# MAINE STATE LEGISLATURE

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## **LAWS**

#### **OF THE**

## STATE OF MAINE

AS PASSED BY THE

#### ONE HUNDRED AND TWENTY-SECOND LEGISLATURE

SECOND SPECIAL SESSION July 29, 2005

SECOND REGULAR SESSION January 4, 2006 to May 24, 2006

THE GENERAL EFFECTIVE DATE FOR SECOND SPECIAL SESSION NON-EMERGENCY LAWS IS OCTOBER 28, 2005

THE GENERAL EFFECTIVE DATE FOR SECOND REGULAR SESSION NON-EMERGENCY LAWS IS AUGUST 23, 2006

PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A, SUBSECTION 4.

> Penmor Lithographers Lewiston, Maine 2006

related expenses as applicable under Title 23, section 244.

11. Residence relocation benefits. Whenever the acquisition of real property pursuant to this section results in the displacement of a person from a dwelling, the municipality shall provide payment for moving and related expenses, as well as replacement housing as applicable under Title 23, sections 244 to 244-C.

Sec. 6. In lieu of payments criteria review; report. The Department of Transportation shall review the criteria that are currently used to determine the payments made to businesses and farms in lieu of actual relocation costs under the Maine Revised Statutes, Title 23, section 244, subsection 3. The department shall compile information concerning claims and payments made under Title 23, section 244, subsection 3 since January 1, 2004. department shall examine the consequences of using net operating income as a basis for in lieu payments, including any necessary consequences under federal law, regulations and programs. For the purposes of this section, "net operating income" means ordinary income less operating expenses from trade or business activities that are directly related to the subject property, excluding depreciation, amortization and interest, although the department may, in addition, use a different formulation of "net operating income." The department shall report by January 15, 2007 to the joint standing committee of the Legislature having jurisdiction over judiciary matters the information collected, the analysis completed, the conclusions reached and any recommended changes in law, rules or practice. The joint standing committee of the Legislature having jurisdiction over judiciary matters may report out legislation to the 123rd Legislature based on the review and report.

**Sec. 7. Appropriations and allocations.** The following appropriations and allocations are made.

#### TRANSPORTATION, DEPARTMENT OF

#### Highway and Bridge Improvement 0406

Initiative: Allocates funds for the additional cost of purchasing certain properties through the eminent domain process.

HIGHWAY FUND	2005-06	2006-07
All Other	\$0	\$46,667
HIGHWAY FUND TOTAL	\$0	\$46,667
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See title page for effective date		

#### **CHAPTER 643**

H.P. 802 - L.D. 1159

#### An Act To Promote Municipal-State Transportation Investment Partnerships

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

Sec. 1. 23 MRSA §703-B is enacted to read:

#### §703-B. Financing new road construction

If the municipal officers of one or more municipalities determine it necessary that a public road be constructed to spur economic development, downtown revitalization or neighborhood preservation; to create new housing stock; to promote mixed-use or densely settled village centers; or to enhance public safety, then the municipal officers may petition the Department of Transportation to finance from the Highway Fund up to 50% of the cost of the proposed road construction, subject to available funds. The municipality shall have a department-approved transportation plan for state and state aid highways and comply with the policies and procedures adopted by the department. The municipality is responsible for securing the balance of funds and for undertaking project design, permitting and construction following department guidelines. The public road must meet state design standards and function as a major collector or arterial highway as defined in department rules. Prior to the commitment of funds by the department, the department shall notify the participating municipalities of the likely classification of the proposed road and what, if any, changes in classification might result for existing public ways in the project area.

Sec. 2. 23 MRSA c. 19, sub-c. 6-A is enacted to read:

#### **SUBCHAPTER 6-A**

## TRANSPORTATION INVESTMENT PARTNERSHIPS

## §1821. State aid for arterial and major collector highway capital projects

Municipalities may choose to participate in the arterial and major collector highway capital projects program created under this section. Participating municipalities shall have a department-approved transportation plan for state and state aid highways and comply with policies and procedures adopted by the Department of Transportation. The plan must identify those capital improvements needed to remove or mitigate substandard conditions. A participating

municipality may finance improvement projects from the approved plan in either of the following ways:

- 1. State and municipal investments. Following authorization of the transportation improvement project by the Commissioner of Transportation and within 2 years of a mutual agreement between the municipality and the Department of Transportation and a financial commitment by the municipality, the Treasurer of State shall make a deposit of Highway Fund revenues and General Fund revenues, each fund amount equal to the municipal contribution, into a Maine Municipal Bond Bank trust account opened in the name of the municipality. The contributions of local funds may not exceed the product of \$226 multiplied by the passenger car equivalents at peak hour for traffic movement permits issued under section 704-A for that municipality in the prior year. Except for the Highway Fund contributions, money deposited in the account may be used for utility and storm water improvements related to the transportation improvement project; or
- 2. State, municipal and private investments. Following authorization of the transportation improvement project by the Commissioner of Transportation and within 2 years of a mutual agreement between the municipality and the Department of Transportation, the Treasurer of State shall make a deposit of Highway Fund revenues equal to the municipal contribution into a Maine Municipal Bond Bank trust account opened in the name of the municipality. The contributions of local funds may not exceed the projected level of private investment in transportation improvements within the plan area required under section 704-A.

This section does not relieve the Department of Transportation of its obligation to make improvements to state and state aid highways without municipal participation.

See title page for effective date.

#### **CHAPTER 644**

H.P. 808 - L.D. 1165

An Act To Encourage the Preservation of Affordable Housing

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

- **Sec. 1. 30-A MRSA §4722, sub-§1, ¶Y,** as amended by PL 2005, c. 261, §2, is further amended to read:
  - Y. Expand access to housing for young professionals and young families. The Maine State

Housing Authority shall develop recommendations to create or modify programs with the goal of expanding access to housing for young professionals and young families. The Maine State Housing Authority shall specifically consider strategies to assist renters and first-time home buyers who are under 35 years of age and explore options for linking assistance levels to student loan obligations. The Maine State Housing Authority shall collaborate with the Maine Community College System, vocational high schools and community action programs to encourage the development of affordable housing in high-cost housing areas of the State.

(1) The Maine State Housing Authority shall report its findings and recommendations regarding expanded access to housing for young professionals and young families to the Future for Youth in Maine State Work Action Tactics Team established in Title 5, section 13161 and to the joint standing committee of the Legislature having jurisdiction over housing matters no later than January 15, 2005 and annually thereafter; and

**Sec. 2. 30-A MRSA §4722, sub-§1, ¶Z,** as enacted by PL 2005, c. 261, §3, is amended to read:

Z. Condition approval of funding of a housing project upon an applicant's compliance with municipal health, safety and sanitation standards. The Maine State Housing Authority may condition approval of funding for a housing project upon a municipality's representation that the applicant, an affiliate of the applicant or any owner controlled by the applicant has no record of a material municipal code violation of health, safety or sanitation standards-; and

## **Sec. 3. 30-A MRSA §4722, sub-§1, ¶AA** is enacted to read:

- AA. Certify transfers of multifamily affordable housing property that qualify for the deduction under Title 36, section 5122, subsection 2, paragraph W or Title 36, section 5200-A, subsection 2, paragraph Q. The affordability restrictions that apply under this paragraph must be contained in a declaration signed by the transferee and recorded in the appropriate registry of deeds at the time of the sale or transfer.
  - (1) For the purposes of this paragraph, "multifamily affordable housing property" means a decent, safe and sanitary dwelling, apartment building or other living accommodation that includes at least 6 units, that meets at least one of the following afforda-