

# MAINE STATE LEGISLATURE

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**Legislative Document**

**No. 90**

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H. P. 159

House of Representatives, January 18, 1951.

Referred to Committee on Judiciary. Sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Lord of Norway.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-ONE

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**AN ACT Amending the Maine Housing Authorities Act.**

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**Emergency preamble.** Whereas, housing conditions are acute in the state of Maine; and

Whereas, under the provisions of the present Maine housing authorities act, towns can only create authorities at their annual town meetings; and

Whereas, it is necessary, to prevent hardship to many of our citizens, that action should be permitted at special town meetings; and

Whereas, it is necessary to create housing authorities in order to furnish the people of Maine with housing which they now lack; 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 enacted by the People of the State of Maine, as follows:

**Sec. 1. R. S., c. 81-A, § 3, repealed and replaced.** Section 3 of chapter 81-A of the revised statutes, as enacted by chapter 441 of the public laws of 1949, is hereby repealed and the following enacted in place thereof:

**'Sec. 3. Creation of city and town authorities.** In each city, and in each town there is hereby created a public body corporate and politic to be known as the "Housing Authority" of the city or town; provided, however, that such authority shall not transact any business or exercise its powers hereunder until or unless the governing body of the city or the annual or a special meeting of the town, as the case may be, by proper resolution shall declare at any time hereafter that there is need for an authority to function in such city or town; and provided further, that any housing authority created and existing pursuant to chapter 260 of the public laws of 1943 shall, notwithstanding the expiration of that chapter, continue in existence for the purposes of and shall have the powers granted by this chapter if the governing body of the city or a special meeting of the town for which such housing authority was created declares by proper resolution that there is need for such housing authority to exercise the powers granted by this chapter. The governing body of the city, or the annual or a special meeting of the town shall give consideration as to the need for an authority on its own motion or upon the filing with the mayor or the selectmen, as the case may be, of a petition signed by 25 qualified voters of the city or town, as the case may be, asserting that there is need for an authority to function in such city or town and requesting that its governing body or the annual or a special meeting of the town so declare. The governing body of the city, or the annual or a special meeting of the town shall adopt a resolution declaring that there is need for an authority in the city or town, as the case may be, if it shall find that insanitary or unsafe inhabited dwelling accommodations, or blighted areas, exist in such city or town, or that there is a shortage of safe or sanitary dwelling accommodations in such city or town available to persons of low income at rentals or prices they can afford.

Upon the adoption of a resolution as aforesaid by the governing body of a city, or the annual or a special meeting of a town, the mayor of the city, or the selectmen of the town, as the case may be, shall proceed to appoint the commissioners of the authority as hereinafter provided.'

**Sec. 2. R. S., c. 81-A, § 8, repealed and replaced.** Section 8 of chapter 81-A of the revised statutes, as enacted by chapter 441 of the public laws of 1949, is hereby repealed and the following enacted in place thereof:

**'Sec. 8. Operation of housing not for profit.** It is hereby declared to be the policy of this state that each authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals or payments for dwelling accommodations at low rates consistent with its

providing decent, safe and sanitary dwelling accommodations for persons of low income and that no authority shall construct or operate any housing project for profit, or as a source of revenue to the municipality. To this end, an authority shall fix the rentals or payments for dwellings in its projects at no higher rates than it shall find to be necessary in order to produce revenues which, together with all other available moneys, revenues, incomes and receipts of the authority from whatever sources derived, will be sufficient:

- I. To pay, as the sums become due, the principal and interest on the bonds of the authority;
- II. To create and maintain such reserves as may be required to assure the payment of principal and interest as it becomes due on its bonds;
- III. To meet the cost of, and to provide for, maintaining and operating the projects, including necessary reserves therefor and the cost of any insurance, and the administrative expenses of the authority;
- IV. To make such payments in lieu of taxes as it determines are consistent with the maintenance of the low-rent character of projects;
- V. The property of an authority is declared to be public property used for essential public and governmental purposes, and such property shall be exempt from all taxes and from betterments and special assessments of the city, the town, the county, the state or any political subdivision thereof, as it finds consistent with the maintenance of the low-rent character of housing projects, or the achievement of the purposes of this chapter.

Sec. 3. R. S., c. 81-A, § 9, amended. The 2nd paragraph of section 9 of chapter 81-A of the revised statutes, as enacted by chapter 441 of the public laws of 1949, is hereby repealed and the following enacted in place thereof:

'In the selection of tenants for housing projects, as among low-income families which are eligible applicants for occupancy in dwellings of given sizes and at specified rents, a housing authority shall extend the following preferences: First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance or redevelopment project initiated after January 1, 1947, or which were so displaced within 3 years prior to making application to such public housing agency for admission to any low-rent housing; and as among such families first preference shall be given to families of disabled veterans whose disability has

been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected, and third preference shall be given to families of other veterans and servicemen; and, second, to families of other veterans and servicemen and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected. As used in this section the term "veteran" shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, or at any time on or after April 6, 1917, and prior to November 11, 1918, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term "serviceman" shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947, or at any time on or after April 6, 1917, and prior to November 11, 1918. Notwithstanding any provisions of this section, an authority may agree to conditions as to tenant eligibility or preference required by the federal government pursuant to federal law in any contract for financial assistance with the authority.'

Sec. 4. R. S., c. 81-A, § 17, amended. The last sentence of section 17 of chapter 81-A of the revised statutes, as enacted by chapter 441 of the public laws of 1949, is hereby repealed and the following enacted in place thereof:

'It is the purpose and intent of this chapter to authorize every authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the federal government in the undertaking, construction, maintenance or operation of any project by such authority; provided, however, that no authority shall enter into any contract for loans, grants, contributions or other financial assistance with the federal government for any project unless or until the governing body of its city, or the annual or a special meeting of its town, as the case may be, shall, by resolution duly adopted, have approved its entering into such contract.'

**Emergency clause.** In view of the emergency cited in the preamble, this act shall take effect when approved.