

**CHAPTER 201**

**HOUSING AUTHORITY**

**SUBCHAPTER 1**

**GENERAL PROVISIONS**

**§4701. Title**

This chapter shall be known and may be cited as the "Maine Housing Authorities Act." [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**SECTION HISTORY**

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

**§4702. Definitions**

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Area of operation.** "Area of operation" of a municipal housing authority includes all of the municipality for which it is created and, except as provided in paragraphs A, B and C-1, the area within 10 miles outside its municipal boundaries. The area of operation of the Maine State Housing Authority is the entire State, except as provided in paragraph C-1.

A. A municipal housing authority may not operate in any area in which a municipal housing authority already established is operating without the consent by resolution of the municipal housing authority already operating in that area. [PL 2017, c. 234, §3 (AMD); PL 2017, c. 234, §42 (AFF).]

B. The area of operation of the housing authority of a municipality does not include any area that lies within the municipal boundaries of any municipality for which a municipal housing authority has been organized, without the consent by resolution of the legislative body or the select board of the other municipality. [PL 2021, c. 275, §47 (AMD).]

C. [PL 2017, c. 234, §3 (RP); PL 2017, c. 234, §42 (AFF).]

C-1. A municipal housing authority has exclusive jurisdiction within the municipal boundaries of the municipality for which it was organized to administer regular tenant-based housing choice vouchers under Section 8 of the United States Housing Act of 1937, Public Law 75-412, 50 Stat. 888, as amended. This paragraph does not limit the authority of the Maine State Housing Authority to administer project-based vouchers or to administer specialty vouchers that are associated with services such as case management, clinical services, child welfare services or other housing stability services. [PL 2017, c. 234, §3 (NEW); PL 2017, c. 234, §42 (AFF).]

D. [PL 2017, c. 234, §3 (RP); PL 2017, c. 234, §42 (AFF).]  
[PL 2021, c. 275, §47 (AMD).]

**2. Authority or housing authority.** "Authority" or "housing authority" means any of the public corporations created or authorized to be created by this chapter.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Bonds.** "Bonds" means any bonds, notes, interim certificates, debentures or other obligations issued by an authority under this chapter.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Construction loan.** "Construction loan" means a loan:

A. For the purpose of developing, constructing, reconstructing or rehabilitating a housing unit or housing project; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Which is secured in the same manner as a mortgage loan is secured. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Conventional mortgage.**

[PL 2017, c. 234, §4 (RP).]

**6. Elderly.** "Elderly" means a person or family as defined in the United States Housing Act of 1937, Public Law 75-412, 50 Stat. 888, as amended.

[RR 2017, c. 1, §23 (COR).]

**7. Financial institution.** "Financial institution" means any bank or trust company, savings bank, savings and loan association, industrial bank, national banking association, federal savings and loan association, mortgage banker, credit union or other such institution authorized to do business in the State, or a government agency which customarily provides service or otherwise aids in the financing of mortgage loans.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**8. Home improvement note.** "Home improvement note" means an interest bearing obligation, secured in whole or in part by a mortgage, insurance or otherwise as may be agreed upon by the Maine State Housing Authority from time to time, made to improve or rehabilitate single-family or multi-unit residential housing in the State, including, without limitation, the replacement, removal or rehabilitation of malfunctioning waste water treatment systems.

[PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 48, §§1, 31 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**9. Manufactured housing.** "Manufactured housing" has the same meaning as found in Title 10, section 9002, subsection 7.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**10. Mortgage loan.** "Mortgage loan" or "mortgage" means:

A. An interest-bearing obligation secured by a mortgage constituting a lien on single-family or multi-unit residential housing, including any mortgage loan made for the purpose of acquiring, developing, constructing or reconstructing single-family or multi-unit residential housing or for the purpose of preserving and maintaining the affordability of the housing; [PL 2017, c. 234, §5 (AMD).]

B. An interest-bearing obligation which is fully insured under the Housing Mortgage Insurance Law, if the single-family or multi-unit residential housing is located on either the Passamaquoddy

Indian Reservation or the Penobscot Indian Reservation; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. A home improvement note; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. An interest-bearing obligation secured by an interest in manufactured housing; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. An interest-bearing obligation secured by a mortgage, pledge or collateral assignment of a lease of real property or a lease of air rights, provided that:

(1) The security includes a first lien upon the lease; and

(2) Except for mortgage loans secured by manufactured housing located on leased real property or air rights, the real property or air rights are not subject to any prior lien; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

F. A participation interest in a mortgage loan; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

G. An interest-bearing obligation secured by a pledge or collateral assignment of a tenant-shareholder's interest in a consumer cooperative organized for housing purposes under Title 13, chapter 85. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

This definition does not preclude the requirement of security in addition to that specified in this subsection for any mortgage loan.

[PL 2017, c. 234, §5 (AMD).]

**10-A. Municipal housing authority or municipal authority.** "Municipal housing authority" or "municipal authority" means any of the public corporations authorized to be created by section 4721. [PL 2017, c. 234, §6 (NEW).]

**11. Obligee of the authority or obligee.** "Obligee of the authority" or "obligee" includes:

A. Any bondholder, agents or trustees for any bondholders; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Any lessor demising to the authority property used in connection with a project, or any assignee or assignees of the lessor's interest or any part of that interest; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. The Federal Government when it is a party to any contract with the authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**12. Persons of low income.** "Persons of low income" means persons or families, elderly or otherwise, who lack the income which is necessary, as determined by a housing authority, to enable

them, without financial assistance, to live in or purchase decent, safe and sanitary dwellings, without overcrowding. Financial assistance includes, but is not limited to, the following kinds of assistance:

- A. Mortgage insurance; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
  - B. Interest subsidies; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
  - C. Rent subsidies; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
  - D. Public assistance payment or services; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
  - E. Any other assistance that may be provided by the Maine State Housing Authority through the sale of bonds. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
- [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**13. Privately insured mortgage.**

[PL 2017, c. 234, §7 (RP).]

**14. Project or housing project.** "Project", "housing project" or "single-family or multi-unit residential housing" means any work or undertaking:

- A. To demolish, clear or remove buildings from any slum area; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
- B. To provide decent, safe and sanitary dwellings, apartments or other living accommodations for persons of low income. A project may include dwellings, apartments or accommodations occupied by persons other than persons of low income, provided that in the opinion of the responsible authority, a reasonable number of the dwellings, apartments or accommodations in the project are reserved for occupancy by persons of low income. The work or undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances including private commercial activity subject to the restriction in subparagraph (1), streets, sewers, water service, utilities, parks, site preparation, landscaping, administrative, community, health, recreational, welfare or other purposes;
  - (1) The work or undertaking may include private commercial activity compatible with residential use as determined by an authority, provided that development costs related to that activity do not exceed 40% of the amount of debt financing provided by an authority; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
- C. To accomplish a combination of the work or undertaking under paragraphs A and B. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

The terms "project" or "housing project" may be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection with these

activities. The term includes all other real and personal property and all tangible or intangible assets held or used in connection with the housing project.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**15. Select board.** "Select board" means the members of the select board of the town or, if the town has no select board, the officers charged with the duties customarily imposed on the select board of a town.

[PL 2021, c. 275, §48 (AMD).]

**16. State public body.** "State public body" means any city, town, district or other political subdivision of the State.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 48, §§1,31 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1991, c. 574, §1 (AMD). PL 1999, c. 104, §1 (AMD). RR 2017, c. 1, §23 (COR). PL 2017, c. 234, §§3-7 (AMD). PL 2017, c. 234, §42 (AFF). PL 2021, c. 275, §§47, 48 (AMD).

### §4703. Declaration of necessity

**1. Housing conditions.** It is declared that:

A. There exists in urban and rural areas in the State unsuitable, unsafe and overcrowded dwelling accommodations; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. In these urban and rural areas within the State, there is a shortage of suitable dwelling accommodations available at rents, prices or financing terms which many residents of the State can afford and that the shortage forces some residents of the State to occupy unsuitable, unsafe and overcrowded dwelling accommodations; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. These conditions, and the existence of areas in need of revitalization and redevelopment, impair economic values and tax revenues; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. These conditions contribute to the poor health of the residents of these areas, cause an increase in and spread of crime and constitute a menace to the health, safety and welfare of the residents of the State; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. These conditions require excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection and other public services and facilities; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

F. These areas in the State cannot be cleared, nor can the shortage of suitable dwellings available at affordable rents, prices or financing terms be relieved solely through the operation of private enterprise, and that the construction, rehabilitation or improvement of dwelling accommodations would therefore not be competitive with private enterprise; [PL 1987, c. 737, Pt. A, §2 (NEW);

PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

G. The construction, rehabilitation or improvement of dwelling accommodations would make housing available for veterans who are unable to provide themselves with decent housing on the basis of the benefits made available to them through certain government guarantees of loans to veterans for the purchase of residential property; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

H. The clearance, planning and preparation for rebuilding of these areas, the prevention or the reduction of the underutilization and abandonment of established commercial areas and existing dwelling accommodations within the State, and the providing of affordable, safe and suitable dwelling accommodations for residents of the State are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of state concern; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

I. Residential construction activity is closely correlated with general economic activity and that the undertakings authorized by this chapter to aid the production of better housing and more desirable neighborhood and community development at lower costs will make possible a more stable and larger volume of residential construction which will assist materially in achieving and maintaining full employment; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

J. Federal programs to assist housing have repeatedly changed and, in the early 1980's, the Federal Government substantially reduced its housing programs and other forms of housing assistance; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

K. By providing housing assistance to persons other than persons of low income, provision of housing assistance to persons of low income will be facilitated; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

L. It is in the public interest that advance preparations for these activities and for facilitating mortgage lending on affordable terms be made now, and that the necessity in the public interest for the provisions enacted is declared as a matter of legislative determination. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Intent.** It is further declared that:

A. There are serious problems relating to the occupants of existing substandard housing in the State in both urban and rural areas and much of the existing housing in the State is in immediate need of major repair or replacement; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. This chapter is intended to encourage all existing local, state and federal agencies, public and private agencies, to recognize the needs for rehabilitation and new housing and to adopt such action and practices as to promote a concerted effort to upgrade housing conditions and standards within

the State; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. This chapter is intended to relieve those conditions which now exist and it is the policy of the State to assist in planning, coordinating and carrying out all existing programs that will encourage further participation by private investment, private enterprise and individual effort. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Shortage of funds.** It is further declared that:

A. In private banking channels there have been recurrent, cyclical shortages of funds available for loans to finance dwelling accommodations; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. These shortages have been exacerbated more recently by changes in the business of financial institutions, by the high cost of funds needed for loans for dwelling accommodations and by the related lack of liquidity of existing and new loans for dwelling accommodations; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. These shortages have contributed to the reduction of construction of new dwelling accommodations and have hampered the rehabilitation, improvement and purchase and sale of existing dwelling accommodations; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. These shortages can be expected to recur from time to time in varying degrees of severity with the adverse consequences described in this section; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. The powers and duties set forth in this chapter are to be carried out to assist in redressing these shortages. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Objectives.** It is further declared that it is the policy of the State to assist its residents in securing equal opportunity for the full enjoyment of the following objectives:

A. To reside in or purchase housing which is decent, safe, independently selected, designed and located with reference to their particular needs and available at costs which they can afford; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. To have available to them a wide range of privately planned, constructed and operated housing; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. To have available to them such additional publicly planned, constructed and operated housing as is needed to achieve the purposes of paragraph A; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. To have available from financial institutions, in addition to their usually loanable resources for home construction, mortgages and notes, additional resources and assistance as may be provided by the Maine State Housing Authority; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. To have available information and educational programs, and to conduct demonstrations of housing programs and techniques. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### **§4704. Planning, zoning and building laws**

All projects of an authority are subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the area in which the project is located. In the planning and location of any project, an authority shall conform to any larger or long-range program for the development of the area in which the project is located. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### **§4704-A. Water conservation devices**

Notwithstanding section 4704, the purchase and installation of any faucet, shower head, toilet or urinal in a residential building funded by the authority is subject to Title 5, section 1762-A. [PL 1991, c. 246, §11 (NEW).]

#### SECTION HISTORY

PL 1991, c. 246, §11 (NEW).

#### **§4705. Exemption of property from execution sale**

All real property of an authority is exempt from levy and sale by virtue of an execution, and no execution or other judicial process may issue against the authority's real property nor may any judgment against an authority be a charge or lien upon its real property. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Exceptions.** This section does not apply to or limit:

A. The right of obligees to foreclose or otherwise enforce any mortgage or other security of an authority; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The right of obligees to pursue any remedies for the enforcement of any pledge or lien given by an authority on its rents, fees or revenues; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]



C. The right of the Federal Government to pursue any remedies conferred upon it under this chapter. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4706. Records confidential

**1. Confidential information.** Records containing the following information are deemed confidential for purposes of Title 1, section 402, subsection 3, paragraph A:

A. Any information acquired by an authority or a member, officer, employee or agent of an authority from applicants for residential tenancy in housing owned, financed, assisted or managed by an authority or from any residential tenants of such housing or from any 3rd person pertaining to any applicant for tenancy or to any tenant of such housing; [PL 1993, c. 175, §1 (AMD).]

B. Any written or recorded financial statement, as determined by an authority, of an individual submitted to an authority or a member, officer, employee or agent of an authority, in connection with an application for, or receipt of, a grant, mortgage or mortgage insurance; [PL 2007, c. 562, §1 (AMD).]

C. Any information acquired by the Maine State Housing Authority or a state public body, private corporation, copartnership, association, fuel vendor, private contractor or individual, or an employee, officer or agent of any of those persons or entities, providing services related to weatherization, energy conservation, homeless assistance or fuel assistance programs of the Maine State Housing Authority, when that information was provided by the applicant for, or recipient of, those services or by a 3rd person; [PL 2007, c. 562, §2 (AMD).]

D. Any statements of financial condition or information pertaining to financial condition submitted to any of the persons or entities set forth in paragraph C in connection with an application for services related to weatherization, energy conservation, homeless assistance or fuel assistance programs of the Maine State Housing Authority; and [PL 2007, c. 562, §3 (AMD).]

E. The address of a shelter or other living accommodations for victims of domestic violence. [PL 2007, c. 562, §4 (NEW).]  
[PL 2007, c. 562, §§1-4 (AMD).]

**2. Wrongful disclosure prohibited.** No member, officer, employee or agent of an authority may knowingly divulge or disclose information declared confidential by this section, except that:

A. An authority may make such full and complete reports concerning administration of its programs as required by the Federal Government, any agency or department of the Federal Government, or the Legislature; [PL 1993, c. 175, §3 (AMD).]

B. An authority may publish statistics or other information of a general nature drawn from information declared confidential by this section, provided that the publication is accomplished in a manner which preserves confidentiality; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. An authority may comply with a subpoena, request for production of documents, warrant or court order that appears on its face to have been issued or made upon lawful authority; [PL 1993, c. 175, §3 (AMD).]

D. In any litigation or proceeding in which an authority is a party, the authority may introduce evidence based on any information that is deemed confidential and is within the control or custody of the authority; [PL 2019, c. 313, §1 (AMD).]

E. Any person or agency directly involved in the administration or auditing of weatherization, energy conservation or fuel assistance programs of the Maine State Housing Authority and any agency of the State with a legitimate reason to know must be given access to those records described in subsection 1, paragraphs C and D; and [PL 2019, c. 313, §2 (AMD).]

F. The Maine State Housing Authority may provide records to the Efficiency Maine Trust pursuant to Title 35-A, section 10104, subsection 4, paragraph A, subparagraph (2). [PL 2019, c. 313, §3 (NEW).]

[PL 2019, c. 313, §§1-3 (AMD).]

**3. Waiver.** This section shall not be construed to limit in any way the right of any person whose interest is protected by this section to waive, in writing or otherwise, the benefits of that protection. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Penalty.** A member, officer, employee or agent of an authority who violates subsection 2 commits a civil violation for which a forfeiture of not more than \$200 may be adjudged against the member, officer, employee or agent of an authority for each violation. For the purpose of applying penalties under this subsection, a separate violation is deemed to have occurred with respect to each separate act of disclosure.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Confidentiality of personnel records.** The following records are confidential and not open to public inspection:

A. Except as otherwise provided in this paragraph, applications, resumes, letters and notes of reference, working papers, research materials, records, examinations and any other documents or records and the information they contain, solicited or prepared either by the applicant or the authority for use in the examination or evaluation of applicants for employment by the authority.

(1) Applications, resumes and letters and notes of reference pertaining to the applicant hired, other than those letters and notes of reference expressly submitted in confidence, are public records after the applicant is hired.

(2) Telephone numbers are not public records if they are designated as unlisted or unpublished in an application, resume or letter or note of reference; [PL 2017, c. 234, §8 (NEW).]

B. Authority records pertaining to an identifiable employee and containing the following:

(1) Medical information of any kind, including information pertaining to diagnosis or treatment of mental or emotional disorders;

(2) Performance evaluations and personal references submitted in confidence;

(3) Information pertaining to the creditworthiness of a named employee;

(4) Information pertaining to the personal history, general character or conduct of members of the employee's immediate family;

(5) Complaints, charges or accusations of misconduct, replies to those complaints, charges or accusations and any other information or materials that may result in disciplinary action. If disciplinary action is taken, the final written decision relating to that action is no longer confidential after the decision is completed if it imposes or upholds discipline. The decision

must state the conduct or other facts on the basis of which disciplinary action is being imposed and the conclusions of the acting authority as to the reasons for that action; and

(6) Personal information, including that which pertains to the employee's:

- (a) Age;
- (b) Ancestry, ethnicity, genetic information, national origin, race or skin color;
- (c) Marital status;
- (d) Mental or physical disabilities;
- (e) Personal contact information, as described in Title 1, section 402, subsection 3, paragraph O;
- (f) Personal employment choices pertaining to elected payroll deductions, deferred compensation, saving plans, pension plans, health insurance and life insurance;
- (g) Religion;
- (h) Sex, sexual orientation or gender identity; or
- (i) Social security number; and [PL 2021, c. 366, §31 (AMD).]

C. Other information to which access by the general public is prohibited by law. [PL 2017, c. 234, §8 (NEW).]

[PL 2021, c. 366, §31 (AMD).]

**6. Employee right to review.** On written request from an employee or former employee, the authority shall provide the employee, former employee or the employee's authorized representative with an opportunity to review the employee's personnel file, if the authority has a personnel file for that employee. The review must take place during normal office hours at the location where the personnel files are maintained. For the purposes of this subsection, a personnel file includes, but is not limited to, any formal or informal employee evaluations and reports relating to the employee's character, credit, work habits, compensation and benefits that the authority may possess. The records described in subsection 5, paragraph B may also be examined by the employee to whom the records relate, as provided in this subsection.

[PL 2017, c. 234, §8 (NEW).]

**7. Constitutional obligations of a prosecutor.** Notwithstanding this section or any other provision of law, subsection 5 does not preclude the disclosure of confidential personnel records and the information contained in those records to the Attorney General, a deputy attorney general, an assistant attorney general, a district attorney, a deputy district attorney, an assistant district attorney or the equivalent departments or offices in a federal jurisdiction that are related to the determination of and compliance with the constitutional obligations of the State or the United States to provide discovery to a defendant in a criminal matter. A person or entity participating in good faith disclosure under this subsection or participating in a related proceeding is immune from criminal and civil liability for the act of disclosure or for participating in the proceeding.

[PL 2017, c. 234, §8 (NEW).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1993, c. 175, §§1-4 (AMD). PL 2007, c. 562, §§1-4 (AMD). PL 2017, c. 234, §8 (AMD). PL 2019, c. 313, §§1-3 (AMD). PL 2021, c. 366, §31 (AMD).

## SUBCHAPTER 2

## ESTABLISHMENT AND ORGANIZATION

### §4721. Creation of municipal authorities

**1. Creation of housing authorities.** In each municipality there is created a public body corporate and politic to be known as the "Housing Authority" of the municipality. This authority may not transact any business or exercise its powers unless the municipal legislative body declares by resolution that there is a need for an authority to function in that municipality.

A. Any housing authority created and existing under Public Law 1943, chapter 260, shall, notwithstanding the expiration of that chapter, continue in existence for the purposes of this chapter and have the powers granted by this chapter, if the legislative body of the municipality for which the housing authority was created declares by resolution that there is a need for that housing authority to exercise the powers granted by this chapter. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Procedure.** The municipal legislative body shall consider the need for an authority on its own motion or upon the filing of a petition with the mayor of the city or the select board of the town. This petition must be signed by 25 voters of the city or town and assert that there is a need for an authority to function in the municipality and request that the municipal legislative body declare that need.

[PL 2021, c. 275, §49 (AMD).]

**3. Standard.** The municipal legislative body shall adopt a resolution declaring that there is a need for an authority in the municipality if it finds that:

A. Insanitary or unsafe inhabited dwelling accommodations or blighted areas exist in the municipality; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. There is a shortage of safe or sanitary dwelling accommodations in the municipality available to persons of low income at rentals or prices that they can afford. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Appointment of commissioners.** Upon the adoption of a resolution by the municipal legislative body, the mayor of the city or the select board of the town shall appoint the commissioners of the authority under section 4723, subsection 1.

[PL 2021, c. 275, §50 (AMD).]

**5. Meeting with municipal legislative body.** Unless the municipality and the authority agree otherwise, an authority shall meet at least annually with the legislative body of the municipality for which it is created.

[PL 2017, c. 234, §9 (NEW).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §9 (AMD). PL 2021, c. 275, §§49, 50 (AMD).

