

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2002

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Legislative Document

No. 2091

S.P. 755

In Senate, January 25, 2002

**An Act to Provide for the 2002 and 2003 Allocations of the State Ceiling  
on Private Activity Bonds.**

(EMERGENCY)

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

A handwritten signature in cursive script that reads "Pamela L. Cahill".

PAMELA L. CAHILL  
Secretary of the Senate

Presented by Senator SHOREY of Washington. (GOVERNOR'S BILL).  
Cosponsored by Representative RICHARDSON of Brunswick and  
Senators: BROMLEY of Cumberland, 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 2001, chapter 14 make a partial  
allocation of the state ceiling on private activity bonds to some  
8 issuers for calendar year 2002, 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 are 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 Treasurer of State.** No portion of the state  
ceiling for calendar year 2002 is allocated to the Treasurer of  
30 State. No portion of the state ceiling for calendar year 2003 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 2002 previously allocated  
to the Finance Authority of Maine remains allocated to the  
36 Finance Authority of Maine to be used or reallocated in  
accordance with the Maine Revised Statutes, Title 10, section  
38 363, subsection 6 for calendar year 2002. Five million dollars  
of the state ceiling previously unallocated is now allocated to  
40 the Finance Authority of Maine to be used or reallocated in  
accordance with Title 10, section 363, subsection 6 for calendar  
42 year 2002. Thirty million dollars of the state ceiling for  
calendar year 2003 is allocated to the Finance Authority of Maine  
44 to be used or reallocated in accordance with Title 10, section  
363, subsection 6.

46           **Sec. 3. Allocation to Maine Municipal Bond Bank.** The \$10,000,000  
48 of the state ceiling for calendar year 2002 previously allocated  
to the Maine Municipal Bond Bank remains allocated to the Maine  
50 Municipal           Bond           Bank           to           be           used           or

2 reallocated in accordance with the Maine Revised Statutes, Title  
10, section 363, subsection 7 for calendar year 2002. Ten  
4 million dollars of the state ceiling for calendar year 2003 is  
allocated to the Maine Municipal Bond Bank to be used or  
6 reallocated in accordance with Title 10, section 363, subsection  
7.

8 **Sec. 4. Allocation to Maine Educational Loan Authority.** Ten  
million dollars of the state ceiling previously unallocated is  
10 now allocated to the Maine Educational Loan Authority to be used  
or reallocated in accordance with the Maine Revised Statutes,  
12 Title 10, section 363, subsection 8 for calendar year 2002. No  
portion of the state ceiling for calendar year 2003 is allocated  
14 to the Maine Educational Loan Authority.

16 **Sec. 5. Allocation to Maine State Housing Authority.** The  
\$40,000,000 of the state ceiling for calendar year 2002  
18 previously allocated to the Maine State Housing Authority remains  
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 for calendar year 2002. Forty  
22 million dollars of the state ceiling for calendar year 2003 is  
allocated to the Maine State Housing Authority to be used or  
24 reallocated in accordance with Title 10, section 363, subsection  
4 for calendar year 2003.

26 **Sec. 6. Unallocated state ceiling.** One hundred thirty-five  
million dollars of the state ceiling for calendar year 2002 is  
28 unallocated and must be reserved for future allocation in  
accordance with applicable laws. One hundred forty-five million  
30 dollars of the state ceiling for calendar year 2003 is  
unallocated and must be reserved for future allocation in  
32 accordance with applicable laws.

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

## 38 SUMMARY

40 This bill establishes the allocations of the state ceiling  
42 on issuance of tax-exempt bonds for calendar years 2002 and  
2003. Under federal law, a maximum of \$225,000,000 in tax-exempt  
44 bonds benefiting private individuals or entities may be issued in  
Maine in 2002 and a maximum of \$225,000,000 in tax-exempt bonds  
46 benefiting private individuals or entities may be issued in Maine  
in 2003. This bill allocates the state ceiling among the  
48 state-level issuers of tax-exempt bonds.