

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

1
3
5
7
9
11
13
15
17
19
21
23
25
27
29
31
33
35
37
39
41
43
45

L.D. 1389

(Filing No. H- 617)

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
114TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1000, L.D. 1389, Bill, "An Act to Authorize a General Fund Bond Issue in the Amount of \$20,000,000 to Provide Funds for Acquiring Land for Affordable Housing"

Amend the bill by striking out all of the title and inserting in place the following:

'An Act to Authorize a General Fund Bond Issue in the Amount of \$15,000,000 to Provide Funds for Acquiring and Preserving Land for Affordable Housing and for the Development of Affordable Housing'

Further amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds for acquiring and preserving land for affordable housing and for the development of affordable housing.

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

Sec. 1. Authorization of bonds for affordable housing. The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time, registered bonds in the name and behalf of the State to an amount not exceeding \$15,000,000 for the purpose of developing affordable housing as authorized by section 7. Of this amount:

COMMITTEE AMENDMENT "A" to H.P. 1000, L.D. 1389

1 1. \$4,000,000 shall be used to provide grants and
2 low-interest loans to municipalities as governed by the Maine
3 Revised Statutes, Title 30-A, chapter 201, subchapter II;

5 2. \$6,000,000 shall be used for the purpose of acquiring
6 land for affordable housing as governed by Title 30-A, chapter
7 201, subchapter IV;

9 3. \$3,000,000 shall be used to preserve affordable housing
10 under Title 30-A, chapter 201, subchapter XII; and

11 4. \$2,000,000 shall be used to restore deteriorating
12 residential areas as governed by Title 30-A, chapter 201,
13 subchapter VI.

14 The bonds shall be deemed a pledge of the full faith and
15 credit of the State. The bonds shall not run for a longer period
16 than 10 years from the date of the original issue of the bonds.
17 Any issuance of bonds may contain a call feature at the
18 discretion of the Treasurer of State with the approval of the
19 Governor.

20 **Sec. 2. Records of bonds issued to be kept by the State Auditor and
21 Treasurer of State.** The State Auditor shall keep an account of the
22 bonds, showing the number and amount of each, the date when
23 payable and the date of delivery of the bonds to the Treasurer of
24 State who shall keep an account of each bond showing the number
25 of the bond, the name of the successful bidder to whom sold, the
26 amount received for the same, the date of sale and the date when
27 payable.

28 **Sec. 3. Sale; how negotiated; proceeds appropriated.** The
29 Treasurer of State may negotiate the sale of the bonds by
30 direction of the Governor, but no such bond may be loaned,
31 pledged or hypothecated on behalf of the State. The proceeds of
32 the sale of the bonds, which shall be held by the Treasurer of
33 State and paid by the Treasurer of State upon warrants drawn by
34 the State Controller, are appropriated to be used solely for the
35 purposes set forth in this Act. Any unencumbered balances
36 remaining at the completion of the projects in section 7 shall
37 lapse to the debt service account established for the retirement
38 of these bonds.

39 **Sec. 4. Taxable bond option.** With respect to bonds issued for
40 purposes governed by Title 30-A, chapter 201, the Treasurer of
41 State, at the direction of the Governor, shall covenant and
42 consent that the interest on the bonds shall be includable, under
43 the United States Internal Revenue Code, in the gross income of
44 the holders of the bonds to the same extent and in the same
45 manner that the interest on bills, bonds, notes or other
46 obligations of the United States is includable in the gross
47 income of the holders under the United States Internal
48 Revenue Code.

1 Revenue Code or any subsequent law. The powers conferred by this
3 section shall not be subject to any limitations or restrictions
5 of any law which may limit the power to so covenant and consent.
All efforts shall be made to maximize the use of tax-exempt bonds.

7 **Sec. 5. Interest and debt retirement.** Interest due or accruing
upon bonds issued under this Act and all sums coming due for
9 payment of bonds at maturity shall be paid by the Treasurer of
State.

11 **Sec. 6. Disbursement of bond proceeds.** The proceeds of the
13 bonds set out in section 7 shall be expended under the direction
and supervision of the Department of Economic and Community
15 Development and the Maine State Housing Authority as defined in
section 7.

17 **Sec. 7. Allocations from General Fund bond issue; affordable
19 housing.** The proceeds of the sale of bonds shall be expended as
follows.

21 **1989-90**

23 **ECONOMIC AND COMMUNITY DEVELOPMENT,
25 DEPARTMENT OF**

27 **Maine Housing Alliance**

29 **Municipal Revolving Loan Fund**

31 All Other \$4,000,000

33 These funds will be used to
35 create a nonlapsing fund
37 which will provide
low-interest loans to
municipalities for
improvements to land,
including, but not limited
to, necessary public service
infrastructure for the
development of affordable
housing.

43 **Maine Housing Alliance**

45 **Municipal and Acquisition Revolving Fund**

47 All Other \$1,000,000

1
3
5
7
9
11
13
15
17
19
21
23
25
27
29
31
33
35
37
39
41
43
45
47
49
51

These funds will be used to create a nonlapsing fund to provide low-interest loans to municipalities for the acquisition of land for affordable housing, pursuant to Title 30-A, chapter 201, subchapter IV.

Housing Opportunity Zones Fund

All Other \$2,000,000

These funds shall be used to create a nonlapsing fund to provide grants and loans for the restoration of dwelling units, assistance to shelters for the homeless, removal of structures, and the creation of recreational and park areas pursuant to the Maine Revised Statutes, Title 30-A, chapter 201, subchapter VI.

Maine State Housing Authority

Maine Affordable Housing Land Trust Fund

All Other \$5,000,000

These funds shall be used to create a nonlapsing fund to provide grants and loans to nonprofit housing corporations for the acquisition of land for affordable housing pursuant to Title 30-A, chapter 201, subchapter IV.

Maine State Housing Authority

Housing Opportunities for Maine Fund All Other \$3,000,000

These funds shall be used to preserve low-income and moderate-income housing pursuant to Title 30-A, chapter 201, subchapter XII.

1
3
5
7
9
11
13
15
17
19
21
23
25
27
29
31
33
35
37
39
41
43
45
47

Sec. 8. Contingent upon ratification of bond issue. Sections 1 to 7 shall not become effective unless and until the people of the State have ratified the issuance of bonds as set forth in this Act.

Sec. 9. Appropriation balances at year end. At the end of each fiscal year, all unencumbered appropriation balances representing state money shall carry forward from year to year. Bond proceeds which have not been expended within 10 years after the date of the sale of the bonds shall lapse to General Fund debt service.

Sec. 10. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes have not been issued within 5 years of ratification of this Act, shall be deauthorized and may not be issued, provided that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. 11. Referendum for ratification; submission at statewide election; form of question; effective date. This Act shall be submitted to the legal voters of the State of Maine at a statewide election to be held on the Tuesday following the first Monday of November following passage of this Act. The city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Act by voting on the following question:

"Shall a bond issue in the amount of \$15,000,000 be approved to enhance affordable housing opportunities for the people of the State of Maine?"

The legal voters of each city, town and plantation shall vote by ballot on this question and shall designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns and, if it appears that a majority of the legal voters are in favor of the Act, the Governor shall proclaim that fact without delay and the Act shall become effective 30 days after the date of the proclamation.

