

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

SECOND REGULAR SESSION-2004

Legislative Document

No. 1838

H.P. 1364

House of Representatives, January 30, 2004

An Act To Provide for the 2004 and 2005 Allocations of the State Ceiling on Private Activity Bonds

(EMERGENCY)

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SULLIVAN of Biddeford. (GOVERNOR'S BILL)
Cosponsored by Senator BROMLEY of Cumberland and
Representatives: BERUBE of Lisbon, DUPREY of Medway, JACOBSEN of Waterboro,
PELLON of Machias, RECTOR of Thomaston, ROGERS of Brewer, SMITH of Monmouth,
Senator: SHOREY of Washington.

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 2003, chapter 17 make a partial
allocation of the state ceiling on private activity bonds to some
8 issuers for calendar year 2004 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 2004 was previously allocated to the
30 Treasurer of State. No portion of the state ceiling for calendar
year 2005 is allocated to the Treasurer of State.

32 **Sec. 2. Allocation to Finance Authority of Maine.** The \$30,000,000
34 of the state ceiling for calendar year 2004 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 2004. Thirty million dollars
of the state ceiling for calendar year 2005 is allocated to the
40 Finance Authority of Maine to be used or reallocated in
accordance with Title 10, section 363, subsection 6.

42 **Sec. 3. Allocation to Maine Municipal Bond Bank.** The \$10,000,000
44 of the state ceiling for calendar year 2004 previously allocated
to the Maine Municipal Bond Bank remains allocated to the Maine
46 Municipal Bond Bank to be used or reallocated in accordance with
the Maine Revised Statutes, Title 10, section 363, subsection 7
48 for calendar year 2004. Ten million dollars of the state ceiling

2 for calendar year 2005 is allocated to the Maine Municipal Bond
3 Bank to be used or reallocated in accordance with Title 10,
4 section 363, subsection 7.

5 **Sec. 4. Allocation to Maine Educational Loan Authority.** No
6 portion of the state ceiling for calendar year 2004 was
7 previously allocated to the Maine Educational Loan Authority.
8 Ten million dollars of the state ceiling for calendar year 2005
9 is allocated to the Maine Educational Loan Authority to be used
10 or reallocated in accordance with the Maine Revised Statutes,
11 Title 10, section 363, subsection 8.

12 **Sec. 5. Allocation to Maine State Housing Authority.** The
13 \$40,000,000 of the state ceiling for calendar year 2004
14 previously allocated to the Maine State Housing Authority remains
15 allocated to the Maine State Housing Authority to be used or
16 reallocated in accordance with the Maine Revised Statutes, Title
17 10, section 363, subsection 4 for calendar year 2004. Forty
18 million dollars of the state ceiling for calendar year 2005 is
19 allocated to the Maine State Housing Authority to be used or
20 reallocated in accordance with Title 10, section 363, subsection
21 4 for calendar year 2005.

22 **Sec. 6. Unallocated state ceiling.** The amount of \$153,795,000 of
23 the state ceiling for calendar year 2004 is unallocated and must
24 be reserved for future allocation in accordance with applicable
25 laws. The amount of \$143,795,000 of the state ceiling for
26 calendar year 2005 is unallocated and must be reserved for future
27 allocation in accordance with applicable laws.

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

34 SUMMARY

35 This bill establishes the allocations of the state ceiling
36 on issuance of tax-exempt bonds for calendar years 2004 and
37 2005. Under federal law, a maximum of \$233,795,000 in tax-exempt
38 bonds benefiting private individuals or entities may be issued in
39 Maine in 2004 and a maximum of \$233,795,000 in tax-exempt bonds
40 benefiting private individuals or entities may be issued in Maine
41 in 2005. This bill allocates the state ceiling among the
42 state-level issuers of tax-exempt bonds.
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