



130th MAINE LEGISLATURE

LD 2003

LR 2299(02)

An Act To Implement the Recommendations of the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Labor and Housing

Fiscal Note Required: Yes

Fiscal Note

State Mandate - Funded

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$0	\$3,000,000	\$3,007,804	\$2,550,000
Appropriations/Allocations				
General Fund	\$0	\$3,000,000	\$3,007,804	\$2,550,000

State Mandates

Required Activity

Requires municipalities to 1) implement ordinances with respect to allowing accessory dwelling units on the same lot as a single-family dwelling unit in any area in which housing is permitted and 2) amend ordinances to comply with certain conditions with respect to the number of dwelling units allowed in residential areas.

Unit Affected

Municipality

Local Cost

\$100,000

The required local activities in this bill may represent a state mandate pursuant to the Constitution of Maine. If the bill does require a local unit of government to expand or modify its activities so as to necessitate additional expenditures from local revenue, the state mandate provisions of the Constitution of Maine require either: (1) General Fund appropriations be provided to fund at least 90% of any additional necessitated local costs of the mandate; or (2) a Mandate Preamble be added to the bill and two-thirds of the members of each House vote to exempt the mandate from the funding requirement. If the bill does represent a state mandate and neither one of these actions occurs, the local units of government will not be required to implement the mandated activities.

Fiscal Detail and Notes

This bill establishes the Housing Opportunity Program within the Department of Economic and Community Development and includes ongoing General Fund appropriations totaling \$3,000,000 in fiscal year 2022-23 to a newly created Housing Opportunity Fund within the department to support the development of additional housing units in the State.

Of that amount: 1) \$450,000 is provided in fiscal year 2022-23 to fund 2 limited-period Public Service Coordinator II positions to administer the program; 2) \$1,000,000 per year is provided beginning in fiscal year 2022-23 for competitive grants to regional service providers to support town housing ordinance development, planning board and public processing in participating municipalities; 3) \$1,450,000 in fiscal year 2022-23 and \$1,550,000 per year beginning in fiscal year 2023-24 is provided for community housing implementation grants to individual towns to support community housing priorities; and 4) \$100,000 in fiscal year 2022-23 is provided on a one-time basis to reimburse municipalities by June 30, 2023 for the mandated costs of amending and implementing ordinances related to accessory dwelling units and multiple dwelling units allowed in residential areas.

Establishment of the Housing Opportunity Program and the related funding initiatives, with the exception of the one-time funding or \$100,000 to reimburse municipalities for mandated related costs, are included in LD 1995, the Governor's proposed supplemental budget. The General Fund appropriations included in this bill may need to be adjusted based on the final legislative actions on the supplemental budget.

Additional costs to the Department of Economic and Community Development and the Maine State Housing Authority to develop a statewide housing production goal and regional housing goals can be absorbed within the department's and the authority's existing budgeted resources.