

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34

Date: (Filing No. S- )

**INNOVATION, DEVELOPMENT, ECONOMIC ADVANCEMENT AND BUSINESS**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE  
SENATE  
129TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 379, L.D. 1217, Bill, “An Act To Clarify the Oversight of the Family Development Account Program”

Amend the bill in section 4 in §10981 by striking out all of subsection 1 (page 1, lines 19 to 23 in L.D.) and inserting the following:

**1. Account holder.** "Account holder" means an eligible person who owns a family development account.'

Amend the bill in section 4 in §10981 by inserting after subsection 2 a new subsection to read:

**3. Eligible person.** "Eligible person" means an individual whose family income is below 200% of the nonfarm income official poverty line as defined by the federal Office of Management and Budget and revised annually in accordance with the United States Omnibus Budget Reconciliation Act of 1981, Section 673, subsection 2.'

Amend the bill in section 4 in §10981 in subsection 4 in the 2nd line (page 1, line 31 in L.D.) by striking out the following: "an approved" and inserting the following: 'a'

Amend the bill in section 4 in §10981 in subsection 6 in the first and 2nd lines (page 2, lines 4 and 5 in L.D.) by striking out the following: "established in" and inserting the following: 'administered by the university under'

Amend the bill in section 4 in §10981 by renumbering the subsections to read consecutively.

Amend the bill in section 4 in §10982 in the first paragraph in the first line (page 2, line 8 in L.D.) by striking out the following: "There is established" and inserting the following: 'The university shall administer'

Amend the bill in section 4 in §10982 in subsection 1 in the first line (page 2, line 15 in L.D.) by inserting after the following: "shall" the following: ', on a schedule established by the university.'

**COMMITTEE AMENDMENT**

1 Amend the bill in section 4 in §10982 by striking out all of subsection 3 (page 2, lines  
2 37 and 38 in L.D.) and inserting the following:

3 **'3. Administrative costs.** No more than 15% of the family development account  
4 reserve fund may be used for administrative costs of the program.'

5 Amend the bill in section 4 in §10982 in subsection 6 in the first line (page 3, line 24  
6 in L.D.) by striking out the following: "shall" and inserting the following: 'may'

7 Amend the bill in section 4 in §10983 in subsection 1 in paragraph E in the first line  
8 (page 4, line 3 in L.D.) by inserting after the following: "start" the following: 'or purchase'

9 Amend the bill in section 4 in §10983 by striking out all of subsection 2 (page 4, lines  
10 6 to 12 in L.D.) and inserting the following:

11 **'2. Unauthorized withdrawal; penalty.** Money withdrawn from an account by an  
12 account holder that is not withdrawn pursuant to subsection 1 may be subject to a penalty  
13 of 15%. All penalties must be paid by the account holder and deposited into the family  
14 development account reserve fund of the community development organization.'

15 Amend the bill in section 4 in §10985 by striking out all of subsection 1 (page 4, lines  
16 28 to 39 and page 5, lines 1 to 9 in L.D.) and inserting the following:

17 **'1. Committee membership.** The committee consists of 10 members as follows:

18 A. Four members appointed by the Governor, including one representative of the  
19 Maine State Housing Authority, one representative of the Department of Health and  
20 Human Services and 2 representatives of financial institutions participating in the  
21 program;

22 B. Three members appointed by the President of the Senate, including one  
23 representative of a statewide community development foundation, one person who is  
24 an account holder or is eligible to be an account holder or is a program graduate and  
25 one representative of a financial institution participating in the program; and

26 C. Three members appointed by the Speaker of the House of Representatives,  
27 including one person who is an account holder or is eligible to be an account holder  
28 or is a program graduate, one representative of a contributor of matching funds to the  
29 program and one representative of a financial institution participating in the program.

30 Members from state departments serve at the pleasure of their appointing authorities. All  
31 other members serve 3-year terms and may continue to serve beyond their terms until  
32 their successors are appointed. If a vacancy occurs before a term has expired, the  
33 vacancy must be filled for the remainder of the unexpired term by the authority who  
34 made the original appointment. If a member is absent for 2 consecutive meetings and has  
35 not been excused by the chair from either meeting, the committee may remove the  
36 member by majority vote.'

37 Amend the bill in section 4 by inserting after §10985 the following:

38 **'§10986. Support of advisory committee**

39 The university shall provide support to the Advisory Committee on Family  
40 Development Accounts under section 10985, certify participating financial institutions

1 and review proposals from community development organizations seeking to manage  
2 family development accounts.'

3 Amend the bill by adding after section 5 the following:

4 **'Sec. 6. Transition of family development account program.** The following  
5 provisions govern the transition of the family development account program, referred to  
6 in this section as "the program," from the Finance Authority of Maine, referred to in this  
7 section as "FAME," to the University of Maine System, referred to in this section as "the  
8 university."

9 1. The university is the successor in every way to the powers, duties, responsibilities,  
10 programs, services and functions assigned to FAME in the administration of the program.

11 2. All rules of FAME, as they pertain to the administration of the program, that are in  
12 effect on the effective date of this Act remain in effect until rescinded, revised or  
13 amended.

14 3. All contracts, agreements and compacts of FAME, as they pertain to the powers,  
15 duties, responsibilities, programs, services and functions of the program that are in effect  
16 on the effective date of this Act remain in effect until the contracts, agreements and  
17 compacts expire or are altered by the parties involved in the contracts, agreements or  
18 compacts.

19 4. All records of FAME as they pertain to the powers, duties, responsibilities,  
20 programs, services and functions of FAME in the administration of the program are  
21 transferred to the university as necessary to implement the transition.'

22 Amend the bill by relettering or renumbering any nonconsecutive Part letter or  
23 section number to read consecutively.

24 **SUMMARY**

25 This amendment adds a definition of "eligible person"; modifies the definition of  
26 "account holder"; adds language allowing the University of Maine System to solicit  
27 proposals from community development organizations on a schedule established by the  
28 system; allows, instead of requires, the system to adopt rules; allows, instead of requires,  
29 enforcement of the penalty for unauthorized withdrawals; changes the makeup of the  
30 Advisory Committee on Family Development Accounts from 12 members to 10 members  
31 and changes the descriptions of members; and adds a section describing the transition of  
32 the program from the Finance Authority of Maine to the system.

33 **FISCAL NOTE REQUIRED**

34 **(See attached)**