

Notice of Agency Rule-making Proposal

AGENCY: 99-346 Maine State Housing Authority

CHAPTER NUMBER AND TITLE: Chapter 16, Low-Income Housing Tax Credit Rule

PROPOSED RULE NUMBER (*leave blank; assigned by Secretary of State*):

CONTACT PERSON FOR THIS FILING: Linda Uhl, Chief Counsel, Maine State Housing Authority, State House Station #89, 353 Water Street, Augusta, Maine, 04330-4633, (207) 626-4600 (telephone), Maine Relay 711, luhl@mainehousing.org (e-mail)

Upon sufficient notice, this notice and the proposed rule will be made available in alternative formats for persons with disabilities and in alternative languages for persons with limited English proficiency.

CONTACT PERSON FOR SMALL BUSINESS INFORMATION (if different): Same as Contact Person

PUBLIC HEARING (if any): A public hearing will be held on Tuesday, May 21, 2019 at 10:00 a.m. at Maine State Housing Authority, State House Station #89, 353 Water Street, Augusta, Maine, 04330-4633.

Maine State Housing Authority's office and the hearing room are accessible to persons with disabilities and, upon sufficient notice, appropriate communication auxiliary aids and services will be provided to persons with disabilities and persons with limited English proficiency.

COMMENT DEADLINE: Friday, May 31, 2019 at 5:00 p.m.

BRIEF SUMMARY: The rule repeals and replaces the current Chapter 16, *Low-Income Housing Tax Credit Rule*. The rule is the qualified allocation plan for allocating and administering the federal low-income housing tax credit in the State of Maine, including the State's housing credit ceiling for calendar year 2020, as required pursuant to Section 42 of the Internal Revenue Code.

IMPACT ON MUNICIPALITIES OR COUNTIES (if any) None

STATUTORY AUTHORITY FOR THIS RULE: 30-A M.R.S.A. §4741(1), 30-A M.R.S.A. §4741(14) and Section 42 of the Internal Revenue Code of 1986, as amended

SUBSTANTIVE STATE OR FEDERAL LAW BEING IMPLEMENTED (if different): Same as above

E-MAIL FOR OVERALL AGENCY RULE-MAKING LIAISON: luhl@mainehousing.org

* Check one of the following two boxes.

The above summary is for use in both the newspaper and website notices.

The above summary is for the newspaper notice only. A more detailed summary / basis statement is attached.

Please approve bottom portion of this form and assign appropriate AdvantageME number.

APPROVED FOR PAYMENT _____ DATE: _____
(authorized signature)

FUND	AGENCY AMOUNT	ORG	APP	JOB	OBJT
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DETAILED BASIS STATEMENT / SUMMARY: This rule is the qualified allocation plan for allocating and administering federal low income housing tax credits (“LIHTC”) in the State of Maine, which MaineHousing, as the State’s designated housing credit agency, is required to adopt pursuant to [Section 42](#) of the Internal Revenue Code and the above-referenced sections of the Maine Housing Authorities Act.

This rule replaces the prior rule and includes the following changes:

- Overhaul and reformatting to make the rule more concise, clearer, and easier to use.
- TDC scoring (keep Index and Caps) and penalty for past rounds deleted.
- Maximum number of applications per developer deleted.
- Points adjusted to accommodate removal or addition of criteria and slightly greater/lessor focus in specific areas.
- Service center communities list updated.
- Certified Business Friendly Community point deleted.
- Developer Fee Contribution points eliminated.
- Owner Performance – positive points instead of negative. Notice to Proceed deadline penalty and TDC rescoring penalty deleted.
- Management Performance – positive points instead of negative.
- Smart Growth points increased and rebalanced.
- Service Center Needs points increased.
- Telemedicine plan requirement eliminated. Instead broadband capacity using ConnectME Authority build-to-standard at owner’s expense required.
- Property Tax Relief years adjusted.
- Maximum Developer Fee and Net Developer Fee simplified.
- Community Revitalization redefined.
- Below Market Capital points no longer attached to TDC scoring criterion.