

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

SECOND REGULAR SESSION-1998

Legislative Document

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H.P. 1471

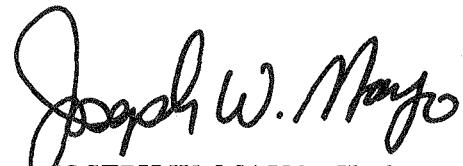
House of Representatives, January 15, 1998

**An Act to Provide for the 1998 and 1999 Allocations of the State Ceiling
on Private Activity Bonds.**

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

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


JOSEPH W. MAYO, Clerk

Presented by Speaker MITCHELL of Vassalboro.
Cosponsored by Representatives: VIGUE of Winslow, WRIGHT of Berwick.

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 Law 1997, chapter 33 make a partial
allocation of the state ceiling on private activity bonds to some
8 issuers for calendar year 1998, 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.** No portion of the
state ceiling for calendar year 1998 was previously allocated to
30 the Treasurer of State. Thirty-five million dollars of the state
ceiling previously unallocated is now allocated to the Treasurer
32 of State to be used or reallocated in accordance with the Maine
Revised Statutes, Title 10, section 363, subsection 5. No
34 portion of the state ceiling for calendar year 1999 is allocated
to the Treasurer of State.

36 **Sec. 2. Allocation to the Finance Authority of Maine.** The
38 \$25,000,000 of the state ceiling for calendar year 1998
previously allocated to the Finance Authority of Maine remains
40 allocated to the Finance Authority of Maine to be used or
reallocated in accordance with the Maine Revised Statutes, Title
42 10, section 363, subsection 6 for calendar year 1998.
Twenty-five million dollars of the state ceiling for calendar
44 year 1999 is allocated to the Finance Authority of Maine to be
used or reallocated in accordance with Title 10, section 363,
46 subsection 6.

48 **Sec. 3. Allocation to the Maine Municipal Bond Bank.** The
\$10,000,000 of the state ceiling for calendar year 1998
50 previously allocated to the Maine Municipal Bond Bank remains
allocated to

2 the Maine Municipal Bond Bank to be used or reallocated in
3 accordance with the Maine Revised Statutes, Title 10, section
4 363, subsection 7 for calendar year 1998. Ten million dollars of
5 the state ceiling for calendar year 1999 is allocated to the
6 Maine Municipal Bond Bank to be used or reallocated in accordance
7 with Title 10, section 363, subsection 7.

8 **Sec. 4. Allocation to the Maine Educational Loan Authority.** The
9 \$20,000,000 of the state ceiling for calendar year 1998
10 previously allocated to the Maine Educational Loan Authority is
11 allocated to the Maine Educational Loan Authority to be used or
12 reallocated in accordance with the Maine Revised Statutes, Title
13 10, section 363, subsection 8 for calendar year 1998. Twenty
14 million dollars of the state ceiling for calendar year 1999 is
15 allocated to the Maine Educational Loan Authority to be used or
16 reallocated in accordance with Title 10, section 363, subsection
17 8.

18 **Sec. 5. Allocation to the Maine State Housing Authority.** The
19 \$40,000,000 of the state ceiling for calendar year 1998
20 previously allocated to the Maine State Housing Authority is
21 allocated to the Maine State Housing Authority to be used or
22 reallocated in accordance with the Maine Revised Statutes, Title
23 10, section 363, subsection 4 for calendar year 1998. Forty
24 million dollars of the state ceiling for calendar year 1999 is
25 allocated to the Maine State Housing Authority for the same uses.

26 **Sec. 6. Allocation to the Maine Educational Loan Marketing
27 Corporation.** The \$20,000,000 of the state ceiling for calendar
28 year 1998 previously allocated to the Maine Educational Loan
29 Marketing Corporation is allocated to the Maine Educational Loan
30 Marketing Corporation to be used or reallocated in accordance
31 with the Maine Revised Statutes, Title 10, section 363,
32 subsection 8 for calendar year 1998. Twenty million dollars of
33 the state ceiling for calendar year 1999 is allocated to the
34 Maine Educational Loan Marketing Corporation to be used or
35 reallocated in accordance with Title 10, section 363, subsection
36 8.

37 **Sec. 7. Unallocated state ceiling.** Thirty-five million dollars
38 of the state ceiling for calendar year 1999 is unallocated and
39 must be reserved for future allocation in accordance with
40 applicable laws.

41 **Emergency clause.** In view of the emergency cited in the
42 preamble, this Act takes effect when approved.
43

SUMMARY

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4 This bill establishes the allocations of the state ceiling
6 on insurance of tax-exempt bonds for calendar years 1998 and
8 1999. Under federal law, a maximum of \$150,000,000 in tax-exempt
bonds benefiting private individuals or entities may be issued in
Maine each year. This bill allocates the state ceiling among the
state-level issuers of tax-exempt bonds.