

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 1477

6  
7 H.P. 1120

House of Representatives, April 14, 1983

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

10 EDWIN H. PERT, Clerk

Presented by Representative Carter of Winslow.

Cosponsors: Speaker Martin of Eagle Lake, Senator Najarian of  
11 Cumberland and Senator Conley of Cumberland.

12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-THREE  
16

17 AN ACT to Require any Applicant for  
18 Guaranteed Loans from the Maine Guarantee  
19 Authority to Issue Insured Industrial  
20 Development Bonds Prior to Acceptance of  
21 any Loan Moneys that have been Guaranteed  
22 by the Maine Guarantee Authority.  
23

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

26 10 MRSA §1010 is enacted to read:

27 §1010. Insured or guaranteed loans for industrial  
28 projects

29 1. Consideration of application. The Maine Guar-  
30 antee Authority, prior to its consideration of an  
31 application for an insured or guaranteed industrial  
32 development loan or bonds shall require the applicant  
33 to apply to reputable firms for insured industrial

1 development bonds. The Maine Guarantee Authority  
2 shall not consider the issuance or the guarantee of a  
3 loan or bonds for an industrial project unless the  
4 applicant:

5 A. Provides satisfactory evidence that applica-  
6 tions to secure insured industrial development  
7 bonds through reputable firms have been denied;  
8 or

9 B. Provides satisfactory evidence that an appli-  
10 cation to secure insured industrial development  
11 bonds through a reputable firm have been approved  
12 and the total cost of the project exceeds  
13 \$2,500,000.

14 The Maine Guarantee Authority shall not insure or  
15 guarantee the initial \$2,500,000 of any and all loans  
16 for an industrial project or issue bonds for the ini-  
17 tial \$2,500,000 of an industrial project which is to  
18 be insured by a reputable industrial development bond  
19 insurance firm.

20 2. First mortgage or first lien on assets. The  
21 Maine Guarantee Authority shall insure or guarantee  
22 an industrial loan or issue bonds only for which it  
23 is the first mortgagee or holds a first lien on  
24 assets satisfactory to support the mortgage or lien.  
25 The Maine Guarantee Authority, together with a repu-  
26 table industrial development bond insurance firm, may  
27 divide and determine the assets upon which each shall  
28 be the first mortgagee or secure the first lien.

29 3. Exclusions. This section shall not pertain to  
30 commercial, recreational or other nonindustrial  
31 projects.

32 STATEMENT OF FACT

33 The purpose of this bill is to provide more  
34 security for the State with respect to industrial  
35 development projects funded by the Maine Guarantee  
36 Authority and to make more moneys available for eco-  
37 nomic development. The means by which this purpose is  
38 achieved is as follows:

