

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

STATE OF MAINE  
114TH LEGISLATURE  
FIRST REGULAR SESSION



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

MEMBERS

Sen. Dennis L. Dutremble \*  
Sen. Thomas H. Andrews  
Sen. Norman E. Weymouth

Rep. Gregory G. Nadeau \*  
Rep. Rita B. Melendy  
Rep. Jeffery N. Mills  
Rep. Marge L. Kilkelly  
Rep. Wilfred J. Bell  
Rep. Nason G. Graham  
Rep. Conrad Heeschen  
Rep. Catharine Koch Lebowitz  
Rep. Ronald C. Bailey  
Rep. Harvey C. Donald

\* Denotes Chair

Staff: Ted Potter, Legislative Analyst

Office of Policy & Legal Analysis  
Room 101, State House Sta. 13  
Augusta, ME 04333  
(207) 289-1670

MARTHA E. FREEMAN, DIRECTOR  
WILLIAM T. GLIDDEN, PRINCIPAL ANALYST  
ULIE S. JONES, PRINCIPAL ANALYST  
DAVID C. ELLIOTT, PRINCIPAL ANALYST  
WILBERT W. BREWER  
RODD R. BURROWES  
MIRO FLATEBO  
JEBORAH C. FRIEDMAN  
JOHN B. KNOX



STATE OF MAINE  
**OFFICE OF POLICY AND LEGAL ANALYSIS**  
ROOM 101/107/135  
STATE HOUSE STATION 13  
AUGUSTA, MAINE 04333  
TEL: (207) 289-1670

ANNIKA E. LANE  
EDWARD POTTER  
MARGARET J. REINSCH  
LARS H. RYDELL  
JOHN R. SELSER  
HAVEN WHITESIDE  
CAROLYN J. CHICK, RES. ASST  
ROBERT W. DUNN, RES. ASST  
HARTLEY PALLESCHI, JR., RES. ASST

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.

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

MARTIN J  
ANDREWS  
SWAZEY  
NADEAU G G

LV/WD

SUMMARY

LD 1299 proposed to establish a Homestead Land Trust Program. The Maine State Housing Authority would make grants to non-profit corporations which apply to the MSHA and are found eligible. The nonprofit corporation may use the grant money to:

- 1. Acquire land;
- 2. Manage land;
- 3. Purchase housing;
- 4. Develop housing;

Land must be used for housing for low income and very low income people as defined by Farmer's Home Loan Administration. Non-profit corporations must develop a plan for undeveloped property. Non-profits hold in trust all land and interests in land acquired under the program. Non-profits may lease the land but not sell it. Non-profits may sell or lease buildings on the land.

The concept of LD 1299 was included in the Committee bill, LD 1765.

**LD 1301** An Act to Provide Housing for the Homeless

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

GAUVREAU  
CARROLL D  
LEBOWITZ  
HEESCHEN

LV/WD

SUMMARY

LD 1301 proposed:

- A. To create a 12 member Interagency Committee on Homelessness to:
  - 1. Inventory and coordinate resources for homeless;
  - 2. Ensure use of federal funds for homeless;
  - 3. Prepare annual comprehensive Homeless Assistance Plan.
- B. To provide \$10,000,000 over 1989-1991 biennium to community non-profit organizations to provide shelter to the homeless.
- C. To provides \$5,000,000 over 1989-1991 biennium to nonprofit corporations to provide rental assistance and lower interest costs to low income people for affordable housing.
- D. To provide \$1,000,000 over 1989-1991 biennium to non-profit organizations to develop their capacity to develop, build, and manage affordable housing.

E. To exempt from the sales tax all sales to nonprofit housing organizations for the development of housing for low income people.

The concept of the bill was included in the Committee bill, LD 1765.

LD 1316 An Act for the Preservation of Affordable Rental Housing in  
Maine

PUBLIC 380  
EMERGENCY

SPONSOR(S)

MILLS  
GWADOSKY

COMMITTEE REPORT

OTP-AM

AMENDMENTS ADOPTED

H-295  
H-321 TAMMARO

SUMMARY

LD 1316 reestablished the notice and right of first refusal requirements which must be satisfied before the owner of a federally subsidized low-income housing project can transfer and convert the project to market rate units. The original provisions were enacted in 1988 and are scheduled to sunset on August 1, 1989.

LD 1510 An Act for the 1989 Amendments to the Maine Housing  
Authorities Act

LV/WD

SPONSOR(S)

MELENDY  
DUTREMBLE D  
BAILEY  
LEBOWITZ

COMMITTEE REPORT

LV/WD

AMENDMENTS ADOPTED

SUMMARY

LD 1510 provides funding for the Maine Overboard Discharge Assistance Program which was created in 1988 but was never funded. It revises the Maine State Housing Authority's construction lending program to allow the authority to provide low-interest construction financing for 100% of a project's development cost. It also creates a mortgage insurance reserve fund to allow the authority to insure housing mortgages and provide more flexibility in the underwriting of those mortgages.

LD 1665 An Act to Ensure that Certain Homeowners May Remain in Their  
Own Homes Regardless of Zoning

LV/WD

SPONSOR(S)

MELENDY  
COTE  
MAYO  
SKOGLUND

COMMITTEE REPORT

LV/WD

AMENDMENTS ADOPTED

SUMMARY

Under LD 1665, the owner of a single-family residence would be allowed to convert the home to a multi-family residence to acquire rental income as long as the exterior of the structure is in no way altered and the owner continues to live in the structure. The bill required that, upon a transfer of the property or the termination of the owner's residency, the building must then be altered to comply with zoning requirements in effect.