

MAINE STATE LEGISLATURE

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STATE OF MAINE
114TH LEGISLATURE
FIRST REGULAR SESSION



BILL SUMMARY
JOINT STANDING COMMITTEE
ON
HOUSING AND ECONOMIC DEVELOPMENT
JULY 1989

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Sen. Norman E. Weymouth

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* Denotes Chair

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ONE HUNDRED AND FOURTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
AUGUST 1989

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 for 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 abbreviated 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 Research Assistant Barbara McGinn, and secretaries: Charlene Brann, and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

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

LD 350 An Act Concerning the Purchase of Real Estate by the State
or Local Housing Authorities

ONTP

SPONSOR(S)
PARADIS P
JACQUES
NADEAU G G
DUTREMBLE D

COMMITTEE REPORT
ONTP

AMENDMENTS ADOPTED

SUMMARY

LD 350 required that prior to the acquisition of property within a municipality by the state or local housing authority, the municipal legislative body must approve the acquisition by affirmative vote.

The bill failed to obtain Committee approval because of the serious obstacles it would create to the development of affordable housing. In addition, testimony at the hearing indicated that the problem was associated with only 1 local housing authority and involved only 1 purchase.

LD 372 An Act to Include Moderate-income Households Within the
Housing Opportunities for Maine Program

LV/WD

SPONSOR(S)
MILLS
ANDREWS
NADEAU G G
HEESCHEN

COMMITTEE REPORT
LV/WD

AMENDMENTS ADOPTED

SUMMARY

LD 372 proposed that the Maine State Housing Authority issue taxable bonds under the Housing Opportunities for Maine Program, HOME, to assist persons in moderate income households who do not qualify for assistance under nontaxable bond financing. Currently, the HOME Program has been financed primarily by the issue of nontaxable bonds. The United States Internal Revenue Service rules establish an income ceiling of \$32,000 for a family of 4. York and Cumberland counties have been granted an exception.

LD 3721 provides taxable bond financing to persons with a moderate household income as defined by the authority and which exceeds the income limits of tax-free bond financing.

Provisions to assist moderate income households with home purchases have been included in LD 1765, the Committee bill on affordable housing.

LD 451 An Act to Create an Educational Bonus for Affordable Housing

CARRIED OVER
ECON/DEV COMM

SPONSOR(S)
HOGLUND
NADEAU G G
MELENDY
FOSTER

COMMITTEE REPORT

AMENDMENTS ADOPTED

SUMMARY

LD 451 proposed to provide grants of \$2,000 to municipalities for each unit of affordable housing created in each municipality.

A. A housing unit is affordable if:

- 1) monthly rent or mortgage does not exceed 30% of gross monthly income of purchaser/renter;
- 2) income of renter/purchaser meets guidelines of Dept. of Economic and Community Development (DECD);
- 3) deed or covenant preserves unit as a unit of affordable housing for 10 years after municipality receives the grant.

B. Counties would be limited to a maximum amount of grant money determined by the percentage of the total number of eligible units in that county, and this percentage cannot exceed the percentage of the total number of kindergarten through 12 grade students in that county.

C. The grants could be used only to provide public education.

As a result of limited funds, the committee decided to consider this issue in its study of obstacles to affordable housing.

LD 456 An Act to End Homelessness in Maine

LV/WD

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

NADEAU G G
DUTREMBLE D
CARTER
MARTIN J

LV/WD

SUMMARY

LD 456 established the 8 member Interagency Committee on Homelessness to inventory the availability of resources available to the homeless, to coordinate the delivery of federal funds and to make the best use of federal funds, would allow, would allow homeless shelters access to surplus state property and equipment.

Proposed \$1,000,000 for temporary assistance to last resort to people in danger of foreclosure or eviction - MSHA.

Proposed \$600,000 for creation of transitional housing units for the homeless - MSHA.

Proposed \$500,000 to Department of Human Services for cost reimbursement to sponsors of emergency housing shelters for homeless.

The concept of the bill was included in the Committee's Affordable Housing Partnership Act bill, LD 1765.