nd MAINE LEGISLATURE****LD 1500****LR 1523(02)****An Act to Establish the Maine Community Development Financial Institution Fund to Support Small Businesses, Rural Economic Development and Affordable Housing****Fiscal Note for Bill as Amended by Committee Amendment "A" (H-446)****Committee: Housing and Economic Development****Fiscal Note Required: Yes**

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**Fiscal Note**

	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>Projections FY 2027-28</b>	<b>Projections FY 2028-29</b>
<b>Net Cost (Savings)</b>				
General Fund	\$700,000	\$200,000	\$200,000	\$200,000
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	\$500,000	\$0	\$0	\$0
<b>Revenue</b>				
General Fund	(\$200,000)	(\$200,000)	(\$200,000)	(\$200,000)
<b>Transfers</b>				
General Fund	(\$500,000)	\$0	\$0	\$0
Other Special Revenue Funds	\$500,000	\$0	\$0	\$0

**Fiscal Detail and Notes**

This bill requires the State Controller to transfer \$500,000 from the unappropriated surplus of the General Fund to a newly established Maine Community Development Financial Institution Fund within the Department of Economic and Community Development (DECD) no later than November 5, 2025 to provide grants and loans to eligible institutions and enterprises to promote housing and community development, capital access, housing access and small business support. The bill includes a corresponding Other Special Revenue Funds allocation in fiscal year 2025-26 to authorize expenditures from the fund. DECD has indicated that the provision in the bill that allows up to 10% of the monies in the fund to be utilized for operational and administrative costs will be sufficient to cover the costs to DECD to administer the program and no additional General Fund appropriations will be required.

The bill includes a revenue decrease from reduced interest earnings to the General Fund of \$200,000 in fiscal year 2025-26 and \$200,000 in fiscal year 2026-27 from depositing from the cash pool an amount not to exceed \$10,000,000 annually with the community development financial institutions.