### §4722. Maine State Housing Authority established; powers, duties and restrictions

The Maine State Housing Authority is established and is a public body corporate and politic and an instrumentality of the State. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Powers and duties.** In addition to the powers granted by section 4741, the Maine State Housing Authority shall have the powers and duties to:

A. Gather information and statistics on housing and housing-related socioeconomic conditions, using existing sources and data to the fullest extent possible and request reports and obtain information from all state departments, agencies, boards, commissions, authorities and instrumentalities about their respective expenditures for housing and housing-related services and facilities, and about their respective functions and activities related to the financing, construction, leasing or regulation of housing and housing-related services and facilities; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Develop plans, finance, conduct and encourage in cooperation with other public and private national, state, regional and local agencies, research and demonstration of model housing programs, dealing with, but not limited to, planning, styles of land use, types of building design, techniques of construction, finance techniques, municipal regulations and management procedures; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Provide or coordinate technical assistance and consultation about housing and housing-related activities for or on the behalf of the municipalities, private industry, municipal housing authorities, nonprofit housing corporations, state departments, agencies, boards, commissions, authorities and instrumentalities, the Judicial Department, other organizations and individuals; administer or operate housing or housing-related programs for or on the behalf of municipalities, municipal housing authorities, nonprofit housing corporations, state departments, agencies, boards, commissions, authorities, instrumentalities and the judicial branch and in so doing comply with the programmatic, regulatory or statutory standards as required by that entity, which may take precedence over the authority's eligibility requirements; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. Prepare, publish and disseminate educational materials dealing with, but not limited to, the topics listed in paragraph B; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. Encourage and coordinate effective use of existing and new resources and available services for housing; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

F. Act as the public agency of the State for the purpose of accepting federal funds or other assistance, or funds or other assistance from any other source, in relation to housing activity and for those projects authorized under section 4741, subsection 2 and other relevant provisions of this chapter; [PL 2017, c. 234, §10 (AMD).]

G. Carry out renewal projects and all other powers and duties of an authority under chapter 203; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

H. Issue revenue bonds as provided in this chapter. The authority for the issuance of bonds in any subchapter of this chapter constitutes a complete, additional and alternative method for the issuance of bonds authorized by that subchapter. Any limitation or restriction as to the use of proceeds, total

authorized amount of obligations or interest rate, or any other limitation or restriction, applies solely to bonds issued under the subchapter in which the limitation or restriction appears; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

I. Purchase, sell, service, pledge, invest in, hold, trade, accept as collateral or otherwise deal in, acquire or transfer, on any terms and conditions that the Maine State Housing Authority specifies, any mortgage loan, any mortgage pass-through certificate, any pledge including any pledge or mortgage revenue, any mortgage participation certificate or any other mortgage-backed or mortgage-related security. In connection with the purchase or sale of a mortgage loan or of a beneficial interest or participation in a mortgage loan, the Maine State Housing Authority may enter into one or more agreements providing for the custody, control and administration of the mortgage loan. Any such agreement may provide that:

(1) The Maine State Housing Authority or a financial institution will act as trustor, trustee or custodian under the agreement; and

(2) With respect to mortgage loans governed by the agreement, title to a mortgage loan, or to a beneficial interest or participation in a mortgage loan, is deemed to have been transferred on terms and to the extent specified in that agreement and that the effect of a sale of a beneficial interest or participation in a mortgage loan is the same as a sale of a mortgage loan; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

J. Adopt bylaws for the regulation of its affairs and the conduct of its business; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

K. Perform other functions necessary or useful for carrying out any of its powers, duties or purposes; [PL 2017, c. 234, §11 (AMD).]

L. Contract with any financial institution to make mortgage loans on behalf of the Maine State Housing Authority and to make mortgage loans without contracting with a financial institution. The mortgage loans must be made under one or more mortgage loan programs governed by standards established in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375.

The Maine State Housing Authority may also make construction loans, grants, noninterest-bearing loans, deferred payment loans, unsecured loans and other similar types of loans. Any mortgage loan made under this paragraph does not pledge the faith and credit of the State. Any bonds issued by the Maine State Housing Authority to finance mortgage loans authorized by this paragraph are subject to the limitations of sections 4905 and 4907; [PL 1993, c. 175, §5 (AMD).]

M. [PL 2017, c. 234, §12 (RP).]

N. With respect to any bonds that the Maine State Housing Authority is authorized to issue in accordance with the limitations and restrictions of this chapter, covenant and consent that the interest on the bonds will be includable, under the United States Internal Revenue Code of 1986, or any subsequent corresponding internal revenue law of the United States, in the gross income of the holders of the bonds to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders under the United States Internal Revenue Code or any subsequent law. The powers conferred by this paragraph are not subject to any limitations or restrictions of any law that may limit the Maine State Housing Authority's power to so covenant and consent.

(1) Notwithstanding any other provision of this chapter, proceeds of bonds issued under this subsection may be used for persons other than persons of low income.

- (2) The income on any bonds issued by the Maine State Housing Authority must be included in gross income under the Maine Income Tax Law if the income on those bonds is includable in the gross income of the holders of the bonds under the United States Internal Revenue Code of 1986, or any subsequent corresponding revenue law of the United States; [PL 2017, c. 288, Pt. B, §4 (AMD).]
- O. Issue or cause to be issued certificates or other instruments evidencing the holder's fractional undivided interest in a pool of mortgage loans. Whether or not the certificates or instruments are of such form or character as to be negotiable instruments under Title 11, article 8-A, the certificates or instruments are deemed negotiable instruments within the meaning of and for all the purposes of Title 11, article 8-A, subject only to any registration requirements that the Maine State Housing Authority may establish; [PL 2017, c. 234, §13 (AMD).]
- P. In accordance with the limitations and restrictions of this chapter, cause any of its powers or duties to be carried out by one or more nonprofit corporations organized and operated under Title 13-B; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
- Q. Modify or waive the requirements of section 4902, subsections 1 and 2, and section 4903; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
- R. Guarantee or ensure the timely payment in whole or part of principal on, premium on or interest of any bond or of any instrument or security identified in paragraph I or O; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]
- S. Purchase, sell, service, pledge, invest in, hold, trade, accept as collateral, administer or otherwise deal in, acquire or transfer, contract for benefits to recipients on behalf of the Federal Government or otherwise and do those things necessary to issue or cause to be issued federal mortgage credit certificates as authorized and created by the Federal Tax Reform Act of 1984, Public Law 98-369, Section 612(a); [PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD); PL 1989, c. 581, §7 (AMD).]
- T. Approve or disapprove, in accordance with rules adopted under the Maine Administrative Procedure Act, Title 5, chapter 375, a project that is multi-family or single-family residential property, when authorized or required by Title 10, chapter 110, subchapter IV; [PL 1991, c. 528, Pt. E, §35 (AMD); PL 1991, c. 528, Pt. RRR (AFF); PL 1991, c. 591, Pt. E, §35 (AMD).]
- U. Consult with the Statewide Homeless Council, established pursuant to Title 30-A, section 5046, with respect to the implementation of housing programs to make the best use of resources and make the greatest impact on the affordable housing crisis; [PL 2005, c. 380, Pt. B, §3 (AMD).]
- V. Administer energy conservation programs; [PL 1991, c. 9, Pt. I, §7 (NEW); PL 1991, c. 9, Pt. I, §8 (AFF).]
- W. Pursuant to the purpose of the Act to provide housing assistance to persons of low income and in accordance with rules adopted under the Maine Administrative Procedure Act, operate programs to provide energy conservation and fuel assistance on behalf of persons of low income in connection with single-family or multi-unit residential housing and accept, obtain, distribute and administer federal and state funds, including block grants, for energy conservation and fuel assistance for the purpose of operating those programs; [PL 2017, c. 234, §14 (AMD).]
- X. Advise the Governor and other officials of State Government on matters relating to energy conservation; [PL 2005, c. 261, §1 (AMD).]
- Y. [PL 2017, c. 234, §15 (RP).]

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; [PL 2007, c. 326, §1 (AMD).]

Z-1. Condition approval of funding of a housing project upon an applicant's compliance with standards and requirements under section 4726; [PL 2021, c. 718, §1 (NEW).]

AA. Certify transfers of multifamily affordable housing property that qualify for the deduction under, Title 36, section 5122, subsection 2, paragraph Z 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 affordability restrictions and for which those affordability restrictions, as applicable, expire in 10 years or less from the date of the sale or transfer of the property:

- (a) At least 20% of the units have restricted rents affordable to households earning no more than 80% of the area median income as determined by the United States Department of Housing and Urban Development;
- (b) The property is assisted by the United States Department of Housing and Urban Development, the United States Department of Agriculture or the Maine State Housing Authority; or
- (c) The property qualifies for low-income housing credits under the United States Internal Revenue Code of 1986, Section 42.

(2) For the purposes of this paragraph, property does not qualify as multifamily affordable housing property unless:

- (a) The transferee agrees to maintain the property as multifamily affordable housing property for an additional 30 years from the scheduled expiration;
- (b) If the existing federal, state or other assistance is not available to maintain the property as multifamily affordable housing property, the transferee agrees to ensure that 1/2 of the units are affordable to persons at 60% of the area median income as determined by the United States Department of Housing and Urban Development for 30 years from the expiration of the then-existing affordability restrictions; or
- (c) The transferee agrees to an alternative affordability agreement approved by the Maine State Housing Authority; [PL 2007, c. 645, §1 (AMD).]

BB. Make a loan, or contract with a financial institution to make a loan on behalf of the Maine State Housing Authority, to pay off an existing loan or to pay amounts past due on an existing loan on an owner-occupied single-family residence to assist a homeowner who is in default of the existing loan or in danger of losing the residence through foreclosure. Prior to receiving a loan under this paragraph, a homeowner must receive counseling with a 3rd-party, nonprofit organization approved by the United States Department of Housing and Urban Development, a housing financing agency of this State or the regulatory agency that has jurisdiction over the creditor; [PL 2009, c. 361, §2 (AMD); PL 2009, c. 361, §37 (AFF).]



CC. Encourage and provide incentives to individuals and entities that conserve energy; support and participate, with resources derived from sources except the conservation program fund under Title 35-A, section 10110, subsection 7, in markets that reward energy conservation and use the proceeds from this participation to support affordable housing programs under its jurisdiction; and create and administer programs that encourage individuals and entities to conserve energy; [PL 2017, c. 234, §16 (AMD).]

DD. Certify affordable housing projects for the purpose of the income tax credit increase under Title 36, section 5219-BB, subsection 3; administer and enforce the affordability requirements set forth in this paragraph; and perform other functions described in this paragraph and necessary to the powers and duties described in this paragraph.

(1) For purposes of this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Affordable housing" means a decent, safe and sanitary dwelling, apartment or other living accommodation for a household whose income does not exceed 60% of the median income for the area as defined by the United States Department of Housing and Urban Development under the United States Housing Act of 1937, Public Law 75-412, 50 Stat. 888, Section 8, as amended.

(b) "Affordable housing project" means a project in which:

(i) At least 50% of the aggregate square feet of the completed project is housing of which at least 50% of the aggregate square feet of the completed housing creates new affordable housing; or

(ii) At least 33% of the aggregate square feet of the completed project creates new affordable housing.

(2) An affordable housing project for which the owner of the property received the income tax credit increase under Title 36, section 5219-BB, subsection 3 must remain an affordable housing project for 30 years from the date the affordable housing project is placed in service. If the property does not remain an affordable housing project for 30 years from the date the affordable housing project is placed in service, the owner of the property shall pay to the Maine State Housing Authority for application to the Housing Opportunities for Maine Fund established under section 4853 an amount equal to the income tax credit increase allowed under Title 36, section 5219-BB, subsection 3, plus interest on that amount at the rate of 7% per annum from the date the property is placed in service until the date of payment of all amounts due. The affordability requirements and the repayment obligation in this subparagraph must be set forth in a restrictive covenant executed by the owner of the property and the affordable housing project for the benefit of and enforceable by the Maine State Housing Authority and recorded in the appropriate registry of deeds before the owner of the property claims the income tax credit increase under Title 36, section 5219-BB, subsection 3.

(3) If the repayment obligation in subparagraph (2) is not fully satisfied after written notice is sent by certified mail or registered mail to the owner of the property at the owner's last known address, the Maine State Housing Authority may file a notice of lien in the registry of deeds of the county in which the real property subject to the lien is located. The notice of lien must specify the amount and interest due, the name and last known address of the owner, a description of the property subject to the lien and the Maine State Housing Authority's address and the name and address of its attorney, if any. The Maine State Housing Authority shall send a copy of the notice of lien filed in the registry by certified mail or registered mail to the owner of the property at the owner's last known address and to any person who has a security interest, mortgage, lien, encumbrance or other interest in the property that is properly recorded in the registry of deeds in which the property is located. The lien arises and becomes perfected at the

time the notice is filed in the appropriate registry of deeds in accordance with this subparagraph. The lien constitutes a lien on all property with respect to which the owner receives the income tax credit increase under Title 36, section 5219-BB, subsection 3 and the proceeds of any disposition of the property that occurs after notice to the owner of the repayment obligation. The lien is prior to any mortgage and security interest, lien, restrictive covenant or other encumbrance recorded, filed or otherwise perfected after the notice of lien is filed in the appropriate registry of deeds. The lien may be enforced by a turnover or sale order in accordance with Title 14, section 3131 or any other manner in which a judgment lien may be enforced under the law. The lien must be in the amount of the income tax credit increase allowed under Title 36, section 5219-BB, subsection 3, plus interest on that amount at the rate of 7% per annum from the date the property is placed in service until the date of payment of all amounts due. Upon receipt of payment of all amounts due under the lien, the Maine State Housing Authority shall execute a discharge lien for filing in the registry or offices in which the notice of lien was filed.

(4) Annually by every August 1st until and including August 1, 2030, the Maine State Housing Authority shall review the report issued pursuant to Title 27, section 511, subsection 5, paragraph A to determine the percentage of the total aggregate square feet of completed projects that constitutes new affordable housing, rehabilitated and developed using:

- (a) Either of the income tax credits under Title 36, section 5219-BB, subsection 2; and
- (b) The income tax credit increase under Title 36, section 5219-BB, subsection 3.

If the total aggregate square feet of new affordable housing does not equal or exceed 30% of the total aggregate square feet of rehabilitated and developed completed projects eligible for a credit under Title 36, section 5219-BB, the Maine State Housing Authority and Maine Historic Preservation Commission shall notify the State Tax Assessor of this fact; [PL 2021, c. 671, §1 (AMD).]

EE. Refinance a single-family mortgage loan held by the Maine State Housing Authority for a homeowner whose income at the time of refinancing is no greater than the income limits for qualified first-time homebuyers established under 26 United States Code, Section 143, or an existing loan on any owner-occupied single-family residence for purposes of lowering mortgage payments or making home improvements for persons of low income; [PL 2019, c. 555, §1 (AMD).]

FF. Provide grants to eligible homeowners who are served by private well water that shows evidence of high levels of arsenic contamination. For purposes of this paragraph, "homeowner" includes an individual who occupies a single-family dwelling that is located on land that is owned by a member of that individual's immediate family and "immediate family" means a spouse, parent, child, sibling, stepchild, stepparent and grandparent; [PL 2021, c. 322, §1 (AMD).]

GG. In accordance with the credit for affordable housing established in Title 36, section 5219-WW and in accordance with rules adopted under the Maine Administrative Procedure Act:

- (1) Allocate the credit;
- (2) Administer and enforce the requirements of the credit; and
- (3) Perform other functions and duties necessary for the proper administration of the credit, including providing any necessary certifications and notices to taxpayers and to the Department of Administrative and Financial Services, Bureau of Revenue Services containing information required by the State Tax Assessor necessary for determining eligibility and the amount of the credit for each taxable year; and

Rules adopted under this paragraph are routine technical rules. [PL 2021, c. 322, §2 (AMD).]

HH. Provide the joint standing committee of the Legislature having jurisdiction over housing matters copies of any reports required to be submitted to the United States Department of the Treasury or the Governor regarding the administration of the emergency rental assistance programs established by Section 501 of Division N of the federal Consolidated Appropriations Act, 2021 and Section 3201(a) of the federal American Rescue Plan Act of 2021. Copies of any reports required to be submitted to the United States Department of the Treasury or the Governor must be submitted to the joint standing committee of the Legislature having jurisdiction over housing matters no later than 7 days after the reports are submitted to the United States Department of the Treasury or the Governor. If no such reports are required to be submitted to the United States Department of the Treasury or the Governor, the Maine State Housing Authority shall submit, beginning January 15, 2022 and annually thereafter, to the joint standing committee of the Legislature having jurisdiction over housing matters a report on any rental assistance distributed by the Maine State Housing Authority. [PL 2021, c. 322, §3 (NEW).]

[PL 2021, c. 671, §1 (AMD); PL 2021, c. 718, §1 (AMD).]

**2. Restrictions.** Notwithstanding any other provision of this chapter, the Maine State Housing Authority may not provide funds for, finance, purchase the mortgage on or otherwise assist in the construction or management of:

A. Any housing owned, sponsored or assisted by an institution of higher education in the State; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Any housing, the mortgage on which is insured by any federal or state program of mortgage insurance, the primary purpose of which is to assist student housing; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Any nursing home or related institution licensed or subject to license by the Department of Health and Human Services under Title 22, section 1817, except intermediate care facilities for persons with intellectual disabilities and persons with related conditions or the construction, substantial rehabilitation or improvement of homeless shelter facilities that may be related to an institution licensed or subject to license by the Department of Health and Human Services under Title 22, section 1817. [PL 2011, c. 542, Pt. A, §55 (AMD).]

[PL 2011, c. 542, Pt. A, §55 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 48, §§2,31 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1989, c. 581, §§7,8 (AMD). PL 1991, c. 9, §17 (AMD). PL 1991, c. 9, §18 (AFF). PL 1991, c. 511, §B1 (AMD). PL 1991, c. 528, §§E35,36 (AMD). PL 1991, c. 528, §RRR (AFF). PL 1991, c. 591, §§E35,36 (AMD). PL 1991, c. 610, §2 (AMD). PL 1991, c. 622, §J20 (AMD). PL 1991, c. 622, §J25 (AFF). PL 1991, c. 780, §TT1 (AMD). PL 1993, c. 175, §5 (AMD). PL 1993, c. 359, §B2 (AMD). PL 2003, c. 689, §B6 (REV). PL 2003, c. 704, §§4-6 (AMD). PL 2005, c. 261, §§1-3 (AMD). PL 2005, c. 380, §B3 (AMD). PL 2005, c. 644, §§1-3 (AMD). PL 2007, c. 240, Pt. RRRR, §4 (AMD). PL 2007, c. 326, §§1-3 (AMD). PL 2007, c. 466, Pt. A, §50 (AMD). PL 2007, c. 562, §5 (AMD). PL 2007, c. 645, §§1-3 (AMD). RR 2009, c. 2, §85 (COR). PL 2009, c. 361, §§2-4 (AMD). PL 2009, c. 361, §37 (AFF). PL 2011, c. 453, §2 (AMD). PL 2011, c. 542, Pt. A, §55 (AMD). PL 2011, c. 679, §29 (AMD). RR 2017, c. 1, §24 (COR). PL 2017, c. 234, §§10-18 (AMD). PL 2017, c. 288, Pt. B, §4 (AMD). PL 2019, c. 555, §§1-3 (AMD). PL 2019, c. 659, Pt. J, §1 (AMD). PL 2021, c. 322, §§1-3 (AMD). PL 2021, c. 671, §1 (AMD). PL 2021, c. 718, §1 (AMD).

### §4723. Appointment, qualifications, tenure and meetings of commissioners and directors

**1. Municipality.** The following provisions apply to municipal housing authorities.

A. Each authority shall appoint 7 commissioners. No commissioner may be appointed until the authority is authorized to function as provided in section 4721. In the case of a city having a mayor-council form of government, the mayor shall appoint the commissioners with the advice and consent of the council. In the case of a city having a manager-council form of government, the council shall appoint the commissioners. In the case of a town, the municipal officers shall appoint the commissioners.

Any person who resides within the authority's boundaries or area, and who is otherwise eligible for appointment under this chapter, may be appointed as a commissioner of the authority. This section does not prevent a commissioner from concurrently serving as a commissioner on a renewal authority established by any city with a population of 20,000 or more.

The commissioners who are initially appointed under this section serve for terms of one, 2, 3, 4 and 5 years, respectively, from the date of their appointment. Thereafter, the commissioners are appointed for terms of 5 years, except that all vacancies must be filled for the unexpired terms. All subsequent appointments and appointments to fill a vacancy must be made as provided in this subsection.

(1) In a municipality with housing that is subsidized or assisted by programs of the United States Department of Housing and Urban Development, at least 2 of the commissioners must be residents of that housing. When tenant associations exist in the housing, the appointing authority shall give priority consideration to nominations made by the associations. The first commissioner appointed to an authority, who is a resident of subsidized or assisted housing, serves for a 4-year term from the date of appointment. Thereafter, the commissioner must be appointed as provided in this subsection.

(2) A certificate of the appointment or reappointment of any commissioner must be filed with the authority. This certificate is conclusive evidence of the due and proper appointment of the commissioner. [PL 1993, c. 218, §1 (AMD).]

B. A commissioner shall receive no compensation for services but is entitled to any necessary expenses, including travel expenses, incurred in the discharge of duties. Each commissioner shall hold office until a successor has been appointed and has qualified. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Each authority shall elect a chair and vice-chair from among the commissioners. An authority may employ a secretary, who is executive director, and technical experts and any other officers, agents and employees that it requires and shall determine their qualifications, duties and compensation. An authority may employ its own counsel and legal staff. It may delegate to its agents or employees any powers or duties that it considers proper. [PL 2011, c. 560, §1 (AMD).]

D. The powers of an authority are vested in its commissioners. Meetings of the commissioners may be held anywhere within the area of operation of the authority or within any additional area where the authority is authorized to undertake a project. Four commissioners constitute a quorum of an authority for the purpose of conducting its business, exercising its powers and for all other purposes, notwithstanding the existence of any vacancies. The authority may take action upon the vote of a majority of the commissioners present, unless its bylaws require a larger number. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 2011, c. 560, §1 (AMD).]

**2. State.** The following provisions apply to the state housing authority.

A. [PL 1993, c. 359, Pt. D, §2 (RP).]

B. The Maine State Housing Authority, as authorized by Title 5, chapter 379, must have 10 commissioners, 8 of whom must be appointed by the Governor, subject to review by the joint standing committee of the Legislature having jurisdiction over housing matters and to confirmation by the Legislature. The 9th commissioner is the Treasurer of State, who serves as an ex officio voting member. The Treasurer of State may designate the Deputy Treasurer of State to serve in place of the Treasurer of State. The 10th commissioner is the director of the Maine State Housing Authority, who serves as an ex officio nonvoting member. The Governor, in making appointments or reappointments to fill vacancies for commissioners under this paragraph, shall ensure that commissioners of the Maine State Housing Authority meet the requirements outlined in paragraph B-1. The powers of the Maine State Housing Authority are vested in the commissioners. The commissioners may delegate such powers and duties to the director of the Maine State Housing Authority as they determine appropriate.

