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An Act To Restructure the Board of Commissioners of the Maine State Housing Authority To Closely Match Local Authorities

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, it is necessary to improve and restore confidence in the governance of the Board of Commissioners of the Maine State Housing Authority to allow for greater responsiveness to and representation of the people it serves; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 30-A MRSA §4723, sub-§2, ¶B, as enacted by PL 1987, c. 737, Pt. A, §2 and Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is further amended to read:

B. The Maine State Housing Authority, as authorized by Title 5, chapter 379, ~~shall~~must have ~~7~~10 commissioners, ~~5~~8 of whom ~~shall~~must be appointed by the Governor, subject to review by the joint standing committee of the Legislature having jurisdiction over economic development; and to confirmation by the Legislature. The ~~6~~9th commissioner is the Treasurer of State who ~~shall~~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 ~~7~~10th commissioner is the director of the Maine State Housing Authority who ~~shall~~serves as an ex officio, ~~and who is chairman of the commissioners~~nonvoting member. ~~The 5~~At least 3 gubernatorial appointments must include, ~~but are not limited to, representatives~~a representative of bankers ~~and of low-income or, a representative of elderly people. One commissioner must be~~and a resident of housing ~~which~~that is subsidized or assisted by programs of the United States Department of Housing and Urban Development or of the Maine State Housing Authority. In ~~making this appointment~~appointing the resident, the Governor shall give priority consideration to nominations that may be made by tenant associations established in the State. Of the 5 remaining gubernatorial appointments, the Governor shall give priority to a representative involved in the housing business and a representative of people with disabilities.

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 to break a tie. The commissioners shall elect a vice-chair~~vice-chair~~ of the commissioners from among their number. The commissioners of the Maine State Housing Authority shall establish and revise from time to time policies of the Maine State Housing Authority relating to the following particular matters:

- (1) Standards of issuing, servicing and redeeming bonds;

- (2) Purchase, sale or commitment to purchase mortgages or notes;
- (3) Initiating project construction and accepting properly completed facilities;
- (4) Setting and establishing selection and evaluation standards, criteria and procedures under which it will purchase, sell or agree to purchase loans, notes or obligations, having regard among other things to:
 - (a) Property values;
 - (b) Local economic conditions and expectancy;
 - (c) Credit and employment; and
 - (d) Local housing conditions and needs and the availability of credit resources to meet those needs relative to similar or competing conditions and needs in other localities in the State;
- (5) Setting and establishing procedures for the servicing of loans, notes and obligations acquired by it, including the allowance of servicing fees to participating lenders to whom the Maine State Housing Authority may entrust such servicing;
- (6) Setting and establishing procedures for the collection of money due from persons liable for payment, as to any loan, note or obligation held by the Maine State Housing Authority, by subrogation or otherwise, and to initiate and maintain any action at law or in equity, including foreclosure proceedings, to enforce payment;
- (7) Setting and establishing procedures for the orderly liquidation and disposition of any property acquired by the Maine State Housing Authority through foreclosure or otherwise in full or partial satisfaction of any debt or obligation held by it; and
- (8) Establishing and maintaining out of income or otherwise any reserves that the Maine State Housing Authority from time to time determines to be necessary and prudent in addition to those specifically required.

Following reasonable notice to each commissioner, ~~4~~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 its bylaws require a larger number.

Sec. 2. Transition provisions; completion date. All appointments to the Board of Commissioners of the Maine State Housing Authority must be completed by January 31, 2008. The following provisions govern the transition in appointments of board members and changes to the board pursuant to the Maine Revised Statutes, Title 30-A, section 4723, subsection 2, paragraph B.

1. In making the 3 new appointments, the Governor must give priority to a representative involved in the housing business and a representative of people with disabilities. The members currently serving on the board continue to serve until the expiration of their terms. Thereafter, the commissioners must be appointed as provided in the Maine Revised Statutes, Title 30-A, section 4723, subsection 2, paragraph B.

2. The director of the Maine State Housing Authority shall serve as chair of the board of commissioners until a successor is appointed.

3. Four commissioners constitute a quorum until all gubernatorial appointees have been confirmed.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

Effective May 11, 2007.