MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 1188

H.P. 821

House of Representatives, April 1, 2015

An Act To Implement a Rental Assistance Program for Low-income Households and Individuals

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

ROBERT B. HUNT
Clerk

Presented by Representative FREY of Bangor.

Cosponsored by Senator PATRICK of Oxford and

Representatives: HERBIG of Belfast, MASTRACCIO of Sanford, ROTUNDO of Lewiston,

Senator: VALENTINO of York.

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

- **Sec. 1. 30-A MRSA §4852, sub-§2,** ¶E is enacted to read:
- E. Beginning January 1, 2016 and annually thereafter, the Maine State Housing
 Authority shall allocate to the rental assistance program in section 4859 an amount
 equal to \$3,000,000 from funds in the fund that are in excess of the amount of funds
- 6 received in the fund in fiscal year 2014-15.
 - Sec. 2. 30-A MRSA §4859 is enacted to read:

§4859. Rental assistance program

- 9 <u>1. Definitions.</u> As used in this section, unless the context otherwise indicates, the following terms have the following meanings:
- A. "Available funds" means the remaining funds after administrative costs of the
 Maine State Housing Authority in implementing the program, which may not exceed
 5% of the funds allocated to the program under section 4852, subsection 2, paragraph
 E;
 - B. "Local area" means a geographically defined area in the State determined by a formula adopted by the Maine State Housing Authority that considers factors including the availability and affordability of housing for low-income households and individuals and the condition and cost burden of housing; and
 - C. "Program" means the rental assistance program in subsection 2.
- **2. Rental assistance program.** Beginning January 1, 2016, the Maine State
 21 Housing Authority shall implement a rental assistance program for low-income
 22 households and individuals in the State.
 - 3. Eligibility; participation. A household or individual that has applied for but not yet received assistance from a housing choice voucher program administered by the United States Department of Housing and Urban Development is eligible to participate in the program, subject to fund availability. A participant in the program may receive assistance only if the rent of the participant's housing meets the fair market rent standards published by the United States Department of Housing and Urban Development for the area in which the participant's housing is located and meets any housing quality standards adopted by the Maine State Housing Authority. A participant in the program shall pay the same portion of the participant's income towards rent as required by the formula used by a housing choice voucher program administered by the United States Department of Housing and Urban Development. The Maine State House Authority shall determine the eligibility of a household or individual on a yearly basis.
 - 4. Funds allocation. The program shall distribute funds throughout the State pursuant to this subsection. The program shall allocate 100% of its available funds to participants with incomes at or below 30% of the median income of the local area.

5. Rules. The Maine State Housing Authority shall adopt rules to carry out the purposes of this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

4 SUMMARY

This bill directs the Maine State Housing Authority to implement a rental assistance program for low-income households and individuals that allocates assistance throughout the State based upon the local area's availability, affordability, condition and cost burden of housing. Under the bill, 100% of available funds are awarded to participants with incomes at or below 30% of the median income of the local area.