The Governor shall appoint the chair of the commissioners from among the 8 gubernatorial appointments. The chair serves as a nonvoting member, except that the chair may vote only when the chair's vote will affect the result. The commissioners shall elect a vice-chair of the commissioners from among their number.

Following reasonable notice to each commissioner, 5 commissioners of the Maine State Housing Authority constitute a quorum for the purpose of conducting its business, exercising its powers and for all other purposes, notwithstanding the existence of any vacancies. Action may be taken by the commissioners upon a vote of a majority of the commissioners present, unless otherwise specified in law or required by the Maine State Housing Authority's bylaws.

The Maine State Housing Authority may meet by telephonic, video, electronic or other similar means of communication with less than a quorum assembled physically at the location of a public proceeding identified in the notice required by Title 1, section 406 only if:

- (1) Each commissioner can hear all other commissioners, speak to all other commissioners and, to the extent reasonably practicable, see all other commissioners by videoconferencing or other similar means of communication during the public proceeding, and members of the public attending the public proceeding at the location identified in the notice required by Title 1, section 406 are able to hear and, to the extent reasonably practicable, see all commissioners participating from other locations by videoconferencing or other similar means of communication;
- (2) Each commissioner who is not physically present at the location of the public proceeding and who is participating through telephonic, video, electronic or other similar means of communication identifies all persons present at the location from which the commissioner is participating;
- (3) A commissioner who participates while not physically present at the location of the public proceeding identified in the notice required by Title 1, section 406 does so only when the commissioner's attendance is not reasonably practical. The reason that the commissioner's attendance is not reasonably practical must be stated in the minutes of the meeting; and
- (4) Each commissioner who is not physically present at the location of the public proceeding and who is participating through telephonic, video, electronic or other similar means of communication has received prior to the public proceeding all documents and materials discussed at the public proceeding, with substantially the same content as those presented at the public proceeding. Documents or other materials made available at the public proceeding may be transmitted to the commissioner not physically present during the public proceeding if the transmission technology is available. Failure to comply with this subparagraph does not invalidate an action taken by the Maine State Housing Authority at the public proceeding. [PL 2021, c. 657, §13 (AMD).]

B-1. The Governor, in making appointments or reappointments to fill vacancies for commissioners under paragraph B, shall ensure that commissioners of the Maine State Housing Authority include the following:

- (1) A commissioner who represents tenants, who is an advocate for tenants' rights or who resides in housing subsidized by the United States Department of Housing and Urban Development or the Maine State Housing Authority;
- (2) A commissioner who has knowledge and expertise in civil rights or in affirmatively advancing fair housing policy;
- (3) A commissioner who represents residents with disabilities or aging residents;
- (4) A commissioner with expertise in energy efficiency issues regarding residential structures; and
- (5) Four members who have:
  - (a) Experience or expertise in any of the following: housing development and rehabilitation; supporting unhoused populations; improving labor standards; economic and community development; transportation; municipal land use planning; the building trades; the real estate market; or banking and finance; and
  - (b) An interest in and commitment to increasing the availability and affordability of housing opportunities for the people of the State.

The Governor shall make a good faith effort to ensure that, to the extent possible, the commissioners of the Maine State Housing Authority closely reflect the geographic, gender and racial diversity of the State. [PL 2021, c. 657, §14 (NEW).]

C. The Maine State Housing Authority must have a director, who must be a person qualified by training and experience to perform the duties of the office. The Governor shall appoint the director of the Maine State Housing Authority, subject to review by the joint standing committee of the Legislature having jurisdiction over housing matters and to confirmation by the Legislature.

- (1) The director is the chief administrative officer of the Maine State Housing Authority. The commissioners shall establish the rate and amount of compensation of the director. The commissioners are responsible for the performance review and termination of the director. Any decision to terminate the director must be made by an affirmative vote of at least 5 commissioners.
- (3) The director of the Maine State Housing Authority shall supervise the administrative affairs and technical activities of the Maine State Housing Authority in accordance with the rules and policies established by the commissioners. The director of the Maine State Housing Authority may act in all personnel matters and may employ technical or legal experts and any other officers, agents and employees that the director requires, and shall determine their qualifications, duties and compensation. The director may delegate to the employees and agents any powers and duties that the director considers proper. [PL 2021, c. 657, §15 (AMD).]

D. Any person who, at the time of appointment, is a resident of the State, may serve as a commissioner, except that the director need not be a resident of the State before being appointed.

- (1) Each commissioner, except for the director and the Treasurer of State, serves a 4-year term beginning with the expiration of the term of that person's predecessor, except that a vacancy occurring in a position before the normal expiration of the appointment must be filled as soon as practicable by a new gubernatorial appointee who serves for the remainder of the unexpired term. Each commissioner continues to hold office after the term expires until a successor is

appointed. In any instance in which more than one commissioner is serving beyond the original term, any new appointee is deemed to succeed the commissioner whose term expired first.

(2) The Secretary of State shall prepare a certificate evidencing the appointment of each commissioner. An original of this certificate must be provided to the appointee. One authenticated copy must be retained by the Maine State Housing Authority and one by the Secretary of State. An authenticated certificate of appointment is conclusive evidence of the appointment. [PL 1993, c. 359, Pt. D, §3 (AMD).]

E. The director is a full-time employee of the authority, but may receive fees or honoraria for services provided to others not in conflict with full-time duties and not performed during time for which the director is receiving compensation from the Maine State Housing Authority. In addition to any authorized compensation, the director is entitled to any employee benefits that are available to other employees of the Maine State Housing Authority, including, but not limited to, authority contributions to any retirement plan, insurance plan, deferred compensation plan or other similar benefits. Each commissioner is entitled to compensation according to the provisions of Title 5, chapter 379, except notwithstanding Title 5, section 12003-A, subsection 4, authorized expenses incurred by a state employee, or designee of that state employee, serving in an ex officio capacity as a commissioner must be paid from the budget of the authority. [PL 2011, c. 560, §1 (AMD).] [PL 2021, c. 657, §§13-15 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1991, c. 574, §2 (AMD). PL 1993, c. 218, §1 (AMD). PL 1993, c. 359, §§D2,3 (AMD). PL 2007, c. 101, §1 (AMD). PL 2011, c. 560, §1 (AMD). PL 2015, c. 449, §3 (AMD). PL 2021, c. 657, §§13-15 (AMD).

#### §4724. Conflict of interest

The provisions of this section are in addition to the limitations of Title 5, section 18. Any violation of this section is a Class E crime. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Present employee or commissioner; participation in decision.** No employee or commissioner of the Maine State Housing Authority may participate in any decision on any contract or project entered into by the Maine State Housing Authority if that employee or commissioner has any interest, direct or indirect, in any firm, corporation, partnership, or association which may be party to the contract or financially interested in any such project.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Acquisition of interest in project; accepting employment.** During tenure and within one year of service, no employee or commissioner of any authority may voluntarily acquire any interest, direct or indirect, in any contract, project or property included or planned to be included in any project of that housing authority over which the employee or commissioner has exercised responsibility, control or decisions during tenure with the authority, and no employee or commissioner of any authority, if employment is accepted with any person who has an interest in any contract, property or project included or planned to be included in any project of that authority, may work directly on that contract, project or property for that person if the employee or commissioner has exercised responsibility, control or decisions over that contract, project or property.

A. This subsection does not prohibit a manufactured housing inspector employed by the Maine State Housing Authority from accepting employment by a person to work on manufactured housing

that is manufactured after the date employment with the Maine State Housing Authority has terminated. [PL 2017, c. 234, §19 (AMD).]  
[PL 2017, c. 234, §19 (AMD).]

**3. Limitation on application of section.** This section does not apply to:

A. The acquisition of any interest in notes or bonds of the Maine State Housing Authority issued in connection with any project or otherwise; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The execution of agreements by banking institutions for the deposit or handling of funds in connection with any project or to act as trustees under any trust indenture; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Utility services, the rates for which are fixed or controlled by a governmental agency. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**SECTION HISTORY**

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1991, c. 476 (AMD). PL 2017, c. 234, §19 (AMD).

**§4725. Removal of commissioners**

A commissioner may be removed from office for inefficiency, neglect of duty or misconduct in office after hearing by the legislative body of a city, the select board of a town, or, in the case of the Maine State Housing Authority, the Governor. The commissioner must be given a copy of the charges at least 10 days before the hearing and must be given an opportunity to be heard in person or to be represented by counsel. If a commissioner is removed, a record of the proceedings, together with the charges and the findings on the charges, must be filed in the office of the clerk or, in the case of the Maine State Housing Authority, in the office of the Secretary of State. This section does not apply to the director of the Maine State Housing Authority, who may be removed by the commissioners pursuant to section 4723, subsection 2, paragraph C. [PL 2021, c. 275, §51 (AMD).]

**SECTION HISTORY**

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2011, c. 560, §2 (AMD). PL 2021, c. 275, §51 (AMD).

**§4726. Housing design standards and sustainability requirements**

**1. Housing design standards.** The Maine State Housing Authority shall require that construction projects funded by the Maine State Housing Authority meet the standards of at least one of the following:

A. A set of design principles used to attain a quantifiable and rigorous level of energy efficiency within a specific quantifiable comfort level, as determined by a national passive house institute or an international passive house association; [PL 2021, c. 718, §2 (NEW).]

B. A 3rd-party green building certification program that is a globally recognized standard for the design, construction and operation of high-performance green buildings and neighborhoods, as established by a national green building council; [PL 2021, c. 718, §2 (NEW).]

C. A living building program with site, water, energy, health, materials, equity and beauty standards as established by an international institute; or [PL 2021, c. 718, §2 (NEW).]



D. A 3rd-party-recognized certification or state program that is substantially similar to a certification system under paragraph A, B or C and that is approved by the Maine State Housing Authority. [PL 2021, c. 718, §2 (NEW).]

[PL 2021, c. 718, §2 (NEW).]

**2. Sustainability requirements.** The Maine State Housing Authority shall require that construction projects funded by the Maine State Housing Authority:

A. Use all-electric equipment and systems or other non-fossil fuel systems for heating, domestic hot water, cooking and cooling needs. Backup and secondary systems may use other fuels, including fossil fuels; [PL 2021, c. 718, §2 (NEW).]

B. Provide infrastructure for the installation of electric vehicle charging stations for resident parking facilities or provide for electric vehicle charging; or [PL 2021, c. 718, §2 (NEW).]

C. Provide infrastructure for the installation of solar photovoltaic systems and energy storage where appropriate, including providing for sufficient interior space to allow for solar photovoltaic inverters and energy storage. [PL 2021, c. 718, §2 (NEW).]

The Maine State Housing Authority may provide for a limited waiver to the requirements of this subsection for specific and extenuating circumstances where local conditions limit the ability of the construction project to comply with the requirements of this subsection.

[PL 2021, c. 718, §2 (NEW).]

**3. Rulemaking.** The Maine State Housing Authority shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[PL 2021, c. 718, §2 (NEW).]

#### SECTION HISTORY

PL 2021, c. 718, §2 (NEW).

### SUBCHAPTER 3

#### POWERS AND DUTIES

##### §4741. Powers generally

An authority constitutes a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary to carry out and effectuate the purposes and provisions of this chapter, but not the power to levy and collect taxes or special assessments, including the following powers in addition to others granted: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. General.** To sue; to be sued on its written contracts or in accordance with the Maine Tort Claims Act, the Maine Administrative Procedure Act, Title 5, chapter 375, in the case of the Maine State Housing Authority, the Maine Rules of Civil Procedure, Rule 80B, or any successor rule of the Maine Rules of Civil Procedure in the case of a municipal authority or Title 1, section 409; to have a seal and alter it at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the authority's powers; and to make and from time to time amend and repeal bylaws, rules and regulations not inconsistent with this chapter, to carry into effect the powers and purposes of the authority;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Housing projects.** Within its area of operation: To prepare, carry out, acquire, lease, manage, maintain or operate housing projects and to provide for the construction, reconstruction, improvement, extension, alteration or repair of any housing project or any part of a housing project. An authority may perform any of these listed functions singly or in combination with other functions with respect to any individual housing project, and may perform these functions full-time, part-time or in combination with other private persons, corporations or government agencies or other appropriate body; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Housing needs.** To undertake and carry out studies and analyses of the housing needs within its area of operation and of the meeting of those needs, including data with respect to population and family groups, and the distribution thereof according to income groups, the amount and quality of available housing and its distribution according to rentals and sales prices, employment, wages and other factors affecting the local housing needs and the meeting of those needs, and to make the results of these studies and analyses available to the public and the building, housing and supply industries; and to engage in research and disseminate information on housing; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Contract for services, other uses; wages and hours of labor.** To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works or facilities for, or in connection with, a housing project or the occupants of a housing project; and, notwithstanding anything to the contrary in this chapter or in any other provision of law, to agree to any conditions attached to federal financial assistance relating to the determination of prevailing salaries or wages or payment of not less than prevailing salaries or wages or compliance with labor standards, in the development or administration of projects, and to include in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum salaries or wages and maximum hours of labor, and comply with any conditions which the Federal Government has attached to its financial aid of the project; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Leasing or renting; eminent domain; insurance.** To lease or rent any dwellings, accommodations, lands, buildings, structures or facilities embraced in any housing project and, subject to the limitations contained in this chapter, to establish and revise the rents or charges for those rentals; to own, hold and improve real or personal property; to purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise or otherwise any real or personal property or any interest in real or personal property; to acquire, by the exercise of the power of eminent domain, any real property; to sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest in real or personal property; to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards; to procure or agree to the procurement of government insurance or guarantees of the payment of any bonds or parts of any bonds issued by an authority, including the power to pay premiums on any such insurance; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**6. Investment of funds.** To invest any funds held in reserves of sinking funds or any funds not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control, including, without limitation, shares of an investment company registered under the federal Investment Company Act of 1940, whose shares are registered under the United States Securities Act of 1933, only if the investments of the investment company are limited to obligations of the United States or any agency or instrumentality, corporate or otherwise, of the United States or repurchase agreements secured by obligations of the United States or any agency or instrumentality,

corporate or otherwise, of the United States; to redeem its bonds at the redemption price established for the bonds or to purchase its bonds at less than that redemption price, all bonds so redeemed or purchased to be canceled;

[PL 1993, c. 651, §4 (AMD).]

**7. Slum clearance.** Within its area of operation: To determine where slum areas exist or where there is a shortage of safe and sanitary dwelling accommodations for persons of low income; to make studies and recommendations relating to the problem of clearing, replanning and reconstructing of slum areas and the problem of providing dwelling accommodations for persons of low income; and to cooperate with the municipality, the county, the State or any political subdivision of the State in action taken in connection with such problems;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**8. Investigations and examinations.** Acting through one or more commissioners or other persons designated by the authority: To conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to administer oaths, issue subpoenas requiring the attendance of witnesses or the production of books and papers and to issue commissions for the examination of witnesses who are outside of the State or unable to attend before the authority or excused from attendance; to make available to appropriate agencies, including those charged with the duty of abating or requiring the correction of nuisances or similar conditions or of demolishing unsafe or insanitary structures within its area of operation, its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety or welfare;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**9. Powers granted.** To exercise all or any part or combination of powers granted;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**10. Coordination with municipal officers.** The commissioners of a municipal authority or the director of the Maine State Housing Authority shall provide the municipal officers an opportunity to review and discuss proposed development projects prior to submitting the plans to the appropriate municipal officer or agency;

[PL 2017, c. 234, §20 (AMD).]

**11. Mortgage credits.** The Maine State Housing Authority may acquire from banks, life insurance companies, savings and loan associations, pension or retirement funds, any fiduciaries, the Federal Government and other financial institutions, persons or governmental or business entities mortgage loans and notes anywhere in the State and may sell mortgages and notes to insurance companies, other financial institutions, persons or governmental or business entities and the Federal Government or any fiduciaries or pension or retirement funds;

[PL 2017, c. 234, §20 (AMD).]

**12. Mortgage assistance payments.** Pursuant to the purposes of this Act to provide housing for persons of low income, the Maine State Housing Authority may make payments and binding commitments, subject to the authority's receipt of sufficient funds to honor these commitments from periodic appropriations from appropriate sources, to continue these payments if necessary over the life of the mortgage to mortgagors or to mortgagees on behalf of low-income persons to reduce interest costs on market rate mortgages to as low as 1%.

A. No commitment made by the authority under this subsection may be construed to commit the faith and credit of this State. [RR 2015, c. 2, §19 (COR).]

B. Persons benefiting from these mortgage assistance payments shall, according to guidelines to be included in the mortgage agreements, be required to pay a larger interest payment as their ability to pay increases; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).] [RR 2015, c. 2, §19 (COR).]

**13. Allocation of federal ceilings.** By rulemaking under Title 5, chapter 375, subchapter II, the Maine State Housing Authority may establish a process that is different from the federal formula for allocating that portion of the ceiling on the issuance of certain tax-exempt bonds established by the United States Code, Title 26, which has been allocated to the Maine State Housing Authority under Title 10, section 363, and may also limit the types of projects that are eligible to receive allocations or carryforward designations from the Maine State Housing Authority; [PL 1991, c. 622, Pt. J, §21 (AMD); PL 1991, c. 622, Pt. J, §25 (AFF).]

**14. State housing credit agency.** The Maine State Housing Authority is designated the housing credit agency for the State and may receive and allocate, according to a process established by rulemaking pursuant to Title 5, chapter 375, subchapter II, the annual state housing credit ceiling for the low-income housing credit established by the United States Code, Title 26; [PL 1991, c. 629, §1 (AMD).]

**15. State weatherization, conservation and fuel assistance agency.** The Maine State Housing Authority is designated the weatherization, energy conservation and fuel assistance agency for the State and, in accordance with Title 35-A, section 10104, subsection 8, may apply for, receive, distribute and administer federal funds on behalf of the State for weatherization, energy conservation and fuel assistance pursuant to the Weatherization Assistance for Low-income Persons Program administered through the United States Department of Energy and the Low-income Home Energy Assistance Program administered through the United States Department of Health and Human Services in accordance with rules adopted under the Maine Administrative Procedure Act; [PL 2009, c. 372, Pt. B, §2 (AMD).]

**16. Certification of bonds.** The director of the Maine State Housing Authority is the State's designee to certify to the United States Secretary of the Treasury that housing-related bonds issued in the State satisfy the applicable ceiling requirements of the federal Internal Revenue Code; [PL 1993, c. 175, §6 (AMD).]

**17. Comprehensive housing affordability strategy coordinator.** The Maine State Housing Authority is designated the comprehensive housing affordability strategy coordinator for the State and has the power to prepare and submit on behalf of the State the annual comprehensive housing affordability strategy called for in the Cranston-Gonzalez National Affordable Housing Act, Public Law 101-625, as amended, and to undertake all monitoring and certification procedures required under that law. The Maine State Housing Authority shall represent the State in carrying out the HOME Investment Partnerships Program created by the Cranston-Gonzalez National Affordable Housing Act, as amended; [PL 2017, c. 234, §21 (AMD).]

**18. State designee for homeless programs.** The Maine State Housing Authority is designated the coordinating agency for the State for programs dealing with homeless persons and may apply for, receive, distribute and administer federal, state and other funds on behalf of the State for homeless programs including, without limitation, the Emergency Community Services Homeless Grant Program and the programs authorized pursuant to the federal Stewart B. McKinney Homeless Assistance Act, Public Law 100-77, (1987), as amended; [PL 2021, c. 270, §1 (AMD).]

**19. State designee for National Housing Trust Fund.** The Maine State Housing Authority is designated as the entity to receive and allocate funds from the National Housing Trust Fund established by the federal Housing and Economic Recovery Act of 2008; and [PL 2021, c. 270, §2 (AMD).]

**20. Affirmatively further fair housing.** The Maine State Housing Authority shall, to the extent consistent with federal law, ensure that any Maine State Housing Authority funding or any state or local funding is used in a manner that will affirmatively further fair housing in this State. For the purposes of this subsection, "affirmatively further fair housing" means to engage actively in efforts to address barriers to and create opportunities for full and equal access to housing without discrimination on the basis of race, color, sex, sexual orientation or gender identity, physical or mental disability, religion, ancestry, national origin, familial status or receipt of public assistance. [PL 2021, c. 270, §3 (NEW).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1991, c. 622, §§J21,22 (AMD). PL 1991, c. 622, §J25 (AFF). PL 1991, c. 629, §§1-3 (AMD). PL 1991, c. 871, §§2-4 (AMD). PL 1993, c. 175, §§6-8 (AMD). PL 1993, c. 651, §4 (AMD). PL 2007, c. 562, §6 (AMD). PL 2009, c. 372, Pt. B, §2 (AMD). RR 2015, c. 2, §19 (COR). PL 2015, c. 494, Pt. B, §§2-4 (AMD). PL 2017, c. 234, §§20, 21 (AMD). PL 2021, c. 270, §§1-3 (AMD).

