MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

SECOND REGULAR SESSION - 1990

Legislative Document

No. 2170

H.P. 1564

House of Representatives, January 9, 1990

Reported by Representative MELENDY from the Joint Standing Committee on Housing and Economic Development.

Reference to the Joint Standing Committee on Housing and Economic Development suggested and printing ordered under Joint Rule 19.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY

An Act to Continue the Effort to Preserve and Promote Affordable Housing and Economic Opportunities for Maine People.



	Be it enacted by the People of the State of Maine as follows:				
2	Sec. 1.5 MRSA §1742-D is enacted to read:				
4	Faran m				
б	§1742-D. First option to purchase				
U	The Department of Administration, through the Bureau of				
8	Public Improvements shall offer to the Maine State Housing				
	Authority the opportunity to purchase any land determined to be				
10	surplus before the land may be offered for sale to any other				
	state agency, community or other buyer,				
1.2					
14	1. Notification of interest. The authority shall advise the owner agency of its interest in purchasing the land in				
16	writing within 60 days of notification.				
16	2 Durchage price. If the outbarity offers to numbers the				
18	Purchase price. If the authority offers to purchase the land, the purchase price must be determined as follows.				
20	A. The original purchase price must be determined. In the				
	event the land was originally purchased as part of a larger				
22	parcel, the original purchase price is a pro rata share of				
	the price of the larger parcel.				
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	B. Five percent simple interest for each year the State has				
26	owned the land must be added to the original purchase price				
	for the land.				
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	C. In no case may the purchase price exceed the current				
30	appraised value of the land as determined by an independent				
	appraiser or by agreement between the Maine State Housing				
32	Authority and the owner agency.				
2.4	D. To the smark the local consumbance of the foundable				
34	D. In the event the land was purchased with funds that				
36	carry a requirement that the land be sold at fair market value, this requirement must prevail over the terms of this				
30	subsection.				
38	Subsection.				
30	Sec. 2. 5 MRSA §12004-I, sub-§6-B is enacted to read:				
40	out in a state of the state of				
	6-B. Econo- Commission Expenses 5 MRSA				
42	mic Development on Invest- Only \$13064				
	ment Capi-				
44	<u>tal</u>				
					
46	Sec. 3. 5 MRSA c. 383, sub-c. II. art. 3 is enacted to read:				
48	Article 3				
50	COMMISSION ON INVESTMENT CAPITAL				

§13064.	Commission	on	Investment	Capital

The Commission on Investment Capital is composed of 15 members. The membership includes the Commissioner of Economic and Community Development, the Director of the Maine State Housing Authority, the Chief Executive Officer of the Finance Authority of Maine, the Executive Director of the Maine State Retirement System, 2 Senators, 3 members of the House of Representatives and 6 members of the public.

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1. Appointment. The President of the Senate and the Speaker of the House of Representatives shall appoint the 2 Senators and the 3 members of the House of Representatives. The Governor shall appoint 6 members of the public who can provide expertise in the area of capital investment.

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- 2. Terms of office. Members appointed by the President of the Senate and the Speaker of the House of Representatives serve at the pleasure of these appointing authorities. The appointees of the Governor serve at the pleasure of the Governor.
- 22 3. Chairs. There are 2 cochairs of the commission. The President of the Senate and the Speaker of the House of Representatives shall appoint one cochair from among the members appointed by them. The Commissioner of Economic and Community Development shall be a cochair of the commission.
 - 4. Compensation. Members of the commission are compensated in accordance with chapter 379.

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- 5. Meetings. The commission shall meet at least 4 times each year at the call of the cochairs.
- 34 <u>6. Quorum.</u> A quorum consists of 7 members. A quorum is necessary for the commission to conduct its business at any commission meeting.

§13065. Duties and responsibilities of the commission

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 no later than July 1st following each First Regular Session of the Legislature.

§13066. Sunset

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 as to the need for extending authorization for the commission.

Sec. 4. 30-A MRSA §4753, sub-§2 is enacted to read:

- 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.
- 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.
- Sec. 5. 30-A MRSA §4907, sub-§1, as amended by PL 1989, c. 6; c. 9, §2; c. 48, §§6 and 31; and c. 104, Pt. C, §§8 and 10, is further amended to read:
 - 1. Limitations on amount of outstanding principal. The Maine State Housing Authority may not at any time have an aggregate principal amount outstanding, in excess of \$885,000,000 \$985,000,000 of mortgage purchase bonds secured by the Housing Reserve Fund or a Capital Reserve Fund to which section 4906, subsection 3, paragraph A applies. Mortgage purchase bonds of the Maine State Housing Authority secured by capital reserve funds to which section 4906, subsection 3, paragraph A does not apply, bond or mortgage insurance, direct or indirect contract with the United States, purchase or repurchase agreement of guaranty with a banking or other financial organization or other credit arrangements securing the bonds may be issued up to \$100,000,000 per calendar year in an aggregate principal amount not to exceed \$300,000,000.

STATEMENT OF FACT

This bill creates the 15-member Commission on Investment Capital. The commission is to evaluate the capital investment needs of the State and is to report to the Governor and the Joint

Standing Committee on Housing and Economic Development 2 biennially, no later than July 1st following each First Regular Session.

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The bill increases the Maine State Housing Authority's total outstanding secured bonding authority from \$885,000,000 to \$985,000,000.

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The bill requires the Department of Administration through the Bureau of Public Improvements to offer the Maine State Housing Authority the opportunity to purchase any state-owned surplus land before it can be offered for sale to any other buyer.

14 The bill requires the Maine State Housing Authority to assess the availability and quality of data relating to the Maine housing stock. The authority is required to report its findings 16 and recommendations to the Governor and the Legislature no later than March 1, 1991. 18