

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 2285

H. P. 1805

House of Representatives, January 3, 1974

Referred to Committee on State Government. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Cooney of Sabattus.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FOUR

AN ACT to Change the Evaluation of the Housing Reserve Fund and to Clarify the Right of the Maine State Housing Authority to Sell Refunding Bonds.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., T. 30, § 4761, amended. The last paragraph of section 4761 of Title 30 of the Revised Statutes, as enacted by section 18 of chapter 470 of the public laws of 1969 and as amended by chapter 623 of the public laws of 1973, is further amended to read as follows:

For purposes of valuation of any such fund, securities acquired as an investment for any such fund shall be valued at par or actual cost to the state authority ~~or market value~~, whichever value is less.

Sec. 2. R. S., T. 30, § 4762-A, additional. Title 30 of the Revised Statutes is amended by adding a new section 4762-A to read as follows:

§ 4762-A. Determination of outstanding obligations

In computing the total amount of obligations of the state authority which may at any time be outstanding for any purpose under the Maine Housing Authorities Act the amount of the outstanding obligations refunded or to be refunded from the proceeds of the sale of new obligations or by exchange of new obligations shall be excluded.

STATEMENT OF FACT

This Act clarifies the status of refunded bonds and declares that they are not part of "outstanding obligations." It also provides more operating stability by removing the danger of market fluctuation from reserve fund value calculations.