

# MAINE STATE LEGISLATURE

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(New Title)  
New Draft: H. P. 50, L. D. 62

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# ONE HUNDRED AND SEVENTH LEGISLATURE

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**Legislative Document**

**No. 959**

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H. P. 832

House of Representatives, March 11, 1975

Reported by Mr. Cooney from the Committee on State Government and printed under Joint Rules No. 18.

EDWIN H. PERT, Clerk

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## STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-FIVE

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**AN ACT to Decrease the Insuring Limitation on Certain Programs of the  
Maine Guarantee Authority.**

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

10 MRSA § 753, as amended by PL 1967, c. 525, § 8, is further amended to read:

**§ 753. Credit of State pledged**

The Maine ~~Industrial Building~~ **Guarantee** Authority is authorized to insure the payment of mortgage loans, secured by eligible projects, and to this end the faith and credit of the State is pledged, consistent with the terms and limitations of the Constitution of the State of Maine, Article IX, section 14-A, **provided that the insured payment of such mortgage loans shall not exceed in the aggregate \$40,000,000 in amount at any one time under this chapter.**

### STATEMENT OF FACT

The redraft of L. D. 62 provides for decreasing the insuring limitation of the Maine Guarantee Authority by statute rather than by a constitutional amendment. In setting the limitation by statute, the delay and expense of requiring a vote by the people is avoided. The Legislature also preserves some flexibility to adjust the insuring limitation in the future, subject to the constitutional limitation of \$80,000,000. This statutory limitation should have a positive effect on the state's credit rating.