

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
114TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1564, L.D. 2170, Bill, "An Act to Continue the Effort to Preserve and Promote Affordable Housing and Economic Opportunities for Maine People"

Amend the bill by inserting after the title and before the enacting clause the following:

'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, increasing investment opportunities are available to the State beyond its borders; and

Whereas, those investment opportunities may represent substantial economic opportunities for Maine businesses; and

Whereas, the State should take full advantage of those opportunities; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, '

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

'Sec. 1. 5 MRSA §12004-I, sub-§6-B is enacted to read:

<u>6-B. Economic</u>	<u>Commission Expenses</u>	<u>5 MRSA</u>
<u>Development</u>	<u>on Invest- Only</u>	<u>§13064</u>
	<u>ment Capi-</u>	
	<u>tal</u>	

2 **Sec. 2. 5 MRSA c. 383, sub-c. II, art. 3** is enacted to read:

4 Article 3

6 COMMISSION ON INVESTMENT CAPITAL

8 §13064. Commission on Investment Capital

10 The Commission on Investment Capital is established and is
12 composed of 17 members. The membership includes the Commissioner
14 of Economic and Community Development, the Director of the Maine
16 State Housing Authority, the Chief Executive Officer of the
18 Finance Authority of Maine, the Executive Director of the Maine
20 State Retirement System, the Director of the Maine Municipal Bond
Bank, 2 Senators, 3 members of the House of Representatives, 6
members of the public appointed by the Governor and one member of
the public appointed jointly by the President of the Senate and
the Speaker of the House of Representatives.

22 1. Appointment. The President of the Senate and the
24 Speaker of the House of Representatives shall appoint the 2
26 Senators, the 3 members of the House of Representatives and one
member of the public. The Governor shall appoint 6 members of
the public who are able to provide expertise in the area of
capital investment.

28 2. Terms of office. Members appointed by the President of
30 the Senate and the Speaker of the House of Representatives serve
32 at the pleasure of these appointing authorities. The appointees
of the Governor serve at the pleasure of the Governor.

34 3. Cochairs. There are 2 cochairs of the commission. The
36 public member appointed by the President of the Senate and the
Speaker of the House of Representatives is a cochair. The
Commissioner of Economic and Community Development is a cochair
of the commission.

38 4. Compensation. Members of the commission are entitled to
40 compensation in accordance with chapter 379.

42 5. Meetings. The commission shall meet at least 4 times
44 each year at the call of the cochairs.

46 6. Quorum. A quorum consists of 7 members. A quorum is
48 necessary for the commission to conduct its business at any
commission meeting.

§13065. Duties and responsibilities of the commission

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The commission shall undertake a comprehensive evaluation of the capital investment needs of the State, including an analysis of the sources and magnitude of current capital investments in all sectors of the State's economy, an analysis of the obstacles to capital investments in the State, the identification of sources of funds in the State that may be used to leverage new capital investments and a review of the impact and opportunities resulting from foreign investment in the State.

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The commission shall report its activities and findings to the Governor and the joint standing committee of the Legislature having jurisdiction over housing and economic development matters no later than July 1st following each first regular session of the Legislature. The commission may initiate reports to the joint standing committee of the Legislature having jurisdiction over housing and economic development matters at any time during its deliberations.

§13066. Agency cooperation

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All agencies of State Government shall cooperate with the commission during its deliberations by responding to requests for information and technical support in a timely manner.

§13067. Sunset

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Authorization for the commission expires on July 1, 1993. In its final report, the commission shall provide its recommendations to the Governor and the Legislature concerning the need for extending authorization for the commission.

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Sec. 3. 30-A MRSA §4753, sub-§2 is enacted to read:

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2. Assessment of housing stock. The Maine State Housing Authority in conjunction with municipalities and the Department of Economic and Community Development shall conduct a comprehensive assessment of the availability and quality of information on the supply, prices, condition and age of the State's housing. The assessment must include data collected by towns, the State, the Federal Government and other relevant sources.

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The Maine State Housing Authority shall report its findings to the Governor and the Legislature biennially, beginning March 1, 1991, on the adequacy of data collection and shall recommend ways to improve the type and quality of data collected as well as any other recommendations needed to ensure that the State has an accurate statistical understanding of the supply, prices and condition of the State's housing.

