

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107th LEGISLATURE
FIRST SPECIAL SESSION

(Filing No. H-949)

COMMITTEE AMENDMENT "A" to H.P. 1816, L.D. 1974, Bill, "AN ACT to Provide for more Effective Debt Management and for more Effective Administration of the State's Development Financing Capability."

Amend said Bill by striking out all of the title and inserting in place thereof the following:

'AN ACT to Create a Debt Management Committee'

Further amend said Bill by striking out everything after the enacting clause and inserting in place thereof the following:

'10 MRSA Pt. 15, c. 1421, is enacted to read:

CHAPTER 1421

MAINE DEBT MANAGEMENT COMMITTEE

§13201. Purpose

It is declared that there is a need to provide for more effective debt management to maintain the highest possible credit or credit rating of the State of Maine, or any instrumentality thereof, and to provide for the most effective use of capital resources available to the State and its instrumentalities. The Maine Debt Management Committee is created to assist in meeting this need. The committee shall provide a careful review of matters that may affect the credit or credit rating of the State or any instrumentality thereof and shall provide its recommendations regarding such matters to the People of the State, the Legislature and state departments, agencies or instrumentalities, as appropriate.

§13202. Creation; organization of committee

The Maine Debt Management Committee is established and shall consist of the ~~←~~ ^{of State} ~~→~~ Treasurer/~~OR HIS~~ designee, who shall be the chairman, the Commissioner of Finance and Administration or his designee, the Commissioner of Business Regulation or his designee, the Chairman of the Maine Guarantee Authority or his designee, the Chairman of the Maine State Housing Authority or his designee and the Chairman of the Maine Municipal Bond Bank or his designee.

Following reasonable notice to each committee member, 3 members of the committee shall constitute a quorum at any meeting of the committee. Action may be taken by the committee upon a vote of a majority of the members present.

§13203. Powers and duties

The committee shall have the power and duty to:

1. Meetings. Meet at least 4 times each year upon the call of the chairman;
2. Legislation. Review and comment upon proposed legislation brought to a public hearing by a committee of the Legislature which may, if enacted, affect the credit or credit rating of the State ~~←~~ ~~→~~ or bonds issued in the name of the State or any instrumentality thereof. The review may include:
 - A. Whether the committee feels passage of the proposed legislation will tend to improve or lower the rating applied to any bond issued or to be issued by the State or any instrumentality thereof by acknowledged rating agencies;

B. Whether the committee recommends passage of the proposed legislation with or without modification; and

C. In the case of any member supporting passage, even though he believes it may tend to lower the credit rating, why the member believes passage of the legislation is more important than maintenance of the credit rating;

3. Referendum question. Review any referendum question the passage of which might tend to lower the rating applied to any bond issued or to be issued by the State or any instrumentality thereof by acknowledged rating agencies. The committee shall, by majority vote, agree on a recommendation with an explanation not to exceed 200 words, which recommendation and explanation may be included by the Secretary of State in any publication describing the referendum question;and

4. Referrals. Entertain inquiries from potential borrowers, both public and private, and refer the borrowers to the appropriate authority or department of the State which is empowered to assist the borrower with his proposed borrowing, or if there is no such authority or department, to so advise the potential borrower and to bring to the attention of the appropriate

committee of the Legislature the fact that a potential borrower of a certain type could not be assisted by any established department or authority of the State.

Statement of Fact

This amendment establishes a committee of state officials to meet at least 4 times a year, to coordinate inquiries from potential borrowers of state guaranteed funds, to review legislation which might affect the state's credit rating and to recommend and explain the impact of referenda proposals on the state's credit rating.

Reported by the Minority of the Committee on State Government.

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