

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

SK
ROS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33

Date 6/21/23

LD 226
(Filing No H-673)

HOUSING

Reproduced and distributed under the direction of the Clerk of the House

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H P 147, L D 226, "An Act to Address
Maine's Affordable Housing Crisis"

Amend the bill by inserting after the title and before the enacting clause the following
'Emergency preamble. Whereas, acts and resolves of the Legislature do not
become effective until 90 days after adjournment unless enacted as emergencies, and

Whereas, the lack of available affordable housing in the State is greatly contributing
to the current housing crisis, and

Whereas, demand for programs to assist with the development and construction of
affordable housing has been so great that funding for those programs is exhausted soon
after it is appropriated, and

Whereas, programs exist that have proven to be successful in creating affordable
housing and can continue to do so with adequate, predictable and reliable funding, and

Whereas, to prevent a future housing crisis, it is critical that the State invest resources
before the end of the 90-day period in programs that have demonstrated success in creating
affordable housing and supporting homeownership, and

Whereas, in the judgment of the Legislature, these facts create an emergency within
the meaning of the Constitution of Maine and require the following legislation as
immediately necessary for the preservation of the public peace, health and safety, now,
therefore,'

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

'Sec. 1. 30-A MRS §4748 is enacted to read

§4748. Report to Legislature

In addition to the powers and duties listed in section 4722, beginning February 1, 2024
and at least annually thereafter, the authority shall submit a report to the joint standing

COMMITTEE AMENDMENT

ROS

1 committee of the Legislature having jurisdiction over housing matters or a joint select
2 committee of the Legislature having jurisdiction over housing matters regarding the
3 distribution of funds credited in accordance with section 6054, subsection 6 The report
4 must describe the amounts distributed to programs dedicated to supporting homeownership
5 and programs established to create affordable housing in the State, including any other
6 source of funding used in addition to funds credited under section 6054, subsection 6

7 **Sec. 2. 30-A MRSA §6054, sub-§5**, as repealed and replaced by PL 2023, c 189,
8 Pt H, §5 and affected by §6, is amended to read

9 **5. Use of fund after bond retirement.** After all liquor operation revenue bonds and
10 any ancillary obligations secured by the fund have been retired, the first \$7,000,000 of any
11 amounts received pursuant to Title 28-A, section 90 must be deposited as undedicated
12 revenue to the General Fund and Except as provided in subsection 6, any amount in excess
13 of \$7,000,000 must be deposited as undedicated revenue to the Highway Fund

14 **Sec. 3. 30-A MRSA §6054, sub-§6** is enacted to read

15 **6. Exception; funds credited to Maine State Housing Authority** Notwithstanding
16 any provision of subsection 5 to the contrary, beginning July 1, 2025 and ending June 30,
17 2028, \$40,000,000 must be credited annually to the Maine State Housing Authority for
18 programs to support the development and construction of affordable housing and programs
19 that encourage and support homeownership for single-family homes and for first-time
20 homebuyers

21 This subsection is repealed July 1, 2028

22 **Sec. 4. Appropriations and allocations.** The following appropriations and
23 allocations are made

24 **HOUSING AUTHORITY, MAINE STATE**

25 **Housing Authority - State 0442**

26 Initiative Provides one-time funds in fiscal year 2023-24 and fiscal year 2024-25 only to
27 increase affordable housing in the State

28	GENERAL FUND	2023-24	2024-25
29	All Other	\$40,000,000	\$40,000,000
30			
31	GENERAL FUND TOTAL	<u>\$40,000,000</u>	<u>\$40,000,000</u>

33 **Emergency clause.** In view of the emergency cited in the preamble, this legislation
34 takes effect when approved '

35 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
36 number to read consecutively

37 **SUMMARY**

38 This amendment replaces the bill The amendment provides funding in the amount of
39 \$40,000,000 annually through fiscal year 2027-28 to support programs administered by the
40 Maine State Housing Authority to support homeownership for single-family homes and for
41 first-time homebuyers and the development of affordable housing in the State Funding in

ROS

COMMITTEE AMENDMENT "A" to H P 147, L D 226

1 the current biennium will come from the General Fund. The remaining funding for fiscal
2 years 2025-26 to 2027-28 will be credited to the Maine State Housing Authority from the
3 Liquor Operation Revenue Fund. The amendment also requires the Maine State Housing
4 Authority to report on the use of the funds and the amounts distributed to support
5 homeownership programs and rental housing development programs.

6 **FISCAL NOTE REQUIRED**

7 (See attached)

COMMITTEE AMENDMENT



131st MAINE LEGISLATURE

LD 226

LR 791(02)

An Act to Address Maine's Affordable Housing Crisis

Fiscal Note for Bill as Amended by Committee Amendment

Committee: Housing

Fiscal Note Required: Yes

A(H-673)

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$40,000,000	\$40,000,000	\$0	\$0
Highway Fund	\$0	\$0	\$40,000,000	\$40,000,000
Appropriations/Allocations				
General Fund	\$40,000,000	\$40,000,000	\$0	\$0
Other Special Revenue Funds	\$0	\$0	\$40,000,000	\$40,000,000
Revenue				
Highway Fund	\$0	\$0	(\$40,000,000)	(\$40,000,000)
Other Special Revenue Funds	\$0	\$0	\$40,000,000	\$40,000,000

Fiscal Detail and Notes

This bill includes one-time General Fund appropriations of \$40,000,000 per year in fiscal year 2023-24 and fiscal year 2024-25 to the Maine State Housing Authority (MSHA) to increase affordable housing stock in the State. The bill also requires \$40,000,000 per year for fiscal years 2025-26 through 2027-28 of revenue received in the Liquor Operation Revenue Fund be credited to the MSHA for programs to support the development and construction of affordable rental units and programs that encourage and support home ownership for single-family homes and for first time buyers. The MSHA will require Other Special Revenue Funds allocations in fiscal year 2025-26 and fiscal year 2026-27 to expend these funds.

C "A" (H-673)

This bill changes how the revenues from the Liquor Operation Revenue Fund are used after all liquor operation revenue bonds and ancillary obligations have been paid off in fiscal year 2023-24 PL 2021 c 189 (LD 259), the 2024-2025 Highway Fund Biennial Budget, now requires that after all liquor operation revenue bonds and any ancillary obligations secured by the fund have been retired, the first \$7,000,000 of any amounts received pursuant to Title 28-A, section 90 must be credited as undedicated revenue to the General Fund and any amount in excess of \$7,000,000 must be credited as undedicated revenue to the Highway Fund This bill provides that beginning July 1, 2025 and ending June 30, 2028, after the first \$7,000,000 designated for credit to the General Fund, the next \$40,000,000 of revenue received must be credited to the MSHA first and then any additional amounts be credited to the Highway Fund This change will reduce estimated revenue credited to the Highway Fund by up to \$40,000,000 per year beginning in fiscal year 2025-26 through fiscal year 2027-28

It is important to note that Part K of the proposed 2024-2025 biennial budget also proposes changes to sections of statute governing how liquor revenues are used after the retirement of the liquor operation revenue bonds Those proposed modifications will also conflict with the provisions of this bill