

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1680

H.P. 1233

House of Representatives, March 15, 2001

**An Act to Provide for the 2001 and 2002 Allocations of the State Ceiling
on Private Activity Bonds.**

(EMERGENCY)

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative RICHARDSON of Brunswick. (GOVERNOR'S BILL)
Cosponsored by Representative CLOUGH of Scarborough, Senators: BROMLEY of
Cumberland, SHOREY of Washington, YOUNGBLOOD of Penobscot.

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 1999, chapter 82 make a partial
allocation of the state ceiling on private activity bonds to some
8 issuers for calendar year 2001, 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 prior to 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 2001 is allocated to the
30 Treasurer of State. No portion of the state ceiling for calendar
year 2002 is allocated to the Treasurer of State.

32 **Sec. 2. Allocation to Finance Authority of Maine.** The \$25,000,000
34 of the state ceiling for calendar year 2001 previously allocated
to the Finance Authority of Maine remain allocated to the Finance
36 Authority of Maine to be used or reallocated in accordance with
the Maine Revised Statutes, Title 10, section 363, subsection 6
38 for calendar year 2001. Five million dollars of the state
ceiling previously unallocated are now allocated to the Finance
40 Authority of Maine to be used or reallocated in accordance with
the Maine Revised Statutes, Title 10, section 363, subsection 6.
42 Twenty-five million dollars of the state ceiling for calendar
year 2002 are allocated to the Finance Authority of Maine to be
44 used or reallocated in accordance with Title 10, section 363,
subsection 6.

46 **Sec. 3. Allocation to Maine Municipal Bond Bank.** The
48 \$10,000,000 of the state ceiling for calendar year 2001
previously allocated to the Maine Municipal Bond Bank remain
50 allocated to the Maine Municipal Bond Bank to be used or
reallocated in

2 accordance with the Maine Revised Statutes, Title 10, section
363, subsection 7 for calendar year 2001. Ten million dollars of
4 the state ceiling for calendar year 2002 are allocated to the
Maine Municipal Bond Bank to be used or reallocated in accordance
with Title 10, section 363, subsection 7.

6
7 **Sec. 4. Allocation to Maine Educational Loan Authority.** The
8 \$10,000,000 of the state ceiling for calendar year 2001
previously allocated to the Maine Educational Loan Authority
10 remain allocated to the Maine Educational Loan Authority to be
used in accordance with the Maine Revised Statutes, Title 10,
12 section 363, subsection 8 for calendar year 2001. No portion of
the state ceiling for calendar year 2002 is allocated to the
14 Maine Educational Loan Authority.

16 **Sec. 5. Allocation to Maine State Housing Authority.** The
\$40,000,000 of the state ceiling for calendar year 2001
18 previously allocated to the Maine State Housing Authority are
allocated to the Maine State Housing Authority to be used or
20 reallocated in accordance with the Maine Revised Statutes, Title
10, section 363, subsection 4 in calendar year 2001. Thirty-five
22 million dollars of the state ceiling previously unallocated are
now allocated to the Maine State Housing Authority to be used or
24 reallocated in accordance with the Maine Revised Statutes, Title
10, section 363, subsection 4. Forty million dollars of the
26 state ceiling for calendar year 2002 are allocated to the Maine
State Housing Authority to be used or reallocated in accordance
28 with the Maine Revised Statutes, Title 10, section 363,
subsection 4 in calendar year 2002.

30
31 **Sec. 6. Allocation to Maine Educational Loan Marketing**
32 **Corporation.** No portion of the state ceiling for calendar year
2001 is allocated to the Maine Educational Loan Marketing
34 Corporation. No portion of the state ceiling for calendar year
2002 is allocated to the Maine Educational Loan Marketing
36 Corporation.

38 **Sec. 7. Unallocated state ceiling.** Sixty-two million five
hundred thousand dollars of the state ceiling for calendar year
40 2001 are unallocated and must be reserved for future allocation
in accordance with applicable laws. One hundred fifty million
42 dollars of the state ceiling for calendar year 2002 are
unallocated and must be reserved for future allocation in
44 accordance with applicable laws.

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

2

SUMMARY

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6 This bill establishes the allocations of the state ceiling
on issuance of tax-exempt bonds for calendar years 2001 and
2002. Under federal law, a maximum of \$187,500,000 in tax-exempt
8 bonds benefiting private individuals or entities may be issued in
Maine in 2001 and a maximum of \$225,000,000 in tax-exempt bonds
10 benefiting private individuals or entities may be issued in Maine
in 2002. This bill allocates the state ceiling among the
12 state-level issuers of tax-exempt bonds.