

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 94

H. P. 85

House of Representatives, January 9, 1969

Referred to Committee on Appropriations and Financial Affairs. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mrs. Baker of Orrington.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT Relating to Temporary Loans by State.

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

R. S., T. 5, § 150, amended. The 2nd paragraph of section 150 of Title 5 of the Revised Statutes, as repealed and replaced by chapter 417 and amended by section 115 of chapter 544, both of the public laws of 1967, is further amended to read as follows:

The Treasurer of State, with the approval of the Governor and Council, may negotiate a temporary loan or loans in anticipation of taxes levied for that fiscal year but not exceeding a total of ~~\$10,000,000~~ **\$30,000,000**. The Treasurer of State is directed to pay such loan or loans in anticipation of taxes during such year and there is appropriated for any year in which the Treasurer of State and the Governor and Council deem it necessary to borrow in anticipation of taxes the sum of ~~\$10,000,000~~ **\$30,000,000**.

STATEMENT OF FACTS

Based on current uncertain market conditions, the Treasury Department estimates that the interest rate for temporary loans by the State could amount to 4%. If the full amount of \$30,000,000 is borrowed for a year, this would amount to \$1,200,000 interest cost for the period.