

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

SECOND REGULAR SESSION-2008

Legislative Document

No. 2264

H.P. 1627

House of Representatives, March 19, 2008

**An Act To Encourage Energy Conservation by the Maine State
Housing Authority Pursuant to the State Government Evaluation
Act Review**

Reported by Representative SMITH of Monmouth for the Joint Standing Committee on Business, Research and Economic Development pursuant to the Maine Revised Statutes, Title 3, section 955, subsection 4.

Reference to the Committee on Business, Research and Economic Development suggested and ordered printed under Joint Rule 218.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

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

2 **Sec. 1. 30-A MRSA §4722, sub-§1, ¶AA**, as amended by PL 2007, c. 466, Pt.
3 A, §50, is further amended to read:

4 AA. Certify transfers of multifamily affordable housing property that qualify for the
5 deduction under Title 36, section 5122, subsection 2, paragraph Z or Title 36, section
6 5200-A, subsection 2, paragraph Q. The affordability restrictions that apply under
7 this paragraph must be contained in a declaration signed by the transferee and
8 recorded in the appropriate registry of deeds at the time of the sale or transfer.

9 (1) For the purposes of this paragraph, "multifamily affordable housing
10 property" means a decent, safe and sanitary dwelling, apartment building or other
11 living accommodation that includes at least 6 units, that meets at least one of the
12 following affordability restrictions and for which those affordability restrictions,
13 as applicable, expire in 10 years or less from the date of the sale or transfer of the
14 property:

15 (a) At least 20% of the units have restricted rents affordable to households
16 earning no more than 80% of the area median income as determined by the
17 United States Department of Housing and Urban Development;

18 (b) The property is assisted by the United States Department of Housing and
19 Urban Development, the United States Department of Agriculture or the
20 Maine State Housing Authority; or

21 (c) The property qualifies for low-income housing credits under the United
22 States Internal Revenue Code of 1986, Section 42.

23 (2) For the purposes of this paragraph, property does not qualify as multifamily
24 affordable housing property unless:

25 (a) The transferee agrees to maintain the property as multifamily affordable
26 housing property for an additional 30 years from the scheduled expiration;

27 (b) If the existing federal, state or other assistance is not available to
28 maintain the property as multifamily affordable housing property, the
29 transferee agrees to ensure that 1/2 of the units are affordable to persons at
30 60% of the area median income as determined by the United States
31 Department of Housing and Urban Development for 30 years from the
32 expiration of the then-existing affordability restrictions; or

33 (c) The transferee agrees to an alternative affordability agreement approved
34 by the Maine State Housing Authority; ~~and~~

35 **Sec. 2. 30-A MRSA §4722, sub-§1, ¶BB**, as enacted by PL 2007, c. 326, §3, is
36 amended to read:

37 BB. Make a loan, or contract with a financial institution to make a loan on behalf of
38 the Maine State Housing Authority, to pay off an existing loan or to pay amounts past
39 due on an existing loan on an owner-occupied single-family residence to assist a
40 homeowner who is in default of the existing loan or in danger of losing the residence

1 through foreclosure. Prior to receiving a loan under this paragraph, a homeowner
2 must receive counseling with a 3rd-party, nonprofit organization approved by the
3 United States Department of Housing and Urban Development, a housing financing
4 agency of this State or the regulatory agency that has jurisdiction over the creditor; ;
5 and

6 **Sec. 3. 30-A MRSA §4722, sub-§1, ¶CC** is enacted to read:

7 CC. Encourage and provide incentives to individuals and entities that conserve
8 energy; support and participate in markets that reward energy conservation and use
9 the proceeds from this participation to support affordable housing programs under its
10 jurisdiction; and create and administer programs that encourage individuals and
11 entities to conserve energy.

12 **SUMMARY**

13 This bill provides the Maine State Housing Authority with the authority to encourage
14 and provide incentives to individuals and entities that conserve energy; support and
15 participate in markets that reward energy conservation and use the proceeds from this
16 participation to support affordable housing programs under its jurisdiction; and create and
17 administer programs that encourage individuals and entities to conserve energy.