

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

SECOND REGULAR SESSION-2018

Legislative Document

No. 1787

S.P. 666

In Senate, January 16, 2018

**An Act To Provide for the 2018 and 2019 Allocations of the State
Ceiling on Private Activity Bonds**

(EMERGENCY)

Submitted by the Finance Authority of Maine pursuant to Joint Rule 203.
Reference to the Committee on Appropriations and Financial Affairs suggested and ordered
printed.

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator VOLK of Cumberland.
Cosponsored by Representative FECTION of Biddeford and
Senators: LANGLEY of Hancock, President THIBODEAU of Waldo, Representative:
AUSTIN of Gray.

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 2017, chapter 5 make a partial allocation of the state ceiling on private activity
5 bonds to some issuers for calendar year 2018 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 the lack of available state
10 ceiling, the rates and terms under which these bonds may be issued may be adversely
11 affected, resulting in increased costs to beneficiaries or even unavailability of financing
12 for certain 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 the Treasurer of State.** The \$5,000,000 of the state
19 ceiling on private activity bonds for calendar year 2018 previously allocated to the
20 Treasurer of State remains allocated to the Treasurer of State to be used or reallocated in
21 accordance with the Maine Revised Statutes, Title 10, section 363, subsection 5 for
22 calendar year 2018. Five million dollars of the state ceiling for calendar year 2019 is
23 allocated to the Treasurer of State to be used or reallocated in accordance with Title 10,
24 section 363, subsection 5.

25 **Sec. 2. Allocation to the Finance Authority of Maine.** The \$40,000,000 of
26 the state ceiling on private activity bonds for calendar year 2018 previously allocated to
27 the Finance Authority of Maine remains allocated to the Finance Authority of Maine to
28 be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section
29 363, subsection 6 for calendar year 2018. Forty million dollars of the state ceiling for
30 calendar year 2019 is allocated to the Finance Authority of Maine to be used or
31 reallocated in accordance with Title 10, section 363, subsection 6.

32 **Sec. 3. Allocation to the Maine Municipal Bond Bank.** The \$10,000,000 of
33 the state ceiling on private activity bonds for calendar year 2018 previously allocated to
34 the Maine Municipal Bond Bank remains allocated to the Maine Municipal Bond Bank to
35 be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section
36 363, subsection 7 for calendar year 2018. Ten million dollars of the state ceiling for
37 calendar year 2019 is allocated to the Maine Municipal Bond Bank to be used or
38 reallocated in accordance with Title 10, section 363, subsection 7.

39 **Sec. 4. Allocation to the Finance Authority of Maine as successor to the**
40 **Maine Educational Loan Authority.** The \$15,000,000 of the state ceiling on private

1 activity bonds for calendar year 2018 previously allocated to the Finance Authority of
2 Maine as successor to the Maine Educational Loan Authority remains allocated to the
3 Finance Authority of Maine to be used or reallocated in accordance with Public Law
4 2015, chapter 170 and with the Maine Revised Statutes, Title 10, section 363, subsection
5 8 for calendar year 2018. Fifteen million dollars of the state ceiling for calendar year
6 2019 is allocated to the Finance Authority of Maine to be used or reallocated in
7 accordance with Title 10, section 363, subsection 8.

8 **Sec. 5. Allocation to the Maine State Housing Authority.** The \$50,000,000
9 of the state ceiling on private activity bonds for calendar year 2018 previously allocated
10 to the Maine State Housing Authority remains allocated to the Maine State Housing
11 Authority to be used or reallocated in accordance with the Maine Revised Statutes, Title
12 10, section 363, subsection 4 for calendar year 2018. Fifty million dollars of the state
13 ceiling for calendar year 2019 is allocated to the Maine State Housing Authority to be
14 used or reallocated in accordance with Title 10, section 363, subsection 4.

15 **Sec. 6. Unallocated state ceiling.** One hundred ninety-one million three hundred
16 seventy-five thousand dollars of the state ceiling on private activity bonds for calendar
17 year 2018 is unallocated and must be reserved for future allocation in accordance with
18 applicable laws. One hundred ninety-one million three hundred seventy-five thousand
19 dollars of the state ceiling for calendar year 2019 is unallocated and must be reserved for
20 future allocation in accordance with applicable laws.

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

23 SUMMARY

24 This bill establishes the allocations of the state ceiling on issuance of tax-exempt
25 private activity bonds for calendar years 2018 and 2019 among the state-level issuers of
26 tax-exempt bonds.