#### §4742. Operation of housing not for profit

It is declared to be the policy of this State that each authority shall manage and operate its housing projects in an efficient manner to enable it to fix the rentals or payments for dwelling accommodations at low rates consistent with its providing decent, safe and sanitary dwelling accommodations for persons of low income. No authority may construct or operate any housing project for profit, or as a source of revenue to the municipality or the State. To this end, an authority shall fix the rentals or payments for dwellings in its projects at no higher rates than it finds necessary to produce revenues which, together with all other available money, revenues, income and receipts of the authority from whatever sources derived, will be sufficient: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Bond principal and interest.** To pay, as the sums become due, the principal and interest on the bonds of the authority; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Reserves.** To create and maintain such reserves as are required to ensure the payment of principal and interest as it becomes due on its bonds; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Cost and operating projects.** To meet the cost of and to provide for maintaining and operating the projects, including necessary reserves for that purpose and the cost of any insurance, and the administrative expenses of the authority; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Payments in lieu of taxes.** To make such payments in lieu of taxes as it determines are consistent with the maintenance of the low-rent character of projects; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Property declared to be public property.** The property of an authority is declared to be public property used for essential public and governmental purposes. This property is exempt from all taxes and from betterments and special assessments of the municipality, the county, the State or any political subdivision of the State. In lieu of taxes on its property, an authority may agree to make such payments to the municipality, the county, the State or any political subdivision of the State as it finds consistent with the maintenance of the low-rent character of housing projects or the achievement of the purposes of this chapter.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4743. Housing rentals and tenant admissions; veteran preference

In the operation or management of housing projects, an authority shall at all times observe the following duties with respect to rentals and tenant admissions. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Rent to persons of low income.** It shall rent or lease at least 20% of the dwelling units in any project only to persons or families of low income and at rentals within the financial reach of persons or families of low income.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Number of rooms.** It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms, but no greater number, which it considers necessary to provide safe and sanitary accommodations to the proposed occupants of the rooms without overcrowding.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Preferences.** In the selection of tenants for housing projects, as among low-income families which are eligible applicants for occupancy in dwellings of given sizes and at specified rents, a housing authority shall extend the following preferences:

A. First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance or redevelopment project initiated after January 1, 1947, or which were so displaced within 3 years before applying to the public housing agency for admission to any low-rent housing. Among these families:

(1) First preference shall be given to families of disabled veterans whose disabilities have been determined by the United States Veterans Administration to be service-connected;

(2) Second preference shall be given to families of deceased veterans and servicemen whose deaths have been determined by the United States Veterans Administration to be service-connected;

(3) Third preference shall be given to families of other veterans and servicemen; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Second, to families of other veterans and servicemen. Among these families:

(1) First preference shall be given to families of disabled veterans whose disabilities have been determined by the United States Veterans Administration to be service-connected; and

(2) Second preference shall be given to families of deceased veterans and servicemen whose deaths have been determined by the United States Veterans Administration to be service-connected. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

(1) The term "veteran" means a person who has served in the active military or naval service of the United States at any time on or after April 6, 1917 and before November 11, 1918, or at any time on or after September 16, 1940 and before July 26, 1947, or at any time on or after June 27, 1950 and before February 1, 1955, or at any time on or after August 5, 1964 and before May 7, 1975, or at any time on or after August 7, 1990 and before April 11, 1991, and who has been discharged or released from the service under conditions other than dishonorable.

(2) The term "serviceman" means a person in the active military or naval service of the United States who has served in that service on or after April 6, 1917 and before November 11, 1918, or at any time on or after September 16, 1940 and before July 26, 1947, or at any time on or after June 27, 1950 and before February 1, 1955, or at any time on or after August 5, 1964 and before May 7, 1975, or at any time on or after August 7, 1990 and before April 11, 1991.

Notwithstanding any provisions of this section, an authority may agree to conditions as to tenant eligibility or preference required by the Federal Government under federal law in any contract for financial assistance with the authority.

Nothing in this section or section 4742 may be construed as limiting the power of an authority to vest in an obligee the right, in the event of a default by the authority, to take possession of a project or cause the appointment of a receiver of the project, free from all the restrictions imposed by this section or section 4742. [PL 1993, c. 427, §4 (AMD).]

[PL 1993, c. 427, §4 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1993, c. 427, §4 (AMD).

#### **§4744. Dwellings for disaster victims and defense workers**

Notwithstanding the provisions of this chapter or any other law relating to rentals of, preferences or eligibility for admission to, or occupancy in housing projects, during the period when an authority determines that there is an acute need in its area of operation for housing to ensure the availability of dwellings for persons engaged in national defense activities or for victims of a major disaster, an authority may undertake the development and administration of housing projects for the Federal Government, and dwellings in any housing project under the jurisdiction of the authority may be made available to persons engaged in national defense activities or to victims of a major disaster. An authority may contract with the Federal Government or the State or a state public body for advance payment or reimbursement for the furnishing of housing to victims of a major disaster, including the furnishing of the housing free of charge to needy disaster victims during any period covered by a determination of acute need by the authority as provided. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. The term "major disaster" means any flood, drought, fire, hurricane, earthquake, storm or other catastrophe which, in the determination of the governing body, is of sufficient severity and

magnitude to warrant the use of available resources of the Federal Government, State Government and local governments to alleviate the damage, hardship or suffering caused by the disaster. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The term "persons engaged in national defense activities" means persons in the Armed Forces of the United States, employees of the Department of Defense and workers engaged or to be engaged in activities connected with national defense. The term includes the families of the persons, employees and workers who reside with them. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### **§4745. Cooperation between authorities**

Any 2 or more authorities may join or cooperate in the exercise of any or all of the powers conferred for the purpose of financing, planning, undertaking, constructing or operating a housing project or projects located within the area of operation of any one or more of the authorities. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### **§4746. Eminent domain**

An authority may acquire by the exercise of eminent domain any real property which it considers necessary for its purposes under this chapter. The authority must first adopt a resolution declaring that the acquisition of the real property described in the resolution is necessary for those purposes. An authority shall exercise the power of eminent domain in the manner provided in section 5108, but references in section 5108 to an urban renewal project and a renewal project area and the like do not apply. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### **§4747. Cooperation in undertaking projects**

Any state public body, upon such terms, with or without consideration, as it may determine may: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Interest in property; rights and privileges.** Dedicate, sell, convey or lease any of its interest in any property, or grant easements, licenses or any other rights or privileges in property to a housing authority;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]



**2. Facilities furnished.** Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with any project;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Roads, streets, ways.** Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places, in or adjacent to any project;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Plans and zoning.** Plan or replan, zone or rezone any part of the state public body; make exceptions from building regulations and ordinances; any city may change its map;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Services.** Cause services to be furnished to the housing authority of the character which the state public body is otherwise empowered to furnish;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**6. Agreements as to buildings.** Enter into agreements with respect to the exercise by the state public body of its powers relating to the repair, closing or demolition of unsafe, insanitary or unfit buildings;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**7. Sums in lieu of taxes.** Agree with the housing authority with respect to the housing authority's payment of such sums in lieu of taxes as the authority determines to be consistent with the maintenance of the low-rent character of housing projects or the achievement of the purposes of this chapter;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**8. Aid and cooperation.** Do anything necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of such projects; and

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**9. Agreements concerning action of the state public body.** Enter into agreements, which may extend over any period, notwithstanding any provision or rule of law to the contrary, with a housing authority concerning action to be taken by the state public body under any of the powers granted by this chapter. If at any time title to, or possession of, any project is held by any public body or governmental agency authorized to engage in the development or administration of low-rent housing or slum-clearance projects, including the Federal Government, the provisions of these agreements shall inure to the benefit of and may be enforced by the public body or governmental agency. A state public body may make any sale, conveyance, lease or agreement provided for in this section without public notice, advertisement or public bidding, notwithstanding any other laws to the contrary.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

## SUBCHAPTER 3-A

## AFFORDABLE HOUSING PROGRAM

### §4751. Purpose

The State is experiencing severe shortages of affordable housing in various parts of the State. The affordable housing shortage is also contributing to an increasing class of working poor people and creating severe hardships for a significant number of the State's citizens. Municipalities feel the impact of the affordable housing shortage and find it difficult to deal with the problem with their inadequate resources. By working together, sharing resources and using more comprehensive measures, the State and its municipalities can more effectively address the shortage of affordable housing and the many other problems stemming from this housing shortage. [PL 1989, c. 48, §§3, 31 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§3,31 (NEW).

### §4752. Housing component of comprehensive plans

Any comprehensive plan developed under chapter 187, subchapter II, shall provide for the development of affordable housing for low-income and moderate-income households. A municipality may cooperate with neighboring municipalities to develop a regional comprehensive plan in lieu of a municipal plan. Any comprehensive plan developed under chapter 187, subchapter II, shall include municipal or regional strategies to effectively reduce the cost of housing or provide for the construction of affordable housing, including zoning measures, use of municipally owned land and other similar measures. [PL 1989, c. 48, §§3, 31 (NEW).]

**1. Provide technical assistance and information.** The Maine State Housing Authority and any municipal housing authority shall provide technical assistance and information to municipalities requesting assistance in the development of affordable housing provisions for comprehensive plans to include the formulation of measures to effectively address the shortage of affordable housing for low-income and moderate-income households.

[PL 1989, c. 48, §§3, 31 (NEW).]

**2. Land and buildings of political subdivisions.**

[PL 2017, c. 234, §22 (RP).]

#### SECTION HISTORY

PL 1989, c. 48, §§3, 31 (NEW). PL 2011, c. 691, Pt. B, §27 (AMD). PL 2017, c. 234, §22 (AMD).

### §4753. Coordination of resources and programs

The Maine State Housing Authority, municipal housing authorities, municipalities and the Department of Economic and Community Development shall cooperate in the coordination of resources and programs and the development of housing for low-income and moderate-income households. [PL 1989, c. 48, §§3, 31 (NEW).]

**1. Matching of resources.** The Maine State Housing Authority may match the resources provided by municipalities according to ratios established by the Maine State Housing Authority by rule in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375.

A. Municipal resources may consist of land, buildings, equipment, personnel, zoning provisions, money and any other resources considered by the Maine State Housing Authority to effectively help to provide affordable housing to low-income and moderate-income households. [PL 1989, c. 48, §§3, 31 (NEW).]

B. Any municipality and the Maine State Housing Authority may use resources provided by the private sector, any private nonprofit organization or any other public sector organization for the purpose established in this subchapter. [PL 1989, c. 48, §§3, 31 (NEW).]

C. Municipalities and municipal housing authorities may require reasonable reservations or set-asides of units created in projects to which they have contributed significant resources to serve the residents or members of the work force of their particular municipalities. [PL 1989, c. 581, §9 (NEW).]

[PL 1989, c. 48, §§3, 31 (NEW); PL 1989, c. 581, §9 (AMD).]

**2. Assessment of housing stock.**

[PL 2017, c. 234, §23 (RP).]

**3. Universal application and waiting list.** The Maine State Housing Authority and municipal housing authorities shall establish a single, streamlined application for tenant-based rental assistance under the United States Housing Act of 1937, Public Law 75-412, 50 Stat. 888, Section 8 by which families may apply for housing assistance in any geographic area of the State and shall also establish a statewide, centralized waiting list for that tenant-based rental assistance. The Maine State Housing Authority and municipal housing authorities shall establish a method for individuals or families to submit applications and to update applications for rental assistance by electronic means.

The Maine State Housing Authority and the Department of Health and Human Services shall ensure that an application or an addendum to an application submitted pursuant to this subsection may also be used by individuals and families who choose to apply for the Bridging Rental Assistance Program established in Title 34-B, section 3011 and a federal shelter plus care program authorized by the federal McKinney-Vento Homeless Assistance Act, Public Law 100-77 (1987) as amended by the federal Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, Public Law 111-22, Division B (2009).

[RR 2017, c. 1, §25 (COR).]

SECTION HISTORY

PL 1989, c. 48, §§3,31 (NEW). PL 1989, c. 581, §9 (AMD). PL 1989, c. 914, §4 (AMD). PL 2015, c. 424, §1 (AMD). PL 2017, c. 234, §23 (AMD). RR 2017, c. 1, §25 (COR).

**§4754. Purchase and acquire property; construct housing**

The Maine State Housing Authority or any municipal housing authority may purchase or acquire property to preserve or provide affordable housing to low-income and moderate-income people and provide for the management and maintenance of this property. [PL 1989, c. 48, §§3, 31 (NEW).]

**1. Construction.** The Maine State Housing Authority or any municipal housing authority may construct or reconstruct housing for low-income and moderate-income households.

[PL 1989, c. 48, §§3, 31 (NEW).]

**2. Rehabilitation.** The Maine State Housing Authority or any municipal housing authority may rehabilitate buildings as a means of providing affordable housing to low-income and moderate-income households.

[PL 1989, c. 48, §§3, 31 (NEW).]

**3. State-owned property.** The Maine State Housing Authority may use surplus state-owned property pursuant to this subchapter and Title 5, section 1742, subsection 23 to achieve the purpose of this article.

[PL 2017, c. 234, §24 (AMD).]

**4. Property.** For the purpose of this subchapter, property includes land, buildings, structures and equipment.

[PL 1989, c. 48, §§3, 31 (NEW).]

## SECTION HISTORY

PL 1989, c. 48, §§3,31 (NEW). PL 2017, c. 234, §24 (AMD).

**§4754-A. First option to purchase surplus lands**

All state agencies shall offer the Maine State Housing Authority the opportunity to purchase or otherwise acquire any land and improvements on the land or any structures determined to be surplus before the property may be offered for sale or transfer to any other state agency, community or other buyer or transferee. Notice of availability must be provided in writing to the Director of the Maine State Housing Authority. [PL 1989, c. 914, §5 (NEW).]

**1. Notification of interest.** The Maine State Housing Authority shall advise the owner agency in writing of its interest in purchasing or otherwise acquiring the surplus land and any improvements on the land or surplus structures or of its decision not to purchase or otherwise acquire any such surplus property within 30 days of receipt of the notification by the Director of the Maine State Housing Authority.

[PL 1989, c. 914, §5 (NEW).]

**2. Purchase price.** If the Maine State Housing Authority offers to purchase the property, the purchase price must be determined as follows.

A. The current market value must be determined by an independent appraiser or by agreement between the Maine State Housing Authority and the owner agency. The Maine State Housing Authority and the owner agency then shall negotiate the ultimate purchase price in good faith in order to achieve the respective goals and mandates of the Maine State Housing Authority and the owner agency. [PL 1989, c. 914, §5 (NEW).]

B. The purchase price may not exceed the current market value of the property as determined in paragraph A. [PL 1989, c. 914, §5 (NEW).]

C. If title to the land or improvements carries a requirement that the property be sold at fair market value, then this requirement prevails over the terms of this subsection. [PL 1989, c. 914, §5 (NEW).]

[PL 1989, c. 914, §5 (NEW).]

**3. Report.** The Maine State Housing Authority shall report to the joint standing committee of the Legislature having jurisdiction over housing and economic development matters 90 days after the 2nd anniversary of the effective date of this section on state surplus land purchased under this section together with any recommendations for improvements.

[PL 1989, c. 914, §5 (NEW).]

If any land determined to be surplus is located in a community served by a local public housing authority, as defined in this Title, the Maine State Housing Authority shall offer the first option to purchase the parcel to the local public housing authority. The local public housing authority has 45 days to indicate in writing its desire to acquire the parcel. Other offers to purchase the parcel may not be considered until the 45-day period has passed. [PL 1989, c. 914, §5 (NEW).]

## SECTION HISTORY

PL 1989, c. 914, §5 (NEW).

**§4755. Provide property**

The Maine State Housing Authority may provide surplus state property below market value pursuant to this subchapter and Title 5, section 1742, subsection 23 to any person, firm or organization that agrees to construct, reconstruct or rehabilitate affordable housing for low-income and moderate-income households and maintain this property for this purpose in a written contract with the Maine State Housing Authority. [PL 2017, c. 234, §25 (AMD).]

## SECTION HISTORY

PL 1989, c. 48, §§3,31 (NEW). PL 2017, c. 234, §25 (AMD).

**§4756. Rules**

The Maine State Housing Authority shall adopt rules in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, to implement this subchapter, including eligibility standards for financing under this subchapter. [PL 1989, c. 48, §§3, 31 (NEW).]

## SECTION HISTORY

PL 1989, c. 48, §§3,31 (NEW).

## SUBCHAPTER 3-B

## TEMPORARY HOUSING ASSISTANCE PROGRAM

**§4761. Temporary Housing Assistance Fund**

**1. Creation.** The Temporary Housing Assistance Fund is established under the jurisdiction of the Maine State Housing Authority. For the purposes of this subchapter, "state authority" means the Maine State Housing Authority, "fund" means the Temporary Housing Assistance Fund and "program" means the Temporary Housing Assistance Program.

[PL 1993, c. 175, §9 (NEW).]

**2. Sources of fund.** The following must be paid into the fund:

- A. All money appropriated for inclusion in the fund; [PL 1993, c. 175, §9 (NEW).]
- B. Subject to any pledge, contract or other obligation, any money that the state authority receives in repayment of loans or advances from the fund; [PL 1993, c. 175, §9 (NEW).]
- C. Subject to any pledge, contract or other obligation, all interest, dividends or other income from investment of the fund; and [PL 1993, c. 175, §9 (NEW).]
- D. Any other money, including federal money, deposited in the fund to implement the provisions of this subchapter. [PL 1993, c. 175, §9 (NEW).]

[PL 1993, c. 175, §9 (NEW).]

**3. Application of fund.** The state authority may apply money in the fund for purposes authorized by this subchapter. Money in the fund not needed currently for purposes of this subchapter may be deposited with the state authority to the credit of the fund or may be invested as provided by law. The following may be used to pay the administrative costs of the program:

- A. No more than 10% of the money in the fund; [PL 1993, c. 175, §9 (NEW).]
- B. Any earnings on money in the fund; and [PL 1993, c. 175, §9 (NEW).]
- C. Any recoveries to the fund, including, but not limited to, repayments, recaptures of principal and recaptures of interest. [PL 1993, c. 175, §9 (NEW).]

[PL 1993, c. 175, §9 (NEW).]

**4. Accounts within fund.** The state authority may divide money in the fund into separate accounts determined necessary or convenient for carrying out this subchapter.

[PL 1993, c. 175, §9 (NEW).]

**5. Revolving fund.** The fund is a nonlapsing revolving fund. All money in the fund must be continuously applied by the state authority to carry out this subchapter.

[PL 1993, c. 175, §9 (NEW).]

## SECTION HISTORY

PL 1993, c. 175, §9 (NEW).

**§4762. Temporary Housing Assistance Program**

The Temporary Housing Assistance Program must provide assistance to persons of low income to enable them to become tenants of rental housing units in the State. [PL 1993, c. 175, §9 (NEW).]

**1. Operation.** The state authority shall administer the program either directly or through regional contract agents. The program may be operated in conjunction with other programs of the state authority to achieve the purpose of this subchapter.

[PL 1993, c. 175, §9 (NEW).]

**2. Form and amount of assistance.** Money in the fund may be used to provide assistance under the program in the form of loans or grants to make rental payments and finance security deposits on behalf of persons of low income. The state authority may establish limits from time to time on the amount of assistance available to applicants based on a determination of the average rental and security deposit costs in the area where the assistance is being provided.

[PL 1993, c. 175, §9 (NEW).]

**3. Provisions governing assistance.** The program must be administered subject to the provisions in this section. Priority must be given to persons who demonstrate a need for assistance and the ability to repay a loan.

A. The state authority, by rules adopted in accordance with the Maine Administrative Procedure Act, shall establish priorities of assistance. These priorities must be based on the household income of the applicant, the demonstrated need for assistance, the ability to repay a loan and other criteria established by the state authority. [PL 1993, c. 175, §9 (NEW).]

B. Grants may be provided only when:

- (1) The grant is essential to securing a decent, safe and sanitary rental unit for the applicant;
- (2) The income of the applicant is insufficient to repay any loan or portion of a loan;
- (3) All available resource alternatives have been exhausted; and
- (4) The applicant has satisfied all other program priorities and requirements as established by the state authority. [PL 1993, c. 175, §9 (NEW).]

C. Loans from the fund may be made for a period based on the applicant's ability to repay the loan, not to exceed 12 months. Interest may be charged on loans based on the applicant's ability to repay the loan, not to exceed 3%. When an applicant can not repay the loan in full within the 12-month period, the state authority may extend the repayment period if the state authority determines that the loan can be repaid during the extension period. The state authority may defer or waive the payment of interest or principal on any loan or portion of a loan for which that payment is an undue hardship. [PL 1993, c. 175, §9 (NEW).]

D. Assistance under the program must be provided on an ongoing basis to the extent that money is available in the fund. [PL 1993, c. 175, §9 (NEW).]

[PL 1993, c. 175, §9 (NEW).]

**4. Procedures.** The state authority may adopt rules in accordance with the Maine Administrative Procedure Act, by which the program must be implemented.

[PL 1993, c. 175, §9 (NEW).]

## SECTION HISTORY

PL 1993, c. 175, §9 (NEW).

## SUBCHAPTER 3-C

### EMERGENCY HOUSING RELIEF

#### §4765. Emergency Housing Relief Fund and Program

**1. Creation.** The Emergency Housing Relief Fund, referred to in this section as "the fund," is established within the Maine State Housing Authority. The fund may receive money from any available state, federal or private source. The fund may not lapse, but must be carried forward to carry out the purposes of this subchapter.

[PL 2021, c. 635, Pt. WW, §1 (NEW).]

**2. Program.** The Emergency Housing Relief Fund Program, referred to in this section as "the program," is established within the Maine State Housing Authority.

[PL 2021, c. 635, Pt. WW, §1 (NEW).]

**3. Uses of fund.** The fund may be used for short-term or long-term assistance under the program, which may include:

A. Providing rental assistance or appropriate housing for people experiencing homelessness who are staying in hotels as a short-term housing solution; [PL 2021, c. 635, Pt. WW, §1 (NEW).]

B. Supplementing or creating a program similar to the home investment partnerships program created pursuant to the federal American Rescue Plan Act of 2021 to purchase and convert appropriate buildings to housing to address the needs of people experiencing homelessness or facing other immediate housing needs; [PL 2021, c. 635, Pt. WW, §1 (NEW).]

C. Supplementing or enhancing other short-term rental assistance programs such as rapid rehousing services; [PL 2021, c. 635, Pt. WW, §1 (NEW).]

D. Creating supportive housing for people with disabilities, mental health challenges or substance use disorder using an approach that prioritizes providing permanent housing to people experiencing homelessness; and [PL 2021, c. 635, Pt. WW, §1 (NEW).]

E. Any other use that addresses housing emergencies in the State. [PL 2021, c. 635, Pt. WW, §1 (NEW).]

[PL 2021, c. 635, Pt. WW, §1 (NEW).]

**4. Reporting.** Beginning February 1, 2023, the Maine State Housing Authority shall provide a quarterly report of expenditures from the fund and the goals and achievements of the program to the joint standing committee of the Legislature having jurisdiction over housing matters.

[PL 2021, c. 635, Pt. WW, §1 (NEW).]

#### SECTION HISTORY

PL 2021, c. 635, Pt. WW, §1 (NEW).

#### §4766. Emergency Housing Matching Grant Program

**1. Program established.** The Emergency Housing Matching Grant Program, referred to in this section as "the program," is established within the Maine State Housing Authority.

[PL 2023, c. 479, §1 (NEW).]

