

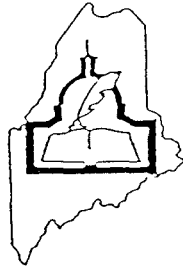
MAINE STATE LEGISLATURE

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STATE OF MAINE
114TH LEGISLATURE
SECOND REGULAR SESSION



BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
HOUSING AND ECONOMIC DEVELOPMENT

JUNE 1990

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**One Hundred and Fourteenth Legislature
Second Regular Session**

**Joint Standing Committee
Bill Summaries**

June 1990

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. Committee Reports and Floor Action are abbreviated as follows:

OTP
OTP-ND
OTP-ND-NT
OTP-A
ONTP
LVWD
INDEF PP

Ought to Pass
Ought to Pass in New Draft
Ought to Pass in New Draft, New Title
Ought to Pass as Amended
Ought Not to Pass
Leave to Withdraw
Indefinitely Postponed

Each individual summary was prepared by the analyst or analysts assigned to the committee. But, this document was produced by the efforts of all the office staff, including secretaries: Charlene Raymond, 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.

Joint Standing Committee on Housing & Economic Development

LD 273 **An Act to Allow Municipalities to Assess Impact Fees for Activities that Create or Intensify Problems for Municipalities with Respect to the Availability of Affordable Housing** **LV/WD**

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
ANDREWS CROWLEY DUTREMBLE D MILLS	LV/WD	

SUMMARY

LD 273 would have authorized municipalities to assess impact fees for activities that decrease the availability of affordable housing. The revenues derived from these fees would have been used to alleviate the affordable housing problem in each municipality. These impact fees, as well as the activities established as decreasing the availability of affordable housing, would have been subject to public hearings.

LD 451 **An Act to Create a Fuel Assistance Reserve Fund** **PUBLIC 884**

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
HOGLUND NADEAU G G MELENDY FOSTER	OTP-AM	H-908 S-710 PEARSON

SUMMARY

LD 451, carried over from the First Regular Session, proposed to provide grants of \$2,000 to municipalities for each unit of affordable housing created and to restrict the use of those grants to public education purposes only. Initially, each county would have been limited to receiving a portion of the appropriation no greater than the county's portion of the state pupil enrollment in grades K through 12. If funds remained after that limitation, the Department of Economic and Community Development (DECD) would have been authorized to distribute the funds to municipalities that had the greatest need for affordable housing. Tenants in rental units would have been allowed to report unsafe or unsanitary conditions to the DECD which would have been obligated to investigate and act on such complaints in cooperation with municipalities. The DECD would have established criteria for low and moderate incomes, terms of deed covenants, rules for determining where the lack of affordable housing was most severe, and any other rules as appropriate to carry out the purposes of this bill. The DECD, in conjunction with municipalities, would have collected and evaluated information about the implementation of this program and submitted a report on the program to the Housing and Economic Development Committee by January 1, 1991.

Committee amendment "B" (H-908) replaced the entire bill and included the implementing legislation of the subcommittee's report on the obstacles to affordable housing (December, 1989). This amendment changed the title of the bill to 'An Act Creating an Educational Bonus for Affordable Housing, a Low-income Housing Tax Credit and a Fuel Assistance Reserve Fund'. The educational bonus for new units of affordable housing created remained similar to the provisions in the original bill, but the initial calculation for computing the educational subsidy for each municipality would have taken into account the number of bedrooms per unit and the income group being housed. This amendment also would have created a state tax credit for owners of low-income housing projects, similar to that enacted by the federal Tax Reform Act of 1986, to be available during 1991, 1992, and 1993. The amendment also would have

established eligibility criteria and credit limits for individual projects and placed ceilings on the total state credit allowable. The Maine State Housing Authority would have been authorized to act as the credit allocation agency and required to promulgate rules to implement the tax credit no later than December 31, 1990. Finally, this amendment would have required the Division of Community Services to create and capitalize the Fuel Assistance Reserve Fund to distribute sufficient funds to program operators and municipal administrators of local fuel assistance programs to cover anticipated program and administrative costs for at least the months of October, November, and December. The fund would have been used as start-up funding for the fuel assistance program only if federal block grant funding was not received by October 1st. If the fund was used, the division would have been required to recapitalize the fund immediately upon receipt of federal funding. The fund would have expired on June 30, 1991, at which time the division would have been required to transfer the fully recapitalized fund back to the General Fund.

Senate amendment "A" (S-710) changes the title of the bill to 'An Act to Create a Fuel Assistance Reserve Fund' thus maintaining the provisions of committee amendment "B" regarding the Fuel Assistance Reserve Fund, but deleting the provisions regarding the educational bonus for affordable housing and the low-income housing tax credit for developers. This amendment removes the appropriation and allocation sections of committee amendment "B" and provides for a working capital advance for fuel assistance for elderly and low-income residents. This amendment also requires the Maine State Housing Authority to study ways to encourage the creation of affordable rental housing and report to the Legislature by January 1, 1991.

**LD 1701 Resolve, to Create the Commission to Study the Establishment
of a State and Tribal Partnership to Encourage Economic
Development**

**RESOLVE 76
EMERGENCY**

SPONSOR(S)

RANDALL
TOWNSEND
TAMMARO
MOHOLLAND

COMMITTEE REPORT

OTP-AM

AMENDMENTS ADOPTED

H-936 GRAHAM
S-551

SUMMARY

LD 1701, held over from the 1st Regular Session, creates the Commission to Study the Establishment of a State and Tribal Partnership to Encourage Economic Development. The commission will examine various ways in which the State and Indian tribes can undertake local and regional economic development efforts in partnership. The membership consists of representatives from the Legislature, the Department of Economic and Community Development, community business and economic development interests and Indian tribes.

Committee amendment "B" (S-551) expands the Indian membership of the commission and requires that all members serve without compensation. The amendment deletes the commission's reporting requirement and instead offers it the option of submitting any report or legislation to the Executive Director of the Legislative Council and to the Legislature by January 31, 1991. The amendment also deletes the appropriation.

House amendment "A" (H-936) to committee amendment "B" corrects references to the Indian tribes and changes the appointment procedure of the tribal representatives. This amendment deletes the commission's option of submitting a report and clarifies that the commission is responsible for its own staff support and that its members are not eligible for reimbursement of expenses. This amendment also adds an emergency preamble, an emergency clause and a fiscal note.