

# MAINE STATE LEGISLATURE

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# 117th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1996

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Legislative Document

No. 1801

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H.P. 1317

House of Representatives, February 20, 1996

**An Act to Provide for the 1996 and 1997 Allocations of the State Ceiling  
on Private Activity Bonds.**

(EMERGENCY)

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Reference to the Committee on Business and Economic Development suggested and  
ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Speaker GWADOSKY of Fairfield. (GOVERNOR'S BILL)  
Cosponsored by Representatives: MITCHELL of Vassalboro, ROWE of Portland, Senators:  
GOLDTHWAIT of Hancock, HARRIMAN of Cumberland.

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Maine Revised Statutes, Title 10, section 363 and Private and Special Laws, 1995, chapter 21 make a partial allocation of the state ceiling on private activity bonds to some issuers for calendar year 1996, but leave a portion of the state ceiling unallocated and do not provide sufficient allocations for certain types of private activity bonds that may require an allocation prior to the effective date of this Act if not enacted on an emergency basis; and

Whereas, if these bond issues must be delayed due to lack of available state ceiling, the rates and terms under which these bonds may be issued may be adversely affected, resulting in increased costs to beneficiaries or even unavailability of financing for certain projects; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. Allocation to the Treasurer of State.** The \$10,000,000 of the state ceiling for calendar year 1996 previously allocated to the Treasurer of State is no longer allocated to the Treasurer of State. Ten million dollars of the state ceiling for calendar year 1997 is allocated to the Treasurer of State to be used in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 5.

**Sec. 2. Allocation to the Finance Authority of Maine.** The \$25,000,000 in state ceiling for calendar year 1996 previously allocated to the Finance Authority of Maine, plus an additional \$35,000,000, is allocated to the Finance Authority of Maine to be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 6 for calendar year 1996. Twenty-five million dollars of the state ceiling for calendar year 1997 is allocated to the Finance Authority of Maine to be used or reallocated in accordance with Title 10, section 363, subsection 6.

**Sec. 3. Allocation to the Maine Municipal Bond Bank.** The \$10,000,000 of the state ceiling for calendar year 1996 previously allocated to the Maine Municipal Bond Bank remains allocated to the Maine

2 Municipal Bond Bank to be used or reallocated in accordance with  
the Maine Revised Statutes, Title 10, section 363, subsection 7  
4 for calendar year 1996. Ten million dollars of the state ceiling  
Bank to be used or reallocated in accordance with Title 10,  
6 section 363, subsection 7.

8 **Sec. 4. Allocation to the Maine Educational Loan Authority.** The  
\$10,000,000 of the state ceiling for calendar year 1996  
10 previously allocated to the Maine Educational Loan Authority,  
plus an additional \$15,000,000, is allocated to the Maine  
12 Educational Loan Authority for calendar year 1996. No portion of  
the state ceiling for calendar year 1997 is allocated to the  
14 Maine Educational Loan Authority.

16 **Sec. 5. Allocation to the Maine State Housing Authority.** The  
\$35,000,000 of the state ceiling for calendar year 1996  
18 previously allocated to the Maine State Housing Authority, plus  
an additional \$10,000,000, is allocated to the Maine State  
20 Housing Authority to be used or reallocated in accordance with  
the Maine Revised Statutes, Title 10, section 363, subsection 4  
22 in calendar year 1996. Forty-five million dollars of the state  
ceiling for calendar year 1997 is allocated to the Maine State  
24 Housing Authority for the same uses.

26 **Sec. 6. Allocation to the Maine Educational Loan Marketing  
Corporation.** The \$25,000,000 of the state ceiling for calendar  
28 year 1996 previously allocated to the Maine Educational Loan  
Marketing Corporation is reduced to \$10,000,000 in allocation to  
30 the Maine Educational Loan Marketing Corporation to be used or  
reallocated in accordance with the Maine Revised Statutes, Title  
32 10, section 363, subsection 8 in calendar year 1996. Twenty-five  
million dollars of the state ceiling for the calendar year 1997  
34 is allocated to the Maine Educational Loan Marketing Corporation  
to be used or reallocated in accordance with Title 10, section  
36 363, subsection 8.

38 **Sec. 7. Unallocated state ceiling.** Thirty-five million dollars  
of the state ceiling for calendar year 1997 is unallocated and  
40 must be reserved for future allocation in accordance with  
applicable laws.

42 **Emergency clause.** In view of the emergency cited in the  
44 preamble, this Act takes effect when approved.

## 46 **STATEMENT OF FACT**

48 This bill establishes the allocations of the state ceiling  
50 on issuance of tax-exempt bonds for calendar years 1996 and

1997. Under federal law, a maximum of \$150,000,000 in tax-exempt  
2 bonds benefiting private individuals or entities may be issued in  
this State each year. This bill allocates the state ceiling  
4 among the state issuers of tax-exempt bonds.