

MAINE STATE LEGISLATURE

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STATE OF MAINE
113TH LEGISLATURE
SECOND REGULAR SESSION



BILL SUMMARY
JOINT STANDING COMMITTEE
ON
ECONOMIC DEVELOPMENT

MAY 1988

MEMBERS

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Sen. Judy C. Kany
Sen. Robert C. Dillenback

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Rep. Ronald C. Bailey
Rep. David G. Stanley

* Denotes Chair

Staff: Ted Potter, Legislative Analyst

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**ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST & SECOND SPECIAL SESSIONS
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE
BILL SUMMARIES
MAY 1988**

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor for floor amendments. Final action is listed to the right of the title. If final House and Senate action differ, both are listed. Committee Reports and Floor Action are indicated as follows::

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

Each individual summary was prepared by the analyst assigned, as noted for each committee. But, this document was produced by the efforts of all the office staff, including Secretaries: Charlene Brann, Janet Jean, Earl Knox, Valarie Parlin; Research Assistant Hartley Palleschi. Finally, Secretary Laurette Knox, Legal Assistant Carolyn Chick, and Research Assistant Robert Dunn had special responsibilities in the preparation of the overall document.

Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.

The bill was amended by a Committee Amendment that placed the responsibilities with the Information Services Policy Review Board for the collection and coordination of data for economic development and growth management purposes. This board is required by law to review and recommend policies for the coordination of data collection in state government. The Committee Amendment also added the Executive Director of the Finance Authority of Maine and the Director of the Housing Authority to the Information Services Policy Review Board.

The Information Services Policy Review Board will report to the Joint Standing Committee on Economic Development on January 1, 1989, with respect to a reporting schedule for reporting the board's finding and recommendations. These findings and recommendations will consider the means by which data relating to economic development and growth management can be best coordinated, the means by which ready access to this data can be achieved, the costs of different alternatives for the organization and coordination of the data, the type of data that is available, and the age of the data.

LD An Act to Create the Economic Corridor Action Grant Program ND 2601
2220

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
CROWLEY	OTP-ND	
EMERSON		
BAILEY		

SUMMARY
Replaced By LD 2601

LD An Act to Make Housing More Affordable to Maine Citizens PUBLIC
2269 (Reported Pursuant to a Study by the Committee on Economic 820
Development)

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
	OTP-AM	H-678
		H-740 CROWLEY

SUMMARY
LD 2269 proposed the following:

1. To create a partnership between the Maine State Housing Authority, municipal housing authorities and municipalities which would:
 - A. Develop comprehensive plans for municipalities or regions for developing affordable housing for low-income and moderate-income households;
 - B. Coordinate programs and resources of these organizations to more effectively address the problem of affordable housing; and
 - C. Share resources to make affordable housing available to eligible Maine citizens;

2. To authorize the Maine State Housing Authority and municipal housing authorities to offer low-interest or no-interest loans to contractors who agree to construct, reconstruct, rehabilitate or purchase and maintain property for housing for low-income and moderate-income households;
3. To authorize the Maine State Housing Authority and municipal housing authorities to purchase land, buildings and structures for affordable housing;
4. To authorize the Maine State Housing Authority to use surplus state property for affordable housing for low-income and moderate-income households pursuant to Public Law 1987, chapter 407, which provides for an inventory of surplus state property. The Maine State Housing Authority may provide this property at below market value to any person, firm or organization which, in contract with the authority, agrees to construct or rehabilitate and maintain affordable housing for low-income and moderate-income households;
5. To remove the current mandated 5% down payment for persons in the housing opportunities for the State and allow the Maine State Housing Authority to suspend any down payment requirement; and
6. To create the Housing Mortgage Insurance fund to insure housing mortgages that the private mortgage insurance firms will no longer insure.

Committee Amendment "A: changed the bill to require that any comprehensive plan developed by a municipality, region, or planning and development organization contain provisions for affordable housing. The Maine State Housing Authority may provide technical assistance to municipalities and regions with respect to the housing provisions in comprehensive plans.

The amendment also provides \$3,000,000 to the Housing Authority to fund the Housing Mortgage Insurance Program. This program will insure housing mortgages of persons eligible to obtain bank loans and loans under the Housing Opportunities for Maine Program but who are unable to obtain mortgage insurance because of policy changes of private mortgage insurance companies. Testimony was provided that these companies, in part, as a result of the impact of the decline of the oil industry on the housing market in the south and southwest, have created many restrictions with respect to the issuance of mortgage insurance to prospective home owners across the nation.

LD An Act to Establish the Maine Elderly Tax Assistance
2283 Program

INDEF PP

SPONSOR(S)

KANY
GWADOSKY
DIAMOND
JOSEPH

COMMITTEE REPORT

OTP-AM

AMENDMENTS ADOPTED

S-358

SUMMARY

LD 2283 proposed to establish a revolving fund administered by the Maine State Housing Authority to be used to insure, guarantee, or purchase loans made to