2 Sec. 4. 30-A MRSA §4754-A is enacted to read:

4 §4754-A. First option to purchase surplus lands

6 All state agencies shall offer the Maine State Housing
8 Authority the opportunity to purchase or otherwise acquire any
10 land and improvements on the land or any structures determined to
12 be surplus before the property may be offered for sale or
 transfer to any other state agency, community or other buyer or
 transferee. Notice of availability must be provided in writing
 to the Director of the Maine State Housing Authority.

14 1. Notification of interest. The Maine State Housing
16 Authority shall advise the owner agency in writing of its
18 interest in purchasing or otherwise acquiring the surplus land
20 and any improvements on the land or surplus structures or of its
 decision not to purchase or otherwise acquire any such surplus
 property within 30 days of receipt of the notification by the
 Director of the Maine State Housing Authority.

22 2. Purchase price. If the Maine State Housing Authority
24 offers to purchase the property, the purchase price must be
 determined as follows.

26 A. The current market value must be determined by an
28 independent appraiser or by agreement between the Maine
30 State Housing Authority and the owner agency. The Maine
32 State Housing Authority and the owner agency then shall
 negotiate the ultimate purchase price in good faith in order
 to achieve the respective goals and mandates of the Maine
 State Housing Authority and the owner agency.

34 B. The purchase price may not exceed the current market
36 value of the property as determined in paragraph A.

38 C. If title to the land or improvements carries a
40 requirement that the property be sold at fair market value,
 then this requirement prevails over the terms of this
 subsection.

42 3. Report. The Maine State Housing Authority shall report
44 to the joint standing committee of the Legislature having
46 jurisdiction over housing and economic development matters 90
48 days after the 2nd anniversary of the effective date of this
 section on state surplus land purchased under this section
 together with any recommendations for improvements.

50 If any land determined to be surplus is located in a
52 community served by a local public housing authority, as defined
 in this Title, the Maine State Housing Authority shall offer the
 first option to purchase the parcel to the local public housing

2 authority. The local public housing authority has 45 days to
3 indicate in writing its desire to acquire the parcel. Other
4 offers to purchase the parcel may not be considered until the
5 45-day period has passed.

6 **Sec. 5. 30-A MRSA §4907, sub-§1**, as amended by PL 1989, c. 6;
7 c. 9, §2; c. 48, §§6 and 31; and c. 104, Pt. C, §§8 and 10, is
8 further amended to read:

10 **1. Limitations on amount of outstanding principal.** The
11 Maine State Housing Authority may not at any time have an
12 aggregate principal amount outstanding, in excess of ~~\$885,000,000~~
13 \$985,000,000 of mortgage purchase bonds secured by the Housing
14 Reserve Fund or a Capital Reserve Fund to which section 4906,
15 subsection 3, paragraph A applies. Mortgage purchase bonds of
16 the Maine State Housing Authority secured by capital reserve
17 funds to which section 4906, subsection 3, paragraph A does not
18 apply, bond or mortgage insurance, direct or indirect contract
19 with the United States, purchase or repurchase agreement of
20 guaranty with a banking or other financial organization or other
21 credit arrangements securing the bonds may be issued up to
22 \$100,000,000 per calendar year in an aggregate principal amount
23 not to exceed \$300,000,000.

24 **Emergency clause.** In view of the emergency cited in the
25 preamble, this Act takes effect when approved.

28 FISCAL NOTE

30 This bill requires all state agencies to offer any surplus
31 property to the Maine State Housing Authority before that
32 property may be offered for sale or transfer to another state
33 agency. This could result in additional expenditures for state
34 agencies seeking to acquire property.

35 The Department of Economic and Community Development will be
36 able to absorb the additional expenses of the Commission on
37 Investment Capital within its current budgeted resources.

38 In addition, this bill increases the Maine State Housing
39 Authority's total outstanding secured bonding authority which
40 could increase the moral obligation of the State by \$100,000,000.'

42 STATEMENT OF FACT

43 This amendment enlarges the Commission on Investment Capital
44 by 2 members, revises the language regarding the Maine State
45 Housing Authority's first option to purchase surplus land and
46 makes the bill an emergency. The amendment also adds a fiscal
47 note to the bill.