**2. Purpose.** The purpose of the program is to provide grants to qualified providers of emergency housing and shelter services for the construction, renovation or acquisition of a new or existing building to provide emergency housing and shelter services. Grant funds may also be used to cover the costs to lease a building to provide emergency housing and shelter services.

[PL 2023, c. 479, §1 (NEW).]

**3. Program requirements.** The Maine State Housing Authority shall establish program requirements, including, but not limited to, requiring that an applicant to the program:

A. Meet the eligibility requirements of existing programs within the Maine State Housing Authority that provide funding to reimburse shelter operators that provide emergency shelter services at a fixed location; [PL 2023, c. 479, §1 (NEW).]

B. Provide emergency housing and housing navigation services 24 hours per day, 7 days per week in the building that is constructed, acquired, renovated or leased using grant funds; and [PL 2023, c. 479, §1 (NEW).]

C. For requests greater than \$100,000, demonstrate that the applicant has secured funding from a source other than state funding to match the amount of the grant request on a one-to-one basis. [PL 2023, c. 479, §1 (NEW).]

[PL 2023, c. 479, §1 (NEW).]

**4. Request for proposals; amount of grant.** The Maine State Housing Authority shall issue a request for proposals to award grants under the program no later than January 1st of the year in which a grant will be issued and shall provide grants on an annual basis. When scoring requests for proposals, the Maine State Housing Authority shall award points favorably to applicants that propose to provide emergency housing and shelter services in geographic areas that are underserved and where the provision of those services could result in reducing the demand for emergency housing and shelter services in cities and towns in this State that serve as hubs for services for persons experiencing homelessness and in need of emergency shelter or that have a population of persons experiencing homelessness disproportionate to the housed population of the city or town. The maximum grant awarded to an applicant is determined by the Maine State Housing Authority.

[PL 2023, c. 479, §1 (NEW).]

**5. Fund.** The Emergency Housing Matching Grant Program Fund, referred to in this subsection as "the fund," is established within the Maine State Housing Authority to fund grants under the program. The fund may receive money from appropriations, allocations, donations and other sources, public and private. The fund is interest-bearing, and interest earned by the fund is credited to the fund. Money in the fund does not lapse and carries over to the next fiscal year.

[PL 2023, c. 479, §1 (NEW).]

**6. Rules.** The Maine State Housing Authority shall adopt rules to carry out the purposes of this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[PL 2023, c. 479, §1 (NEW).]

## SECTION HISTORY

PL 2023, c. 479, §1 (NEW).

## SUBCHAPTER 4

### FUNDS

#### §4771. Federal aid

**1. Purpose; contractual conditions.** It is the purpose and intent of this chapter to authorize every authority to do all things necessary or desirable to secure the financial aid or cooperation of the Federal Government in the undertaking, construction, maintenance or operation of any project by an authority and in the authority's exercise of the other powers granted to the authority in this chapter. To accomplish this purpose, an authority, notwithstanding any other law, may include in any contract with



the Federal Government for financial assistance any conditions which the Federal Government attaches to its financial aid of a project, not inconsistent with the purposes of this chapter.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Additional powers.** In addition to the powers conferred upon an authority by other provisions of this chapter, an authority may:

A. Borrow money or accept contributions, grants or other financial assistance from the Federal Government for or in aid of any project within its area of operation; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Take over or lease or manage any project or undertaking constructed or owned by the Federal Government; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. For the purposes of paragraphs A and B, comply with any conditions and enter into any mortgages, trusts, indentures, leases or agreements that are necessary, convenient or desirable. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Contracts for annual contributions.** In any contract with the Federal Government for annual contributions to the authority, the authority may obligate itself, notwithstanding any other laws, to convey to the Federal Government the project to which the contract relates, upon the occurrence of a substantial default, as defined in the contract, with respect to the covenants or conditions to which the authority is subject. This obligation is specifically enforceable and does not constitute a mortgage. The contract may further provide that, in case of such conveyance, the Federal Government may complete, operate, manage, lease, convey or otherwise deal with the project in accordance with the terms of the contract, provided the contract requires that, as soon as practicable after the Federal Government is satisfied that all defaults with respect to the project have been cured and that the project will thereafter be operated in accordance with the terms of the contract, the Federal Government will reconvey the project as then constituted to the authority.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Approval of municipality necessary; exceptions.**

[PL 2017, c. 234, §26 (RP).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §26 (AMD).

#### §4772. Municipal advances to housing authorities

The municipality for which a housing authority is created may lend or donate money to the authority. When such a loan is made to a housing authority to aid its initial organization or its planning and preparation for projects, the loan may be made upon the condition that the housing authority will repay the loan out of any money which becomes available to it for the construction of the projects involved. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

## SUBCHAPTER 5

### LOANS TO FINANCIAL INSTITUTIONS

#### §4801. Findings and purpose

The Legislature finds that economic conditions have, from time to time since the original enactment of the Maine Housing Authorities Act, created circumstances in which Maine residents have been unable to support financing costs for the purchase of new or substantially rehabilitated homes or for the purchase of existing housing. To provide mortgage funds to allow Maine citizens who are persons of low income to enjoy the benefits of home ownership or residency in privately owned apartments, the expansion of the financial capacity of the Maine State Housing Authority as a source of additional loan money for housing in Maine is undertaken in this subchapter. It is further declared that the purposes of this subchapter are public purposes and uses for which public funds may be borrowed, loaned, advanced or expended. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4802. Institutional loans

**1. Loans authorized.** The Maine State Housing Authority may make loans to financial institutions for the purpose of providing mortgage funds for the financing of housing units or housing projects for persons or families of low income. These loans are referred to in this subchapter as "institutional loans." Financial institutions receiving or to receive such loans are referred to in this subchapter as "participating financial institutions." A participating financial institution which does not maintain a regular place of business in the State must contract for the origination of mortgage loans with a financial institution with a regular place of business in the State.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Eligible mortgage loans.** Eligible mortgage loans under this subchapter are mortgage loans for the purpose of:

A. Acquiring one-family or multi-family housing units, housing projects and improvements located on an Indian reservation in the State; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Rehabilitating housing units or housing projects or to promote the conservation of energy resources; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Constructing, reconstructing or developing housing units or housing projects; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. Purchasing manufactured housing. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4803. Issuance of bonds; rules

The Maine State Housing Authority may issue bonds for the purpose of making institutional loans to participating financial institutions. The participating financial institutions shall invest the proceeds of these institutional loans in mortgage loans for the financing of housing units or housing projects for persons of low income. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Rules.** Before making any institutional loan under this section, the Maine State Housing Authority shall establish rules concerning:

A. The interest rate and terms of institutional loans to be made to participating financial institutions; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The time within which participating financial institutions must make commitments and disbursements for mortgage loans; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. The type and amount of collateral security to be pledged by participating financial institutions to ensure repayment of institutional loans from the Maine State Housing Authority as provided in section 4806; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. Standards as to the construction or rehabilitation for the housing units or housing projects to be financed; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. Procedures for the submission of requests or the invitation of proposals for institutional loans; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

F. Schedules of fees and other charges to be made by the Maine State Housing Authority or the participating financial institution, or both, in accepting, acting upon or renewing applications for institutional loans or mortgage loans under this section; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

G. Limiting the rate of return on mortgage loans made by participating financial institutions; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

H. Establishing the time within which participating financial institutions will invest the proceeds of the institutional loans in mortgage loans; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

I. Any other matters related to institutional loans or mortgage loans that the Maine State Housing Authority considers necessary. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C,

§106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4804. Bonds; use of proceeds

Institutional loans made and rules established under this subchapter shall be designed to: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Expand mortgage funds.** Expand the supply of funds available in the State for residential mortgage loans;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Improve housing for low-income persons.** Provide funds to alleviate the shortage of decent, safe and sanitary living accommodations in the State for persons of low income; and

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Improve energy conservation.** In the case of rehabilitated housing units or housing projects, improve and promote conservation of energy resources or otherwise improve the quality of existing housing.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4805. Provisions of bonds

The indebtedness created by an institutional loan to a participating financial institution is a general obligation of that participating financial institution and shall bear such date or dates, shall mature at such time or times, shall be evidenced by such bond, note or other certificate of indebtedness, may be subject to prepayment with or without penalty, and shall contain any other provisions consistent with this section and with the rules established under this section by the Maine State Housing Authority that the Maine State Housing Authority considers necessary. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4806. Bonds; collateral

The Maine State Housing Authority shall require that institutional loans be secured as to payment of both principal and interest by a pledge of and lien upon qualified collateral security. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

The Maine State Housing Authority may establish any requirements that it considers necessary with respect to the pledging, assigning, setting aside or holding of this collateral and the making of substitutions for or additions to the collateral and the disposition of income and receipts from the collateral. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

Notwithstanding any other provision of law, participating financial institutions may do any acts required by this subchapter. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4807. Separability

In accordance with section 4722, subsection 1, paragraph H, the authority to issue bonds granted by this subchapter and the terms, conditions, purposes and uses of those bonds are separate from, and not limited or restricted by, the authority to issue bonds granted in the several separate subchapters of this chapter. The provisions of all other subchapters of this chapter apply to this subchapter except sections 4901 to 4907. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4808. Bond rating category

Bonds issued under this subchapter must be rated at or before issuance of the bonds in a rating category of A or its equivalent or better by a nationally recognized rating agency. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

## SUBCHAPTER 6

### CONSTRUCTION LOANS

#### §4831. Findings and purpose

The Legislature finds that: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Shortage exists.** A shortage of decent housing accommodations for persons or families of low income exists in the State;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Shortage of funds.** A cause of the lack of new construction in the State has been the recurrent shortage of funds from private sources;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Hardship.** The reduction in this construction has caused substantial unemployment and underemployment in the construction industry which results in hardship, wastes human resources, impedes the economic and physical development of the State, causes a shortage of housing for persons of low income and adversely affects the welfare and prosperity of the State;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Encourage construction.** A stable supply of construction loan funds will encourage new housing construction;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Public funds.** The availability of public funds will create inducements and opportunities for public and private investment in new housing construction; and

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**6. Public use.** Providing these funds is necessary for the public benefit and welfare and is a public use for which funds may be borrowed, advanced, loaned or expended.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4832. Construction loans

The Maine State Housing Authority may participate with financial institutions in the State in the making of construction loans for the purpose of land development and the construction of housing units or housing projects for persons of low income, under any terms and conditions that the Maine State Housing Authority may establish by rule. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Participation requirements.** Except as provided in paragraphs A and B, the Maine State Housing Authority may not participate in the making of construction loans unless a financial institution in the State agrees to participate in the loan at least to the extent of acting as escrow agent. Notwithstanding any other provisions of law, financial institutions in the State may act as required by this subchapter.

A. The Maine State Housing Authority may make construction loans to state public bodies or other public instrumentalities and private nonprofit corporations without the participation of a financial institution. [PL 1989, c. 48, §§4, 31 (NEW).]

B. If a project's financing requires that the Maine State Housing Authority participate in the construction loan at a level greater than 60%, the Maine State Housing Authority may make the whole construction loan without using an escrow agent. [PL 2017, c. 234, §27 (NEW).]

[PL 2017, c. 234, §27 (AMD).]

**2. Rules.** The Maine State Housing Authority shall establish rules in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, governing, without limitation, the following subjects and procedures for participating in the making of construction loans:

A. The submission, review and acceptance of requests from borrowers for construction loans under this section; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Qualifications of borrowers; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Limitation on and standards for location and construction of housing units or housing projects; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. Schedules of fees and other charges made by the authority and the financial institution to the borrower in accepting, reviewing and acting upon applications for construction loans under this subchapter; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. Restrictions on the interest rates charged by the financial institutions and the authority on the construction loans or the return on those loans to be realized by the financial institution. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 48, §§4,31 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1989, c. 581, §10 (AMD). PL 2017, c. 234, §27 (AMD).

#### **§4833. Bonds; issuance, separability of provisions**

The Maine State Housing Authority may issue bonds from time to time to carry out the purposes of this subchapter. These bonds shall be secured in such manner as the Maine State Housing Authority by resolution may provide. The bonds shall be known as construction loan bonds. The authority to issue construction loan bonds under this subchapter constitutes a complete, additional and alternative method for the issuance of bonds from that provided in any other subchapter in this chapter. No limitation or restriction as to use of proceeds or total authorized amount of obligations outstanding stated in this subchapter applies to bonds issued under any other subchapter in this chapter, nor do such restrictions or limitations recited in other subchapters apply to bonds issued under this subchapter. Sections 4901 to 4907 do not apply to bonds issued under this subchapter. The provision in section 4832 restricting construction loans to housing projects for persons of low income is considered satisfied if at least a reasonable number of the families or individuals who will occupy the mortgaged premises are persons of low income. All other provisions of this chapter apply to bonds issued under this subchapter. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2023, c. 218, §2 (AMD).

### SUBCHAPTER 7

#### HOUSING OPPORTUNITIES FOR MAINE PROGRAM

#### **§4851. Legislative findings and determinations**

**1. Findings.** The Legislature finds that:

A. Economic conditions within the State and the United States have resulted in a significant reduction in the construction of new housing units in the State and in a significant reduction of the availability of mortgages made by financial institutions in the State; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The Federal Government has significantly reduced the types and amounts of housing assistance to citizens of the State and the United States; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. A substantial number of Maine's citizens cannot afford housing which is decent, safe and sound; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. A significant number of housing units in the State require repairs or improvements necessary to eliminate dangers to the health or safety of the occupants of those units or to ensure that those units are energy-efficient; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. The demand for housing is increasing more quickly than the supply of housing; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

F. The United States Mortgage Subsidy Bond Tax Act of 1980, Public Law 96-499, Title XI, Subtitle A; 94 Stat. 2660-2681, and conditions in national financial markets have prevented the Maine State Housing Authority from selling bonds to provide funds for affordable mortgage loans on certain owner-occupied housing; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

G. The adverse impact of the problems found by the Legislature cannot be effectively lessened without financial assistance for housing provided by the State through the Maine State Housing Authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Determination.** The Legislature determines that:

A. From time to time the Legislature should appropriate money from the General Fund in order to carry out the program established under this subchapter; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Upon adoption of any such appropriations act, the Maine State Housing Authority shall use the money to carry out the program established under this subchapter. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).



**§4852. Housing Opportunities for Maine Program**

**1. Operator of program.** The Maine State Housing Authority shall operate the Housing Opportunities for Maine Program. This program may be operated in conjunction with or as part of one or more other programs of the Maine State Housing Authority.

[PL 1999, c. 16, Pt. M, §1 (AMD).]

**2. Use of money.** Money in the fund may be used as provided in this subsection.

A. Money in the Housing Opportunities for Maine Fund may be applied to:

- (1) Reduce the rate of interest on or the principal amount of such mortgage loans as the Maine State Housing Authority determines;
- (2) Reduce payments by persons of low-income for the rental of single-family or multi-unit residential housing;
- (3) Make mortgage loans and such other types of loans or grants as the Maine State Housing Authority determines;
- (4) Fund reserve funds for, pay capitalized interest on, pay costs of issuance of or otherwise secure and facilitate the sale of the Maine State Housing Authority's bonds issued under this subchapter;
- (5) Pay the administrative costs of state public bodies or other public instrumentalities and private, nonprofit corporations directly associated with housing projects; and
- (6) Otherwise make the costs of single-family or multi-unit residential housing affordable by persons of low-income. [PL 1989, c. 48, §§5, 31 (RPR).]

A-1. In addition to the uses provided in paragraph A, the following may be used to pay the administrative costs of the authority's programs:

- (1) No more than 3% of the money in the fund, other than amounts derived from the dedication of the tax on real estate transfers established in Title 36, chapter 711-A;
- (2) Any earnings from the fund; and
- (3) Any recoveries to the fund, including, but not limited to, repayments, recaptures of principal and recaptures of interest owed. [PL 1989, c. 581, §11 (NEW).]

B. Notwithstanding the requirements of section 4702, subsection 10, mortgage loans made or assisted with money from the fund may be secured by a mortgage which does not constitute a first lien. [PL 1989, c. 48, §§5, 31 (RPR).]

C. If any money in the Housing Opportunities for Maine Fund is used in conjunction with or as part of the issuance of any mortgage purchase bonds and the proceeds of the bonds are allocated by the Maine State Housing Authority to assist in the acquisition of housing, the Maine State Housing Authority may require that the purchaser of the housing make a minimum down payment in an amount determined by the Maine State Housing Authority; except that any such requirement shall not apply to mortgage loans insured or guaranteed by the United States Veterans Administration, the Federal Housing Administration or any other agency of the Federal Government that allows for a lesser down payment than that required by the Maine State Housing Authority. The Maine State Housing Authority may not limit the maximum down payment that may be required. [PL 1989, c. 48, §§5, 31 (NEW).]

D. Money in the fund may be provided to 3rd parties to provide reasonable administrative support and planning funds for the development or specific creation of new housing units or the rehabilitation of dilapidated or substandard existing housing units. [PL 1989, c. 48, §§5, 31 (NEW).]

[PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 48, §§5, 31 (RPR); PL 1989, c. 104, Pt. C, §8, 10 (AMD); PL 1989, c. 581, §11 (AMD).]

### 3. Availability requirement.

[PL 2007, c. 562, §7 (RP).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 48, §§5,31 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1989, c. 581, §11 (AMD). PL 1991, c. 606, §C1 (AMD). PL 1991, c. 606, §C3 (AFF). PL 1999, c. 16, §M1 (AMD). PL 2007, c. 562, §7 (AMD).

#### §4853. Fund created

**1. Creation.** There is created and established under the jurisdiction and control of the Maine State Housing Authority the Housing Opportunities for Maine Fund.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Definitions.** As used in this subchapter, unless the context otherwise indicates, the term "fund" means the Housing Opportunities for Maine Fund created by subsection 1.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4854. Sources of fund

There shall be paid into the fund: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Appropriations.** All money appropriated from the General Fund for inclusion in the fund; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Repayment of advances.** Subject to any pledge, contract or other obligation under section 4855, any money which the Maine State Housing Authority receives in repayment of advances from the fund;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Gains from investments.** Subject to any pledge, contract or other obligation under this section, all interest, dividends and pecuniary gains from the investment of money of the fund;

[PL 2017, c. 234, §28 (AMD).]

**3-A. Nonlapsing revolving loan funds.** Any funds remaining in a revolving loan fund administered by the Maine State Housing Authority for a period longer than 10 years and directed by the Maine State Housing Authority to be paid into the fund; and

[PL 2017, c. 234, §29 (NEW).]

**4. Other money.** Any other money available to the Maine State Housing Authority and directed by the Maine State Housing Authority to be paid into the fund.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §§28, 29 (AMD).

**§4855. Application of fund**

**1. Application to bonds of Maine State Housing Authority.** Money in the fund may, in whole or in part, be pledged or transferred and deposited as security for and applied in payment of principal of, interest on or redemption premiums on bonds of the Maine State Housing Authority issued after April 1, 1982, in accordance with section 4852.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Application on behalf of low-income persons.** Pursuant to any contract with or on behalf of persons of low income, the Maine State Housing Authority may, in whole or in part, apply money in the fund in accordance with section 4852.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

**§4856. Accounts within fund**

The Maine State Housing Authority may divide the fund into any separate accounts that it finds necessary to accomplish the purposes of this subchapter. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

**§4857. Recovery of money applied from fund**

To the extent permitted by law and to the extent it is economically and socially reasonable, the Maine State Housing Authority may recover amounts from any person on whose behalf money from the fund has been applied to carry out this subchapter and may charge interest on those amounts at a rate determined by the Maine State Housing Authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Recovery deferred.** The recovery may be deferred until:

A. The sale or refinancing of the housing; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The end of the term of the mortgage loan; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Any other time determined by the Maine State Housing Authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Limitation of recovery.** Recourse for the recovery is limited to property subject to the mortgage, except in cases of fraud.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4858. Revolving fund

The fund is a revolving fund. The Maine State Housing Authority shall continuously apply all money in the fund to carry out this subchapter. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

### SUBCHAPTER 7-A

#### MAINE ENERGY, HOUSING AND ECONOMIC RECOVERY PROGRAM

#### §4861. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2009, c. 372, Pt. E, §1 (NEW).]

**1. Authority.** "Authority" means the Maine State Housing Authority.  
[PL 2009, c. 372, Pt. E, §1 (NEW).]

**2. Fund.** "Fund" means the Maine Energy, Housing and Economic Recovery Fund established in section 4863.  
[PL 2009, c. 372, Pt. E, §1 (NEW).]

**3. Program.** "Program" means the Maine Energy, Housing and Economic Recovery Program established in section 4862.  
[PL 2009, c. 372, Pt. E, §1 (NEW).]

#### SECTION HISTORY

PL 2009, c. 372, Pt. E, §1 (NEW).

#### §4862. Maine Energy, Housing and Economic Recovery Program

**1. Operator of program.** The Maine Energy, Housing and Economic Recovery Program is established. The authority shall operate the program. The program may be operated in conjunction with other programs of the authority.  
[PL 2009, c. 372, Pt. E, §1 (NEW).]

**2. Purposes of the program.** The program is established to:

A. Establish stable, reliable, long-term capital funding sources dedicated to providing affordable housing for families in the State; [PL 2009, c. 372, Pt. E, §1 (NEW).]

B. Substantially increase the supply of housing that is affordable, safe, appropriately sized and located near jobs and services; [PL 2009, c. 372, Pt. E, §1 (NEW).]

C. Improve the energy efficiency of residential housing in the State through construction of new units, replacement of older substandard units and substantial rehabilitation of existing units; [PL 2009, c. 372, Pt. E, §1 (NEW).]

D. Stimulate the State's economy and create jobs through investment in the construction and rehabilitation of affordable rental housing; [PL 2009, c. 372, Pt. E, §1 (NEW).]

E. Replace hazardous, unhealthy and inefficient manufactured homes that do not meet the United States Department of Housing and Urban Development standards under 24 Code of Federal Regulations, Part 3280; and [PL 2009, c. 372, Pt. E, §1 (NEW).]

F. Reduce the State's greenhouse gas emissions, lower dependence on foreign oil and ease the energy burden on households in the State by increasing the energy efficiency of housing in the State. [PL 2009, c. 372, Pt. E, §1 (NEW).]

[PL 2009, c. 372, Pt. E, §1 (NEW).]

