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An Act To Allow Affordable Housing Discretionary Water and Sewer Fee Waivers

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

Sec. 1. 30-A MRSA §3446 is enacted to read:

§ 3446. Impact fees and connection fees; affordable housing

The municipal officers may reduce the impact fee or connection fee, as those terms are defined in section 5061, for sewer service to newly constructed affordable housing in accordance with chapter 202-A.

Sec. 2. 30-A MRSA c. 202-A is enacted to read:

CHAPTER 202-A

AFFORDABLE HOUSING UTILITY FEES

§ 5061. Definitions

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

1. Affordable housing unit. "Affordable housing unit" means an owner-occupied, single-family dwelling unit or condominium unit for a household whose income does not exceed 80% of the median income for the area as defined by the United States Department of Housing and Urban Development.

2. Connection fee. "Connection fee" means a one-time fee or charge for the establishment of water or sewer service that is directly related to the actual cost of installation of such service.

3. Consumer-owned water utility. "Consumer-owned water utility" has the same meaning as in Title 35-A, section 6101.

4. Impact fee. "Impact fee" means a one-time fee or charge associated with the establishment of water or sewer service that is related to the impact of such service on system capacity and that is collected to offset future costs associated with system growth.

5. Sewer utility. "Sewer utility" means a municipal sewer department, a sewer district as defined in Title 38, section 1251 or a sanitary district formed under Title 38, chapter 11.

§ 5062. Reduced fees; affordable housing

The governing body of a consumer-owned water utility or a sewer utility, referred to in this section as "the governing body," may charge a lower impact fee or connection fee than its usual impact fee or connection fee for the establishment of service to a newly constructed affordable housing unit or units.

1. Uniform application. If the governing body elects to charge a reduced impact fee or connection fee under this section, it must apply the reduced fee uniformly to all similarly situated applicants for the reduced fee within the utility's service territory.

2. Credit to purchaser. Any reduction in the impact fee or connection fee pursuant to this section must be credited to the purchaser of the affordable housing unit.

3. Ratepayer notification; cost allocation. The governing body shall notify ratepayers in a timely manner of any reduction in the impact fee or connection fee pursuant to this section. The governing body may allocate the cost of the reduced impact fee or connection fee among all ratepayers.

Sec. 3. 35-A MRSA §6105, sub-§3-A is enacted to read:

3-A. Impact fees and connection fees; affordable housing. Notwithstanding subsection 3 and section 703, the governing body may reduce the impact fee or connection fee, as those terms are defined in Title 30-A, section 5061, for water service to newly constructed affordable housing in accordance with Title 30-A, chapter 202-A.

Sec. 4. 38 MRSA §1202-A is enacted to read:

§ 1202-A. Impact fees and connection fees; affordable housing

Notwithstanding section 1202, the trustees may reduce the impact fee or connection fee, as those terms are defined in Title 30-A, section 5061, for sewer service to newly constructed affordable housing in accordance with Title 30-A, chapter 202-A.

Sec. 5. 38 MRSA §1252, sub-§12 is enacted to read:

12. Impact fees and connection fees; affordable housing. The trustees may reduce the impact fee or connection fee, as those terms are defined in Title 30-A, section 5061, for sewer service to newly constructed affordable housing in accordance with Title 30-A, chapter 202-A.

Effective September 20, 2007