

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 1454

S.P. 572

In Senate, March 30, 2023

An Act Regarding the Distribution of Revenue from the Real Estate Transfer Tax

(EMERGENCY)

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator CHIPMAN of Cumberland.
Cosponsored by Representative PERRY of Bangor and
Senator: DUSON of Cumberland, Representatives: CARMICHAEL of Greenbush,
CROCKETT of Portland, HASENFUS of Readfield, MATLACK of St. George, RANA of
Bangor, RIELLY of Westbrook.

1 **Emergency preamble.** Whereas, acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas**, this Act is intended to apply to fiscal year 2023-24; and

4 **Whereas**, without an emergency this legislation would take effect 90 days after
5 adjournment; and

6 **Whereas**, in order to accomplish the provisions of this legislation, this legislation
7 would need to take effect immediately upon enactment; and

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

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

13 **Sec. 1. 36 MRSA §4641-B, sub-§4-B, ¶E**, as amended by PL 2021, c. 753, §1, is
14 further amended to read:

15 E. In fiscal year ~~years~~ 2015-16 ~~and each fiscal year thereafter to 2022-23~~, the Treasurer
16 of State shall credit the revenues derived from the tax imposed pursuant to section
17 4641-A, subsection 1 in accordance with this paragraph.

18 (1) At the beginning of the fiscal year, the Maine State Housing Authority shall
19 certify to the Treasurer of State the amount that is necessary and sufficient to meet
20 the authority's obligations relating to bonds issued or planned to be issued by the
21 authority under Title 30-A, section 4864.

22 (2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in
23 accordance with this subparagraph. The Treasurer of State shall first pay revenues
24 available under this subparagraph to the Maine State Housing Authority, which
25 shall deposit the funds in the Maine Energy, Housing and Economic Recovery
26 Fund established in Title 30-A, section 4863, until the amount paid equals the
27 amount certified by the Maine State Housing Authority under subparagraph (1),
28 after which the Treasurer of State shall credit any remaining revenues available
29 under this subparagraph to the General Fund.

30 (3) On a monthly basis, the Treasurer of State shall credit 50% of the revenues to
31 the Maine State Housing Authority, except that, notwithstanding paragraph F, in
32 fiscal year 2015-16, the Treasurer of State shall first credit \$6,291,740 of the
33 revenues available under this subparagraph to the General Fund and except that,
34 notwithstanding paragraph F, in fiscal year 2016-17, the Treasurer of State shall
35 first credit \$6,090,367 of the revenues available under this subparagraph to the
36 General Fund and except that, notwithstanding paragraph F, in fiscal years 2017-
37 18 and 2018-19, the Treasurer of State shall first credit \$2,500,000 of the revenues
38 available under this subparagraph to the General Fund. The Maine State Housing
39 Authority shall deposit the funds received pursuant to this subparagraph in the
40 Housing Opportunities for Maine Fund created in Title 30-A, section 4853.
41 ~~Beginning July 1, 2023, the Maine State Housing Authority shall use 25% of funds~~
42 ~~transferred to the Housing Opportunities for Maine Fund under this subparagraph~~

1 to support the creation of new housing units, through new construction or adaptive
2 reuse, that are affordable to low-income households.

3 **Sec. 2. 36 MRSA §4641-B, sub-§4-B, ¶E-1** is enacted to read:

4 E-1. In fiscal year 2023-24 and each fiscal year thereafter, the Treasurer of State shall
5 credit the revenues derived from the tax imposed pursuant to section 4641-A,
6 subsection 1 in accordance with this paragraph.

7 (1) At the beginning of the fiscal year, the Maine State Housing Authority shall
8 certify to the Treasurer of State the amount that is necessary and sufficient to meet
9 the authority's obligations relating to bonds issued or planned to be issued by the
10 authority under Title 30-A, section 4864.

11 (2) On a monthly basis, the Treasurer of State shall apply the revenues in
12 accordance with this subparagraph. The Treasurer of State shall pay revenues
13 available under this paragraph to the Maine State Housing Authority, which shall
14 first deposit funds in the Maine Energy, Housing and Economic Recovery Fund
15 established in Title 30-A, section 4863, until the amount deposited equals the
16 amount certified by the Maine State Housing Authority under subparagraph (1),
17 after which the Maine State Housing Authority shall deposit the remaining funds
18 received in the Housing Opportunities for Maine Fund created in Title 30-A,
19 section 4853. For fiscal years 2025-26 to 2030-31, as long as the revenue to the
20 Maine State Housing Authority does not fall below the level of available revenues
21 of fiscal year 2021-22, the Maine State Housing Authority shall use 50% of such
22 remaining funds received in the Housing Opportunities for Maine Fund to support
23 the creation of new housing units, through new construction or adaptive reuse, that
24 are affordable to low-income households.

25 **Emergency clause.** In view of the emergency cited in the preamble, this legislation
26 takes effect when approved.

27 SUMMARY

28 This bill changes the distribution of revenue from the real estate transfer tax on property
29 transfers by deeds to provide that beginning in fiscal year 2023-24 revenue received by the
30 State would be distributed entirely to the Maine State Housing Authority for deposit in the
31 Housing Opportunities for Maine Fund after the transfer of funds identified to be used by
32 the Maine State Housing Authority for deposit in the Maine Energy, Housing and
33 Economic Recovery Fund to meet the authority's obligations relating to bonds issued or
34 planned to be issued by the authority for the Maine Energy, Housing and Economic
35 Recovery Program. For fiscal years 2025-26 to 2030-31, as long as the revenue to the
36 Maine State Housing Authority does not fall below the level of available revenues of fiscal
37 year 2021-22, 50% of the remaining funds received in the Housing Opportunities for Maine
38 Fund must be used to support the creation of new housing units that are affordable to low-
39 income households.