

MAINE STATE LEGISLATURE

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(New Title)
New Draft of: S. P. 476, L. D. 1451
FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1648

S. P. 585

In Senate, May 30, 1979.

Reported by Senator Martin of Aroostook from the Committee on State Government and printed under Joint Rules No. 2.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Permit the Maine State Housing Authority to Issue Certain Bonds not Backed by the Moral Obligation of the State and to Raise the Authority's Bonding Limit.

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

Sec. 1. 30 MRSA § 4761, next to last ¶, first sentence, as amended by PL 1973, c. 623, § 3, is further amended to read:

In order to assure the maintenance of the required minimum reserve in the Housing Reserve Fund and in any Capital Reserve Fund, to which, under the resolution establishing the Capital Reserve Fund, this paragraph is stated to apply, there shall be annually appropriated and paid to the state authority for deposits in said funds, such sum, if any, as shall be certified by the director of the state authority to the Governor as necessary to restore any such fund to an amount equal to the required minimum reserve.

Sec. 2. 30 MRSA § 4761, as last amended by PL 1973, c. 649, § 1, is further amended by adding before the last paragraph a new paragraph to read:

For any Capital Reserve Fund to which, under the resolution establishing the Capital Reserve Fund, the 3rd paragraph from the end of this section is not stated to apply, there shall be no certification by the director to the Governor or

appropriation and payment by the Legislature for deposit in the fund to restore the fund to an amount equal to its required minimum reserve.

Sec. 3. 30 MRSA § 4762, as last amended by PL 1977, c. 601, is further amended to read:

§ 4762. Limitations

The state authority shall not at any time have, in the aggregate principal amount thereof outstanding, mortgage purchase bonds in excess of ~~\$225,000,000~~ **\$275,000,000** secured by the Housing Reserve Fund or a Capital Reserve Fund to which the 3rd paragraph from the end of section 4761, applies. Bonds of the state authority secured by capital reserve funds to which the 3rd paragraph from the end of section 4761 does not apply may be issued up to \$100,000,000 per calendar year in an aggregate principal amount not to exceed \$200,000,000. The proceeds from any such bonds shall be used only to purchase the following types of interest bearing obligations from financial institutions:

- 1. Mortgage loans insured or guaranteed by the United States. Mortgage loans insured or guaranteed by the United States or an instrumentality thereof; and**
- 2. Privately insured mortgages. Privately insured mortgages; provided that all such mortgages purchased shall be limited to interest bearing obligations which finance land and improvements constituting one to 4 family owner-occupied residential housing units.**

Sec. 4. Legislative intent. It is the intent of the Legislature that references in Title 30 to the 3rd paragraph from the end of section 4761 shall refer to the paragraph which begins with the phrase "In order to insure the maintenance of.."

STATEMENT OF FACT

This new draft of L. D. 1451 makes the following changes and additions to the statutory authority of the Maine State Housing Authority:

- 1. It raises from \$225,000,000 to \$275,000,000 the bonding authority of the housing authority which is secured by the moral obligation of the State. These funds may be used for any mortgage purchase program by the authority; and**
- 2. It provides an additional \$200,000,000 in bond authority of the housing authority which is not secured by the moral obligation of the State. These funds may be used only to purchase insured mortgages for one to 4 family owner-occupied residential housing units.**