

MAINE STATE LEGISLATURE

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Date 6/16/23 Majority

L D 1540
(Filing No H- 579)

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HOUSING

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

COMMITTEE AMENDMENT "A" to H P 992, L D 1540, "An Act to Create the Stable Home Fund Program"

Amend the bill by striking out the title and substituting the following
'Resolve, to Establish an Eviction Prevention Pilot Program'

Amend the bill by striking out everything after the title and inserting 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 State is experiencing the worst housing affordability crisis in its history and immediate action is necessary, and

Whereas, in 2021, the median income for renters was \$34,018 compared to \$71,717 for homeowners, and

Whereas, 41% of renter households are paying more than 30% of their income on rent, 16% of renters are paying more than 50% of their income on rent and at least 15,000 renter households are on a 3-year to 5-year waiting list for the so-called Section 8 rental assistance program, and

Whereas, the months of January and February in 2023 saw more eviction filings for renters than the previous 10 years, 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, be it

Sec. 1. Maine State Housing Authority to develop pilot program. Resolved:
That the Maine State Housing Authority is directed to establish a 2-year pilot program designed to provide support for eviction prevention. The pilot program must be designed to provide eligible persons with \$300 per month in rental assistance paid directly to the

COMMITTEE AMENDMENT

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person's landlord for a period of up to 24 months Persons eligible for rental assistance must

1 Earn less than 60% of the median income for the area as defined by the United States Department of Housing and Urban Development under the United States Housing Act of 1937, Public Law 75-412, 50 Stat 888, Section 8,

2 At the time of application to the pilot program not be using a federal housing voucher to pay rent or live in a subsidized housing unit,

3 Provide proof of a current landlord-tenant relationship such as a lease or other documentation sufficient to demonstrate a landlord-tenant relationship to the administrator of the pilot program, and

4 Have a rental payment within the standard rental payment amount of the housing authority of jurisdiction

The Maine State Housing Authority shall delegate administration of the pilot program and provide appropriate funding to one or more of any of the following a designated community action agency as described by the Maine Revised Statutes, Title 22, section 5324, a municipal housing authority, or other qualified entity as determined by the Maine State Housing Authority An administrator of the pilot program shall develop a method of verifying a person's eligibility for the rental assistance every 6 months after initial approval An administrative entity delegated to administer the pilot program shall limit administrative costs paid by the fund established in section 2 to 12% or less of distributions received from the fund

Sec. 2. Fund established within Maine State Housing Authority. Resolved: That a fund is established within the Maine State Housing Authority for the purposes of administering the pilot program described in section 1 The fund may receive money from any available state, federal or private source The fund may not lapse for the period of the pilot program

Sec. 3. Maine State Housing Authority to submit report. Resolved: That, no later than February 2, 2025, the Maine State Housing Authority or an entity or entities delegated to administer the pilot program described in section 1 shall submit a report on the pilot program, including but not limited to the number of people who received rental assistance, the duration of the assistance and the regions of the State where rental assistance was provided, to the joint standing committee or joint select committee of the Legislature having jurisdiction over housing matters

Sec. 4. Appropriations and allocations. Resolved: That the following appropriations and allocations are made

HOUSING AUTHORITY, MAINE STATE

Stable Home Fund N466

Initiative Provides one-time funds for a 2-year pilot program to provide support for eviction prevention

GENERAL FUND	2023-24	2024-25
All Other	\$15,000,000	\$15,000,000
GENERAL FUND TOTAL	<u>\$15,000,000</u>	<u>\$15,000,000</u>

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

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

SUMMARY

This amendment replaces the bill with a resolve directing the Maine State Housing Authority to develop a pilot program to provide support for eviction prevention The pilot program will provide rental assistance, paid directly to the landlord of an eligible person in an amount up to \$300 per month for up to 24 months The resolve establishes eligibility criteria for assistance under the pilot program The resolve directs the Maine State Housing Authority to delegate the administration of the pilot program to one or more of any of the following a municipal housing authority, a community action agency or another qualified entity determined by the Maine State Housing Authority The resolve establishes a fund for the purposes of the pilot program and provides a General Fund appropriation

FISCAL NOTE REQUIRED

(See attached)



131st MAINE LEGISLATURE

LD 1540

LR 1790(02)

An Act to Create the Stable Home Fund Program

Fiscal Note for Bill as Amended by Committee Amendment *A (H-579)*

Committee: Housing

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$15,000,000	\$15,000,000	\$0	\$0
Appropriations/Allocations				
General Fund	\$15,000,000	\$15,000,000	\$0	\$0

Fiscal Detail and Notes

This bill includes one-time General Fund appropriations of \$15,000,000 per year in fiscal year 2023-24 and fiscal year 2024-25 to a newly established Stable Home Fund within the Maine State Housing Authority (MSHA) for a 2-year pilot program designed to provide support for eviction prevention. The bill authorizes MSHA to delegate the administration of the pilot program to a municipal housing authority, community action agency or other qualified entity and limits the administrative costs that can be paid from the fund to 12% or less of the distributions received from the fund.