

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1206

S.P. 417

In Senate, February 11, 1999

**An Act to Provide for the 1999 and 2000 Allocations of the State Ceiling
on Private Activity Bonds.**

(EMERGENCY)

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator KONTOS of Cumberland.
Cosponsored by Representative O'NEAL of Limestone and
Senators: MacKINNON of York, PINGREE of Knox, Representative: USHER of Westbrook.

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 65 make a partial
allocation of the state ceiling on private activity bonds to some
8 issuers for calendar year 1999, 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 state ceiling, the rates and terms under which these
16 bonds may be issued may be adversely affected, resulting in
increased costs to beneficiaries or even unavailability of
18 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 1999 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 2000 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 1999
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 1999.
Twenty-five million dollars of the state ceiling for calendar
44 year 2000 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 1999
50 previously allocated to the Maine Municipal Bond Bank remains
allocated to the Maine Municipal Bond Bank to be used or
52 reallocated in accordance with the Maine Revised Statutes, Title

10, section 363, subsection 7 for calendar year 1999. Ten million dollars of the state ceiling for calendar year 2000 is allocated to the Maine Municipal Bond Bank to be used or reallocated in accordance with Title 10, section 363, subsection 7.

Sec. 4. Allocation to the Maine Educational Loan Authority. The \$20,000,000 of the state ceiling for calendar year 1999 previously allocated to the Maine Educational Loan Authority is allocated to the Maine Educational Loan Authority to be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 8 for calendar year 1999. Twenty million dollars of the state ceiling for calendar year 2000 is allocated to the Maine Educational Loan Authority to be used or reallocated in accordance with Title 10, section 363, subsection 8.

Sec. 5. Allocation to the Maine State Housing Authority. The \$40,000,000 of the state ceiling for calendar year 1999 previously allocated to the Maine State Housing Authority is allocated to the Maine State Housing Authority to be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 4 for calendar year 1999. Forty million dollars of the state ceiling for calendar year 2000 is allocated to the Maine State Housing Authority for the same uses.

Sec. 6. Allocation to the Maine Educational Loan Marketing Corporation. The \$20,000,000 of the state ceiling for calendar year 1999 previously allocated to the Maine Educational Loan Marketing Corporation is 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 1999. Twenty million dollars of the state ceiling for calendar year 2000 is allocated to the Maine Educational Loan Marketing Corporation to be used or reallocated in accordance with Title 10, section 363, subsection 8.

Sec. 7. Unallocated state ceiling. Thirty-five million dollars of the state ceiling for calendar year 2000 is unallocated and must be reserved for future allocation in accordance with applicable laws.

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

SUMMARY

This bill establishes the allocations of the state ceiling on issuance of tax-exempt bonds for calendar years 1999 and 2000. Under federal law, a maximum of \$150,000,000 in tax-exempt

2 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.