

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 46

S.P. 38

In Senate, January 4, 2023

**An Act to Amend the Statutory Balance Limit on the Finance
Authority of Maine's Loan Insurance Reserves**

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

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator CURRY of Waldo.

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

2 **Sec. 1. 5 MRSA §1511**, as amended by PL 2011, c. 657, Pt. F, §1, is further amended
3 to read:

4 **§1511. Loan Insurance Reserve**

5 The State Controller may, at the close of each fiscal year, as the next priority after the
6 transfers authorized pursuant to section 1507, transfer from the Unappropriated Surplus of
7 the General Fund to the Loan Insurance Reserve amounts as may be available from time to
8 time, up to an amount of \$1,000,000 per year after the transfers have been made pursuant
9 to section 1507. The balance of this reserve must be paid to the Finance Authority of Maine
10 if such payment does not cause the balance in the reserve fund maintained by the authority,
11 when added to amounts held in the Finance Authority of Maine Mortgage Insurance Fund
12 that are not committed or encumbered for another purpose, to exceed ~~\$40,000,000~~
13 \$50,000,000. Any balance in the Loan Insurance Reserve is appropriated for this purpose.

14 **SUMMARY**

15 This bill increases the cap on the combined amount that the Finance Authority of Maine
16 may have in its Loan Insurance Reserve and Finance Authority of Maine Mortgage
17 Insurance Fund from \$40,000,000 to \$50,000,000. Below that cap a transfer of up to
18 \$1,000,000 from the Unappropriated Surplus of the General Fund is allowed under certain
19 circumstances.