MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 1318

H.P. 915

House of Representatives, April 4, 2017

An Act To Align State Relocation Assistance with That of the Federal Government

Submitted by the Department of Transportation pursuant to Joint Rule 204. Reference to the Committee on Transportation suggested and ordered printed.

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative McLEAN of Gorham.

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

- **Sec. 1. 23 MRSA §244, sub-§1, ¶D,** as amended by PL 2005, c. 642, §2, is further amended to read:
 - D. Actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization or small business at its new site, in accordance with criteria to be established by the department, but not to exceed \$20,000 the amount allowed under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended.
- **Sec. 2. 23 MRSA §244-A, sub-§1,** as amended by PL 1989, c. 208, §§13 and 21, is further amended to read:
- 1. Owner. In addition to payments otherwise authorized, the department shall make an additional payment not in excess of \$22,500 the amount allowed under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended to any displaced person who is displaced from a dwelling actually owned and occupied by the displaced person for not less than 180 90 days prior to the initiation of negotiations for the acquisition of the property. The additional payment shall must include the following elements:
 - A. The amount, if any, which that when added to the acquisition cost of the dwelling acquired by the department equals the reasonable cost of a comparable replacement dwelling. All determinations required to carry out this paragraph shall must be made in accordance with standards established by the department;
 - B. The amount, if any, which that will compensate the displaced person for any increased interest costs and other debt service costs which that person is required to pay for financing the acquisition of any such comparable replacement dwelling. The amount shall may be paid only if the dwelling acquired by the department was encumbered by a bona fide mortgage which that was a valid lien on the dwelling for not less than 180 days prior to the initiation of negotiations for the acquisition of that dwelling. In calculating the amount to be paid under this section, increased interest costs and other debt service costs shall must be reduced to discounted present value. The payment shall must be an amount which that will reduce the mortgage balance on the replacement dwelling to an amount which that could be amortized with the same monthly payment for principal and interest as that for the mortgage on the displaced dwelling; and
 - C. Reasonable expenses incurred by the displaced person for evidence of title, recording fees and other closing costs incident to the purchase of the replacement dwelling, but not including prepaid expenses.
- **Sec. 3. 23 MRSA §244-B, sub-§1,** as amended by PL 1989, c. 208, §§15 and 21, is further amended to read:
 - 1. Lease or rent. The amount necessary to enable the displaced person to lease or rent for a period not to exceed 42 months, a comparable replacement dwelling, but not to exceed \$5,250 the amount allowed under the federal Uniform Relocation Assistance and

Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended. At the discretion of the department, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall must take into account the person's income; or

6 SUMMARY

This bill changes the amount of money the Department of Transportation pays a displaced individual due to a property acquisition for a project in which state dollars are used as funding. The bill removes the monetary limit and adds language that would align Maine with the amount allowed under the most current version of the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The bill applies to payment for moving and related expenses, replacement housing for homeowners and replacement housing for tenants and others.