

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 970

H. P. 809

House of Representatives, February 24, 1981

Speaker laid before the House and on Motion of Representative Fowlie of Rockland, referred to the Committee on State Government. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Fowlie of Rockland.

Cosponsor: Senator Ault of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Facilitate the Leasing of Existing Subsidized Housing Units.

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

30 MRSA § 4701, last sentence, as amended by PL 1969, c. 470, § 14, is further amended to read:

No authority shall enter into any contract for loans, grants, contributions or other financial assistance with the Federal Government for any project unless or until the governing body of the city, where the project is to be located, or any regular, special or duly constituted meeting of the town where the project is to be located, as the case may be, shall, by resolution duly adopted, have approved its entering into such contract; **except that no such resolution is required where the contract with the Federal Government involves financial assistance with respect to existing housing units or moderately rehabilitated housing units within the city or town.**

STATEMENT OF FACT

Current law is interpreted to require the Maine State Housing Authority to obtain passage of a consent resolution before it can provide assistance to a low income household in need of a housing subsidy. Maine is one of the only states that

requires such a resolution for subsidies under the section 8 existing program. The original intent of the consent resolution requirement was to prevent unwanted new construction in a town, not to deny a housing subsidy to eligible households based on where they live.

The new and existing programs are related only vaguely. Under the existing program the housing stock is not altered and both tenants and landlords receive benefits. Benefits to the tenant are obvious; an affordable rent in a standard apartment. Tenants pay 25% of their income for rent and apartments that must meet federal housing quality standard. Landlords are guaranteed their rent since the tenant's share is affordable and the government's share is mailed directly to the landlord, in monthly payments. If a tenant leave without proper notice, the landlord is reimbursed for 80% of the fair market rent for up to 30 days.