MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

SECOND REGULAR SESSION-2002

Legislative Document

No. 2036

H.P. 1533

House of Representatives, December 26, 2001

Millient M. Mac Failand

An Act to Increase Home Ownership.

(EMERGENCY)

Submitted by the Maine State Housing Authority pursuant to Joint Rule 204. Received by the Clerk of the House on December 19, 2001. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

MILLICENT M. MacFARLAND, Clerk

Presented by Speaker SAXL of Portland.
Under suspension of the rules, cosponsored by President BENNETT of Oxford and
Representatives: BRUNO of Raymond, COLWELL of Gardiner, NORBERT of Portland,
RICHARDSON of Brunswick, SCHNEIDER of Durham, Senators: DAGGETT of Kennebec,
DAVIS of Piscataquis, SHOREY of Washington, SMALL of Sagadahoc, TREAT of Kennebec.

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

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Whereas, the Maine State Housing Authority will reach the limits of its authority to issue moral obligation bonds before that date; and

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Whereas, that could result in an unnecessary disruption of its programs; 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. 30-A MRSA §4907, sub-§1, as amended by PL 1997, c. 491, §1, is further amended to read:

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Limitations on amount of outstanding principal. Maine State Housing Authority may not at any time have aggregate principal amount outstanding, inexcess \$1,650,000,000 \$2,150,000,000 of mortgage purchase bonds secured by the Housing Reserve Fund or a Capital Reserve Fund to which section 4906, subsection 3, paragraph A applies. purchase bonds of the Maine State Housing Authority secured by capital reserve funds to which section 4906, subsection 3, paragraph A does not apply, bond or mortgage insurance, direct or indirect contract with the United States, purchase or repurchase agreement of quaranty with a banking or other organization or other credit arrangements securing the bonds may be issued up to \$100,000,000 per calendar year in an aggregate principal amount outstanding at any time not to \$300,000,000.

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

42 SUMMARY

This bill increases the amount of bonds that the Maine State Housing Authority may issue that are enhanced by the State's moral obligation. These bonds are primarily used for the authority's first time home buyer program and secured by first mortgages.