

Annual List of Rule-Making Activity
Rules Adopted January 1, 2016 to December 31, 2016
Prepared by the Secretary of State, pursuant to 5 MRS, §8053-A, sub-§5

Agency name: Department of Economic and Community Development, **Office of Community Development (OCD)**
Umbrella-Unit: **19-498**
Statutory authority: 5 MRS §13058 sub-§3
Chapter number/title: **Ch. 45** (*New*), Community Development Block Grant Program: 2017 Final Program Statement
Filing number: **2016-199**
Effective date: 11/26/2016
Type of rule: Routine Technical
Emergency rule: No

Principal reason or purpose for rule:

This rule will allow the DECD to allocate federal CDBG funds in accordance with the U.S. Department of Housing and Community Development regulations. It describes the design and method of distribution of the funds for the State of Maine Community Development Block Grant Program.

Basis statement / summary:

The Program Statement for the 2017 State of Maine Community Development Block Grant Program includes rules and regulations for administering the State of Maine Community Development Block Grant Program's 2017 funding allocation. The Community Development Block Grant Program is administered pursuant to 5 MRS §13073.

The federal Department of Housing and Urban Development (HUD), on a yearly basis, makes an allocation of funds available to the State of Maine Community Development Block Grant Program. This final rule will enable adjustments in program definition, information and eligibility requirements on a regular and timely basis, provide the forum for regular and timely input about program operation and effectiveness from the public and from local governments, and allows the Office of Community Development the yearly opportunity to incorporate changes within the program that will improve and refine administration of the Maine CDBG Program.

The Community Development Block Grant Program is federally administered by the U.S. Department of Housing and Urban Development through Title I of the *Housing and Community Development Act of 1974*, as amended. The primary objective of the programs authorized under Title I of the *Housing and Community Development Act of 1974*, as amended, is described in section 101(c) of the Act (42 U.S.C. 5301(c). [53 Fr 34437, September 6, 1988, as amended at 56 FR 56126, October 31, 1991; 61 Fr 11475, March 20, 1996]

The primary objective of Title I of the *Housing and Community Development Act of 1974*, as amended, and of the community development program of each grantee under the Title is the development of viable communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In promulgating this Program Statement, the Office of Community Development was careful to adhere to the primary objective of the Act and to minimize potential costs to society wherever possible. To that end, the Office of Community Development will offer grant programs in an attempt to benefit Maine communities and low and moderate citizens in achieving their community and economic development objectives. Overall, the Office of Community Development believes that the regulatory approach taken in this Program Statement involves the least net cost to society and the greatest positive impact on low and moderate-income persons in the State of Maine. The Program Statement complies with federal and state statutes that mandate and describe program objectives maximizing net benefit to society and low and moderate-income persons.

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Fiscal impact of rule:

The Maine CDBG Program receives an annual allocation of federal funds from the U.S. Department of Housing and Urban Development. The State of Maine has recently received annual allocations in the range of \$10,400,000 to \$15,000,000. The DECD match for these funds for 2017 is \$272,811