

# MAINE STATE LEGISLATURE

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OFFICE OF THE CLERK  
AUGUSTA, MAINE

# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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Legislative Document

No. 1014

S.P. 378

In Senate, March 17, 2009

**An Act To Provide for the 2009 and 2010 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.

Handwritten signature of Joy J. O'Brien in cursive.

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator SCHNEIDER of Penobscot. (GOVERNOR'S BILL)  
Cosponsored by Representative SMITH of Monmouth and  
Senators: RECTOR of Knox, SULLIVAN of York, Representatives: AUSTIN of Gray,  
COHEN of Portland, GILES of Belfast, MacDONALD of Boothbay, PRESCOTT of Topsham,  
WRIGHT of Berwick.

1           **Emergency preamble.** Whereas, acts and resolves of the Legislature do not  
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3           **Whereas,** the Maine Revised Statutes, Title 10, section 363 and Private and Special  
4 Law 2007, chapter 18 make a partial allocation of the state ceiling on private activity  
5 bonds to some issuers for calendar year 2009 but leave a portion of the state ceiling  
6 unallocated and do not provide sufficient allocations for certain types of private activity  
7 bonds that may require an allocation prior to the effective date of this Act if not enacted  
8 on an emergency basis; and

9           **Whereas,** if these bond issues must be delayed due to lack of available state ceiling,  
10 the rates and terms under which these bonds might be issued may be adversely affected,  
11 resulting in increased costs to beneficiaries or even unavailability of financing for certain  
12 projects; and

13           **Whereas,** in the judgment of the Legislature, these facts create an emergency within  
14 the meaning of the Constitution of Maine and require the following legislation as  
15 immediately necessary for the preservation of the public peace, health and safety; now,  
16 therefore,

17           **Be it enacted by the People of the State of Maine as follows:**

18           **Sec. 1. Allocation to Treasurer of State.** The \$5,000,000 in state ceiling for  
19 calendar year 2009 previously allocated to the Treasurer of State remains allocated to the  
20 Treasurer of State to be used or reallocated in accordance with the Maine Revised  
21 Statutes, Title 10, section 363, subsection 5 for calendar year 2009. Five million dollars  
22 of the state ceiling for calendar year 2010 is allocated to the Treasurer of State to be used  
23 or reallocated in accordance with Title 10, section 363, subsection 5.

24           **Sec. 2. Allocation to Finance Authority of Maine.** The state ceiling on  
25 private activity bonds allocated to the Finance Authority of Maine is as follows.

26           1. The \$40,000,000 in state ceiling for calendar year 2009 previously allocated to the  
27 Finance Authority of Maine remains allocated to the Finance Authority of Maine to be  
28 used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363,  
29 subsection 6 for calendar year 2009. Forty million dollars of the state ceiling for calendar  
30 year 2010 is allocated to the Finance Authority of Maine to be used or reallocated in  
31 accordance with Title 10, section 363, subsection 6.

32           2. The \$50,000,000 in state ceiling for calendar year 2009 previously allocated to the  
33 Finance Authority of Maine remains allocated to the Finance Authority of Maine, the  
34 entity designated pursuant to the Maine Revised Statutes, Title 20-A, section 11407, to be  
35 used or reallocated in accordance with Title 10, section 363, subsection 8-A. Twenty  
36 million dollars of previously unallocated state ceiling for calendar year 2009 is allocated  
37 to the Finance Authority of Maine to be used or reallocated in accordance with Title 10,  
38 section 363, subsection 6 for calendar year 2009. Sixty million dollars of the state ceiling  
39 for calendar year 2010 is allocated to the Finance Authority of Maine, the entity

1 designated pursuant to Title 20-A, section 11407, to be used in accordance with Title 10,  
2 section 363, subsection 8-A.

3 **Sec. 3. Allocation to Maine Municipal Bond Bank.** The \$10,000,000 of the  
4 state ceiling for calendar year 2009 previously allocated to the Maine Municipal Bond  
5 Bank remains allocated to the Maine Municipal Bond Bank to be used or reallocated in  
6 accordance with the Maine Revised Statutes, Title 10, section 363, subsection 7 for  
7 calendar year 2009. Ten million dollars of the state ceiling for calendar year 2010 is  
8 allocated to the Maine Municipal Bond Bank to be used or reallocated in accordance with  
9 Title 10, section 363, subsection 7.

10 **Sec. 4. Allocation to Maine Educational Loan Authority.** The \$40,000,000  
11 of the state ceiling for calendar year 2009 previously allocated to the Maine Educational  
12 Loan Authority remains allocated to the Maine Educational Loan Authority to be used or  
13 reallocated in accordance with the Maine Revised Statutes, Title 10, section 363,  
14 subsection 8 for calendar year 2009. Forty million dollars of the state ceiling for calendar  
15 year 2010 is allocated to the Maine Educational Loan Authority to be used in accordance  
16 with Title 10, section 363, subsection 8.

17 **Sec. 5. Allocation to Maine State Housing Authority.** The \$40,000,000 of  
18 the state ceiling for calendar year 2009 previously allocated to the Maine State Housing  
19 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,  
21 subsection 4 for calendar year 2009. Ten million dollars of previously unallocated state  
22 ceiling for calendar year 2009 is allocated to the Maine State Housing Authority to be  
23 used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363,  
24 subsection 4 for calendar year 2009. Fifty million dollars of the state ceiling for calendar  
25 year 2010 is allocated to the Maine State Housing Authority to be used or reallocated in  
26 accordance with Title 10, section 363, subsection 4.

27 **Sec. 6. Unallocated state ceiling.** Of the state ceiling for calendar year 2009,  
28 \$58,270,000 is unallocated and must be reserved for future allocation in accordance with  
29 applicable laws. Of the state ceiling for calendar year 2010, \$68,270,000 is unallocated  
30 and must be reserved for future allocation in accordance with applicable laws.

31 **Emergency clause.** In view of the emergency cited in the preamble, this  
32 legislation takes effect when approved.

### 33 SUMMARY

34 This bill establishes the allocations of the state ceiling on issuance of tax-exempt  
35 bonds for calendar years 2009 and 2010. Under federal law, a maximum of \$273,270,000  
36 in tax-exempt bonds benefiting private individuals or entities may be issued in the State  
37 in 2009, and at least \$273,270,000 in tax-exempt bonds benefiting private individuals or  
38 entities may be issued in the State in 2010. This bill allocates the state ceiling among the  
39 state-level issuers of tax-exempt bonds.