



131st MAINE LEGISLATURE

LD 226

LR 791(02)

An Act to Address Maine's Affordable Housing Crisis

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Housing

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$40,000,000	\$40,000,000	\$0	\$0
Highway Fund	\$0	\$0	\$40,000,000	\$40,000,000
Appropriations/Allocations				
General Fund	\$40,000,000	\$40,000,000	\$0	\$0
Other Special Revenue Funds	\$0	\$0	\$40,000,000	\$40,000,000
Revenue				
Highway Fund	\$0	\$0	(\$40,000,000)	(\$40,000,000)
Other Special Revenue Funds	\$0	\$0	\$40,000,000	\$40,000,000

Fiscal Detail and Notes

This bill includes one-time General Fund appropriations of \$40,000,000 per year in fiscal year 2023-24 and fiscal year 2024-25 to the Maine State Housing Authority (MSHA) to increase affordable housing stock in the State. The bill also requires \$40,000,000 per year for fiscal years 2025-26 through 2027-28 of revenue received in the Liquor Operation Revenue Fund be credited to the MSHA for programs to support the development and construction of affordable rental units and programs that encourage and support home ownership for single-family homes and for first time buyers. The MSHA will require Other Special Revenue Funds allocations in fiscal year 2025-26 and fiscal year 2026-27 to expend these funds.

This bill changes how the revenues from the Liquor Operation Revenue Fund are used after all liquor operation revenue bonds and ancillary obligations have been paid off in fiscal year 2023-24. PL 2021 c. 189 (LD 259), the 2024-2025 Highway Fund Biennial Budget, now requires that after all liquor operation revenue bonds and any ancillary obligations secured by the fund have been retired, the first \$7,000,000 of any amounts received pursuant to Title 28-A, section 90 must be credited as undedicated revenue to the General Fund and any amount in excess of \$7,000,000 must be credited as undedicated revenue to the Highway Fund. This bill provides that beginning July 1, 2025 and ending June 30, 2028, after the first \$7,000,000 designated for credit to the General Fund, the next \$40,000,000 of revenue received must be credited to the MSHA first and then any additional amounts be credited to the Highway Fund. This change will reduce estimated revenue credited to the Highway Fund by up to \$40,000,000 per year beginning in fiscal year 2025-26 through fiscal year 2027-28.

It is important to note that Part K of the proposed 2024-2025 biennial budget also proposes changes to sections of statute governing how liquor revenues are used after the retirement of the liquor operation revenue bonds. Those proposed modifications will also conflict with the provisions of this bill.