

# MAINE STATE LEGISLATURE

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MAJORITY  
APPROPRIATIONS AND FINANCIAL AFFAIRS

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
120TH LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1533, L.D. 2036, Bill, "An Act to Increase Home Ownership"

Amend the bill by striking out everything after the title and before the enacting clause.

Further amend the bill by inserting after section 1 the following:

**'Sec. 2. Maine State Housing Authority to adopt policy.** The Maine State Housing Authority, referred to in this section as "MSHA," shall adopt a policy to prohibit the owner of a former MSHA-financed multifamily housing project from participating in MSHA programs funded with bond proceeds backed by the State's moral obligation if the owner defaulted under the MSHA financing, resulting in a foreclosure or acceptance of a deed in lieu of foreclosure of the mortgage securing the MSHA financing. The policy may allow a waiver of the policy for public policy reasons. The waiver must be in writing, be signed by the director of MSHA and state the justification for the waiver.'

Further amend the bill by striking out all of the emergency clause.

Further amend the bill by inserting at the end before the summary the following:

COMMITTEE AMENDMENT

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**FISCAL NOTE**

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The bill increases the amount of bonds that the Maine State Housing Authority may issue in a certain category by \$500,000,000 to \$2,150,000,000. The additional bonding authority increases the moral obligation of the State. This increase of moral obligation of the State may increase the exposure of the General Fund to future debt service appropriation requirements in the event of significant default activity.'

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**SUMMARY**

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This amendment is the majority report. The bill increases the amount of bonds that the Maine State Housing Authority may issue in a certain category to \$2,150,000,000. This amendment requires the Maine State Housing Authority (MSHA) to adopt a policy to prohibit certain owners of MSHA-financed property who defaulted on their loans from participating in MSHA programs funded with bond proceeds backed by the State's moral obligation. This policy may allow a waiver for public policy reasons. It also removes the emergency preamble and emergency clause and adds a fiscal note to the bill.

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