

# MAINE STATE LEGISLATURE

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# 122nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2005

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Legislative Document

No. 1482

S.P. 508

In Senate, March 24, 2005

### **An Act To Provide for the 2005 and 2006 Allocations of the State Ceiling on Private Activity Bonds**

(EMERGENCY)

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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. (GOVERNOR'S BILL)  
Cosponsored by Representative RECTOR of Thomaston and  
Senators: BARTLETT of Cumberland, HOBBS of York, MAYO of Sagadahoc,  
Representatives: AUSTIN of Gray, BARSTOW of Gorham, BEAUDETTE of Biddeford,  
SMITH of Monmouth.

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 38 make a partial  
8 allocation of the state ceiling on private activity bonds to some  
issuers for calendar year 2005, but leave a portion of the state  
10 ceiling unallocated and do not provide sufficient allocations for  
certain types of private activity bonds that may require an  
12 allocation prior to the effective date of this Act if not enacted  
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 Treasurer of State.** No portion of the state  
ceiling for calendar year 2005 was previously allocated to the  
30 Treasurer of State. Five million dollars of the state ceiling  
for calendar year 2005 is allocated to the Treasurer of State to  
32 be used or reallocated in accordance with the Maine Revised  
Statutes, Title 10, section 363, subsection 5. Five million  
34 dollars of the state ceiling for calendar year 2006 is allocated  
to the Treasurer of State to be used or reallocated in accordance  
36 with Title 10, section 363, subsection 5.

38           **Sec. 2. Allocation to Finance Authority of Maine.** The following  
amounts are allocated to the Finance Authority of Maine.

40  
42           1. The \$30,000,000 in state ceiling for calendar year 2005  
previously allocated to the Finance Authority of Maine remains  
44 allocated to the Finance Authority of Maine to be used or  
reallocated in accordance with the Maine Revised Statutes, Title  
10, section 363, subsection 6 for calendar year 2005. Thirty  
46 million dollars of the state ceiling for calendar year 2006 is  
allocated to the Finance Authority of Maine to be used or  
48 reallocated in accordance with Title 10, section 363, subsection  
6.

50

2. No portion of the state ceiling for calendar year 2005 was previously allocated to the Finance Authority of Maine to be used in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 8-A. Forty million dollars of the state ceiling for calendar year 2005 is allocated to the Finance Authority of Maine, the entity designated pursuant to Title 20-A, section 11407, to use in accordance with Title 10, section 363, subsection 8-A. No portion of the state ceiling for calendar year 2006 is allocated to the Finance Authority of Maine, the entity designated pursuant to Title 20-A, section 11407, to be used in accordance with Title 10, section 363, subsection 8-A.

**Sec. 3. Allocation to Maine Municipal Bond Bank.** The \$10,000,000 of the state ceiling for calendar year 2005 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 2005. Ten million dollars of the state ceiling for calendar year 2006 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.** The \$10,000,000 of the state ceiling for calendar year 2005 previously allocated to the Maine Educational Loan Authority remains allocated to the Maine Educational Loan Authority to be used in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 8. An additional \$10,000,000 of the state ceiling for calendar year 2005 is allocated to the Maine Educational Loan Authority to be used in accordance with Title 10, section 163, subsection 8. No portion of the state ceiling for calendar year 2006 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 2005 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 2005. Forty million dollars of the state ceiling for calendar year 2006 is allocated to the Maine State Housing Authority to be used or reallocated in accordance with Title 10, section 363, subsection 4.

**Sec. 6. Unallocated state ceiling.** Of the state ceiling for calendar year 2005, \$94,180,000 is unallocated and must be reserved for future allocation in accordance with applicable laws. Of the state ceiling for calendar year 2006, \$154,180,000

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 2005 and  
2006. Under federal law, a maximum of \$239,180,000 in tax-exempt  
bonds benefiting private individuals or entities may be issued in  
Maine each year in 2005 and 2006. This bill allocates the state  
ceiling among the state-level issuers of tax-exempt bonds.