

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-1997

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Legislative Document

No. 1710

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H.P. 1210

House of Representatives, April 1, 1997

**An Act to Provide for the 1997 and 1998 Allocations of the State Ceiling  
on Private Activity Bonds.**

(AFTER DEADLINE)

(EMERGENCY)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

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 MITCHELL of Vassalboro.  
Cosponsored by Senator JENKINS of Androscoggin and  
Representatives: CAMERON of Rumford, KNEELAND of Easton, MacDOUGALL of North  
Berwick, MURPHY of Kennebunk, VIGUE of Winslow, WRIGHT of Berwick, Senators:  
KILKELLY of Lincoln, MacKINNON of York.

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

4  
6       **Whereas,** the Maine Revised Statutes, Title 10, section 363  
and Private and Special Laws, 1996, chapter 61 make a partial  
allocation of the state ceiling on private activity bonds to some  
8       issuers for calendar year 1997, but leave a portion of the state  
ceiling unallocated and do not provide sufficient allocations for  
10       certain types of private activity bonds that may require an  
allocation before the effective date of this Act if not enacted  
12       on an emergency basis; and

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

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

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

28       **Sec. 1. Allocation to the Treasurer of State.** The \$10,000,000 of  
the state ceiling for calendar year 1997 previously allocated to  
30       the Treasurer of State is no longer allocated to the Treasurer of  
State. No portion of the state ceiling for calendar year 1998 is  
32       allocated to the Treasurer of State.

34       **Sec. 2. Allocation to the Finance Authority of Maine.** The  
\$25,000,000 of the state ceiling for calendar year 1997  
36       previously allocated to the Finance Authority of Maine, plus an  
additional \$10,000,000, is allocated to the Finance Authority of  
38       Maine to be used or reallocated in accordance with the Maine  
Revised Statutes, Title 10, section 363, subsection 6 for  
40       calendar year 1997. Twenty-five million dollars of the state  
ceiling for calendar year 1998 is allocated to the Finance  
42       Authority of Maine to be used or reallocated in accordance with  
Title 10, section 363, subsection 6.

44       **Sec. 3. Allocation to the Maine Municipal Bond Bank.** The  
\$10,000,000 of the state ceiling for calendar year 1997  
46       previously allocated to the Maine Municipal Bond Bank remains  
allocated to the Maine Municipal Bond Bank to be used or  
48       reallocated                    in                    accordance                    with

2 the Maine Revised Statutes, Title 10, section 363, subsection 7  
4 for calendar year 1997. Ten million dollars of the state ceiling  
6 for calendar year 1998 is allocated to the Maine Municipal Bond  
8 Bank to be used or reallocated in accordance with Title 10,  
10 section 363, subsection 7.

12 **Sec. 4. Allocation to the Maine Educational Loan Authority.** The  
14 \$20,000,000 of the state ceiling for calendar year 1997 is  
16 allocated to the Maine Educational Loan Authority to be used or  
18 reallocated in accordance with the Maine Revised Statutes, Title  
20 10, section 363, subsection 8 for calendar year 1997. Twenty  
22 million dollars of the state ceiling for calendar year 1998 is  
24 allocated to the Maine Educational Loan Authority to be used or  
26 reallocated in accordance with Title 10, section 363, subsection  
8.

28 **Sec. 5. Allocation to the Maine State Housing Authority.** The  
30 \$45,000,000 of the state ceiling for calendar year 1997  
32 previously allocated to the Maine State Housing Authority, plus  
34 an additional \$5,000,000, is allocated to the Maine State Housing  
36 Authority to be used or reallocated in accordance with the Maine  
38 Revised Statutes, Title 10, section 363, subsection 4 for  
calendar year 1997. Forty million dollars of the state ceiling  
for calendar year 1998 is allocated to the Maine State Housing  
Authority to be used or reallocated in accordance with Title 10,  
section 363, subsection 4.

40 **Sec. 6. Allocation to the Maine Educational Loan Marketing  
42 Corporation.** The \$25,000,000 of the state ceiling for calendar  
44 year 1997 previously allocated to the Maine Educational Loan  
46 Marketing Corporation, plus an additional \$10,000,000, is  
48 allocated to the Maine Educational Loan Marketing Corporation to  
be used or reallocated in accordance with the Maine Revised  
Statutes, Title 10, section 363, subsection 8 for calendar year  
1997. Twenty million dollars of the state ceiling for calendar  
year 1998 is allocated to the Maine Educational Loan Marketing  
Corporation to be used or reallocated in accordance with Title  
10, section 363, subsection 8.

40 **Sec. 7. Unallocated state ceiling.** Thirty-five million dollars  
42 of the state ceiling for calendar year 1998 is unallocated and  
44 must be reserved for future allocation in accordance with  
46 applicable laws.

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

## SUMMARY

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4       This bill establishes the allocations of the state ceiling  
6       on issuance of tax-exempt bonds for calendar years 1997 and  
8       1998. Under federal law, a maximum of \$150,000 in tax-exempt  
      bonds benefiting private individuals or entities may be issued in  
      the State each year. This bill allocates the state ceiling among  
      the state-level issuers of tax-exempt bonds.