

**132nd MAINE LEGISLATURE****LD 1500****LR 1523(02)****An Act to Establish the Maine Community Development Financial Institution Fund to Support Small Businesses, Rural Economic Development and Affordable Housing****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Housing and Economic Development****Fiscal Note Required: Yes**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$700,000	\$200,000	\$200,000	\$200,000
Appropriations/Allocations				
Other Special Revenue Funds	\$500,000	\$0	\$0	\$0
Revenue				
General Fund	(\$200,000)	(\$200,000)	(\$200,000)	(\$200,000)
Transfers				
General Fund	(\$500,000)	\$0	\$0	\$0
Other Special Revenue Funds	\$500,000	\$0	\$0	\$0

Fiscal Detail and Notes

This bill requires the State Controller to transfer \$500,000 from the unappropriated surplus of the General Fund to a newly established Maine Community Development Financial Institution Fund within the Department of Economic and Community Development (DECD) no later than November 5, 2025 to provide grants and loans to eligible institutions and enterprises to promote housing and community development, capital access, housing access and small business support. The bill includes a corresponding Other Special Revenue Funds allocation in fiscal year 2025-26 to authorize expenditures from the fund. DECD has indicated that the provision in the bill that allows up to 10% of the monies in the fund to be utilized for operational and administrative costs will be sufficient to cover the costs to DECD to administer the program and no additional General Fund appropriations will be required.

The bill includes a revenue decrease from reduced interest earnings to the General Fund of \$200,000 in fiscal year 2025-26 and \$200,000 in fiscal year 2026-27 from depositing from the cash pool an amount not to exceed \$10,000,000 annually with the community development financial institutions.