

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

SECOND REGULAR SESSION-2024

Legislative Document

No. 2169

S.P. 920

In Senate, January 18, 2024

An Act to Support the Development of Workforce Housing to Promote Economic Development in Maine

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Labor and Housing 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 DAUGHTRY of Cumberland.
Cosponsored by Representative LaROCHELLE of Augusta and
Senators: INGWERSEN of York, VITELLI of Sagadahoc, Representatives: ANKELES of
Brunswick, BRADSTREET of Vassalboro, GATTINE of Westbrook, GOLEK of Harpswell,
RANA of Bangor, STOVER of Boothbay.

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

2 **Sec. 1. 5 MRSA §13056-K** is enacted to read:

3 **§13056-K. Workforce Housing Development Loan Fund**

4 **1. Fund established.** The Workforce Housing Development Loan Fund, referred to
5 in this section as "the fund," is established as a revolving, nonlapsing fund within the
6 department to provide loans to support the development of affordable workforce housing.
7 The fund consists of money appropriated to the fund by the Legislature and any funds
8 received by the department for the purposes of the fund.

9 **2. Use of fund.** The department shall solicit applications for loans from the fund
10 through a competitive application process. Loans may be awarded to community banks at
11 an interest rate of 0% to provide funding to housing developers to support the development
12 of workforce housing that is affordable for employees who earn 60% to 120% of the area
13 median income as determined by the United States Department of Housing and Urban
14 Development.

15 **3. Fund evaluation.** A recipient of a loan through the fund shall cooperate with the
16 department in the department's evaluation process and with respect to specific reporting
17 requirements.

18 **4. Rules.** The department shall adopt routine technical rules pursuant to chapter 375,
19 subchapter 2-A to carry out the purposes of this section.

20 **SUMMARY**

21 This bill establishes the Workforce Housing Development Loan Fund in the
22 Department of Economic and Community Development to provide loans to support the
23 development of affordable workforce housing. The department must solicit applications
24 for loans from the fund through a competitive application process. Loans may be awarded
25 to community banks at an interest rate of 0% to provide funding to housing developers to
26 develop housing for employees who earn 60% to 120% of the area median income as
27 determined by the United States Department of Housing and Urban Development.