**3. Program elements.** The authority shall achieve the purposes of the program by applying the resources of the program to support construction or substantial rehabilitation of multifamily affordable rental housing units and replacement of manufactured housing units that do not meet the United States Department of Housing and Urban Development regulations under 24 Code of Federal Regulations, Part 3280. The authority in allocating the resources of the program shall seek to achieve the following targets over time:

A. At least 30% to the construction or substantial rehabilitation of multifamily affordable rental housing units serving seniors, as defined by the authority; [PL 2009, c. 372, Pt. E, §1 (NEW).]

B. At least 30% to the construction or substantial rehabilitation of multifamily affordable rental housing units serving persons of any age; [PL 2009, c. 372, Pt. E, §1 (NEW).]

C. At least 10% to the construction or substantial rehabilitation of multifamily affordable rental housing units serving populations with special needs, as defined by the authority; and [PL 2009, c. 372, Pt. E, §1 (NEW).]

D. At least 10% to the replacement of manufactured housing units that do not meet the United States Department of Housing and Urban Development regulations under 24 Code of Federal Regulations, Part 3280. [PL 2009, c. 372, Pt. E, §1 (NEW).]

In designing and implementing the program, the authority shall provide for the needs of rural communities through flexible standards for development size and income eligibility. No more than 30% of program resources may be allocated to projects of all types under these flexible standards.

[PL 2009, c. 372, Pt. E, §1 (NEW).]

## SECTION HISTORY

PL 2009, c. 372, Pt. E, §1 (NEW).

### **§4863. Maine Energy, Housing and Economic Recovery Fund**

The Maine Energy, Housing and Economic Recovery Fund is established under the jurisdiction and control of the authority. The fund is nonlapsing and may be invested in the same manner as permitted for investment of other state funds. [PL 2009, c. 372, Pt. E, §1 (NEW).]

**1. Use of fund.** Money in the fund may be applied by the authority:

A. To reduce the rate of interest on or the principal amount of such mortgage loans as the authority determines; [PL 2009, c. 372, Pt. E, §1 (NEW).]

B. To make mortgage loans and such other types of loans or grants as the authority determines; [PL 2009, c. 372, Pt. E, §1 (NEW).]

C. To fund reserve funds for, pay capitalized interest on, pay costs of issuance of or otherwise secure and facilitate the sale of the bonds issued under section 4864; [PL 2009, c. 372, Pt. E, §1 (NEW).]

D. To pay the administrative costs of the program; [PL 2009, c. 372, Pt. E, §1 (NEW).]

E. To pay, in whole or in part, principal, interest, sinking fund payments or other costs on bonds issued by the authority under section 4864 for the purposes of this program; and [PL 2009, c. 372, Pt. E, §1 (NEW).]

F. In any other reasonable manner to support the purposes of the program. [PL 2009, c. 372, Pt. E, §1 (NEW).]

[PL 2009, c. 372, Pt. E, §1 (NEW).]

**2. Sources of funds.** The fund consists of:

A. All money transferred to the fund pursuant to Title 36, section 4641-B, subsection 4-B; [PL 2011, c. 453, §3 (AMD).]

B. Subject to any pledge, contract or other obligation under this subchapter, any money the authority receives in repayment of advances from the fund; [PL 2009, c. 372, Pt. E, §1 (NEW).]

C. Subject to any pledge, contract or other obligation under this subchapter, all interest, dividends and pecuniary gains from the investment of money of the fund; and [PL 2009, c. 372, Pt. E, §1 (NEW).]

D. Any other money available to the authority and directed by the authority to be paid into the fund. [PL 2009, c. 372, Pt. E, §1 (NEW).]

[PL 2011, c. 453, §3 (AMD).]

**3. Fund as security.** Money in the fund may, in whole or in part, be pledged or transferred and deposited as security for and applied in payment of principal of, interest on or redemption premiums on bonds issued under section 4864 for the purposes of this subchapter. [PL 2009, c. 372, Pt. E, §1 (NEW).]

**4. Division of fund.** The authority may divide the fund into any separate accounts that it finds necessary to accomplish the purposes of this subchapter. [PL 2009, c. 372, Pt. E, §1 (NEW).]

**5. Reporting.** Not later than March 1, 2011 and March 1st of each year thereafter, the director of the authority shall report to the joint standing committee of the Legislature having jurisdiction over affordable housing matters on the status of the fund as long as there has been new activity since the previous report. The report must include, but is not limited to, the amount of revenue bonds issued under this subchapter, the type, location and cost of projects receiving bond proceeds, the number of housing units created by each project, the number of direct construction jobs created or maintained by each project, the amount of direct construction wages paid in creating or maintaining those jobs and the total amount of building materials purchased in the development of each project.

[PL 2017, c. 234, §30 (AMD).]

## SECTION HISTORY

PL 2009, c. 372, Pt. E, §1 (NEW). PL 2011, c. 453, §3 (AMD). PL 2017, c. 234, §30 (AMD).

### §4864. Bonds

Beginning in fiscal year 2010-11, pursuant to its authority under this chapter, the authority may issue revenue bonds from time to time, to be known as Maine Energy, Housing and Economic Recovery

Fund revenue bonds, to carry out the purposes of the program. Notwithstanding any other provision of law, the authority may have in the aggregate principal amount outstanding at any one time Maine Energy, Housing and Economic Recovery Fund revenue bonds up to but not exceeding \$200,000,000, excluding refunding bonds. The authority may issue in any fiscal year revenue bonds under this subchapter in an amount of \$30,000,000 or more, as determined appropriate by the authority for the purposes of the program. [PL 2009, c. 372, Pt. E, §1 (NEW).]

## SECTION HISTORY

PL 2009, c. 372, Pt. E, §1 (NEW).

## SUBCHAPTER 8

### BONDS

#### §4871. Issuance and conditions

An authority may issue bonds from time to time in its discretion for any of its corporate purposes. An authority may issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Methods of repayment; security.** An authority may issue such types of bonds as it may determine, including, but not limited to, bonds on which the principal and interest are payable:

A. Exclusively from the income and revenues of the project financed with the proceeds of those bonds; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Exclusively from the income and revenue of certain designated projects whether or not they are financed in whole or in part with the proceeds of those bonds; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. From its revenues generally or exclusively from the proceeds of mortgages, bonds, or notes or other securities held by the authority; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. From money appropriated by the State or otherwise authorized in this chapter to be applied for the payment of principal, redemption price and interest on the bonds. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

Any such bonds may be additionally secured by a pledge of any grant or contributions from the Federal Government or other source, or a pledge of any income or revenues of the authority or a mortgage of any project, projects or other property of the authority. These bonds may also be secured by one or more Capital Reserve Funds established under section 4906.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Negotiable instruments.** Whether or not the bonds are of such form and character as to be negotiable instruments under the Uniform Commercial Code, Title 11, article 8-A, the bonds are hereby made negotiable instruments within the meaning of and for all the purposes of the Uniform Commercial Code, Title 11, article 8-A, subject only to the provisions of the bonds for registration.

The bonds may be sold at public or private sale. Any provision of any law to the contrary notwithstanding, any bonds issued under this chapter are fully negotiable.

[PL 2017, c. 234, §31 (AMD).]

**3. Municipal authorities.** In the case of a municipal authority, no bonds may be issued, the principal and interest of which are to be payable from the proceeds of mortgages and notes held by the authority under subchapter IX, unless:

A. The bonds are rated in a rating category of A, its equivalent or better, by a nationally recognized rating agency; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. The authority has received consent to issue these bonds from the legislative body of the municipality in which the authority is established; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. In the case of a city authority, the authority has also received the consent of the legislative body of any towns within the area of operation of the authority in which money from the issuance of the bonds may be made available. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

Municipal authorities, considered together, may not at any time have, in the aggregate principal amount of the bonds outstanding, bonds described in this subsection in excess of \$50,000,000.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Authorization; sale; details of bond.** Bonds of an authority shall be authorized by resolution and may be issued in one or more series. Bonds of an authority shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption with or without premium, as such resolution, its trust indenture or mortgage may provide.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Signatures on bonds or coupons.** If any commissioner or officer of the authority whose signature appears on any bonds or coupons ceases to be a commissioner or officer before the bonds are delivered, the signature is nevertheless valid for all purposes, the same as if the commissioner or officer had remained in office until the delivery.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**6. No liability on bonds.** Neither the commissioners of an authority nor any person executing the bonds may be personally liable on the bonds by reason of the issuance of the bonds. The bonds and other obligations of an authority shall not be a debt of the municipality, the State or any political subdivision of the State and neither the municipality nor the State or any political subdivision of the State may be liable on those bonds; the bonds and obligations shall so state on their face. The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. In no event may these bonds or obligations be payable out of any funds or properties other than those of the authority. Bonds of an authority are declared to be issued for an essential public and governmental purpose and to be public instrumentalities and, together with interest on and income from those bonds, are exempt from taxes.



[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**7. Presumption of validity.** In any civil action or proceedings involving the validity or enforceability of any bond of an authority or the security for that bond, any bond reciting in substance that it has been issued by the authority to aid in financing the activities of the authority is deemed to have been issued for that purpose, and those activities are deemed to have been planned, located and carried out in accordance with the purposes and provisions of this chapter.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §31 (AMD).

### §4872. Provisions of bonds, trust indentures and mortgages

In order to secure the payment of its bonds, an authority in addition to its other powers may: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Pledge of assets.** Pledge all or any part of its gross or net rents, fees or revenues, including any grants or contributions from the Federal Government or other source, to which its right then exists or may thereafter come into existence, except the proceeds described in sections 4905 and 4906, which shall be applied as described in those sections;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Mortgage property.** Mortgage all or any part of its real or personal property then owned or thereafter acquired;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Covenants against pledging, mortgaging, disposal or debts.** Covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or personal property to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on those revenues or property; it may covenant with respect to its right to sell, lease or otherwise dispose of any housing project or any part of a housing project; and it may covenant as to what other or additional debts or obligations may be incurred by it;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Covenants against extending bond payments and redemption.** Covenant against extending the time for the payment of its bonds or interest on the bonds, and may covenant for the redemption of the bonds and may provide the terms and conditions of redemption;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Procedure to amend contracts with bondholders.** Prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent to that amendment and the manner in which that consent may be given;

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**6. Breach of covenant.** Covenant as to the rights, liabilities, powers and duties arising upon the authority's breach of any covenant, condition or obligation; and it may covenant and prescribe as to

events of default and terms and conditions upon which any or all of its bonds or obligations will become or may be declared due before maturity, and as to the terms and conditions upon which that declaration and its consequences may be waived; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**7. General powers.** Exercise all or any part or combination of the powers granted; it may make any other covenants and do any acts and things that are necessary or desirable in order to secure its bonds or, in the absolute discretion of the authority, that will tend to make the bonds more marketable, notwithstanding that those covenants, acts or things are not enumerated. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

It is the intention of this section that any pledge made by the Maine State Housing Authority concerning such bonds or notes is valid and binding from the time when the pledge is made; that the money or property so pledged and thereafter received by the Maine State Housing Authority is immediately subject to the lien of that pledge without any physical delivery thereof or further act; and that the lien of any such pledge is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Maine State Housing Authority irrespective of whether those parties have notice of that lien. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

Neither the resolution, trust indenture nor any other instrument by which a pledge is created need be recorded. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4873. Remedies of an obligee

An obligee of an authority has the right in addition to all other rights which may be conferred on the obligee, subject only to any contractual restrictions binding upon the obligee: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

##### 1. Compel performance. By mandamus, civil action or proceeding to:

A. Compel the authority and its commissioners, officers, agents or employees to perform every term, provision and covenant contained in any contract of the authority with or for the benefit of the obligee; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Require the carrying out of any or all the covenants and agreements of the authority and the fulfillment of all duties imposed upon the authority by this chapter; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

##### 2. Enjoin. By civil action or proceeding to:

A. Enjoin any unlawful acts or things; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Enjoin the violation of any of the rights of the obligee of the authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4874. Additional remedies conferrable by authority

An authority may by its resolution, trust indenture, mortgage, lease or other contract confer upon any obligee holding or representing a specified amount in bonds, the right, in addition to all rights that may otherwise be conferred, upon the happening of an event of default as defined in the resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Cause possession of project to be surrendered.** Cause possession of any project or any part of a project to be surrendered to any such obligee; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Obtain appointment of receiver.** Obtain the appointment of a receiver of any project of the authority or any part of a project and of the rents and profits from the project; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Require accounting.** Require the authority and the commissioners of the authority to account as if it and they were the trustees of an express trust. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4875. Bonds as legal investments and security

**1. Purpose; application.** It is the purpose of this section to authorize any of the persons or entities referred to in subsection 2 to use any funds owned or controlled by them, including, but not limited to, sinking, insurance, investment, retirement, compensation, pension and trust funds, and funds held on deposit, for the purchase of any bonds or obligations described in subsection 2. This section applies notwithstanding any restrictions on investments contained in other laws. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Qualifications of bonds.** The State and all public officers, municipal corporations, political subdivisions and public bodies, all banks, bankers, trust companies, savings banks, commercial banks and institutions, building and loan associations, savings and loan associations, investment companies, insurance companies, insurance associations and other persons carrying on a banking or insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, money or other funds belonging to them or within their control in any bonds or other obligations issued by a housing authority created by or under this chapter or issued by any public

housing authority or agency in the United States, Puerto Rico, Guam or the Virgin Islands, when those bonds or other obligations are secured by:

A. A pledge of annual contributions or other financial assistance to be paid by the Federal Government; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. An agreement between the Federal Government and the public housing authority in which the Federal Government agrees to lend to the public housing authority, before the bonds or other obligations mature, money in an amount which, together with any other money irrevocably committed to the payment of interest on the bonds or other obligations, will suffice to pay the principal of the bonds or other obligations with interest to maturity, which money under the terms of the agreement is required to be used for that purpose. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Authorized security; negotiability.** Bonds and other obligations described in subsection 2 are authorized security for all public deposits and are fully negotiable.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Duty of reasonable care not abrogated.** Nothing in this section may be construed as relieving any person from any duty of exercising reasonable care in selecting securities.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

## SUBCHAPTER 9

### MORTGAGE CREDIT

#### §4901. Purchase and sale of mortgage loans

An authority may purchase or make commitments to purchase mortgage loans from any financial institution, pension or retirement fund, any fiduciary or any other person or governmental or business entity. An authority may also sell or make commitments to sell mortgage loans to any pension or retirement fund, any fiduciary or any other person, governmental or business entity or financial institution. An authority may exercise all rights and powers of a holder of any such mortgage loan. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4902. Lenders certification

A mortgage loan is not eligible for purchase or commitment to purchase by an authority under this subchapter unless at or before the time of transfer of the loan to the authority, the originating bank, life insurance company, savings and loan association, other financial institution or the Federal Government

certifies that: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Loan a prudent investment.** In its judgment the mortgage loan would in all respects be a prudent investment for its own account; and  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Reinvestment of sale proceeds.** When the mortgage loan so sold is secured by land and improvements constituting a one-family to 4-family housing unit or has been held by the originator for more than one year since the completion of the construction of the securing structure, the proceeds of sale or its equivalent will be reinvested in residential mortgages or notes within the State, or invested in short term obligations pending the purchase of such residential mortgages or notes. For purposes of this section and section 4903, the term "residential mortgages or notes" includes, but is not limited to, mortgage loans.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4903. Authority not obligated

**1. Authority may decline to purchase.** The authority may at any time decline to purchase or decline to make commitments to purchase any mortgage loan or obligation offered or submitted to it.  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Reinvestment required.** An authority may not purchase from a seller who has previously sold to the authority mortgage loans or obligations secured by land and improvements constituting one-family to 4-family housing units, any new mortgage loan or obligation secured by land and improvements constituting a one-family to 4-family housing unit until that seller has completed the reinvestment in residential mortgages or notes or the purchase of those residential mortgages or notes contemplated in section 4902 and so informed the authority in writing, provided that if the seller had entered into a contract with the authority which provided for reinvestment of the proceeds of the sale of mortgages or obligations with certain restrictions within a certain time period, compliance with the terms of that contract constitutes compliance with this subsection. Any seller who is performing within the terms of the contract is deemed to have completed the reinvestment requirements within the meaning of this subsection with respect to mortgages or obligations subject to that contract.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4904. Consideration for mortgage loans purchased

An authority shall pay for each mortgage loan or obligation purchased an amount not in excess of the outstanding principal balance; discount from the principal balance may be employed to effect a fair rate of return, as determined by the rate of return on comparable investment under market conditions existing at the time of purchase. In addition to this payment of outstanding principal balance, the authority shall pay the accrued interest due on the date the mortgage loan or obligation is delivered to the authority against payment therefor. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt.

C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4905. Bonds; use of proceeds

**1. Issuance authorized.** An authority may authorize the issuance of its revenue bonds as provided in section 4871 for any of its authorized purposes including the purchase of mortgage loans or evidences of mortgage loans, for residential housing or a housing project in the State in accordance with section 4901. These loans may include, but are not limited to, loans which are insured, guaranteed or assisted by the Federal Government or for which there is a commitment by the Federal Government to insure, guaranty or assist the loan.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Restrictions on use.** The loan must be for persons and families:

A. Deemed by the authority to require the assistance made available by this chapter because of low personal or family income, taking into consideration:

- (1) The amount of the total income of the persons and families available for housing needs;
- (2) The size of the family;
- (3) The eligibility of the persons and families for federal housing assistance of any type predicated upon a low-income basis; and
- (4) The ability of the persons and families to compete successfully in the normal housing market and to pay the amounts at which private enterprise is providing decent, safe and sanitary housing; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Deemed by the authority therefor to be eligible to occupy residential housing constructed and financed, wholly or in part, with insured construction loans or insured mortgages, or with other public or private assistance. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Occupancy by persons of low income required.** An authority may not purchase a mortgage loan or evidence of a loan unless at least a reasonable number of the families or individuals who occupy or will occupy the mortgaged premises are persons of low income. The authority shall ensure that the mortgaged premises is continued in use for the originally planned purpose as long as that use is economically and socially reasonable.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4906. Application of receipts; special reserve fund

**1. Housing Reserve Fund.** The Maine State Housing Authority shall establish and maintain a special fund called the "Housing Reserve Fund" which consists of:

A. All money appropriated by the State for inclusion in the fund; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. All proceeds of the sale of bonds, required to be deposited in the fund by the terms of the resolution authorizing the sale of the bonds; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Any other money available to the Maine State Housing Authority which it determines to use for this purpose. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

All money held in the Housing Reserve Fund shall be used only to retire bonds of the Maine State Housing Authority issued to purchase mortgage loans or notes, or to maintain the Housing Reserve Fund at an amount equal to the minimum reserve established by the Maine State Housing Authority. Any proceeds beyond the amount necessary to this function may be used to replace matured mortgage loans or notes or to purchase mortgage loans or notes, or to pay any or all expenses of the Maine State Housing Authority up to 1/2 of 1% of the bond value outstanding each year. The minimum amount of this Housing Reserve Fund shall be the minimum amount of money sufficient to meet the maximum payment required in the following calendar year for payment of principal and interest falling due on all other outstanding bonds and retiring all other bonds required by their terms to be retired. These amounts are referred to in this subchapter as the required "minimum reserve."

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Capital Reserve Fund.** The Maine State Housing Authority may establish and maintain one or more special funds called the "Capital Reserve Fund" which consists of:

A. All money appropriated by the State for inclusion in that fund; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. All proceeds of the sale of bonds, required to be deposited in the fund by the terms of the resolution authorizing the sale of those bonds; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. All other money available to the Maine State Housing Authority which it determines to use for this purpose. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

All money held in any Capital Reserve Fund shall be used only to retire those bonds of the Maine State Housing Authority issued to purchase mortgage loans or notes or home improvement notes under the resolution establishing a Capital Reserve Fund, or to maintain a Capital Reserve Fund at an amount equal to the minimum reserve established by the Maine State Housing Authority. Any proceeds beyond the amount necessary to this function may be used to replace matured mortgage loans or notes or home improvement notes or to purchase mortgage loans or notes or home improvement notes or to pay any expenses of the Maine State Housing Authority up to 1/2 of 1% of the bond value outstanding each year under the resolution creating a Capital Reserve Fund. The minimum amount of any Capital Reserve Fund shall be equal to the amounts required under the resolutions pursuant to which the bonds secured by the Capital Reserve Fund are issued. These amounts are referred to in this subchapter as the required "minimum reserve."

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Required minimum reserve.** Notwithstanding any other provision of this chapter, no bonds may be issued by the Maine State Housing Authority unless there is in the Housing Reserve Fund or Capital Reserve Fund which will secure those bonds the required minimum reserve for all the bonds issued and to be issued which will be secured by the Housing Reserve Fund or Capital Reserve Fund. The Maine State Housing Authority may satisfy this requirement by depositing so much of the proceeds of the bonds being issued, upon their issuance, as is needed for the fund to achieve the required minimum reserve.

A. In order to ensure the maintenance of the required minimum reserve in the Housing Reserve Fund and in any Capital Reserve Fund to which this paragraph is stated to apply in the resolution establishing the Capital Reserve Fund, there shall be annually appropriated and paid to the Maine State Housing Authority for deposits in those funds, the sum, if any, that is certified by the director of the Maine State Housing Authority to the Governor as necessary to restore any such fund to an amount equal to its required minimum reserve. The director shall annually, by December 1st, make and deliver to the Governor a certificate stating the sum, if any, required to restore any such fund to an amount equal to its required minimum reserve, and the sum or sums so certified shall be appropriated and paid to the Maine State Housing Authority during the then current state fiscal year.

(1) For purposes of valuation of the Housing Reserve Fund or Capital Reserve Fund to which this paragraph applies, securities acquired as an investment for any such fund shall be valued at par or actual cost to the Maine State Housing Authority, whichever value is less. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. For any Capital Reserve Fund to which paragraph A is not stated to apply in the resolution establishing the Capital Reserve Fund, there shall be no certification by the director to the Governor or appropriation and payment by the Legislature for deposit in the fund to restore the fund to an amount equal to its required minimum reserve. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4907. Limitations

**1. Limitations on amount of outstanding principal.** The Maine State Housing Authority may not at any time have an aggregate principal amount outstanding, in excess of \$3,000,000,000 of mortgage purchase bonds secured by the Housing Reserve Fund or a Capital Reserve Fund to which section 4906, subsection 3, paragraph A applies. Mortgage purchase bonds of the Maine State Housing Authority secured by capital reserve funds to which section 4906, subsection 3, paragraph A does not apply, bond or mortgage insurance, direct or indirect contract with the United States, purchase or repurchase agreement of guaranty with a banking or other financial organization or other credit arrangements securing the bonds may be issued up to \$100,000,000 per calendar year in an aggregate principal amount outstanding at any time not to exceed \$300,000,000.

