

MAINE STATE LEGISLATURE

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L.D. 1153

Date: 5/9/07

(Filing No. H-211)

Majority

UTILITIES AND ENERGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
123RD LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 846, L.D. 1153, Bill, "An Act To Allow Affordable Housing Discretionary Water and Sewer Fee Waivers"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 30-A MRSA §3446 is enacted to read:

§3446. Impact fees and connection fees; affordable housing

The municipal officers may reduce the impact fee or connection fee, as those terms are defined in section 5061, for sewer service to newly constructed affordable housing in accordance with chapter 202-A.

Sec. 2. 30-A MRSA c. 202-A is enacted to read:

CHAPTER 202-A

AFFORDABLE HOUSING UTILITY FEES

§5061. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Affordable housing unit. "Affordable housing unit" means an owner-occupied, single-family dwelling unit or condominium unit for a household whose income does not exceed 80% of the median income for the area as defined by the United States Department of Housing and Urban Development.

2. Connection fee. "Connection fee" means a one-time fee or charge for the establishment of water or sewer service that is directly related to the actual cost of installation of such service.

3. Consumer-owned water utility. "Consumer-owned water utility" has the same meaning as in Title 35-A, section 6101.

COMMITTEE AMENDMENT

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1 4. Impact fee. "Impact fee" means a one-time fee or charge associated with the
2 establishment of water or sewer service that is related to the impact of such service on
3 system capacity and that is collected to offset future costs associated with system growth.

4 5. Sewer utility. "Sewer utility" means a municipal sewer department, a sewer
5 district as defined in Title 38, section 1251 or a sanitary district formed under Title 38,
6 chapter 11.

7 **§5062. Reduced fees; affordable housing**

8 The governing body of a consumer-owned water utility or a sewer utility, referred to
9 in this section as "the governing body," may charge a lower impact fee or connection fee
10 than its usual impact fee or connection fee for the establishment of service to a newly
11 constructed affordable housing unit or units.

12 1. Uniform application. If the governing body elects to charge a reduced impact fee
13 or connection fee under this section, it must apply the reduced fee uniformly to all
14 similarly situated applicants for the reduced fee within the utility's service territory.

15 2. Credit to purchaser. Any reduction in the impact fee or connection fee pursuant
16 to this section must be credited to the purchaser of the affordable housing unit.

17 3. Ratepayer notification; cost allocation. The governing body shall notify
18 ratepayers in a timely manner of any reduction in the impact fee or connection fee
19 pursuant to this section. The governing body may allocate the cost of the reduced impact
20 fee or connection fee among all ratepayers.

21 **Sec. 3. 35-A MRSA §6105, sub-§3-A** is enacted to read:

22 3-A. Impact fees and connection fees; affordable housing. Notwithstanding
23 subsection 3 and section 703, the governing body may reduce the impact fee or
24 connection fee, as those terms are defined in Title 30-A, section 5061, for water service to
25 newly constructed affordable housing in accordance with Title 30-A, chapter 202-A.

26 **Sec. 4. 38 MRSA §1202-A** is enacted to read:

27 **§1202-A. Impact fees and connection fees; affordable housing**

28 Notwithstanding section 1202, the trustees may reduce the impact fee or connection
29 fee, as those terms are defined in Title 30-A, section 5061, for sewer service to newly
30 constructed affordable housing in accordance with Title 30-A, chapter 202-A.

31 **Sec. 5. 38 MRSA §1252, sub-§12** is enacted to read:

32 12. Impact fees and connection fees; affordable housing. The trustees may reduce
33 the impact fee or connection fee, as those terms are defined in Title 30-A, section 5061,
34 for sewer service to newly constructed affordable housing in accordance with Title 30-A,
35 chapter 202-A.

36 **SUMMARY**

37 This amendment replaces the bill and is the majority report of the committee. The
38 amendment enables the governing body of a quasi-municipal or municipal water or sewer
39 utility to reduce the connection fee or impact fee charged for the establishment of service

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COMMITTEE AMENDMENT "A" to H.P. 846, L.D. 1153

1 when that service is being provided to newly constructed affordable housing units that are
2 owner-occupied, single-family dwellings or condominiums. Any reduced connection fee
3 or impact fee must be applied uniformly and must be credited to the purchaser of the
4 affordable housing unit. The water or sewer utility is required to notify ratepayers of any
5 reduction in the connection fee or impact fee and may allocate the cost of the fee
6 reduction across all ratepayers.

7 **FISCAL NOTE REQUIRED**
8 (See attached)



123rd MAINE LEGISLATURE

LD 1153

LR 1930(02)

An Act To Allow Affordable Housing Discretionary Water and Sewer Fee Waivers

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Utilities and Energy

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

The additional cost associated with this legislation can be absorbed by the Public Utilities Commission utilizing existing budgeted resources.