

# MAINE STATE LEGISLATURE

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L.D. 2283

2

(Filing No. S-358 )

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STATE OF MAINE

4

SENATE

5

113TH LEGISLATURE

6

SECOND REGULAR SESSION

7

COMMITTEE AMENDMENT " A " to S.P. 880, L.D. 2283,  
8 Bill, "AN ACT to Establish the Maine Elderly Tax  
9 Assistance Program."

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Amend the bill in section 3 by striking out all of  
the amending clause and inserting in its place the  
following:

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'Sec. 3. 30 MRSA §§4790 to 4790-D are enacted  
to read:'

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Further amend the bill in section 3 in that part  
designated "§4790." in subsection 3 by striking out  
all of paragraph D.

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Further amend the bill in section 3 by adding at  
the end the following:

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'§4790-A. Limitations

21

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23

The following limitations apply to the Elderly  
Homeowner Equity Loan Guarantee Fund Program pursuant  
to section 4790.

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1. Priority. Priority shall be given to  
low-income elderly households.

26

27

2. Participation. Participation shall be limited  
to applicants who are 70 years of age or older.

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1           3. Equity. The authority shall not insure,  
2 guarantee, purchase or make disbursements on loans for  
3 which the loan-to-value ratio exceeds 80%.

4           4. Use of funds. Loans provided to eligible  
5 recipients shall be used only for urgent matters as  
6 deemed by the authority to include payment of property  
7 taxes, property maintenance, home care and similar  
8 matters.

9           \$4790-B. Adoption of rules

10           Pursuant to the Maine Administrative Procedure  
11 Act, Title 5, chapter 375, subchapter II, the  
12 authority may adopt rules necessary to implement the  
13 Elderly Homeowner Equity Loan Guarantee Fund Program.

14           1. Asset limitations. The authority may adopt  
15 rules with respect to asset limitations. At a  
16 minimum, the authority shall adopt rules restricting  
17 real property assets to the principal residence of the  
18 applicant. Nothing in this section may preclude from  
19 eligibility the permanent residence and any contiguous  
20 land to that residence, such as a family farm or  
21 similar situation.

22           2. Counseling of applicants. The authority  
23 shall, by rule, provide for the counseling of  
24 applicants in order that the applicants are aware of  
25 the advantages, disadvantages, potential risks and  
26 other aspects of the program.

27           3. Purpose; minimize risk. In adopting rules,  
28 the authority shall seek to protect the interests of  
29 all parties and to minimize the risks to each.

30           4. Federal projects. The authority, by rule, may  
31 allow for federal pilot projects which may have  
32 criteria inconsistent with the criteria in the Elderly  
33 Homeowner Equity Loan Guarantee Fund Program.

34           \$4790-C. Report to Legislature

35           The authority shall report annually by the 3rd  
36 Wednesday in January to the joint standing committee  
37 of the Legislature having jurisdiction over housing  
38 matters with respect to the results of the program.

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1 This report shall contain the number of households  
2 participating in the program, the average income of  
3 the participants, the average household equity of the  
4 participants and the number of years remaining in each  
5 loan before the equity is depleted.

6 \$4790-D. Advisory committee

7 The authority shall establish a 5-member Elderly  
8 Homeowner Equity Loan Guarantee Fund Advisory  
9 Committee to assist the authority in the development  
10 of rules for the program. Members shall include  
11 representatives of the Bureau of Maine's Elderly, Area  
12 Agencies on Aging and the Maine Committee on Aging.  
13 At least 3 of the 5 members shall be older persons.'

14 STATEMENT OF FACT

15 This amendment makes the following changes with  
16 respect to the Elderly Homeowner Equity Loan Guarantee  
17 Fund Program.

18 1. The program is limited to persons 70 years of  
19 age or older.

20 2. The Maine State Housing Authority may not  
21 provide or guarantee loans for which the loan-to-value  
22 ratio exceeds 80%.

23 3. Priority shall be given to low-income elderly  
24 households.

25 4. Loans provided to homeowners may be used for  
26 urgent matters, such as payment of taxes, property  
27 maintenance and home care.

28 5. The authority may by rule establish asset  
29 limitations that limit the program to persons with no  
30 other real property except their permanent residence  
31 and contiguous property.

32 6. The authority shall provide for counselling of  
33 applicants with respect to the advantages and  
34 disadvantages of the program.

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1           7. The authority shall be advised by a 5-member  
2 advisory committee of older persons with respect to  
3 rulemaking.

4           8. The authority shall report the results of the  
5 program annually to the Committee on Economic  
6 Development.

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Reported by Senator Andrews for the Committee on  
Economic Development. Reproduced and Distributed  
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