[PL 2023, c. 559, §1 (AMD).]



**2. Bond rating.** Mortgage purchase bonds must be rated at or before issuance of the bonds in a rating category of A or its equivalent or better by a nationally recognized rating agency. A rating is not necessary for any issue of mortgage purchase bonds which:

A. Is not subject to section 4906, subsection 3, paragraph A; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Is sold in its entirety to one or more financial institutions, insurance companies or similar finance entities for its own account and not with the present intention of resale. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 48, §§6,31 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1989, c. 914, §6 (AMD). PL 1991, c. 574, §3 (AMD). PL 1991, c. 871, §5 (AMD). PL 1997, c. 491, §1 (AMD). PL 2001, c. 631, §1 (AMD). PL 2023, c. 559, §1 (AMD).

#### §4908. Determination of outstanding obligations

In computing the total amount of obligations of the Maine State Housing Authority which may at any time be outstanding for any purpose under this chapter: [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Amounts to be refunded excluded.** The amount of the outstanding obligations refunded or to be refunded from the proceeds of the sale of new obligations or by the exchange of new obligations shall be excluded; and

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Amounts valued at current value.** The amount of the outstanding obligations that have been issued as capital appreciation bonds or as similar instruments shall be valued as of any date of calculation at their then current accreted value rather than their face value.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4909. Mortgages eligible for investment

All mortgages, bonds and obligations of the Maine State Housing Authority are made legal investments for all insurance companies, trust companies, banks, investment companies, savings banks, savings and loan associations, executors, trustees and other fiduciaries, pension or retirement funds.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4910. Annual report

The director of the Maine State Housing Authority shall prepare and submit to the Governor and the bank superintendent annually a complete report and a complete financial report duly audited and certified by the Office of the State Auditor or a certified public accountant to be distributed in the same way as state departmental reports. [PL 2015, c. 44, §7 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1997, c. 125, §1 (AMD). PL 2013, c. 16, §10 (REV). PL 2015, c. 44, §7 (AMD).

### §4911. Operating expenses

**1. Funds available.** All expenses incurred by the Maine State Housing Authority to pay for the operation and administration of any mortgage purchase program authorized under this subchapter are payable from any money available to the Maine State Housing Authority from any source contemplated by this chapter, including, but not limited to:

A. The money authorized to be applied by section 4906; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Money appropriated by the State; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Contributions, grants and other financial assistance from the Federal Government or other sources; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. Proceeds of the sale of bonds and notes; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

E. Income, rents and revenues of projects financed with the proceeds of the bonds or notes; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

F. Interest on any investments of the Maine State Housing Authority; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

G. Fees related to the mortgage purchase program; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

H. Insurance premiums; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

I. Proceeds of mortgages or other interest-bearing obligations purchased under section 4901. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]  
[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Budget; preparation and approval; limitation.** No later than January 1st in each year, the Maine State Housing Authority shall prepare and file in the office of the Bureau of the Budget a budget of its expenses of operation and administration for any mortgage purchase program for the fiscal year

then commencing. This budget shall also set forth service fees relating to mortgages purchased. The budget may be amended at any time, and the amended budget shall also be filed with the office of the Bureau of the Budget. The commissioners must approve the budget and any amendments to it before it is filed in the office of the Bureau of the Budget.

The expenses of operation and administration set forth in each budget under this subsection may not exceed the amount of money available and estimated to be available from the sources listed in subsection 1, after deducting from that money the aggregate amount of principal and interest accrued and to accrue during the fiscal year on all bonds outstanding issued to finance the program authorized by this subchapter, all as set forth in each budget. The Maine State Housing Authority may not incur expenses of operation and administration for the program in excess of the amounts provided for those expenses in the budget.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Limitation on proceeds.** No amount from the proceeds of the sale of bonds or income derived from bond proceeds in excess of 1/2 of 1% of the bond value outstanding each year may be used:

A. To pay for the expenses of operation and administration for the mortgage purchase program; or [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. For other programs of the Maine State Housing Authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Limitations.** For the purposes of this section:

A. Proceeds of the sale of bonds or income derived from bond proceeds does not include:

- (1) The principal of the Housing Reserve Fund or any Capital Reserve Fund established under this subchapter;
- (2) Income earned in the Housing Reserve Fund or any Capital Reserve Fund; or
- (3) The scheduled amortization payments of principal and interest called for by mortgages or mortgage loans purchased under this subchapter; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Expenses of operation and administration of a program do not include:

- (1) The cost of issuance of bonds; or
- (2) Fees paid to any financial institution by the Maine State Housing Authority for the purpose of servicing mortgage loans. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Other limitations unaffected.** The separate limitations imposed by section 4906 on the use of money deposited in the Housing Reserve Fund or any Capital Reserve Fund are not affected by this section.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

**§4912. Eligible conservation projects**

**(REPEALED)**

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1989, c. 501, §DD36 (AMD). PL 2017, c. 234, §32 (RP).

**§4913. Penalties**

**(REPEALED)**

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §33 (RP).

**SUBCHAPTER 9-A**

**NATURAL DISASTER HOME ASSISTANCE PROGRAM**

**(REPEALED)**

**§4921. Natural Disaster Home Assistance Fund**

**(REPEALED)**

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §34 (RP).

**§4922. Maine Natural Disaster Home Assistance Program**

**(REPEALED)**

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §34 (RP).

**SUBCHAPTER 9-B**

**OVERBOARD DISCHARGE ASSISTANCE PROGRAM**

**(REPEALED)**

**§4926. Overboard Discharge Assistance Fund**

**(REPEALED)**

SECTION HISTORY

PL 1989, c. 48, §§7,31 (NEW). PL 2017, c. 234, §34 (RP).

**§4927. Maine Overboard Discharge Assistance Program****(REPEALED)**

## SECTION HISTORY

PL 1989, c. 48, §§7,31 (NEW). PL 1989, c. 878, §A89 (AMD). PL 1991, c. 238, §1 (AMD). PL 2017, c. 234, §34 (RP).

**§4928. Bonds; issuance; separability of provisions****(REPEALED)**

## SECTION HISTORY

PL 1989, c. 48, §§7,31 (NEW). PL 2017, c. 234, §34 (RP).

**SUBCHAPTER 10****HOUSING MORTGAGE INSURANCE LAW****§4931. Short title**

This subchapter shall be known and may be cited as the "Housing Mortgage Insurance Law." [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

**§4932. Declaration of purpose**

The Constitution of Maine, Article IX, Section 14-C, provides for insuring payment of mortgage loans for Indian housing for the purpose of "fostering and encouraging the acquisition, construction, repair and remodeling of houses owned or to be owned by members of the 2 tribes on the several Indian reservations." It is the purpose of this subchapter to designate the Maine State Housing Authority as the state agency responsible for implementing the powers provided for in the Constitution of Maine, Article IX, Section 14-C. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

Whereas the power of the Maine State Housing Authority to insure mortgages on housing, other than Indian housing, needs clarification, and whereas the Maine State Housing Authority is the appropriate agency of the State to administer a state housing mortgage insurance program and could administer it in conjunction with the Indian Housing Mortgage Insurance Program, it is the further purpose of this subchapter to provide that clarification. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

**§4933. Definitions**

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Housing.** "Housing" includes, but is not limited to, any "project" or "housing project," as defined in section 4702, subsection 14.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Housing Mortgage Insurance Fund.** "Housing Mortgage Insurance Fund" means the fund established under section 4934-A by the Maine State Housing Authority for the purpose of providing insurance for the payment of mortgage loans for housing in the State.

[PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD); PL 1989, c. 581, §12 (AMD).]

**2-A. Housing Mortgage Insurance Program.** "Housing Mortgage Insurance Program" means any program of providing insurance for the payment of mortgage loans for housing in the State established by the Maine State Housing Authority.

[PL 1989, c. 581, §13 (NEW).]

**3. Indian Housing Mortgage Insurance Fund.** "Indian Housing Mortgage Insurance Fund" means any Housing Mortgage Insurance Fund established by the Maine State Housing Authority in cooperation with the Indian Housing Authority for the purpose of providing insurance for the payment of mortgage loans for housing on the Indian reservations.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**4. Indian Housing Authority.** "Indian Housing Authority" means any housing authority created by the Maine Indian Housing law.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**5. Indian Housing Mortgage Insurance Committee.** "Indian Housing Mortgage Insurance Committee" means a committee consisting of:

A. The Treasurer of State or Deputy Treasurer of State; [PL 1991, c. 511, Pt. B, §2 (AMD).]

B. The director or deputy director of the Maine State Housing Authority; [PL 1991, c. 511, Pt. B, §2 (AMD).]

C. The Commissioner of Finance or the State Budget Officer; and [PL 1991, c. 511, Pt. B, §2 (AMD).]

D. One person from the Passamaquoddy Tribe and one person from the Penobscot Nation to be chosen by the respective tribe or nation. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1991, c. 511, Pt. B, §2 (AMD).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1989, c. 581, §§12,13 (AMD). PL 1991, c. 511, §B2 (AMD).

### §4934. Insurance policies

**1. Contracts.** The Maine State Housing Authority may:

A. Establish housing mortgage insurance contracts; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. Charge and collect premiums; [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

C. Make appropriate payments; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

D. Do all other things necessary and proper to administer a state housing mortgage insurance program. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1-A. Application.** The Housing Mortgage Insurance Program may be made available to persons who have not financed housing through a program of the Maine State Housing Authority. [PL 1989, c. 48, §§8, 31 (NEW).]

**2. Procedure.** When providing mortgage insurance on Indian housing, the Maine State Housing Authority shall develop the various contracts and other aspects of the program in cooperation with the Indian Housing Authority and shall deal with insurance purchases exclusively through the agency of the Indian Housing Authority or a person acceptable to the Indian Housing Authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**3. Limitation.** Notwithstanding this section, the Maine State Housing Authority shall not make any contract or commitment of mortgage insurance on housing on the Indian reservations without the approval of a majority of the Indian Housing Mortgage Insurance Committee. [PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD); PL 1989, c. 581, §14 (AMD).]

**4. Surplus revenues.** Any revenues in excess of the money required to insure housing mortgages under this subchapter shall first be used to repay any loans from the General Fund. After repayment to the General Fund, any surplus money may be allocated to the Housing Opportunities for Maine Program. [PL 1989, c. 48, §§9, 31 (NEW).]

**5. Pledging of assets.** Any obligations incurred under the Housing Mortgage Insurance Program shall be payable only from the Housing Mortgage Insurance Fund and shall create no lien or claim on behalf of any beneficiary nor on behalf of the fund against any other fund or funds of the Maine State Housing Authority. [PL 1989, c. 581, §15 (NEW).]

**6. Exemption.** Any mortgage insurance program operated under this subchapter is exempt from all requirements imposed under the Maine Insurance Code. [PL 1989, c. 581, §15 (NEW).]

## SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 48, §§8,9,31 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 1989, c. 581, §§14,15 (AMD).

### §4934-A. Housing Mortgage Insurance Fund

**1. Fund created.** There is established under the jurisdiction of the Maine State Housing Authority, or any nonprofit corporate subsidiary it may create for this purpose pursuant to section 4722, subsection 1, paragraph P, an insurance reserve fund called the Housing Mortgage Insurance Fund. As used in this section, the term "fund" means the Housing Mortgage Insurance Fund.

[PL 1989, c. 581, §16 (NEW).]

**2. Sources of fund.** There shall be paid into the fund:

A. All money appropriated by the State for inclusion in the fund; [PL 1989, c. 581, §16 (NEW).]

B. All proceeds from the issuance of bonds on behalf of the State for inclusion in the fund; [PL 1989, c. 581, §16 (NEW).]

C. All premiums collected under the Housing Mortgage Insurance Program; [PL 1989, c. 581, §16 (NEW).]

D. All interest, dividends and pecuniary gains from investment of money of the fund; and [PL 1989, c. 581, §16 (NEW).]

E. Any other money available to the Maine State Housing Authority which it determines to use for this purpose. [PL 1989, c. 581, §16 (NEW).]

[PL 1989, c. 581, §16 (NEW).]

**3. Application of fund.** All money held in the fund shall be used only to make payments pursuant to housing mortgage insurance contracts, to pay any or all expenses of administration and operation of the Housing Mortgage Insurance Program and to maintain the fund at an amount equal to the minimum insurance reserve. The minimum insurance reserve shall be an amount equal to 10% of the aggregate outstanding housing mortgage insurance liability secured by the fund. Any money in the fund in excess of that needed to maintain the minimum insurance reserve may be allocated to the Housing Opportunities for Maine Program.

A. Money in the fund shall not be used as collateral, payment or in any other way to assist any insurance of mortgages on housing on the Indian reservations. [PL 1989, c. 581, §16 (NEW).]

[PL 1989, c. 581, §16 (NEW).]

**4. Maintenance of fund.** To ensure the maintenance of the fund at an amount equal to the required minimum insurance reserve, there shall be annually appropriated and paid for deposit in the fund the sum, if any, that is certified by the Director of the Maine State Housing Authority, or the director's designee, to the Governor as necessary to restore any such fund to an amount equal to its required minimum insurance reserve. The director, or the director's designee, shall annually, by December 1st, make and deliver to the Governor a certificate stating the sum, if any, required to restore the fund to an amount equal to its required minimum insurance reserve, and the sum so certified shall be appropriated and paid during the current state fiscal year.

A. For purposes of valuation of the fund, securities acquired as an investment for the fund shall be valued at par or actual cost, whichever value is less. [PL 1989, c. 581, §16 (NEW).]

[PL 1989, c. 581, §16 (NEW).]

**5. Limitation on insurance.** The maximum aggregate housing mortgage insurance liability secured by the fund which may be outstanding at any time is \$25,000,000. In computing the aggregate outstanding housing mortgage insurance liability secured by the fund for purposes of this subsection, any housing mortgage insurance liability on which reinsurance has been obtained shall be excluded.

[PL 1989, c. 581, §16 (NEW).]

## SECTION HISTORY

PL 1989, c. 581, §16 (NEW).

### §4935. General obligation bonds for Indian housing mortgage insurance

The Maine State Housing Authority may request the Treasurer of State to issue up to \$1,000,000 in state general obligation bonds for the purpose of providing funds to pay any necessary and proper costs or charges arising for any reason, including the default of any policy issued under section 4934, subsection 2, and incurred as a result of its insuring or undertaking to insure the payment of mortgages



for Indian housing on an Indian reservation. Upon this request from the authority, the Treasurer of State shall issue the bonds as promptly as possible, but in any event not later than the next regularly scheduled bond issue of the State, unless prior to the issuance of the bonds, the amount so requested is provided to the Maine State Housing Authority by appropriation of the Legislature, by transfer from the State Contingency Account or otherwise. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**1. Use of proceeds.** Proceeds from the bond issuance may not be used as collateral, payment or in any other way to assist any insurance of mortgages on other than Indian housing on Indian reservations. Administrative funds used to assist in the management of an Indian Housing Mortgage Insurance Fund or program may be commingled with administrative funding for any Housing Mortgage Insurance Fund or program operated or to be operated by the Maine State Housing Authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

**2. Accounting of proceeds.** Proceeds from the bond issuance shall be accounted for separately from the general assets of any other housing insurance fund and separately from any other funds operated at any time by the Maine State Housing Authority, its successors, assigns or trustees. This separate accounting shall be maintained even if funds are commingled for investment purposes by the authority or by a trustee of any fund operated by or for the authority. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

#### §4936. Rulemaking

In order to implement and administer the Housing Mortgage Insurance Law, the Maine State Housing Authority may enact, amend or repeal rules under the Maine Administrative Procedure Act, Title 5, chapter 375. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD).

### SUBCHAPTER 10-A

#### ELDERLY HOMEOWNER EQUITY LOAN PROGRAM

##### §4941. Program established

The Elderly Homeowner Equity Loan Program is established to address the need of low-income elderly homeowners for additional income and to enable the elderly to remain in their homes. [PL 1989, c. 581, §18 (NEW).]

#### SECTION HISTORY

PL 1989, c. 581, §18 (NEW).

##### §4942. Elderly Homeowner Equity Loan Guarantee Fund

**1. Creation.** The Elderly Homeowner Equity Loan Guarantee Fund is established under the jurisdiction of the Maine State Housing Authority. As used in this section, the term "fund" means the Elderly Homeowner Equity Loan Guarantee Fund.

[PL 1989, c. 581, §18 (NEW).]

**2. Sources of fund.** Sources of the fund shall include:

A. All money appropriated for inclusion in the fund; [PL 1989, c. 581, §18 (NEW).]

B. Subject to any pledge, contract or other obligation, any money that the Maine State Housing Authority receives in repayment of advances from the fund; [PL 1989, c. 581, §18 (NEW).]

C. Subject to any pledge, contract or other obligation, all interest, dividends and pecuniary gains from investment of money of the fund; and [PL 1989, c. 581, §18 (NEW).]

D. Any other money available to the state authority and directed by the Maine State Housing Authority to be paid into the fund. [PL 1989, c. 581, §18 (NEW).]

[PL 1989, c. 581, §18 (NEW).]

**3. Application of fund.** Funds may be applied in the following manner.

A. Money in the fund may be used by the Maine State Housing Authority to insure, guarantee, purchase or make disbursements on reverse annuity mortgage loans, home equity loans or other similar types of loans made to low-income elderly residents of the State either directly through the Maine State Housing Authority or a financial institution or indirectly through property or other tax deferral granted to a low-income elderly homeowner by a state, county, municipality or other taxing authority. Loans shall be secured by a mortgage on the residence, subject to any encumbrances, including, without limitation, prior mortgage loans, that are acceptable to the Maine State Housing Authority or any other security as determined by the Maine State Housing Authority. [PL 1989, c. 581, §18 (NEW).]

B. Money in the fund may be pledged or transferred and deposited as security for and applied in payment of principal of, interest on or redemption premiums on bonds of the Maine State Housing Authority issued to carry out the purposes of this section. [PL 1989, c. 581, §18 (NEW).]

C. Interest, dividends and pecuniary gains from investment of money of the fund may be used by the Maine State Housing Authority to pay for the administrative expenses of the fund and its operation. [PL 1989, c. 581, §18 (NEW).]

[PL 1989, c. 581, §18 (NEW).]

**4. Accounts within the fund.** The Maine State Housing Authority may divide the fund into separate accounts determined necessary or convenient to accomplish the purposes of this section.

[PL 1989, c. 581, §18 (NEW).]

**5. Revolving fund.** The fund shall be a nonlapsing, revolving fund. The Maine State Housing Authority shall continuously apply all money in the fund to carry out this section.

[PL 1989, c. 581, §18 (NEW).]

## SECTION HISTORY

PL 1989, c. 581, §18 (NEW).

### §4943. Limitations

The following limitations apply to the Elderly Homeowner Equity Loan Program and the Elderly Homeowner Equity Loan Guarantee Fund under this subchapter. [PL 1989, c. 581, §18 (NEW).]

**1. Priority.** Priority shall be given to low-income elderly households.

[PL 1989, c. 581, §18 (NEW).]

**2. Participation.** Participation is limited to applicants who are 70 years of age or older.

[PL 1989, c. 581, §18 (NEW).]

**3. Equity.** The Maine State Housing Authority shall not insure, guarantee, purchase or make disbursements on loans for which the loan-to-value ratio exceeds 80%.

[PL 1989, c. 581, §18 (NEW).]

**4. Use of funds.** Loans provided to eligible recipients shall be used only for urgent matters as determined by the Maine State Housing Authority, including payment of property taxes, property maintenance, home care and similar matters.

[PL 1989, c. 581, §18 (NEW).]

#### SECTION HISTORY

PL 1989, c. 581, §18 (NEW).

#### §4944. Adoption of rules

Subject to the Maine Administrative Procedure Act, Title 5, chapter 375, subchapter II, the Maine State Housing Authority may adopt rules necessary to implement the Elderly Homeowner Equity Loan Program. [PL 1989, c. 581, §18 (NEW).]

**1. Asset limitations.** The Maine State Housing Authority may adopt rules with respect to asset limitations. At a minimum, the Maine State Housing Authority shall adopt rules restricting real property assets to the principal residence of the applicant. Nothing in this section may preclude from eligibility the permanent residence and land contiguous to that residence, such as a family farm or similar situation.

[PL 1989, c. 581, §18 (NEW).]

**2. Counseling of applicants.** The Maine State Housing Authority shall, by rule, provide for the counseling of applicants to ensure that the applicants are aware of the advantages, disadvantages, potential risks and other aspects of the program.

[PL 1989, c. 581, §18 (NEW).]

**3. Purpose; minimize risk.** In adopting rules, the Maine State Housing Authority shall seek to protect the interests of all parties and to minimize their risks.

[PL 1989, c. 581, §18 (NEW).]

**4. Federal projects.** The Maine State Housing Authority, by rule, may allow for federal pilot projects which may have criteria inconsistent with the criteria in the Elderly Homeowner Equity Loan Program.

[PL 1989, c. 581, §18 (NEW).]

#### SECTION HISTORY

PL 1989, c. 581, §18 (NEW).

### SUBCHAPTER 11

#### STATE-OWNED LAND FOR HOUSING

**(REPEALED)**

#### §4951. State-owned land for construction of housing

**(REPEALED)**

#### SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 48, §§10,31 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2017, c. 234, §35 (RP).

**§4952. Surplus land in trust**

**(REPEALED)**

SECTION HISTORY

PL 1989, c. 48, §§11,31 (NEW). PL 2007, c. 466, Pt. A, §51 (AMD). PL 2017, c. 234, §35 (RP).

**SUBCHAPTER 11-A**

**ELECTRIC ASSISTANCE**

**§4961. Electric assistance program**

**1. Definitions.** As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Authority" means the Maine State Housing Authority established pursuant to section 4722. [PL 2001, c. 257, §1 (NEW).]

B. "Electric assistance" means assistance as established by the commission pursuant to Title 35-A, section 3214 and rules adopted pursuant to that section, based on an eligible household's income level and electricity usage and paid to an electric utility on behalf of an eligible household. [PL 2001, c. 257, §1 (NEW).]

