

# MAINE STATE LEGISLATURE

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# 121st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2003

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Legislative Document

No. 1326

S.P. 428

In Senate, March 11, 2003

### **An Act To Provide for the 2003 and 2004 Allocations of the State Ceiling on Private Activity Bonds**

(EMERGENCY)

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Submitted by the Finance Authority of Maine pursuant to Joint Rule 204.  
Reference to the Committee on Business, Research and Economic Development suggested  
and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator BROMLEY of Cumberland.  
Cosponsored by Representative SULLIVAN of Biddeford and  
Senators: HALL of Lincoln, SHOREY of Washington, Representatives: AUSTIN of Gray,  
O'BRIEN of Lewiston, RECTOR of Thomaston.

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 53 make a partial  
allocation of the state ceiling on private activity bonds to some  
8       issuers for calendar year 2003, 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 2003 was previously allocated to the  
30       Treasurer of State. Twenty million dollars of the state ceiling  
previously unallocated is now allocated to the Treasurer of State  
32       to be used or reallocated in accordance with the Maine Revised  
Statutes, Title 10, section 363, subsection 5 for calendar year  
34       2003. No portion of the state ceiling for calendar year 2004 is  
allocated to the Treasurer of State.

36       **Sec. 2. Allocation to Finance Authority of Maine.** The \$30,000,000  
38       of the state ceiling for calendar year 2003 previously allocated  
to the Finance Authority of Maine remains allocated to the  
40       Finance Authority of Maine to be used or reallocated in  
accordance with the Maine Revised Statutes, Title 10, section  
42       363, subsection 6 for calendar year 2003. Thirty million dollars  
of the state ceiling previously unallocated is now allocated to  
44       the Finance Authority of Maine to be used or reallocated in  
accordance with Title 10, section 363, subsection 6 for calendar  
46       year 2003. Thirty million dollars of the state ceiling for  
calendar year 2004 is allocated to the Finance Authority of Maine  
48       to be used or reallocated in accordance with Title 10, section  
363, subsection 6.

**Sec. 3. Allocation to Maine Municipal Bond Bank.** The \$10,000,000 of the state ceiling for calendar year 2003 previously allocated to the Maine Municipal Bond Bank remains allocated to the Maine Municipal Bond Bank to be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 7 for calendar year 2003. Ten million dollars of the state ceiling for calendar year 2004 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 Maine Educational Loan Authority.** No portion of the state ceiling for calendar year 2003 was previously allocated to the Maine Educational Loan Authority. No portion of the state ceiling for calendar year 2004 is allocated to the Maine Educational Loan Authority.

**Sec. 5. Allocation to Maine State Housing Authority.** The \$40,000,000 of the state ceiling for calendar year 2003 previously allocated to the Maine State Housing Authority remains 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 2003. Forty million dollars of the state ceiling for calendar year 2004 is allocated to the Maine State Housing Authority to be used or reallocated in accordance with Title 10, section 363, subsection 4 for calendar year 2004.

**Sec. 6. Unallocated state ceiling.** Ninety-eight million five hundred eighty thousand dollars of the state ceiling for calendar year 2003 is unallocated and must be reserved for future allocation in accordance with applicable laws. One hundred forty-eight million five hundred eighty thousand dollars of the state ceiling for calendar year 2004 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 2003 and 2004. Under federal law, a maximum of \$228,580,000 in tax-exempt bonds benefiting private individuals or entities may be issued in Maine in 2003 and a maximum of \$228,580,000 in tax-exempt bonds benefiting private individuals or entities may be issued in Maine in 2004. This bill allocates the state ceiling among the state-level issuers of tax-exempt bonds.