C. "Electric utility" means a transmission and distribution utility as defined in Title 35-A, section 102, subsection 20-B. [PL 2001, c. 257, §1 (NEW).]

D. "Eligible household" means a household that is eligible to receive fuel assistance through the Maine State Housing Authority pursuant to section 4722, subsection 1, paragraph W; section 4741, subsection 15; and subchapter XIII and rules adopted pursuant to these laws. "Eligible household" does not include a tenant who resides in subsidized housing and receives a utility allowance or a tenant whose utilities are included in the rent. [PL 2001, c. 257, §1 (NEW).]

E. "Commission" means the Public Utilities Commission established pursuant to Title 35-A, section 103. [PL 2001, c. 257, §1 (NEW).]

F. "Fund" means the Electric Assistance Program Fund established in section 4962. [PL 2001, c. 257, §1 (NEW).]

G. "Program" means the electric assistance program established by the commission pursuant to Title 35-A, section 3214. [PL 2001, c. 257, §1 (NEW).]  
[PL 2001, c. 257, §1 (NEW).]

**2. Program administration.** The authority shall administer the program directly or through regional contract agents. The program may be administered in conjunction with other programs of the authority.

[PL 2001, c. 257, §1 (NEW).]

**3. Reporting requirements.** The authority shall report annually to the commission information to determine the amount of funding necessary for the program, including the amount of electric assistance paid on behalf of each eligible household, the total amount of electric assistance paid on behalf of eligible households, the number of eligible households served and other reasonably necessary information required by the commission in connection with the program.

[PL 2001, c. 257, §1 (NEW).]

**4. Rulemaking.** The authority may adopt rules to implement this subchapter. Rules adopted pursuant to this subchapter are routine technical rules pursuant to Title 5, chapter 375, subchapter II-A. [PL 2001, c. 257, §1 (NEW).]

#### SECTION HISTORY

PL 2001, c. 257, §1 (NEW).

#### §4962. Electric Assistance Program Fund

**1. Established.** The fund is established under the jurisdiction of the authority. [PL 2001, c. 257, §1 (NEW).]

**2. Sources of the fund.** The funds consists of:

A. Funds collected by an electric utility as determined by the commission pursuant to Title 35-A, section 3214; [PL 2001, c. 257, §1 (NEW).]

B. All money appropriated by the State for inclusion in the fund; [PL 2001, c. 257, §1 (NEW).]

C. Subject to any pledge, contract or other obligation, all interest, dividends and pecuniary gains from the investment of money in the fund; and [PL 2001, c. 257, §1 (NEW).]

D. All other money deposited in the fund to implement the provisions of this subchapter. [PL 2001, c. 257, §1 (NEW).]  
[PL 2001, c. 257, §1 (NEW).]

**3. Application of fund.** The authority shall apply money in the fund to provide electric assistance for the benefit of eligible households and for other purposes authorized by this subchapter. Money in the fund not currently needed for purposes of this subchapter may be deposited with the authority to the credit of the fund and may be invested as provided by law. The fund may be used by the authority to pay for the administrative expenses of the fund and operation of the program with the approval of the commission.

[PL 2001, c. 257, §1 (NEW).]

**4. Accounts within the fund.** The authority may divide the fund into separate accounts as it determines necessary or convenient to accomplish the purposes of this subchapter.

[PL 2001, c. 257, §1 (NEW).]

**5. Revolving fund.** The fund is a revolving fund. The authority shall continuously apply the money in the fund to accomplish the purposes of this subchapter.

[PL 2001, c. 257, §1 (NEW).]

#### SECTION HISTORY

PL 2001, c. 257, §1 (NEW).

## SUBCHAPTER 12

### PRESERVATION OF MODERATE-INCOME AND LOW-INCOME HOUSING CONSTRUCTED WITH FEDERAL ASSISTANCE

#### §4971. Purpose

The State is experiencing severe shortages of affordable housing in various parts of the State. The affordable housing shortage is contributing to an ever-increasing class of working poor people and creating severe hardships for a significant number of Maine citizens. [PL 1989, c. 48, §§12, 31 (NEW).]

The housing shortage problem may soon be intensified by the conversion of moderate-income and low-income rental housing units into housing for higher income persons and families. Many moderate-income and low-income rental housing units were constructed with federal assistance nearly 20 years ago with an agreement that the mortgagee may pay the mortgage after 20 years and not be subject to any of the restrictions in the initial agreement. As the mortgagees pay the mortgages, it is essential for the State to preserve as much of this housing as possible at affordable costs for the citizens of the State. [PL 1989, c. 48, §§12, 31 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW).

#### §4972. Definitions

For the purposes of this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2023, c. 218, §3 (RPR).]

**1. Low-income rental housing.** "Low-income rental housing" means rental housing with 5 or more residential units in which any of the units are:

A. Subject to federal or state income eligibility restrictions; [PL 2023, c. 218, §3 (NEW).]

B. Subject to rents that are controlled, regulated or assisted by a federal or state agency pursuant to a regulatory agreement, rental assistance agreement, restrictive covenant, mortgage or other documentation; or [PL 2023, c. 218, §3 (NEW).]

C. The subject of financial assistance given under a federal or state program designed to provide affordable housing to low-income or moderate-income people. [PL 2023, c. 218, §3 (NEW).]  
[PL 2023, c. 218, §3 (NEW).]

**2. Holder.** "Holder" means either the Maine State Housing Authority or a municipal housing authority that holds the option to purchase a low-income rental housing project.  
[PL 2023, c. 218, §3 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW). PL 1993, c. 175, §10 (AMD). PL 2023, c. 218, §3 (RPR).

#### §4973. Notification of intent to sell

Any person, firm or organization that owns or has a controlling interest in any low-income rental housing may not sell, transfer title, prepay a mortgage or take other action in regard to the property that would result in the termination of any income eligibility restrictions, rent restrictions or financial assistance designed to make a rental unit affordable to low-income or moderate-income people without providing notice, as outlined in subsection 1, to the tenants of that property, the Maine State Housing Authority and, if the property is located in the area of operation of a municipal housing authority, the municipal housing authority, as provided in this section. [PL 2023, c. 218, §4 (AMD).]

**1. Notice.** The notice must be made to the tenants, the Maine State Housing Authority and the municipal housing authority, if any, at least 90 days prior to the owner entering into a contract for the sale or transfer or taking any action in regard to the property described in this section. Failure to provide notice as required by this subsection does not reduce the 90-day period within which the Maine State Housing Authority or the municipal housing authority, if any, may submit, in writing, the intention to pursue the option described in subsection 2.  
[PL 2023, c. 218, §4 (AMD).]

**2. Option.** The Maine State Housing Authority or the municipal housing authority, if any, has the option to purchase the property at its current appraised value, as determined by appraisers for the owner and the holder that has stated the intention to exercise the option to purchase. The municipal housing authority must have opportunity to exercise the option to purchase. The holder has the option

throughout the 90-day period. Failure to exercise the option to purchase within 90 days constitutes a waiver of that option by the holder. By stating in writing its intention to pursue its option during the 90-day period, the holder has an additional 90 days, beginning on the date the appraised value is determined by the appraisers for the owner and the holder, to buy or to produce a buyer for the property. This additional 90-day period may be extended by mutual agreement between the holder and the owner of the property. The 90-day period and any agreed upon extension beginning on the date the appraised value is determined is automatically extended for any additional time required to obtain governmental approvals of any sale or transfer transaction and an additional 60 days after receipt of approval. The holder has the right to assign its option to a nonprofit corporation upon such terms as the holder may determine, including, but not limited to, requiring the assignee to agree to additional income eligibility restrictions and rental restrictions for a duration as determined by the holder.

A. Nothing in this section prevents an owner of the property from deciding not to sell, transfer or take other action described in this section. The withdrawal or revocation, or failure to close on a sale pursuant to the option within the time provided in this subsection, extinguishes any option held by the holder or an assignee. [PL 2023, c. 218, §4 (AMD).]

[PL 2023, c. 218, §4 (AMD).]

**3. Exceptions.** The holder may not possess any option when a bona fide buyer, by contract with the seller, agrees to maintain the property as low-income housing without any termination or other modification to the income eligibility restrictions or rental restrictions or financial assistance applicable to the property. The notice provisions of this section apply to this subchapter.

[PL 2023, c. 218, §4 (AMD).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW). PL 1993, c. 175, §11 (AMD). PL 2017, c. 234, §36 (AMD). PL 2023, c. 218, §4 (AMD).

#### §4974. Purchase property; construct housing

The Maine State Housing Authority or any municipal housing authority may purchase or acquire property to preserve or provide affordable housing to moderate-income and low-income people and provide for the management and maintenance of this property. [PL 1989, c. 48, §§12, 31 (NEW).]

**1. Construction.** The Maine State Housing Authority or any municipal housing authority may construct or reconstruct housing for moderate-income and low-income households.

[PL 1989, c. 48, §§12, 31 (NEW).]

**2. Rehabilitation.** The Maine State Housing Authority or any municipal housing authority may rehabilitate buildings to provide affordable housing to moderate-income and low-income households.

[PL 1989, c. 48, §§12, 31 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW).

#### §4975. Provide financing

The Maine State Housing Authority or any municipal housing authority may provide low interest or no interest financing to any person who agrees to construct, reconstruct, rehabilitate or purchase property to provide housing for moderate-income and low-income households. [PL 1989, c. 48, §§12, 31 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW).

#### §4976. Conversion of property

Any owner or purchaser of low-income rental housing who sells, transfers title or takes other action in regard to that property that would result in the termination of financial assistance designed to make a rental unit affordable to low-income or moderate-income people shall allow the current tenants to remain in the units for 6 months from the date of sale, transfer of title or other action in regard to the property, at the same rents or portion of the total rents charged to the tenants before that sale, transfer of title or other action in regard to the property, or the owner may relocate the tenants to comparable units with comparable rents in accordance with the procedure established by rules of the Maine State Housing Authority. [PL 1993, c. 175, §12 (AMD).]

**1. Rules.** The Maine State Housing Authority, pursuant to the Maine Administrative Procedure Act, Title 5, chapter 375, shall adopt rules with respect to relocation standards to be applied under this section. These standards shall include, but are not limited to, assistance with moving expenses and rental assistance payments necessary to maintain comparable rents for the displaced tenants. [PL 1989, c. 48, §§12, 31 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW). PL 1993, c. 175, §12 (AMD).

#### §4977. Rules

The Maine State Housing Authority may adopt rules in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, to implement this subchapter. [PL 1989, c. 48, §§12, 31 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW).

#### §4978. Penalty

Any person who fails to give notice as provided in this subchapter commits a civil violation for which a penalty of not less than \$2,500 may be adjudged. [PL 1989, c. 48, §§12, 31 (NEW).]

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW).

#### §4979. Repeal

**(REPEALED)**

#### SECTION HISTORY

PL 1989, c. 48, §§12,31 (NEW). PL 1989, c. 380 (RP).

### SUBCHAPTER 12-A

#### LEAD ABATEMENT

#### §4981. Lead abatement program

**1. Program.** The Maine State Housing Authority shall establish and administer a program that provides assistance, including grants, for the abatement of lead paint hazards in residential housing, referred to in this subchapter as "the program." Program funds may be used to match federal funds available for lead abatement. The program is subject to the following conditions.

A. The Maine State Housing Authority shall establish eligibility standards for participation in the program, including, but not limited to, the following.

- (1) Housing units or housing projects consisting of households with incomes up to 100% of the area median income as established by the United States Department of Housing and Urban



Development, whether the housing is owned by an individual or a for-profit or nonprofit entity, are eligible.

(2) Annual rent for a housing unit or housing project receiving project funds may not exceed 30% of the area median income as established by the United States Department of Housing and Urban Development for 4 years after completion of the abatement work.

(3) Housing that serves as a child care location for children under 6 years of age is eligible as long as the owner has an annual income at or below 100% of the area median income as established by the United States Department of Housing and Urban Development.

The Maine State Housing Authority may adopt the eligibility standards pursuant to this paragraph by routine technical rule as described in Title 5, chapter 375, subchapter 2-A. [PL 2017, c. 460, Pt. M, §1 (NEW).]

B. All lead abatement performed pursuant to the program must comply with industry standards for lead abatement, including pre-abatement inspection and post-abatement inspection of the housing and other standards established by the Department of Environmental Protection. If the pre-abatement inspection identifies the presence of lead in or on the windows, replacement of those windows must be recommended. [PL 2017, c. 460, Pt. M, §1 (NEW).]

C. An owner of housing that receives lead abatement assistance under the program shall pay a portion of the abatement costs as follows:

(1) At least 10% of the costs of abatement; or

(2) At least 25% of the costs of abatement if a child who is a resident of, or who receives child care services in, the housing has been determined to have lead poisoning, as defined in Title 22, section 1315, subsection 5-C. [PL 2017, c. 460, Pt. M, §1 (NEW).]

Priority for program funds must be given to abatement projects for housing in which a child who has been determined to have lead poisoning, as defined in Title 22, section 1315, subsection 5-C, resides. [PL 2017, c. 460, Pt. M, §1 (NEW).]

**2. Lead Abatement Fund.** The Lead Abatement Fund, referred to in this subchapter as "the fund," is established under the jurisdiction and control of the Maine State Housing Authority. The fund is nonlapsing and must be used to fund the program. The fund consists of funds appropriated or allocated by the Legislature for the purpose of this section and other funds acquired by the Maine State Housing Authority to accomplish the purpose of the program. [PL 2017, c. 460, Pt. M, §1 (NEW).]

## SECTION HISTORY

PL 2017, c. 460, Pt. M, §1 (NEW).

## SUBCHAPTER 13

### FUEL ASSISTANCE

#### §4991. Fuel assistance program

The Maine State Housing Authority shall administer a fuel assistance program as provided in this subchapter. As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

**1. Authority.** "Authority" means the Maine State Housing Authority. [PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

**2. Fuel assistance.** "Fuel assistance" means assistance paid to eligible households or to fuel vendors on behalf of an eligible household or directly to eligible tenants who pay heating costs as an undesignated portion of rent.

[PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

#### SECTION HISTORY

PL 1991, c. 622, §J23 (NEW). PL 1991, c. 622, §J25 (AFF).

#### §4992. Administration

The authority may select local program operators as long as they comply with the program operating standards established by the authority by rule in accordance with the Maine Administrative Procedure Act. The authority, by rule, shall provide, at a minimum, the following standards that apply to local program operators and administrators: [PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

**1. Accounting and bookkeeping standards.** Standards that require generally accepted accounting and bookkeeping procedures that meet the requirements of the Federal Government and the authority;

[PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

**2. Conflict of interest standards.** Standards that prohibit conflicts of interest by local program operators and administrators. These standards must, at a minimum, meet the standards that apply to Legislators as defined in Title 1, section 1014;

[PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

**3. Confidentiality standards.** Standards requiring the adherence of the local program operators to confidentiality with respect to program recipients;

[PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

**4. Availability standards.** Standards requiring local program operators and administrators to be available to the general public for a minimum specified period of time each week;

[PL 2021, c. 588, §1 (AMD).]

**5. Expedient provision of assistance standards.** Standards that ensure that qualified program recipients are expeditiously provided with assistance by the local program operator or administrator; and

[PL 2021, c. 588, §2 (AMD).]

**6. Application.** Standards that, beginning no later than the 2022-23 winter season, require local program operators and administrators to accept online applications for the fuel assistance program. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[PL 2021, c. 588, §3 (NEW).]

A person who the authority finds to be in violation of the standards adopted by the authority pursuant to this section may be prohibited from acting as a local program operator or administrator of the fuel assistance program. [PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

#### SECTION HISTORY

PL 1991, c. 622, §J23 (NEW). PL 1991, c. 622, §J25 (AFF). PL 2021, c. 588, §§1-3 (AMD).

#### §4992-A. Fuel Assistance Reserve Fund

**1. Fuel Assistance Reserve Fund.** If funds are appropriated pursuant to this section, the authority shall use the funds to establish and capitalize the Fuel Assistance Reserve Fund. The authority shall keep the Fuel Assistance Reserve Fund, referred to in this section as the "fund," separate from all other

funds managed by the authority and use the fund only under the conditions set forth in this section. The authority shall use the Fuel Assistance Reserve Fund to ensure that fuel assistance benefits for the State's eligible elderly and low-income residents are available prior to the beginning of the heating season.

[PL 1991, c. 858, §1 (NEW).]

**2. Timely distribution of benefits.** The authority shall make available to local program operators and municipal administrators of the fuel assistance program, at the beginning of each state fiscal year, funds sufficient to cover anticipated fuel assistance payments and program administrative costs for at least the months of July, August and September.

[PL 2001, c. 439, Pt. GG, §1 (AMD).]

**3. Conditional use of the fund.** The authority's use of the fund is subject to the following conditions and limitations.

A. If the authority reasonably anticipates that federal fuel assistance block grant funds are not available for distribution to the local program operators and municipal administrators by July 1st of each year, the authority shall withdraw and distribute sufficient money from the fund as is necessary for the purposes set forth in this section. The authority may withdraw funds prior to October 1st, provided that those funds are used only for costs incurred on or after July 1st.

Money may not be withdrawn from the fund if sufficient block grant funds are available by July 1st to pay reasonably anticipated fuel assistance program and administrative costs for the months of July, August and September. [PL 2001, c. 439, Pt. GG, §1 (AMD).]

B. Money withdrawn from the fund must be sufficient to cover anticipated fuel assistance payments and fuel assistance program administrative costs for all local program operators and municipal administrators for the months of July, August and September. [PL 2001, c. 439, Pt. GG, §1 (AMD).]

C. The fund may not be used if the authority reasonably anticipates that no federal fuel assistance money will be received. [PL 1991, c. 858, §1 (NEW).]

D. The authority must receive prior written approval from the Federal Government that confirms that state funds withdrawn during a period from July 1st to September 30th may be reimbursed with federal fuel assistance funds received for the federal program year beginning in October of that same year. [PL 2001, c. 439, Pt. GG, §1 (NEW).]

[PL 2001, c. 439, Pt. GG, §1 (AMD).]

**4. Recapitalization.** If money is withdrawn from the fund for the purposes of this section, the authority shall ensure that the fund is fully recapitalized before the end of the fiscal year in which the funds were appropriated. Recapitalization does not apply in any state fiscal year in which a working capital advance is provided.

[PL 2001, c. 439, Pt. GG, §1 (AMD).]

**5. Working capital advance.** The State Controller may advance up to \$10,000,000 from the General Fund unappropriated surplus beginning July 1, 2002 to the Fuel Assistance Reserve Fund during any state fiscal year, if requested in writing by the Director of the Maine State Housing Authority, to be used to provide cash necessary to ensure that fuel assistance benefits for the State's eligible elderly and low-income applicant households will be available prior to the beginning of the heating season. These funds must be allotted by financial order upon recommendation of the State Budget Officer and approval of the Governor. Subject to the availability of federal fuel assistance block grant funds, these funds must be returned to the General Fund before the close of the state fiscal year in which the advance was made. The State Controller shall report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs within 30 days of making any working capital advance for this purpose.

[PL 2001, c. 439, Pt. GG, §1 (NEW).]

#### SECTION HISTORY

PL 1991, c. 858, §1 (NEW). PL 2001, c. 439, §GG1 (AMD).

#### §4993. Penalty

A person who knowingly uses, transfers, acquires or possesses fuel provided through fuel assistance in any manner not authorized by this subchapter or the rules issued under this subchapter commits a Class E crime. [PL 1991, c. 622, Pt. J, §23 (NEW); PL 1991, c. 622, Pt. J, §25 (AFF).]

#### SECTION HISTORY

PL 1991, c. 622, §J23 (NEW). PL 1991, c. 622, §J25 (AFF).

#### §4994. Heating oil price increases

**1. Initial trigger.** If home heating oil prices increase more than 40% in any 14-day period during the home heating season, the authority shall immediately:

A. Estimate funds needed to provide adequate assistance to residents eligible at that time to receive fuel assistance under this subchapter; and [PL 1999, c. 758, §4 (NEW).]

B. Notify the Governor, the joint standing committee of the Legislature having jurisdiction over utilities and energy matters, the joint standing committee of the Legislature having jurisdiction over business and economic development matters and the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs of the estimated funding need. [PL 1999, c. 758, §4 (NEW).]

[PL 1999, c. 758, §4 (NEW).]

**2. Higher trigger.** If home heating oil prices increase more than 50% in any 14-day period during the home heating season, the authority shall immediately:

A. Estimate funds needed to provide adequate assistance:

(1) To residents eligible at that time to receive fuel assistance under this subchapter; and

(2) To residents not eligible at that time to receive fuel assistance under this subchapter but who, as a result of the oil price increase, require fuel assistance under this subchapter; and [PL 1999, c. 758, §4 (NEW).]

B. Notify the Governor, the joint standing committee of the Legislature having jurisdiction over utilities and energy matters, the joint standing committee of the Legislature having jurisdiction over business and economic development matters and the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs of the estimated funding need. [PL 1999, c. 758, §4 (NEW).]

[PL 1999, c. 758, §4 (NEW).]

#### SECTION HISTORY

PL 1999, c. 758, §4 (NEW).

## SUBCHAPTER 14

### SUBSIDY PROGRAM FOR HOMELESS STUDENTS

#### §4994-A. Subsidy program for homeless students

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Elementary school" has the same meaning as in Title 20-A, section 1, subsection 10. [PL 2023, c. 643, Pt. KKKK, §1 (NEW).]

B. "Homeless student" has the same meaning as in Title 20-A, section 1, subsection 13-A. [PL 2023, c. 643, Pt. KKKK, §1 (NEW).]

C. "Secondary school" has the same meaning as in Title 20-A, section 1, subsection 32. [PL 2023, c. 643, Pt. KKKK, §1 (NEW).]  
[PL 2023, c. 643, Pt. KKKK, §1 (NEW).]

**2. Program established.** The Maine State Housing Authority shall establish a housing subsidy program for homeless students in elementary school and secondary school. The authority shall adopt rules to implement this program. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.  
[PL 2023, c. 643, Pt. KKKK, §1 (NEW).]

#### SECTION HISTORY

PL 2023, c. 643, Pt. KKKK, §1 (NEW).

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